



DAILY INFORMATION BULLETIN

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FS: CHANGES STRENGTHEN PRUDENTIAL SUPERVISION
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AMENDMENTS TO THE BANKING BILL 1986 DO NOT AFFECT THE SUBSTANCE OF THE NEW POLICIES AND APPROACHES EMBODIED IN IT, THE FINANCIAL SECRETARY, THE HON SIR JOHN BREMIDGE, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID ALL AGREED THAT THESE AMENDMENTS WERE NECESSARY TO STRENGTHEN PRUDENTIAL SUPERVISION AND THUS TO PROMOTE A STABLE SYSTEM AND A DEGREE OF PROTECTION FOR DEPOSITORS, SIR JOHN SAID WHEN WINDING UP DEBATE ON THE BILL.

THIS CONSENSUS REFLECTED THE RESULT OF THE EXTENSIVE CONSULTATION BEFORE THE BILL WAS DRAFTED.

+MOST OF THE AMENDMENTS COVER PRACTICAL, TECHNICAL AND DRAFTING MATTERS= INDEED, A NUMBER OF THEM RELATE TO PROVISIONS THAT ARE CARRIED OVER FROM THE TWO EXISTING ORDINANCES WHICH THE BILL WILL REPLACE,+ HE SAID.

SIR JOHN DESCRIBED THE BILL AS ARGUABLY THE MOST IMPORTANT TO COME BEFORE THE COUNCIL THIS SESSION. ITS IMPORTANCE STEMMED FROM THE FACT THAT A STABLE AND PROSPEROUS ECONOMY WAS ESSENTIAL FOR THE FUTURE OF HONG KONG.

SOUND BANKING WAS A VITAL ELEMENT. ALL HAD CLEARLY NOT BEEN WELL, AND WHILE NEW LAW WOULD NOT PROVIDE A PANACEA THE BILL WAS A MAJOR STEP FORWARD.

+WITH EXPERIENCE THERE WILL BE A NEED FOR FURTHER AMENDMENT AND IMPROVEMENT. BUT WE WILL HAVE A PROPER FOUNDATION ON WHICH TO BUILD,+ HE SAID.

SIR JOHN NOTED THAT THOUGH THE BILL WAS ON SCHEDULE, IT HAD BEEN A +CLOSE RUN THING+, WITH COMMITTEE STAGE AMENDMENTS TO 78 CLAUSES TO BE MADE -- 171 IN ALL.

HE PAID TRIBUTE TO THE MAJOR AND VERY KNOWLEDGEABLE CONTRIBUTIONS MADE BY THE LEGCO AD HOC GROUP THAT SCRUTINISED THE BILL.

HE ALSO THANKED THE OTHERS INVOLVED, INCLUDING THE OFFICE OF THE COMMISSIONER OF BANKING, THE MONETARY AFFAIRS BRANCH, THE LAW DRAFTSMAN, THE HONG KONG ASSOCIATION OF BANKS, THE DTC ASSOCIATION, THE TWO ADVISORY COMMITTEES, THE HONG KONG SOCIETY OF ACCOUNTANTS AND MANY OTHER OUTSIDE INSTITUTIONS.

+I CANNOT REMEMBER ANY BILL WHICH HAS BEEN THE PRODUCT OF SO MUCH CONSULTATION AND HARD WORK,+ HE OBSERVED.

/SIR JOHN

SIR JOHN SAID THE INTENTION WAS FOR THE BILL TO COME INTO EFFECT THREE MONTHS AFTER ENACTMENT -- EXCEPT FOR THE NEW CAPITAL ADEQUACY RATIO. SINCE THIS RATIO WOULD PLACE SUBSTANTIAL REQUIREMENTS ON SOME OF THE INSTITUTIONS CONCERNED, IT WOULD BE BROUGHT INTO EFFECT IN ABOUT TWO YEARS' TIME.

HE DESCRIBED BRIEFLY THE MAIN AMENDMENTS. THESE INCLUDED:

CLAUSE 7(2) COMMISSIONER'S GUIDELINES

HE SAID THIS CLAUSE SPELT OUT THE FUNCTIONS OF THE COMMISSIONER OF BANKING. IT REFLECTED AN APPROACH TO PRUDENTIAL SUPERVISION THAT RELIED MORE ON THE COMMISSIONER'S DISCRETION AND QUALITATIVE JUDGEMENT THAN PREVIOUSLY. IT HAD BEEN SUGGESTED THAT THE COMMISSIONER SHOULD ISSUE GUIDELINES TO THE INDUSTRY ON HOW HE WOULD EXERCISE HIS FUNCTIONS UNDER VARIOUS PROVISIONS. 'ALTHOUGH THERE IS NOTHING TO PREVENT HIM FROM DOING SO UNDER THE BILL AS DRAFTED, THE ADMINISTRATION ACCEPTS THAT IT WOULD BE USEFUL EXPLICITLY TO PROVIDE FOR THAT THROUGH AN AMENDMENT TO THIS CLAUSE,' SIR JOHN SAID. 'THE COMMISSIONER WILL ISSUE THESE GUIDELINES ONLY AFTER THE NECESSARY CONSULTATIONS WITH THE INDUSTRY AND THE ADVISORY COMMITTEES.'

CLAUSES 44(7) ETC: APPEALS

AMENDMENTS WOULD BE MOVED TO CLAUSES 44(7), 46(7), 49(7), 70(5) AND 72(4), TO PROVIDE FOR APPEALS TO THE GOVERNOR IN COUNCIL IN RESPECT OF CONDITIONS WHICH THE COMMISSIONER ATTACHED TO HIS APPROVALS TO THE ESTABLISHMENT OF BRANCHES, EXERCISE OF VOTING POWER, GIVING OF DIRECTIONS AND INSTRUCTIONS BY CONTROLLERS, AND THE APPOINTMENT OF SECRETARIES.

CLAUSES 70, 71: SUBSTANTIAL SHAREHOLDERS

CONTROL OF OWNERSHIP IN LOCALLY INCORPORATED INSTITUTIONS WAS AN ESSENTIAL PROPOSAL OF THE BILL, AND WAS EMBODIED IN CLAUSES 70 AND 71, SIR JOHN SAID. HOWEVER, AS THERE WERE LIKELY TO BE CONSIDERABLE DIFFICULTIES IN IMPLEMENTING CLAUSE 71, IT WOULD BE DELETED. THIS MEANT THAT THE ONLY SANCTION AGAINST SUBSTANTIAL SHAREHOLDERS VOTING WITHOUT THE COMMISSIONER'S APPROVAL (AS REQUIRED UNDER CLAUSE 70) WOULD BE THE PENALTY UNDER CLAUSE 70(6). IT WAS CONSIDERED THEREFORE THAT THAT PENALTY SHOULD BE RAISED -- TO \$500 000 AND FIVE YEARS' IMPRISONMENT.

CLAUSE 72: APPOINTMENT OF DIRECTORS

SINCE IT WAS CUSTOMARY IN HONG KONG FOR A DIRECTOR FORMALLY TO RETIRE AFTER A THREE-YEAR TERM, AND TO BE REAPPOINTED IF REQUIRED, THE ADMINISTRATION HAD ACCEPTED THE SUGGESTION THAT SUCH ROTATING DIRECTORS, ON REAPPOINTMENT, SHOULD NOT REQUIRE THE COMMISSIONER'S APPROVAL.

CLAUSE 76: MAINTENANCE OF ADEQUATE PROVISIONS

A SECTION PROVIDING FOR CONSULTATION WITH THE COMMISSIONER IN DETERMINING WHAT WAS +ADEQUATE+ IN MAINTAINING PROVISIONS AGAINST BAD AND DOUBTFUL DEBTS HAD BEEN CRITICISED AS IMPRACTICAL, AND WOULD BE DELETED.

HOWEVER, SIR JOHN ADDED: +AT THE SAME TIME, PRUDENCE REQUIRES THAT, FIRST, ADEQUATE PROVISIONS BE MAINTAINED AGAINST BAD AND DOUBTFUL DEBTS AND DIMINUTION OF THE VALUE OF ASSETS, AND NOT JUST THE FORMER; AND SECOND, THAT THIS BE DONE AT ALL TIMES, AND NOT JUST BEFORE DECLARING PROFIT OR LOSS. A SECOND AMENDMENT TO THIS CLAUSE WILL MEET THESE POINTS.+

CLAUSE 82: COMMISSIONER'S DIRECTIONS

THIS CLAUSE WAS MEANT TO TACKLE THOSE CASES WHERE AN INSTITUTION'S EXPOSURES TO A NUMBER OF DIFFERENT PERSONS IN FACT ALL DEPENDED ON THE CREDITWORTHINESS OF A SINGLE PARTY. THE BILL PROVIDED FOR THE COMMISSIONER TO ISSUE APPROPRIATE DIRECTIONS TO THE INSTITUTIONS TO REGULATE THESE TYPES OF EXPOSURE. IT WAS NOW CONSIDERED THAT SINCE BREACH OF THESE DIRECTIONS WOULD ATTRACT CRIMINAL SANCTION, THIS WOULD VEST TOO MUCH POWER IN THE COMMISSIONER. THUS THERE WAS AN AMENDMENT TO THE EFFECT THAT THE COMMISSIONER MIGHT ISSUE GUIDELINES ON THE SUBJECT OF EXPOSURE TO A SINGLE PARTY. +AN INSTITUTION WILL NOT BE SPECIFICALLY SANCTIONED FOR VIOLATION OF THESE GUIDELINES, BUT SUCH VIOLATION WILL BE TAKEN INTO ACCOUNT IN THE SUPERVISORY AUTHORITIES' ADMINISTRATION OF OTHER PROVISIONS OF THE BILL,+ SIR JOHN SAID.

IN CONCLUSION, SIR JOHN REITERATED HIS VIEW THAT THE ENACTMENT OF THE LEGISLATION DID NOT MEAN THAT THERE WOULD NOT BE FURTHER AMENDMENT AND IMPROVEMENTS WITH THE PASSAGE OF TIME, AND, IN THIS CONNECTION, HE MENTIONED FOUR ISSUES.

FIRST, HE SAID HE WOULD NOT BE SURPRISED IF EVENTS AND EXPERIENCES SUGGESTED THE NEED FOR CHANGES IN SOME ELEMENTS OF THE CAPITAL ADEQUACY RATIO POSSIBLY EVEN BEFORE IT BECAME OPERATIONAL IN TWO YEARS' TIME.

SECOND, HE SAID THAT THOUGH THE BILL PROVIDED FOR AGGRIEVED PARTIES TO APPEAL TO THE GOVERNOR IN COUNCIL OR, IN SOME CASES, TO THE FINANCIAL SECRETARY, COUNCILLORS WOULD BE AWARE THAT THE ADMINISTRATION HAD BEEN REVIEWING THE GENERAL QUESTION OF ADMINISTRATIVE APPEALS, AND THE OUTCOME SHOULD BE KNOWN RELATIVELY SOON. BUT HE SAID HE PERSONALLY DID NOT LIKE THE PROPOSAL OF A TRIBUNAL.

/THIRD, HE

THIRD, HE SAID THERE HAD BEEN A LATE SUGGESTION ON THE QUESTION OF ACCEPTANCE OF GIFTS BY DIRECTORS AND EMPLOYEES OF BANKS AND DEPOSIT-TAKING COMPANIES. THE SUGGESTION WAS FOR A TOUGHER STANDARD TO BE ADOPTED IN VIEW OF THE NATURE OF BUSINESS OF THESE INSTITUTIONS AND THE EASE WITH WHICH ACCEPTANCE OF GIFTS COULD LEAD TO, OR DISGUISE, MALPRACTICES. THE ADMINISTRATION WOULD ACTIVELY PURSUE THE SUGGESTION.

FOURTH, SIR JOHN SAID HE AND HIS SUCCESSOR SHARED THE VIEWS EXPRESSED ON THE NEED PROPERLY TO STAFF THE COMMISSIONER'S OFFICE. +THIS IS AN ISSUE OF THE UTMOST IMPORTANCE TO WHICH OUR ATTENTION HAS FOR SOME TIME BEEN DIRECTED. IT WILL CONTINUE TO BE.+

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AMENDED BANKING BILL RESULT OF CONSENSUS
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THE EXTENSIVELY AMENDED BANKING BILL 1986 RECEIVED ITS THIRD READING IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING AT THE RESUMED DEBATE, THE HON JOHN SWAINE, CONVENER OF THE LEGISLATIVE COUNCIL AD HOC GROUP STUDYING THE BILL, NOTED THAT IT HAD COME BACK TO THE COUNCIL WITH NO LESS THAN 171 AMENDMENTS TO 78 CLAUSES.

+THESE AMENDMENTS REFLECT THE EXTENSIVE CONSULTATION THAT HAS TAKEN PLACE INVOLVING THE ADMINISTRATION, THE ADVISORY COMMITTEES, PROFESSIONAL BODIES AND OTHER INTERESTED PARTIES, AND THE AD HOC GROUP OF UNOFFICIAL MEMBERS FORMED TO STUDY THIS BILL.

+IT WOULD BE FAIR TO SAY THAT THE FINAL FORM OF THIS BILL REPRESENTS A LARGE MEASURE OF CONSENSUS,+ HE SAID.

HE EMPHASISED THAT NO ONE COMPLAINED ABOUT THE NEED FOR THIS LEGISLATION ALTHOUGH IT HAD BEEN NECESSARY TO ENSURE THAT SUFFICIENT SAFEGUARDS WERE PROVIDED AGAINST SOME OF ITS MORE STRINGENT REQUIREMENTS.

IN THIS CONNECTION, HE SAID THE PENAL PROVISIONS WHICH PLACED THE DIRECTORS AND MANAGERS OF AUTHORISED INSTITUTIONS AT RISK FOR FAILING TO COMPLY WITH THE REQUIREMENTS OF THOSE CLAUSES WOULD BE AMELIORATED BY PROVIDING THE DEFENCE OF REASONABLE EXCUSE.

MR SWAINE POINTED OUT THAT THIS WOULD BE IN ADDITION TO THE OMNIBUS DEFENCE PROVIDED BY CLAUSE 130 WHERE THE OFFENCE WAS COMMITTED WITHOUT THE CONSENT OR CONNIVANCE OF THE PERSON PROSECUTED.

/HE THEN

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HE THEN MENTIONED IMPORTANT AMENDMENTS UNDER CLAUSES 7(2), 82 AND 86 WHICH WOULD GIVE THE COMMISSIONER OF BANKING SPECIFIC POWER TO ISSUE GUIDELINES FOR THE GUIDANCE OF AUTHORISED INSTITUTIONS INDICATING THE MANNER IN WHICH HE PROPOSED TO EXERCISE HIS STATUTORY FUNCTIONS.

+HE MAY IN PARTICULAR SPECIFY BUSINESS PRACTICES WHICH SHOULD NOT BE ENGAGED IN BY AUTHORISED INSTITUTIONS FOR FEAR OF CAUSING DEPENDENCE ON THE FINANCIAL SOUNDNESS OF A SINGLE PARTY.

+THIS REPLACES THE FORMER PROVISION BY WHICH THE COMMISSIONER WOULD HAVE ISSUED DIRECTIONS RATHER THAN GUIDELINES IN THIS RESPECT,+ HE EXPLAINED.

HE ADDED THAT CLAUSE 86 WHICH CONTAINED PROHIBITIONS ON AUTHORISED INSTITUTIONS ENGAGING IN CERTAIN TRADES WOULD BE DELETED AND THE INTENTION WAS THAT THESE WOULD INSTEAD BE COVERED BY GUIDELINES UNDER CLAUSE 7.

MR SWAINE ALSO LISTED SOME OTHER AMENDMENTS RESULTING FROM SPECIFIC RECOMMENDATIONS OF THE LEGCO AD HOC GROUP.

TURNING TO THE QUESTION OF APPEALS, HE SAID THE AD HOC GROUP HAD RAISED WITH THE ADMINISTRATION THE BASIC QUESTION OF APPEALS FROM DECISIONS OF THE COMMISSIONER AND THE FINANCIAL SECRETARY TO THE GOVERNOR IN COUNCIL, AND QUERIED WHETHER THE FORUM OF APPEAL MIGHT NOT MORE APPROPRIATELY BE A JUDICIAL OR QUASI-JUDICIAL TRIBUNAL.

+WE UNDERSTAND THAT A GENERAL REVIEW IS IN PROGRESS OVER THE QUESTION OF ADMINISTRATIVE APPEALS AND WE HAVE BEEN ASSURED BY THE ADMINISTRATION THAT THIS POINT WILL BE TAKEN INTO ACCOUNT IN THE LIGHT OF THIS REVIEW,+ HE SAID.

REFORMS HOWEVER HAD BEEN AGREED ON SOME SPECIFIC MEASURES TO PROVIDE FOR AN APPEAL TO LIE TO THE GOVERNOR IN COUNCIL FROM DECISIONS WHERE THERE HAD PREVIOUSLY BEEN NO RIGHT OF APPEAL, NAMELY:

- * UNDER CLAUSES 21 (6) AND 22 (1A) FROM THE IMPOSITION OF CONDITIONS BY THE COMMISSIONER ON OR AFFECTING THE REGISTRATION OF A DEPOSIT-TAKING COMPANY.
- * UNDER CLAUSE 25 (5) FROM THE IMPOSITION OF CONDITIONS BY THE FINANCIAL SECRETARY ON THE LICENSING OF A DEPOSIT-TAKING COMPANY.

/MR SWAINE

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MR SWAINE SAID AMENDMENTS WOULD ACCORDINGLY BE MOVED TO THESE CLAUSES AT THE COMMITTEE STAGE AND ALSO TO CLAUSE 99 (1) BY PERMITTING AN APPEAL FROM THE COMMISSIONER TO THE FINANCIAL SECRETARY WHERE THE FORMER REQUIRED AN AUTHORISED INSTITUTION TO CEASE ISSUING A MISLEADING ADVERTISEMENT.

EIGHT OTHER UNOFFICIALS, THE HON STEPHEN CHEONG, DR THE HON HENRIETTA IP, THE HON PETER POON, THE HON YEUNG PO-KWAN, THE HON HILTON CHEONG-LEEN, THE HON THOMAS CLYDESDALE, THE HON DAVID LI AND THE HON HELMUT SOHMEN, SPOKE ON ASPECTS OF THE BILL.

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STEP TO RESTORE GREATER PUBLIC CONFIDENCE
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THE BANKING BILL 1986 IS CLEARLY PERCEIVED AS A MEASURE REQUIRED TO DEAL WITH THE PROBLEM AREAS IDENTIFIED IN RECENT COLLAPSES AND LIQUIDITY CRISES OF A NUMBER OF OUR FINANCIAL INSTITUTIONS AND TO REINTRODUCE GREATER PUBLIC CONFIDENCE IN THE WHOLE SYSTEM, AT HOME AS WELL AS ABROAD, DR THE HON HELMUT SOHMEN SAID TODAY (WEDNESDAY).

HOWEVER, HE CAUTIONED THAT WE MUST REMAIN FULLY CONSCIOUS OF THE FACT THAT THE BILL COULD NOT AND WOULD NOT PROVIDE ANY GUARANTEES AGAINST FUTURE FAILURES.

DR SOHMEN WAS SPEAKING AT THE RESUMED DEBATE ON THE BILL IN THE LEGISLATIVE COUNCIL.

HE SAID THE BILL WOULD AT BEST AFFORD SOMEWHAT GREATER PROTECTION FOR DEPOSITORS AND INVESTORS ALIKE.

+IN AN AREA AS COMPLEX, AS FRAGILE, AND AS OPEN TO POTENTIAL ABUSE AS BANKING, SUPERVISION AND REGULATION WILL NEVER BE WHOLLY PERFECT NOR WHOLLY SUCCESSFUL.

+I BELIEVE THE BANKING BILL IN ITS PRESENT FORM WILL AT LEAST GO SOME CONSIDERABLE WAY TO ADDRESSING THE DIFFICULTIES IN A RATIONAL, COMPREHENSIVE AND INTERNATIONALLY ACCEPTED MANNER,+ HE ADDED.

HE SAID THE BILL ESSENTIALLY SOUGHT TO PUT TEETH INTO THE SUPERVISORY PROVISIONS OF THE 1964 ACT, AS WELL AS SETTING OBJECTIVE PARAMETERS FOR LENDING, CAPITAL ADEQUACY AND LIQUIDITY.

HE NOTED THAT TO GIVE THE BANKING COMMISSIONER ACCESS TO RELEVANT INFORMATION NOT REQUIRED TO BE PUBLISHED OR SUPPLIED UNDER OTHER LEGISLATION WAS MEANT TO ALLOW THE COMMISSIONER TO IDENTIFY ANY INCIPIENT WEAKNESSES IN THE OWNERSHIP, MANAGEMENT AND BUSINESS OF THE FINANCIAL INSTITUTIONS.

/+SINCE BANKING

+SINCE BANKING IS MORE OF AN ART THAN A SCIENCE, THE BANKING COMMISSIONER'S TASK IS NOT AN EASY ONE; HE NEEDS A DEGREE OF DISCRETION AND ROOM FOR THE EXERCISE OF WHAT MUST ULTIMATELY BE SUBJECTIVE JUDGMENT.

+HE MUST ALSO ALWAYS BALANCE THE NEED FOR CONFIDENTIALITY AND FOR THE PRESERVATION OF TRUST IN THE SYSTEM WITH THE NECESSITY OF ACCESS TO FULL INFORMATION,+ HE SAID.

HE ADDED THAT THE LEGCO AD HOC GROUP WAS PLEASED THAT THE ADMINISTRATION HAD ACCEPTED AMENDMENTS TO THE BILL TO ALLAY FEARS THAT THE COMMISSIONER'S POWERS WERE TOO SWEEPING.

ON THE SUBJECT OF APPEALS, DR SOHMEN HOPED THAT IN ALL THOSE INSTANCES WHERE AN APPEAL WAS ALLOWED THE COMMISSIONER WOULD GIVE FULL REASONS FOR HIS DECISIONS SO THAT THE APPEALS PROCEDURE COULD BE EFFECTIVE.

HE SAID HE WAS ENCOURAGED THAT THE ADMINISTRATION WOULD FURTHER EXPLORE THE POSSIBILITY FOR APPEALS TO BE HEARD BY A JUDICIAL TRIBUNAL RATHER THAN BY THE GOVERNOR IN COUNCIL AS NOW FORESEEN, AFTER AN OVERALL REVIEW OF THE ADMINISTRATIVE APPEALS PROCEDURE.

DR SOHMEN THEN SAID FOR THE PROPER IMPLEMENTATION OF THE BILL IT WAS OBVIOUSLY OF CRITICAL IMPORTANCE THAT THE STAFFING AND THE RESOURCES OF THE COMMISSIONER'S OFFICE BE GIVEN FULL ATTENTION AND SUPPORT.

IN THIS CONTEXT, HE SUGGESTED THAT CONSIDERATION COULD BE GIVEN TO THE SECONDMENT TO THE BANKING COMMISSIONER'S OFFICE OF EXPERIENCED AND ACTIVE COMMERCIAL BANKERS, ESPECIALLY IN THE TWO YEARS PRIOR TO THE PROVISIONS OF PART XVII OF THE BILL BECOMING EFFECTIVE.

+IN FACT, A PROGRAMME OF CONTINUOUS INTERCHANGE OF PERSONNEL BETWEEN THE TWO SIDES, WHILE POSSIBLY RADICAL IN CONCEPT, WOULD MAKE GOOD PRACTICAL SENSE- AND IN HONG KONG WE ACTUALLY ALREADY HAVE SOME PRECEDENTS,+ HE OBSERVED.

+THIS PROPOSAL, IF IMPLEMENTED, WOULD ALSO TAKE THE STEAM OUT OF THE ARGUMENT THAT THE BANKING BILL HAS IN PARTS SUBMERGED COMMONSENSE BY THEORY, AND COULD HELP IN THE EFFORT OF PREVENTING THOSE WHO ALWAYS READILY SEE AND ARE KEEN TO EXPLOIT ANY LEGISLATIVE LOOPHOLES, FROM TOO EASILY ACHIEVING THEIR AIMS,+ HE SAID.

AS FOR THE POSSIBLE EFFECTS THE BILL MIGHT HAVE ON THE SMALLER BANKS AND DEPOSIT-TAKING COMPANIES, DR SOHMEN NOTED THAT THERE HAD BEEN ARGUMENT FOR THE CREATION OF A NEW CATEGORY OF +LIMITED SERVICE BANKS+ SUBJECT TO MORE LIBERAL RULES.

/HOWEVER, HE

HOWEVER, HE POINTED OUT THAT THE WHOLE TENOR OF THE PRESENT BILL WAS TOWARDS UNIFICATION AND NOT DIVERSITY AND HE CONSIDERED THE REASONS ADVANCED FOR SEPARATE TREATMENT NOT FULLY CONVINCING.

HE APPRECIATED THAT THE SMALLER BANKS, TRADITIONALLY CLOSELY-OWNED BY FAMILY INTERESTS AND DOING BUSINESS TO A LARGE EXTENT WITH RELATED SHAREHOLDERS, WOULD BE AFFECTED BY THE BILL'S LIMITATION ON LOANS PROVISIONS AND NOT ONLY BY CAPITAL ADEQUACY RATIOS.

+WHETHER THE LIKELY DISAPPEARANCE OF THE LIMITED NUMBER OF REMAINING SMALLER BANKS AND THEIR SERVICE CAPABILITY FOR THE PROVERBIAL 'MAN IN THE STREET' IS A PROPER PRICE TO PAY FOR THE INCREASING SOPHISTICATION AND SIZE OF HONG KONG AS A FINANCIAL MARKET PLACE OF INTERNATIONAL STANDING, OR IS IN ANY EVENT INEVITABLE OR ACTUALLY PREFERRED, IS PERHAPS AND ACADEMIC QUESTION,+ HE SAID.

+HISTORICAL EXAMPLES CAN LIKELY BE FOUND OF BANKS WHICH SURVIVED BECAUSE OF THE CONCENTRATION OF RISK TO A SINGLE NAME OR SECTOR AFFILIATED WITH IT, WHILE OTHER BANKS WITH AN ACCEPTABLE DIVERSIFIED EXPOSURE AND FULLY SUPERVISED GOT CONCURRENTLY INTO DIFFICULTIES,+ HE ADDED.

DR SOHMEN WELCOMED THE INCLUSION IN THE THIRD SCHEDULE OF SOME OFF-BALANCE SHEET RISKS, GIVEN THE CONCERN OF BANK SUPERVISORY AUTHORITIES IN MANY COUNTRIES WITH THE GROWING PRACTICE OF SECURISATION OF DEBT, ADDING THAT ONLY TIME AND EXPERIENCE WOULD TELL WHETHER THE RISK CLASSIFICATIONS WERE REALISTIC.

LASTLY, ON THE CLASSIFICATION OF PERPETUAL FLOATING RATE NOTES AS CAPITAL, HE OBSERVED THAT INSTITUTIONS GOVERNED BY THE BILL HOLDING SUCH NOTES WOULD FACE RESTRICTIONS.

+CLAIMS THAT THIS WILL AFFECT THE ISSUE, THE TRADING, AND CONSEQUENTLY THE PRICE OF THESE NOTES ARE PROBABLY WELL-FOUNDED= ON THE OTHER HAND, IT SEEMS DIFFICULT TO MAKE A DISTINCTION IN THE CHARACTER OF THIS FORM OF DEBT FOR SEPARATE PARTS OF THE BILL, AND THE ADOPTED TREATMENT HAS THE BENEFIT OF LOGICAL CONSISTENCY,+ HE SAID.

IN CONCLUSION, DR SOHMEN SAID THE BILL CONTAINED COMPROMISES WHICH WERE ACCEPTABLE ONES REACHED AFTER A GREAT DEAL OF INFORMED DEBATE.

+THE BILL DOES OF COURSE ATTEMPT TO LOCK THE STABLE DOOR AFTER THE HORSE HAS BOLTED - SEVERAL HORSES IN FACT - BUT IT IS A NECESSARY AND STILL A VERY TIMELY BILL,+ HE ADDED.

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BILL TO STRENGTHEN BANKING SUPERVISION WELCOMED
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THE BANKING BILL 1986 WAS WELCOMED BY THE HON PETER POON TODAY (WEDNESDAY) FOR CONSOLIDATING THE LAWS REGULATING BOTH BANKS AND DEPOSIT-TAKING COMPANIES AND INCORPORATING VERY SUBSTANTIAL IMPROVEMENTS TO THE PRUDENTIAL SUPERVISION OF THESE INSTITUTIONS.

HE WAS SPEAKING DURING THE RESUMED DEBATE OF THE BILL IN THE LEGISLATIVE COUNCIL.

REFERRING TO SECTION 61 OF THE BILL WHICH HE CONSIDERED PARTICULARLY HELPFUL TO AUDITORS, MR POON SAID THE PROVISION PROVIDED FOR TRIPARTITE MEETING OF THE DIRECTORS, THE AUDITORS AND THE COMMISSIONER OF BANKING TO DISCUSS THE AFFAIRS OF A BANK.

+HITHERTO, AUDITORS OF BANKS ARE OFTEN IN A DILEMMA WHEN THEY FIND IT NECESSARY OR APPROPRIATE TO DISCUSS CLIENTS' AFFAIRS WITH THE COMMISSIONER OF BANKING BUT ARE REFRAINED FROM DOING SO BECAUSE OF THE QUESTION OF CONFIDENTIALITY.

+THE NEW PROVISION WILL FACILITATE USEFUL EXCHANGE OF VIEWS WHICH WILL ENABLE PROBLEMS TO BE IDENTIFIED AT AN EARLY STAGE AND POSSIBLY ENABLE THEM TO BE SOLVED OR DEALT WITH AS THE OCCASION ARISES, AND NOT UNTIL THE AUDIT REPORT HAS COME OUT,+ MR POON SAID.

HE SAID HE WAS SATISFIED THAT WITH THE VARIOUS AMENDMENTS PROPOSED, IT WOULD GIVE THE COMMISSIONER OF BANKING ADEQUATE BUT NOT EXCESSIVE POWERS.

+I AM ALSO CONVINCED THAT THE BILL, IF PASSED, WILL GREATLY STRENGTHEN THE EXISTING EXTENT AND QUALITY OF BANKING SUPERVISION,+ HE ADDED.

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'SOUND BANKS DEPEND ON GOOD BANKERS'
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THE QUALITY OF BANKING INSTITUTIONS DEPENDS ON THE QUALITY OF BANKERS, THE HON DAVID K.P. LI SAID TODAY (WEDNESDAY).

THE BANKING BILL 1986, HE SAID DURING THE RESUMED DEBATE ON THE BILL, WAS A VERY IMPORTANT DEVELOPMENT FOR THE BANKING AND FINANCIAL COMMUNITY.

HOWEVER, HE CAUTIONED THAT NO AMOUNT OF LEGISLATION COULD PREVENT THE UNSCRUPULOUS, THE IMPRUDENT AND THE INEPT FROM LEADING HONG KONG FINANCIAL INSTITUTIONS TO DISASTER.

MR LI NOTED THAT IN GENERAL TERMS, THE BILL HAD RECEIVED WIDESPREAD SUPPORT WITHIN THE BANKING AND FINANCIAL FRATERNITY AND COMMENDED THE FINANCIAL SECRETARY, THE SECRETARY FOR MONETARY AFFAIRS AND THE COMMISSIONER OF BANKING FOR THEIR EFFORTS IN MAKING THE BILL POSSIBLE.

HE POINTED OUT THAT THE TIME HAD COME FOR THE BILL TO BE PUT TO THE ACID TEST IN THE BANKING AND FINANCIAL SECTOR IT WAS MEANT TO GUIDE AND TO GUARD.

+I BELIEVE THAT OUR INDUSTRY IS CAUTIOUSLY OPTIMISTIC FOR THE FUTURE, ALTHOUGH WE DO, OF COURSE, RESERVE THE RIGHT TO SEE IF THE BILL WILL WORK AS WELL IN PRACTICE AS ON PAPER, AND WHETHER IN ADDITION TO PROVIDING THE PROMISED ANTIDOTES, THERE MIGHT BE SIDE-EFFECTS WE DID NOT ANTICIPATE,+ HE SAID.

MR LI PROPOSED THAT THE BILL BE INTRODUCED WITH THE UTMOST CARE AND WITH A PLEDGE TO THE COMMUNITY OF REGULAR AND FAIR REVIEW AND A LARGE MEASURE OF FLEXIBILITY IN ADAPTING THE PROVISIONS OF THE BILL TO A CONSTANTLY CHANGING ENVIRONMENT.

HE ALSO SUGGESTED THAT FURTHER CONSIDERATION SHOULD BE GIVEN TO PERMITTING AGGRIEVED INSTITUTIONS THE RIGHT OF APPEAL TO AN INDEPENDENT COMMITTEE, CONSISTING OF A JUDGE AND MEMBERS OF THE LEGISLATIVE COUNCIL WHO WERE NOT INVOLVED IN THE FINANCIAL AND BANKING SECTOR.

MR LI SAID THAT HONG KONG MUST SUSTAIN AND ENHANCE ITS POSITION AS A VITAL INTERNATIONAL CENTRE FOR FINANCE AND INVESTMENT AND IN SO DOING, MAINTAIN A BALANCE BETWEEN PRUDENT REGULATION AND THE FREE ENTERPRISE POLICIES THAT HAD HISTORICALLY SERVED HONG KONG SO WELL.

+I WOULD REITERATE THAT ULTIMATELY, SOUND BANKS DEPEND MORE ON GOOD BANKERS THAN ON GOOD BANKING LAWS,+ HE SAID.

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+DIFFERENT, MORE TIMELY+ APPROACH IN BANKING SUPERVISION
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THE BANKING BILL 1986 REFLECTS A DIFFERENT BUT MORE TIMELY EMPHASIS IN GOVERNMENT'S APPROACH TO THE SUPERVISION OF BANKING BUSINESS, THE HON YEUNG PO-KWAN SAID TODAY (WEDNESDAY).

SPEAKING DURING THE RESUMED DEBATE ON THE BILL IN THE LEGISLATIVE COUNCIL, HE SAID ITS PROVISIONS WERE MORE FLEXIBLE AND MORE DEPENDENT ON THE COMMISSIONER OF BANKING'S DISCRETION AND PROFOUND JUDGMENT.

+MOREOVER, BETTER SUPERVISION CAN BE ACHIEVED BY UNIFYING THE SUPERVISION OF BANKS AND THAT OF DEPOSIT-TAKING COMPANIES.

+HENCE, THE BILL CLEARLY INDICATES THAT GOVERNMENT TAKES STEPS TO REINFORCE CONTROL AND DRAWS UP A SET OF GUIDELINES TO ENSURE A HEALTHY DEVELOPMENT OF THE FINANCIAL SECTOR IN FUTURE,+ HE SAID.

MR YEUNG SAID HE BELIEVED THAT THE COMMISSIONER OF BANKING SHOULD BE GIVEN GREATER POWER IN ORDER TO EFFECTIVELY SUPERVISE THE BUSINESS OF BANKS AND DEPOSIT-TAKING COMPANIES, ADDING THAT THIS WOULD IN TURN GIVE HIM MORE RESPONSIBILITIES.

HE OBSERVED THAT THE QUALITY, EXPERIENCE AND JUDGMENT OF THE COMMISSIONER AND HIS STAFF WOULD BE THE CRUCIAL ELEMENTS FOR EFFECTIVE SUPERVISION.

HE SAID THE OFFICE OF THE COMMISSIONER OF BANKING SHOULD CONTINUE TO MAKE EFFORTS TO UPGRADE THE QUALITY OF ITS STAFF AS WELL AS TO RECRUIT AND TRAIN MORE SUITABLE PERSONNEL.

MR YEUNG SAID THE AMENDED BILL DID NOT AFFECT THE ORIGINAL SPIRIT OF THE LEGISLATION BUT CONSOLIDATED AND MAINTAINED THE SOUND OPERATING SYSTEM OF BANKS AND DEPOSIT-TAKING COMPANIES.

HE ADDED THAT FOR THE SAKE OF A FAVOURABLE DEVELOPMENT OF THE WHOLE FINANCE INDUSTRY AND ECONOMY, IT WAS PARTICULARLY IMPORTANT FOR THE FINANCIAL INDUSTRY TO EXERCISE GREATER SELF-DISCIPLINE.

+ALL IN ALL, THE BILL CAN BE SAID TO BE A COMPACT AND COMPREHENSIVE DOCUMENT.

+IT DOES NOT ONLY ENHANCE THE SUPERVISION STANDARD OF THE LOCAL BANKING INDUSTRY, BUT ALSO HELPS IN THE DEVELOPMENT OF THE FINANCIAL INDUSTRY IN HONG KONG AND ENSURE THAT DEPOSITORS AND INVESTORS WILL HAVE CONFIDENCE IN THE LOCAL BANKING INDUSTRY,+ MR YEUNG SAID.

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PRAISE FOR ADMINISTRATION'S HARD WORK
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THE ADMINISTRATION HAS BEEN APPLAUDED FOR ITS DETERMINATION AND HARD WORK IN BRINGING THE BANKING BILL 1986 BEFORE THE LEGISLATIVE COUNCIL.

THE PRAISE CAME FROM THE HON STEPHEN CHEONG DURING THE RESUMED DEBATE ON THE BILL TODAY (WEDNESDAY).

MR CHEONG SAID IT WAS CERTAINLY NO MEAN FEAT TO HAVE BEEN ABLE TO PREPARE MAJOR LEGISLATION ON THE ONE HAND, WHILE HAVING TO DIRECT ATTENTION TOWARDS SORTING THROUGH THE MAZE OF PROBLEMS WITHIN THE BANKING SECTOR ON THE OTHER.

HE POINTED OUT THAT TIME WAS ALSO A MAJOR CONSTRAINT AS THE ADMINISTRATION NATURALLY WISHED TO CORRECT ANOMALIES AS SOON AS POSSIBLE.

+GIVEN THE CIRCUMSTANCES AND THE FINAL PERFORMANCE, THE EFFORTS OF THE ADMINISTRATION ARE CERTAINLY WORTHY OF OUR PRAISE AND RESPECT,+ HE SAID.

COMMENTING ON THE BILL IN GENERAL, MR CHEONG SAID ITS PROVISIONS, WHEN ENACTED, WOULD NO DOUBT PROVIDE MUCH NEEDED TOOLS TO STRENGTHEN THE FOUNDATION UPON WHICH THE INTEGRITY AND VIABILITY OF HONG KONG AS AN INTERNATIONAL FINANCIAL CENTRE COULD BE FURTHER BUILT.

HE NOTED THAT SOME MIGHT FEEL THAT THE POWERS GIVEN TO THE COMMISSIONER OF BANKING MIGHT BE TOO SWEEPING, AND ALSO WORRY ABOUT POSSIBLE ABUSES.

+THESE ARE LEGITIMATE CONCERNS AND IT BEHOVES THE ADMINISTRATION TO TAKE SPECIAL NOTE OF THESE CONCERNS AND ACT RESPONSIBLY AND REASONABLY IN THE IMPLEMENTATION OF THE PROVISIONS OF THIS BILL,+ HE SAID.

+ALSO, IT BEHOVES MEMBERS OF THIS COUNCIL TO OBJECTIVELY MONITOR FUTURE DEVELOPMENTS AND VOICE THE NECESSARY SUGGESTIONS RATIONALLY WHEN THE NEED ARISES,+ HE ADDED.

MR CHEONG SUGGESTED THAT MEMBERS OF THE FINANCIAL COMMUNITY SHOULD DO SOME SOUL SEARCHING THEMSELVES AND OBJECTIVELY LOOK INTO WHAT THEY HAD DONE IN THE PAST FEW YEARS THAT MIGHT HAVE CONTRIBUTED TOWARDS RECENT WOES.

HE SAID SUCH A SOUL SEARCHING EXERCISE WOULD HELP TO PROVIDE A DEGREE OF BALANCE IN THE FUTURE DEVELOPMENT OF THE FINANCIAL SECTOR.

MR CHEONG

MR CHEONG OBSERVED THAT IN ANY ECONOMIC ENTITY THE EXISTENCE OF A HEALTHY FINANCIAL SECTOR WAS AN IMPORTANT FACTOR IN STABILITY AND PROSPERITY.

HE SAID MANagements OF SUCH INSTITUTIONS, BY THE NATURE OF THEIR WORK, WERE NORMALLY HELD IN HIGH ESTEEM AND WIELDED A LOT MORE INFLUENCE THAN OTHER MEMBERS OF THAT COMMUNITY.

THEY WERE THEREFORE LIKELY TO BE MORE EXPOSED THAN OTHERS TO A SLIGHTLY NARROWER DEVELOPMENT OF THEIR PERCEPTIONS OF VALUES AND THIS COULD BE ONE OF THE REASONS GIVING RISE TO THE EXISTENCE OF A SMALL NUMBER OF BLACK SHEEP WITHIN THE COMMUNITY OF BANKERS WHO HAD BETRAYED THE TRUST AND RESPECT BESTOWED UPON THEM, HE SAID.

MR CHEONG STRESSED THAT NO LEGISLATION IN THE WORLD COULD BE A PANACEA FOR ELIMINATING UNBALANCED JUDGMENTS AND FRAUDULENT PRACTICES.

+IT MUST BE THE RESPONSIBILITY OF THE MANagements OF OUR FINANCIAL INSTITUTIONS TO GUARD AGAINST HUMAN FAILING AND WEAKNESSES,+ HE SAID.

IN THIS REGARD, HE SUGGESTED THAT BANKERS SHOULD CONSIDER PROVIDING INTENSIVE TRAINING PROGRAMMES FOR THEIR UP-AND-COMING MANAGERS NOT ONLY IN RESPECT OF PROFESSIONAL SKILLS BUT ALSO IN RESPECT OF CHARACTER DEVELOPMENT.

IN SUPPORTING WHOLEHEARTEDLY THE RATIONALE BEHIND MEASURES TO TIGHTEN CONTROL OVER THE BANKING INDUSTRY, MR CHEONG CAUTIONED AGAINST ADOPTING AN 'OVERKILL PSYCHOLOGY'.

HE NOTED THAT LENDING INSTITUTIONS ACTED AS A VITAL LUBRICANT TO THE SMOOTH RUNNING OF ANY ECONOMY AND PREDICTED THAT IN THE NEXT FEW YEARS HONG KONG'S ECONOMIC GROWTH WOULD MOST LIKELY BE LED BY THE TRADITIONAL TRADING AND INDUSTRIAL SECTORS.

+IT IS IMPERATIVE THAT THEIR GROWTH PROSPECTS SHOULD NOT BE CHOKED BY THE NATURAL EMOTIONAL OVERSWING OF ATTITUDES OF OUR BANKERS FROM BEING OVERTLY AGGRESSIVE TO BEING OVERTLY DEFENSIVE IN THEIR LENDING POLICIES,+ HE WARNED.

LASTLY, MR CHEONG ALSO PAID A SPECIAL TRIBUTE TO THE SERVICE OF THE FINANCIAL SECRETARY AND SAID SIR JOHN WOULD ALWAYS BE REMEMBERED AS THE ROBUST STALWART WHO HAD SUCCESSFULLY SAFEGUARDED BOTH THE SHORT AND LONG TERM ECONOMIC INTERESTS OF HONG KONG.

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SPEEDIER PINPOINTING OF POTENTIAL PROBLEMS
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THE BANKING BILL 1986 SHOULD ENHANCE THE REGULATION OF THE BANKING BUSINESS AND ALSO ASSIST THE COMMISSIONER OF BANKING TO IDENTIFY POTENTIAL PROBLEMS EARLIER THAN HITHERTO, THE HON THOMAS CLYDESDALE SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID IN PARTICULAR THE PROVISION FORMALISING THE RELATIONSHIP BETWEEN AUTHORISED INSTITUTIONS, SUPERVISORS AND AUDITORS AND ENABLING MEETINGS BETWEEN THESE THREE PARTIES TO TAKE PLACE WITHOUT ETHICAL CONSTRAINTS WAS MOST HELPFUL.

+SUCH MEETINGS SHOULD ENABLE THE THREE PARTIES TO JOINTLY WORK OUT, ON A TIMELY BASIS, SOLUTIONS TO PROBLEM MATTERS REVEALED BY AUDIT OR EXAMINATION THUS HELPING TO SAFEGUARD THE INTERESTS OF DEPOSITORS AND SHAREHOLDERS,+ HE SAID.

HOWEVER, HE POINTED OUT THAT THE BILL DID NOT ADDRESS THE PARTICULAR PROBLEM OF THE USE OF NOMINEE COMPANIES TO CONCEAL THE CONCENTRATION OF LOANS TO ONE PERSON OR COMPANY.

HE SAID SINCE AUTHORISED INSTITUTIONS SHOULD BE AWARE OF THE IDENTITY OF THE ULTIMATE BENEFICIAL BORROWER OF FUNDS AND THE USES TO WHICH THE FUNDS WERE TO BE PUT, THE COMMISSIONER SHOULD GIVE CONSIDERATION TO INTRODUCING A REQUIREMENT FOR THIS INFORMATION TO BE RECORDED BY THE AUTHORISED INSTITUTION IN A REGISTER TO BE AVAILABLE FOR INSPECTION BY BOTH THE AUDITORS OF THE INSTITUTION AND THE COMMISSIONER.

ON THE CAPITAL ADEQUACY TEST INTRODUCED BY THE BILL, MR CLYDESDALE SAID ALTHOUGH IT WOULD NOT BE BROUGHT INTO OPERATION UNTIL APPROXIMATELY TWO YEARS AFTER THE OTHER PROVISIONS OF THE BILL, IT WAS TO BE HOPED THAT THE COMMISSIONER WOULD CONSIDER ANY NECESSARY ADJUSTMENTS TO THE PERCENTAGES AND CLASSIFICATIONS OF ASSETS IN THE LIGHT OF OPERATIONAL EXPERIENCE.

ON THE SUBJECT OF APPEAL PROCEDURES, HE SUGGESTED THAT CONSIDERATION MIGHT BE GIVEN TO THE ESTABLISHMENT OF A BANKING COMMISSION SIMILAR TO THE EXISTING SECURITIES COMMISSION.

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TIME TO TIGHTEN BANKING SYSTEM
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IT IS TIME TO TIGHTEN AND IMPROVE THE BANKING SYSTEM SO THAT THERE IS GREATER PROTECTION FOR THE CONSUMER PUBLIC AND AN ENHANCED REPUTATION FOR HONG KONG'S BANKS AND OTHER FINANCIAL INSTITUTIONS BOTH LOCALLY AND INTERNATIONALLY, THE HON HILTON CHEONG-LEEN SAID TODAY (WEDNESDAY).

SPEAKING DURING THE RESUMED DEBATE ON THE BANKING BILL 1986, HE OBSERVED THAT LIBERALISATION IN THE BANKING INDUSTRY IN RECENT YEARS HAD CAUSED A NUMBER OF PROBLEMS TO SURFACE. IN THE INTEREST OF PRESERVING WHAT WAS GENERALLY STILL ACCEPTED AS A STABLE FINANCIAL CLIMATE, THE GOVERNMENT HAD CONSIDERED IT WISE TO COME TO THE RESCUE OF SEVERAL BANKS, AND TO USE THE EXCHANGE FUND AS THE FINANCIAL GUARANTOR OF ITS ACTIONS.

MR CHEONG-LEEN SAID IN RECENT MONTHS HE HAD HAD OCCASIONS TO SPEAK TO CONCERNED PEOPLE IN THE BANKING AND INVESTMENT FIELDS IN DIFFERENT PARTS OF THE WORLD AND THERE WAS MUCH PRAISE FOR THE FINANCIAL SECRETARY AND THE BANKING COMMISSIONER FOR THEIR DECISIVE ACTIONS.

HE SAID HE SUPPORTED THE FINANCIAL SECRETARY'S DECISIONS TO UTILISE THE EXCHANGE FUND IN THE SPECIFIC WAYS THAT HE HAD DONE TO STABILISE THE BROADER FINANCIAL SPECTRUM IN HONG KONG.

+HIS OBJECTIVE WAS MAINTAINING CONFIDENCE - BOTH INTERNALLY AND EXTERNALLY - AND THAT OBJECTIVE HAS BEEN ACHIEVED,+ HE SAID.

HOWEVER, THE TIME HAD COME TO TIGHTEN AND IMPROVE THE BANKING SYSTEM.

+AS OUR FINANCIAL SECTOR CONTINUES EXPANDING, WE SHALL HAVE TO THINK OF OUR OWN INTERESTS, NOT ONLY IN DOMESTIC TERMS, BUT EQUALLY IN GLOBAL TERMS AS WELL.

+BY SO DOING, HONG KONG'S ROLE AS A FINANCIAL SERVICES CENTRE, PROVIDING SOPHISTICATED EXPERTISE WITHIN THE ASIA-PACIFIC REGION AND PARTICULARLY TO CHINA ITSELF, WILL BE EVEN FURTHER STRENGTHENED,+ HE SAID.

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FURTHER PROTECTION FOR CONSUMERS

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THE BANKING BILL 1986 IS A TIMELY BIT OF LEGISLATION IN THE LIGHT OF RECENT BANK AND DEPOSIT COMPANY COLLAPSES INDICATING INADEQUATE CENTRAL SUPERVISION OF THE STABILITY OF SUCH FINANCIAL ORGANISATIONS, DR THE HON HENRIETTA IP SAID TODAY (WEDNESDAY).

SPEAKING AT THE RESUMED DEBATE ON THE BILL IN THE LEGISLATIVE COUNCIL, DR IP SAID WITH THE INCREASING COMPLEXITY OF THE COMMUNITY AND THE INCREASING COMPLEXITY OF THE SERVICES OFFERED TO THE MAN IN THE STREET, THE GOVERNMENT HAD TO STEP IN INCREASINGLY WITH LEGISLATION FOR CONSUMER PROTECTION.

+I SEE THAT BANKING BILL TO BE ONE OF SUCH,+ SHE SAID.

BEING A MEMBER OF THE AD HOC GROUP THAT EXAMINED THE BILL, DR IP SAID SHE QUESTIONED ITS VARIOUS ASPECTS FROM A CONSUMER'S POINT OF VIEW AND WAS SATISFIED THAT A GOOD BALANCE HAD BEEN STRUCK. THIS APPLIED FIRSTLY BETWEEN CONSUMER PROTECTION AND THE PRIVACY OF COMPETITIVE COMMERCIAL OPERATIONS, AND SECONDLY BETWEEN THE URGENCY OF SET STANDARDS AND THE REALITY THAT SOME FINANCIAL ORGANISATIONS WERE UNABLE TO MEET SUCH CRITERIA IMMEDIATELY.

SHE SAID HER PROPOSAL FOR AN ANNUAL PUBLICATION OF REGISTERED BANKS AND DEPOSIT-TAKING COMPANIES HAD NOT BEEN ACCEPTED, BUT SHE HAD BEEN ASSURED THERE WOULD BE A CONVENIENT CHANNEL THROUGH WHICH A CONSUMER COULD CHECK WHETHER HIS CHOICE WAS A SOUND ONE.

IN WELCOMING THE BILL, DR IP CONGRATULATED THE ADMINISTRATION FOR ITS POSITIVE EFFORTS IN OBTAINING THE VIEWS OF THOSE PROFESSIONAL BODIES CHIEFLY AFFECTED.

SHE ALSO THANKED THE HON JOHN SWAINE, CONVENER OF THE AD HOC GROUP, FOR THE TIME AND EFFORT HE HAD SPENT ON THE BILL.

+AND LASTLY, IT IS SO REASSURING TO KNOW THAT ONCE THIS BILL IS ENACTED, WE HAVE GOVERNMENT TO SUPERVISE THE BANKS TO ENSURE THAT THEY ARE SAFE, AND FOR THE BANKS IN TURN TO SUPERVISE AND MANAGE OUR MONEY FOR US, WHILE WE ARE ALL BUSY AT OUR WORK MAKING HONG KONG ONE OF THE BEST AND MOST PROSPEROUS COMMUNITIES IN THE WORLD,+ DR IP SAID.

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SIR JOHN'S TREMENDOUS CONTRIBUTION PRAISED

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THE GOVERNOR, SIR EDWARD YOUDE, PRAISED THE RETIRING FINANCIAL SECRETARY, THE HON SIR JOHN BREMRIDGE, TODAY (WEDNESDAY) FOR SUCCESSFULLY BRINGING HONG KONG'S ECONOMY THROUGH AN EXTERNAL CRISIS AND A SERIES OF INTERNAL PROBLEMS.

RECALLING HIS LONG AND DISTINGUISHED SERVICE OF 11-1/2 YEARS IN THE LEGISLATIVE COUNCIL, SIR EDWARD SAID THAT SIR JOHN TOOK OVER AS FINANCIAL SECRETARY JUST AS THE WORLD WAS EXPERIENCING A RECESSION OF CONSIDERABLE SEVERITY.

GIVEN THE EXPOSURE OF THE ECONOMY TO EXTERNAL FORCES, THIS ALONE WOULD HAVE CALLED FOR SKILL AND DETERMINATION, HE ADDED.

+YET SIR JOHN NOT ONLY SUCCESSFULLY BROUGHT HONG KONG'S ECONOMY THROUGH AN EXTERNAL CRISIS, HE HAS SUCCESSFULLY STEERED IT THROUGH A SERIES OF INTERNAL PROBLEMS - THE COLLAPSE OF THE PROPERTY MARKET, THE CURRENCY CRISIS OF SEPTEMBER 1983, AND A NUMBER OF SERIOUS PROBLEMS IN THE BANKING SECTOR.+

SIR EDWARD SAID THAT FINANCIAL SECRETARIES AND FINANCE MINISTERS WOULD PROBABLY AGREE THAT THEIR OBJECTIVES WERE TO PROMOTE A SOUND CURRENCY, LOW INFLATION, A BALANCED BUDGET, HIGH EMPLOYMENT AND ECONOMIC GROWTH.

+MOST WOULD BE HAPPY TO SEE THE ACHIEVEMENT OF SOME OF THESE.

+THEY WOULD ENVY SIR JOHN'S TREMENDOUS CONTRIBUTION TO THE ACHIEVEMENT OF THEM ALL.

+WE IN HONG KONG WOULD WISH TO THANK HIM FOR IT AND TO ACKNOWLEDGE THE STEADFASTNESS OF PURPOSE, THE COOLNESS OF JUDGMENT AND THE INCISIVE INTELLECT WHICH HAVE MADE IT POSSIBLE,+ HE SAID.

EARLIER IN HIS SPEECH, THE GOVERNOR SAID SIR JOHN FIRST JOINED THE COUNCIL AS AN UNOFFICIAL MEMBER IN JULY 1974 AND SERVED IN THAT CAPACITY UNTIL DECEMBER 1980.

HE SUBSEQUENTLY REJOINED AS AN EX-OFFICIO MEMBER FOLLOWING HIS APPOINTMENT AS FINANCIAL SECRETARY IN JUNE 1981.

SIR EDWARD SAID THAT MEMBERS WOULD LONG RECALL SIR JOHN'S CONTRIBUTION TO PROCEEDINGS OF THE COUNCIL. THEY HAD BEEN ENRICHED BY HIS FORTHRIGHTNESS, MASTERY OF HIS SUBJECT AND ABIDING GOOD HUMOUR.

HE THEN WISHED SIR JOHN AND LADY BREMRIDGE A HAPPY RETIREMENT AND ASSURED THEM A WARM WELCOME WHENEVER THEY RETURNED TO HONG KONG.

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TRIBUTE TO OUTGOING FINANCIAL SECRETARY
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THE FINANCIAL SECRETARY, THE HON SIR JOHN BREMRIDGE, WAS DESCRIBED AS A MAN +SMALL OF STATURE, OF NO MEAN WEIGHT, BUT LARGE IN OUTLOOK, BROAD IN VISION AND BIG-HEARTED+ BY THE HON LYDIA DUNN TODAY (WEDNESDAY).

PAYING TRIBUTE TO SIR JOHN ON BEHALF OF ALL UNOFFICIALS, SENIOR MEMBER MISS DUNN SAID THEY WOULD ALL MISS HIM AND WOULD MISS HIS GOOD HUMOUR AND CUTTING WIT.

SHE RECALLED THAT IT WAS BARELY FIVE-AND-A-HALF YEARS SINCE LORD MACLEHOSE AND MR OSWALD CHEUNG PAID FITTING TRIBUTES TO MR BREMRIDGE AS HE THEN WAS UPON HIS RETIREMENT FROM THE COUNCIL.

+IT IS NOT OFTEN THAT WE ARE FORTUNATE ENOUGH TO HAVE THE CHANCE TO DO THE SAME THING TWICE,+ SHE REMARKED.

MISS DUNN SAID WHEN SIR JOHN RETIRED FOR THE FIRST TIME MEMBERS WERE SORRY TO SEE HIM GO FROM THE COUNCIL AND IT WAS WITH GREAT PLEASURE THAT THEY LEARNED OF HIS APPOINTMENT AS FINANCIAL SECRETARY.

+HERE WAS A MAN WHOM WE KNEW, A MAN WHO KNEW HONG KONG, A MAN WHO, ALTHOUGH HE HAD SPENT A CAREER IN THE PRIVATE SECTOR, HAD A KEEN INTEREST IN MANY PUBLIC AFFAIRS FAR REMOVED FROM THE DAY-TO-DAY BUSINESS OF DOING BUSINESS,+ SHE SAID.

RECOUNTING SIR JOHN'S CAREER AS FINANCIAL SECRETARY OVER THE PAST FEW YEARS, MISS DUNN SAID HIS APPOINTMENT MUST HAVE SEEMED TOO EASY AT FIRST AS MONEY WAS THEN POURING INTO THE PUBLIC COFFERS FAR MORE SPEEDILY THAN ANYONE COULD SPEND IT.

THE COLLAPSE OF THE LAND BOOM PUT AN END TO THAT AND SHE NOTED THAT IT HAD BEEN A LONG STRUGGLE TO GET BACK TO THE SOUND FINANCIAL POSITION WHICH SIR JOHN HAD PRESENTED IN THE BUDGET JUST PASSED.

SHE SAID THIS INVOLVED A RESHAPING OF THE TAX SYSTEM, WITHOUT RAISING THE OVERALL BURDEN INTOLERABLY, AND A CONSTRAINING OF THE RATE OF GROWTH IN PUBLIC EXPENDITURE.

+NEITHER WERE PLEASANT NOR EASY TASKS BUT HE ACHIEVED THEM FAIRLY AND IN A WAY THAT WAS ACCEPTED EVEN BY THOSE WHO FOUND THE IMPACT OF THE CHANGES UNCOMFORTABLE,+ SHE SAID.

+LIKE THE GOOD SAILOR THAT HE IS, HE HAS STEERED THE HONG KONG SHIP ON A STEADY COURSE AND KEPT US OFF THE ROCKS,+ SHE REMARKED.

/MISS DUNN

MISS DUNN ALSO PAID TRIBUTE TO LADY BREMRIDGE FOR BEARING THE DEMANDING STRAIN PUT ON HER AS WIFE OF A HUSBAND HOLDING HIGH PUBLIC OFFICE AT A TIME WHEN HE SHOULD HAVE BEEN ENJOYING A RELAXING RETIREMENT FROM A HIGHLY SUCCESSFUL BUSINESS CAREER.

SHE SAID LADY BREMRIDGE HAD REMAINED EFFECTIVELY ACTIVE IN THE COMMUNITY AND SHE WOULD BE SORELY MISSED FROM HER WORK FOR THE MENTALLY HANDICAPPED AND IN THE NEW CITY POLYTECHNIC.

+WE WISH HER AND SIR JOHN A REAL CHANCE NOW TO ENJOY A PROPER RETIREMENT,+ SHE SAID.

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POISONS LIST UPDATED AS REQUIRED

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THE LIST OF POISONS UNDER CONTROL AND THE VARIOUS SCHEDULES OF PHARMACEUTICAL PRODUCTS UNDER THE PHARMACY AND POISONS REGULATIONS ARE UPDATED BY THE PHARMACY AND POISONS BOARD FROM TIME TO TIME WHEN NEW PRODUCTS APPEAR ON THE MARKET.

THE LEGISLATIVE COUNCIL WAS TOLD THIS TODAY (WEDNESDAY) BY THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS.

MOVING A MOTION IN RESPECT OF THE POISONS LIST (AMENDMENT) REGULATIONS 1986 AND THE PHARMACY AND POISONS (AMENDMENT) REGULATIONS 1986, MR CHAMBERS SAID: +THE PROPOSED AMENDMENTS TO THE TWO SETS OF REGULATIONS REFLECT THE LATEST UPDATING OF THE LIST AND SCHEDULES BY THE BOARD.

+IN ADDITION, THE PROPOSED AMENDMENTS ALSO REQUIRE MEDICINES CONTAINING ANY ANTIHISTAMINE FOR INTERNAL USE BY HUMAN BEINGS TO BE LABELLED WITH A PRESCRIBED CAUTIONARY STATEMENT ON THEIR TENDENCY TO CAUSE DROWSINESS.+

HE ALSO SAID THAT UNDER SECTION 29 OF THE PHARMACY AND POISONS ORDINANCE, THE PHARMACY AND POISONS BOARD WAS EMPOWERED, SUBJECT TO THE APPROVAL OF THE COUNCIL, TO MAKE REGULATIONS PROVIDING FOR THE CONTROL OF PHARMACEUTICAL PRODUCTS AND POISONS.

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STATUTORY POWERS TRANSFERRED TO NEW DIRECTORS
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TO ENABLE THE DIRECTORS OF THE NEWLY-CREATED HIGHWAYS DEPARTMENT AND THE CIVIL ENGINEERING SERVICES DEPARTMENT TO ASSUME THEIR ROLES FROM JUNE 1, 1986 CERTAIN STATUTORY POWERS HAD TO BE TRANSFERRED TO THEM, THE SECRETARY FOR LANDS AND WORKS, THE HON NICKY CHAN, SAID TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

HE WAS MOVING A MOTION THAT AROSE FROM THE RECENT RE-ORGANISATION OF CERTAIN DEPARTMENTS IN THE LANDS AND WORKS GROUP.

MR CHAN SAID THAT THE FIRST STAGE CAME INTO EFFECT ON APRIL 11 THIS YEAR AND THE SECOND STAGE INVOLVED THE FORMATION OF THE HIGHWAYS DEPARTMENT AND THE TRANSFORMATION OF THE ENGINEERING DEVELOPMENT DEPARTMENT INTO A CIVIL ENGINEERING SERVICES DEPARTMENT.

+THE HIGHWAYS DEPARTMENT WILL BE RESPONSIBLE TO THE SECRETARY FOR TRANSPORT FOR TRANSPORT POLICY AND THE HIGHWAYS DEVELOPMENT PROGRAMME, ALTHOUGH WORKS POLICY, CONSTRUCTION STANDARDS, CONTRACT PROCEDURES AND PUBLIC WORKS PROGRAMME CO-ORDINATION WILL CONTINUE TO BE MY RESPONSIBILITY.

+THE OPPORTUNITY IS ALSO TAKEN, THEREFORE, TO TRANSFER THE FUNCTIONS OF THE SECRETARY FOR LANDS AND WORKS, EXERCISABLE UNDER THE ROADS (WORKS, USE AND COMPENSATION) ORDINANCE, CHAPTER 370, TO THE SECRETARY FOR TRANSPORT,+ HE SAID.

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PERMIT SYSTEM FOR CONTROL OF VILLAGE VEHICLES
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A BILL AIMED AT MAKING PROVISIONS FOR THE USE AND CONTROL OF VILLAGE VEHICLES -- MOTORISED CARTS USED IN RURAL AREAS -- THROUGH A PERMIT SYSTEM WAS INTRODUCED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE ROAD TRAFFIC (AMENDMENT) BILL 1986, THE SECRETARY FOR TRANSPORT, THE HON IAN MACPHERSON, SAID VILLAGE VEHICLES POSED A PARTICULAR RISK TO PUBLIC SAFETY WHEN FULLY LOADED AND WHEN USED ON STEEP AND NARROW FOOTPATHS.

HE ADDED THAT THERE HAD ALSO BEEN CONSIDERABLE PUBLIC CRITICISM ON THE PUBLIC NUISANCE RESULTING FROM NOISE SUCH VEHICLES MADE.

/HOWEVER, HE

HOWEVER, HE NOTED THAT IN VIEW OF THE NEED OF THE RURAL COMMUNITIES FOR SUCH A MEANS OF TRANSPORTATION, IT WAS PROPOSED TO BRING THEM WITHIN THE LAW THROUGH A PERMIT SYSTEM SO THAT THOSE VILLAGE VEHICLES WHICH COMPLIED WITH CERTAIN BASIC SAFETY AND NOISE CONTROL REQUIREMENTS COULD CONTINUE TO BE USED.

MR MACPHERSON SAID THAT THOUGH VILLAGE VEHICLES WERE IN USE THROUGHOUT THE RURAL AREAS OF THE NEW TERRITORIES AND THE OUTLYING ISLANDS, THE USE OF THESE VEHICLES WAS ILLEGAL BECAUSE THEY WERE UNREGISTERED, UNLICENSED AND UNINSURED.

HE SAID THE PROPOSED PERMIT SYSTEM WAS A SIMPLER SYSTEM, WITH LESS STRINGENT ELEMENTS OF CONTROL THAN THE REGISTRATION AND LICENSING SYSTEM APPLICABLE TO OTHER TYPES OF MOTOR VEHICLES.

UNDER THE PROPOSED SYSTEM, VILLAGE VEHICLES WOULD BECOME A NEW CLASS OF MOTOR VEHICLES AND WOULD BE DIVIDED INTO TWO TYPES, NAMELY, PEDESTRIAN-CONTROLLED VILLAGE VEHICLES AND DRIVER-OPERATED VILLAGE VEHICLES.

MR MACPHERSON SAID: + EXCEPT FOR SPECIFIED PROVISIONS AND REGULATIONS, THE ROAD TRAFFIC ORDINANCE WILL NOT APPLY TO VILLAGE VEHICLES.

+THE GOVERNOR-IN-COUNCIL WILL BE EMPOWERED TO MAKE REGULATIONS FOR THE CONTROL OF VILLAGE VEHICLES THROUGH THE ISSUE OF PERMITS AND THE STIPULATION OF CERTAIN STANDARDS OF CONSTRUCTION AND PERMIT CONDITIONS.

+THE PERMIT FOR A VILLAGE VEHICLE, WHICH IS VALID FOR A YEAR, IS ISSUED OR RENEWED ON PAYMENT OF A FEE OF \$50.+

MR MACPHERSON SAID CONSEQUENTIAL AMENDMENTS WERE MADE TO THE MOTOR VEHICLES INSURANCE (THIRD PARTY RISKS) ORDINANCE TO REQUIRE THAT VILLAGE VEHICLES BE INSURED AGAINST THIRD PARTY RISKS, AND TO THE MOTOR VEHICLES (FIRST REGISTRATION TAX) ORDINANCE TO EXCLUDE VILLAGE VEHICLES FROM THE CLASSES OF MOTOR VEHICLES DEFINED IN THAT ORDINANCE.

DEBATE ON THE BILL WAS ADJOURNED.

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WIDER MEMBERSHIP FOR ANTIQUITIES BOARD
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AMENDMENTS TO THE ANTIQUITIES AND MONUMENTS ORDINANCE PROVIDE FOR AN INCREASED MEMBERSHIP OF THE ANTIQUITIES ADVISORY BOARD AND FOR THE GOVERNOR TO APPOINT ITS CHAIRMAN, THE SECRETARY FOR DISTRICT ADMINISTRATION, THE HON DONALD LIAO, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE ANTIQUITIES AND MONUMENTS (AMENDMENT) BILL 1986, MR LIAO SAID: +THE EXISTING PROVISIONS OF THE ORDINANCE PROVIDE THAT THE SAME GOVERNMENT OFFICIAL, THE SECRETARY FOR MUNICIPAL SERVICES, IS BOTH THE ANTIQUITIES AUTHORITY AND THE CHAIRMAN OF THE BOARD WHICH ADVISES HIM.

+THIS ARRANGEMENT IS INAPPROPRIATE IN THAT GIVING ONE OFFICIAL THIS DUAL ROLE DOES NOT PROVIDE THE APPROPRIATE CHECKS AND BALANCES.

+THE BILL AMENDS THIS SITUATION BY PROVIDING THAT THE CHAIRMAN OF THE BOARD SHALL BE A PERSON APPOINTED BY THE GOVERNOR. THE SECRETARY FOR MUNICIPAL SERVICES WILL REMAIN THE ANTIQUITIES AUTHORITY,+ HE SAID.

MR LIAO SAID THE BILL WOULD REMOVE THE PRESENT LIMIT OF NINE MEMBERS ON THE BOARD WHICH INCLUDED THE CHAIRMAN AND VICE-CHAIRMAN.

+THE WORK OF THE ANTIQUITIES ADVISORY BOARD COVERS A NUMBER OF DISCIPLINES AND REQUIRES A SIMILARLY WIDE RANGE OF EXPERTISE TO BE REPRESENTED ON IT,+ HE SAID.

+THE PRESENT LIMIT IS THEREFORE CONSIDERED TO BE UNNECESSARILY RESTRICTIVE,+ HE ADDED.

MR LIAO NOTED THAT OTHER PROVISIONS OF THE BILL INCLUDED THE DELETION OF THE POST OF VICE-CHAIRMAN WHICH HAD NO ROLE OR STATUTORY POWERS, AND PROVIDED FOR THE SETTING UP OF A QUORUM AT A MEETING OF THE BOARD OF NOT LESS THAN HALF THE NUMBER OF BOARD MEMBERS.

DEBATE ON THE BILL WAS ADJOURNED.

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WEDNESDAY, MAY 28, 1986

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BILL STRENGTHENS BUS PROFIT CONTROL SCHEMES
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A BILL AIMED AT RECTIFYING A FEW WEAKNESSES IN THE PROFIT CONTROL SCHEME FOR THE FRANCHISED BUS COMPANIES WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE PUBLIC BUS SERVICES (AMENDMENT) BILL 1986, THE SECRETARY FOR TRANSPORT, THE HON IAN MACPHERSON, SAID THAT UNDER THE EXISTING ORDINANCE OPERATION OF THE PROFIT CONTROL SCHEME IN RESPECT OF THE FRANCHISED BUS COMPANIES SHOULD BE REVIEWED BY THE GOVERNOR IN COUNCIL EVERY TWO YEARS.

+EARLIER REVIEWS OF THE SCHEME INDICATED THAT IT WAS WORKING SATISFACTORILY EXCEPT FOR A SMALL NUMBER OF ANOMALIES.

+THE OBJECT OF THE BILL IS THEREFORE TO RECTIFY THESE IDENTIFIED WEAKNESSES OF THE SCHEME, BRINGING ITS OPERATION MORE IN LINE WITH STANDARD ACCOUNTING PRINCIPLES AND PRACTICES,+ MR MACPHERSON SAID.

HE NOTED THAT THE BILL PROPOSED TO INCLUDE REALISED AND UNREALISED CURRENCY EXCHANGE LOSS ARISING FROM TRANSACTIONS IN CONNECTION WITH THE FRANCHISE OF A BUS COMPANY AS OPERATING COSTS.

+REALISED CURRENCY EXCHANGE PROFITS ARISING FROM TRANSACTIONS IN CONNECTION WITH THE FRANCHISE AS WELL AS PROCEEDS OF SALE OF ANY STOCKS OF STORES AND SPARES ACQUIRED FOR THE PURPOSE OF OR IN CONNECTION WITH ITS FRANCHISE WILL BE INCLUDED AS OPERATING RECEIPTS.

+DEFINITIONS OF OPERATING PROFIT AND PERMITTED RETURN ARE ALSO CLARIFIED,+ HE SAID.

THE BILL ALSO PROPOSED TO EXCLUDE TAX CHARGES RELATING TO PROFITS OF OPERATIONS OUTSIDE THE SCHEME IN CALCULATING THE OPERATING PROFITS, MR MACPHERSON ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

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WEDNESDAY, MAY 28, 1986

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MOST TENANTS WILL RETAIN SECURITY OF TENURE
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AT THE TIME OF THE 1985 REVIEW OF THE OPERATION OF RENT CONTROL IT WAS ENVISAGED THAT RENT CONTROL WOULD BE PHASED OUT BY ABOUT 1991, THE SECRETARY FOR HOUSING, THE HON JOHN TODD, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

TO ALLAY THE FEARS OF THOSE WHO WOULD EVENTUALLY BE AFFECTED BY DECONTROL, MR TODD SAID +IN BECOMING DECONTROLLED, TENANTS LOSE THE PROTECTION OF RENT CONTROL UNDER PARTS I AND II OF THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE, BUT VIRTUALLY ALL WILL CONTINUE TO ENJOY THE PROTECTION OF SECURITY OF TENURE GIVEN BY PART IV.

+THIS ENSURES THAT, PROVIDING A SITTING TENANT IS PREPARED TO PAY A MARKET RENT, HE WILL BE PROTECTED FROM ANY UNREASONABLE DEMANDS OF HIS LANDLORD.+

FOR EXAMPLE, A TENANT WHO CONSIDERED THAT THE RENT DEMANDED WAS ABOVE THE MARKET RATE MIGHT APPLY TO THE LANDS TRIBUNAL FOR A DECLARATION OF THE GOING MARKET RATE FOR HIS PREMISES, HE EXPLAINED.

MR TODD WAS REPLYING TO QUESTIONS BY THE HON LEE YU-TAI ON RENT CONTROL ON PRIVATE HOUSING.

HE SAID THAT IN 1981, FOLLOWING A RENT CONTROL REVIEW, THE GOVERNMENT ANNOUNCED THAT ITS LONG TERM POLICY OBJECTIVE WAS TO PHASE OUT RENT CONTROL AS SOON AS CIRCUMSTANCES PERMITTED, SUBJECT TO SOCIAL AND ECONOMIC CONDITIONS.

AT THE SAME TIME, PROVIDED A SITTING TENANT WAS WILLING TO PAY A MARKET RENT HE SHOULD BE PROTECTED FROM UNREASONABLE DEMANDS FROM HIS LANDLORD SEEKING TO TAKE ADVANTAGE OF HIS POSITION, MR TODD SAID.

HE NOTED THAT THERE HAD BEEN ANNUAL REVIEWS OF THE OPERATION OF RENT CONTROL IN 1983, 1984 AND 1985.

HE ADDED THAT HE EXPECTED TO SPEAK ON THE 1986 REVIEW IN THE COUNCIL NEXT WEEK TO GIVE A FULLER AND CLEARER EXPLANATION OF THE GOVERNMENT'S OBJECTIVES AND OF HOW THE GOVERNMENT PROPOSED TO ACHIEVE THESE OBJECTIVES UNDER THE SOMEWHAT COMPLEX WORKINGS OF THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE.

TURNING TO THE NUMBER OF TENANCIES CURRENTLY UNDER RENT CONTROL AND THEIR MONTHLY RENTALS, THERE WERE CURRENTLY SOME 2 200 PRE-WAR DOMESTIC UNITS UNDER CONTROL UNDER PART I OF THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE, AND A FURTHER 105 000 POST-WAR TENANCIES UNDER CONTROL UNDER PART II OF THAT ORDINANCE.

/PERMITTED RENTS

PERMITTED RENTS OF PRE-WAR PREMISES RANGED FROM \$300 TO \$2 000 PER MONTH AND AVERAGED ABOUT 55 PER CENT OF FREE MARKET LEVELS. FOR POST-WAR PREMISES THE RANGE WAS GREATER: FROM A FEW HUNDRED DOLLARS FOR SMALLER FLATS TO ABOUT \$8 000 FOR LARGER UNITS. THE AVERAGE OF SUCH CONTROLLED RENTS WAS ABOUT 68 PER CENT OF THE EQUIVALENT MARKET VALUE.

HE ALSO SAID OVER THE NEXT THREE YEARS, ON THE BASIS OF THE PRESENT LEGISLATION AND ASSUMING THAT THERE WAS NO SIGNIFICANT CHANGE IN MARKET LEVELS, THE RENTS OF SOME 50 000 FLATS WOULD REACH, OR WOULD BE CLOSE TO, MARKET LEVELS.

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UNATTENDED CHILDREN: PUBLICITY CAMPAIGN PLANNED

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THE DIRECTOR OF SOCIAL WELFARE PLANS TO INITIATE A PUBLICITY CAMPAIGN TO WARN PARENTS OF THE DANGER OF LEAVING THEIR CHILDREN UNATTENDED, TO ENCOURAGE MORE MUTUAL HELP AMONG NEIGHBOURS, AND TO PUBLICISE THE SERVICES AVAILABLE FOR FAMILIES WITH YOUNG CHILDREN, THE LEGISLATIVE COUNCIL WAS TOLD TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON PAULINE NG, THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS, SAID EXISTING LEGISLATION WAS ADEQUATE TO DEAL WITH CASES OF SERIOUS ABUSE OR NEGLECT OF YOUNG CHILDREN.

+SECTION 27 OF THE OFFENCES AGAINST THE PERSON ORDINANCE MAKES IT AN OFFENCE TO WILFULLY ASSAULT, ILL TREAT, NEGLECT, ABANDON OR EXPOSE ANY CHILD UNDER THE AGE OF 16,+ HE SAID.

+IN ADDITION, THE PROTECTION OF WOMEN AND JUVENILES ORDINANCE GIVES THE DIRECTOR OF SOCIAL WELFARE WIDE POWERS TO TAKE ACTION IN THE INTERESTS OF ANY CHILD WHO IS LIKELY TO BE EXPOSED TO ANY MORAL OR PHYSICAL DANGER.+

+THE DIRECTOR CAN MAKE AN ORDER REGARDING THE CONTROL AND CUSTODY OF THE CHILD IN DANGER, OR ALTERNATIVELY CAN APPLY TO A JUVENILE COURT FOR A CARE AND PROTECTION ORDER TO PLACE THE CHILD UNDER THE CARE OF AN APPROPRIATE PERSON,+ HE ADDED.

HOWEVER, MR CHAMBERS DOUBTED WHETHER THESE PROVISIONS WERE APPROPRIATE FOR USE IN CASES OF THE TYPE REFERRED TO BY MRS NG IN WHICH CHILDREN WERE LEFT ALONE WHEN THEIR PARENTS WERE OUT, AS THEY SEEMED TO INVOLVE NEGLIGENCE RATHER THAN SERIOUS NEGLIGENCE.

+IN SUCH CASES, IT IS VERY DOUBTFUL WHETHER LEGISLATION IS THE RIGHT ANSWER,+ HE SAID.

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WEDNESDAY, MAY 28, 1986

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HONG KONG NOW SPEAKS FOR ITSELF IN GATT
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HONG KONG REPRESENTATIVES IN THE GATT WILL NOW SPEAK IN HONG KONG'S NAME, RATHER THAN AS THE UNITED KINGDOM SPEAKING FOR HONG KONG, THE SECRETARY FOR TRADE AND INDUSTRY, THE HON E.P. HO, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON STEPHEN CHEONG, MR HO SAID THIS FOLLOWED THE DECLARATION BY THE BRITISH GOVERNMENT TO THE DIRECTOR GENERAL OF THE GATT ON APRIL 23 THAT HONG KONG POSSESSED FULL AUTONOMY IN THE CONDUCT OF ITS EXTERNAL COMMERCIAL RELATIONS AND OF OTHER MATTERS PROVIDED FOR IN THE GATT.

+WITH THIS NEW STATUS, WE SHALL, OF COURSE, CONTINUE TO PLAY OUR FULL PART IN SUPPORT OF THE BASIC PRINCIPLES AND PURPOSES OF THE GATT AND IN DEFENCE OF HONG KONG'S RIGHTS THEREUNDER,+ HE SAID.

+THE OTHER DIFFERENCE WILL BE THAT WE SHALL HAVE TO PAY OUR SHARE OF THE GATT BUDGET, WHICH HAS HITHERTO BEEN PART OF THE UK'S CONTRIBUTION AND BORNE OUT OF UK FUNDS.+

AS REGARDS STAFFING TO COPE WITH THE EXPECTED INCREASE IN WORKLOAD, MR HO SAID THE WORKLOAD OF THE GENEVA OFFICE AND THE MULTILATERAL DIVISION OF THE TRADE DEPARTMENT HAD INDEED INCREASED AS A RESULT OF HONG KONG'S INVOLVEMENT IN A RANGE OF CURRENT MULTILATERAL TRADE ISSUES, INCLUDING THE FUTURE OF THE MULTI-FIBRE ARRANGEMENT AND THE PREPARATORY COMMITTEE FOR THE NEXT GATT ROUND.

+A REVIEW OF THE STAFFING OF THE GENEVA OFFICE HAS RECENTLY BEEN COMPLETED IN ORDER TO TAKE COGNISANCE OF ITS RESPONSIBILITY AND WORKLOAD,+ HE SAID.

+ARISING FROM THIS REVIEW PROPOSALS TO STRENGTHEN THE GENEVA OFFICE WILL BE PUT TO THE FINANCE COMMITTEE OF THIS COUNCIL FOR CONSIDERATION IN THE NEAR FUTURE.

+THE MULTILATERAL DIVISION OF THE TRADE DEPARTMENT IS CONSIDERED TO BE ADEQUATELY STAFFED AT PRESENT, THOUGH THE POSITION WILL BE CLOSELY MONITORED.+

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WEDNESDAY, MAY 28, 1986

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NO PLAN FOR DAYLIGHT SAVING TIME
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THE GOVERNMENT HAS NO PLAN TO ADOPT DAYLIGHT SAVING TIME, THE CHIEF SECRETARY, SIR DAVID AKERS-JONES, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY DR THE HON DANIEL TSE, SIR DAVID SAID HE WAS ADVISED THAT THERE HAD BEEN NO PARTICULAR CONFUSION OR INCONVENIENCE TO TRAVELLERS, ALTHOUGH CHINA CHANGED TO SUMMER TIME FROM MAY 4.

+INDEED, SPECIFICALLY TO AVOID CONFUSION AND INCONVENIENCE, THE CHINESE AUTHORITIES HAVE MADE ADJUSTMENTS TO THE SCHEDULES OF AIRLINES, FERRIES, HOVERCRAFT AND TRAINS,+ SIR DAVID SAID.

+NO CHANGE WAS, THEREFORE, REQUIRED ON THE HONG KONG SIDE AND THE OPENING HOURS OF THE BORDER CROSSING POINTS REMAIN THE SAME,+ HE ADDED.

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1987 REVIEW WILL CONSIDER ELECTORAL COMPOSITION
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THE 1987 REVIEW OF REPRESENTATIVE GOVERNMENT WILL GIVE CONSIDERATION TO THE POSSIBLE MIX OF MEMBERS ELECTED BY THE ELECTORAL COLLEGE AND THE FUNCTIONAL CONSTITUENCIES, THE CHIEF SECRETARY, THE HON SIR DAVID AKERS-JONES, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THIS HAD BEEN STATED IN THE 1984 WHITE PAPER ON THE FURTHER DEVELOPMENT OF REPRESENTATIVE GOVERNMENT, HE POINTED OUT.

SIR DAVID WAS REPLYING TO THE HON HILTON CHEONG-LEEN, WHO HAD ASKED WHETHER THE 1987 REVIEW WOULD GIVE FULL CONSIDERATION TO ESTABLISHING A FURTHER THREE FUNCTIONAL CONSTITUENCIES, FOR THE TOURIST INDUSTRY, THE MEDIA, AND THE ACCOUNTING PROFESSION.

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WEDNESDAY, MAY 28, 1986

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PROVIDENT FUND BEING REASSESSED
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A REASSESSMENT OF THE ARGUMENTS FOR AND AGAINST A CENTRAL PROVIDENT FUND IS NEARING COMPLETION, THE SECRETARY FOR EDUCATION AND MANPOWER, THE HON NEIL HENDERSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON PANG CHUN-HOI, MR HENDERSON SAID: +WHEN THAT EXERCISE IS COMPLETED, WE SHALL I HOPE BE IN A BETTER POSITION TO CONSIDER, IN CONSULTATION WITH INTERESTED BODIES, WHETHER THE ESTABLISHMENT OF A CENTRAL PROVIDENT FUND IN HONG KONG WOULD BE DESIRABLE+.

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HOSPITAL PATIENTS HAVE FREEDOM OF CHOICE
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PATIENTS HAVE THE FREEDOM TO DECIDE IN WHICH HOSPITAL THEY WISH TO BE TREATED AND WERE FREE TO TERMINATE THEIR STAY IN HOSPITAL IF THEY SO WISHED.

THIS WAS EXPLAINED BY THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS, TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL IN A WRITTEN REPLY TO A QUESTION BY DR THE HON CONRAD LAM.

ON REASONS WHY INDIVIDUAL PATIENTS CHOSE TO DISCHARGE THEMSELVES FROM HOSPITALS, MR CHAMBERS SAID IT WAS NOT POSSIBLE TO GIVE ANY RELIABLE INDICATION AS PATIENTS COULD NOT BE COMPELLED TO GIVE THEIR REASONS AND EVEN IF ASKED WOULD NOT NECESSARILY GIVE CORRECT ANSWERS.

MR CHAMBERS SAID THAT SEVEN GOVERNMENT HOSPITALS - QUEEN MARY, QUEEN ELIZABETH, PRINCE OF WALES, PRINCESS MARGARET, KOWLOON, TANG SHIU KIN AND TSAN YUK - WHICH ACCOUNTED FOR ABOUT 90 PER CENT OF ALL IN-PATIENTS TREATED IN GOVERNMENT HOSPITALS MAINTAINED COMPUTERISED RECORDS.

THE NUMBERS OF PATIENTS DISCHARGED AGAINST MEDICAL ADVICE IN THESE HOSPITALS WERE 20 900 IN 1983, 17 600 IN 1984 AND 12 300 FOR JANUARY TO SEPTEMBER 1985. THESE FIGURES REPRESENTED FOUR TO FIVE PER CENT OF TOTAL DISCHARGES.

MR CHAMBERS NOTED IN HIS REPLY THAT SUCH DATA WERE NOT COLLECTED AS A MATTER OF ROUTINE FOR STATISTICAL PURPOSES AND IN THE TIME AVAILABLE IT WAS NOT POSSIBLE TO OBTAIN FIGURES FROM SUBVENTED HOSPITALS. HOWEVER, THEY WOULD BE GIVEN TO DR LAM WHEN AVAILABLE.

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WEDNESDAY, MAY 28, 1986

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MORE HALLS TO HAVE AIR-CONDITIONING
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PLANS ARE IN HAND TO EXTEND AIR-CONDITIONING, IN STAGES OVER THE NEXT FEW YEARS, IN COMMUNITY HALLS MANAGED BY THE CITY AND NEW TERRITORIES ADMINISTRATION AND OTHER COMMUNITY ORGANISATIONS, THE SECRETARY FOR DISTRICT ADMINISTRATION, THE HON DONALD LIAO, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON YEUNG PO-KWAN, MR LIAO SAID THERE WERE COMMUNITY HALLS MANAGED BY EITHER THE GOVERNMENT OR OTHER COMMUNITY ORGANISATIONS IN ALL 19 DISTRICTS EXCEPT WAN CHAI AND ISLANDS.

+PLANS ARE ALREADY IN HAND TO PROVIDE COMMUNITY HALL FACILITIES IN THESE TWO DISTRICTS,+ HE SAID.

MR LIAO SAID THE AVERAGE UTILISATION RATE OF THE COMMUNITY HALLS VARIED.

+DURING THE FIRST 10 MONTHS SINCE THE CNTA TOOK OVER THE MANAGEMENT OF THE COMMUNITY HALL FACILITIES IN JUNE LAST YEAR, THE OVERALL AVERAGE UTILISATION RATE OF THESE HALLS WAS ABOUT 46 PER CENT,+ HE SAID.

+THIS UTILISATION RATE WAS WORKED OUT ON THE BASIS OF THE AVERAGE OF ALL THE COMMUNITY HALLS UNDER CNTA MANAGEMENT.

+THE UTILISATION RATE IN RESPECT OF EACH COMMUNITY HALL WAS BASED ON THE NUMBER OF HOURS BOOKED AS COMPARED TO THE NUMBER OF HOURS AVAILABLE PER MONTH,+ HE SAID.

OF THE TOTAL OF 61 COMMUNITY HALLS MANAGED BY THE CNTA AND OTHER COMMUNITY ORGANISATIONS, 11 WERE AIR-CONDITIONED.

+AS FOR THE REMAINDER, MOST OF WHICH WERE BUILT IN THE 60'S AND 70'S, AN APPLICATION HAS BEEN MADE FOR THE INCLUSION OF AN ITEM FOR THE PUBLIC WORKS PROGRAMME TO PROVIDE AIR-CONDITIONING,+ MR LIAO ADDED.

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WEDNESDAY, MAY 28, 1986

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REVIEW OF BAR ADMISSION POLICY
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THE GOVERNMENT INTENDS TO CONDUCT A REVIEW OF THE POLICY OF ADMISSION TO THE HONG KONG BAR AND SUBMIT PROPOSALS FOR LEGISLATIVE AMENDMENTS TO THE EXECUTIVE COUNCIL, THE ACTING ATTORNEY GENERAL, THE HON JAMES FINDLAY, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM THE HON RICHARD LAI, MR FINDLAY SAID THE REVIEW WOULD BE UNDERTAKEN IN CONSULTATION WITH INTERESTED PARTIES.

+OBVIOUSLY, UNTIL THAT REVIEW IS CONDUCTED AND THE ADVICE OF THE EXECUTIVE COUNCIL OBTAINED, I CANNOT SAY WHAT THE AMENDMENTS WILL BE,+ MR FINDLAY SAID.

HE SAID THE UMELCO SECURITY PANEL HAD CONSIDERED THAT THE PROPOSAL SHOULD ONLY BE ENDORSED IF IT WAS PART OF AN OVERALL REVIEW OF ADMISSION POLICY TO THE HONG KONG BAR.

+AUSTRALASIAN LAWYERS IN THE ATTORNEY GENERAL'S CHAMBERS SUBMITTED THEIR CASE FOR A CHANGE IN THE LAW TO THE UMELCO SECURITY PANEL,+ HE SAID.

+THE ATTORNEY GENERAL EXPRESSED THE VIEW TO THE UMELCO SECURITY PANEL THAT ALLOWING THE ADMISSION TO THE HONG KONG BAR OF EXPERIENCED AUSTRALASIAN LAWYERS WITH LONG SERVICE IN THIS CHAMBER WOULD NOT HINDER THE DEVELOPMENT OF A STRONG LOCAL LEGAL PROFESSION AND HE REMAINS OF THAT OPINION,+ HE SAID.

+HAVING HEARD INTERESTED PARTIES, THE PANEL EXPRESSED THE VIEW ON MAY 17 THAT THERE WAS A CASE FOR AMENDING THE LAW TO ALLOW COMMONWEALTH-QUALIFIED LAWYERS WITH AN APPROPRIATE PERIOD OF SERVICE IN THE ATTORNEY GENERAL'S CHAMBERS TO BE ELIGIBLE FOR ADMISSION TO THE HONG KONG BAR, SUBJECT TO CERTAIN CONDITIONS.+

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WEDNESDAY, MAY 28, 1986

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MORE DATA ON SENTENCING PATTERN BY YEAR END

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THE IMPLEMENTATION OF THE STANDARDISED LAW AND ORDER STATISTICAL SYSTEM, WHICH WILL BE PROVIDING DATA BY THE END OF THIS YEAR, WILL HELP THE GOVERNMENT IN PROVIDING MORE INFORMATION ON THE SENTENCING PATTERNS AND AVERAGE SENTENCES IMPOSED ON PERSONS CONVICTED OF UNLAWFUL SOCIETY OFFENCES, THE ACTING ATTORNEY GENERAL, THE HON JAMES FINDLAY, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY DR THE HON HO KAM-FAI, MR FINDLAY SAID AS AGGREGATE STATISTICS ON SENTENCES HANDED DOWN FOR THOSE FOUND GUILTY WERE NOT KEPT AS A MATTER OF COURSE AT PRESENT, FULL INFORMATION ON SENTENCING PATTERNS AND AVERAGE SENTENCES OVER THE LAST THREE YEARS WAS NOT AVAILABLE.

HE HOWEVER NOTED THAT SOME RELEVANT STATISTICS WERE AVAILABLE THROUGH TWO SURVEYS CONDUCTED BY THE COMMISSIONER OF POLICE ON PROSECUTIONS UNDER THE SOCIETIES ORDINANCE, COVERING 1983 AND JULY TO SEPTEMBER LAST YEAR.

+IN 1983, 330 PERSONS WERE ARRESTED FOR UNLAWFUL SOCIETY OFFENCES AS THE PRINCIPAL OFFENCE, AS COMPARED TO 572 PERSONS IN 1984 AND 759 PERSONS IN 1985,+ HE SAID.

ON THE SENTENCING PATTERNS, HE SAID IN 1983, 32 PER CENT WERE ACQUITTED AND NEARLY HALF WERE CONDITIONALLY DISCHARGED, BOUND OVER, PUT ON PROBATION OR DEALT WITH UNDER THE SUPERINTENDENT'S DISCRETION SCHEME.

NOTING THAT STATISTICS FOR 1983 AND 1984 ON THE AVERAGE LENGTH OF CUSTODIAL SENTENCES WERE NOT READILY AVAILABLE, MR FINDLAY SAID IN LAST YEAR THE AVERAGE LENGTH OF CUSTODIAL SENTENCE FOR THE 12 PERSONS SENTENCED TO PRISON WAS SIX TO 12 MONTHS.

AS REGARDS THE AVERAGE SIZE OF FINES, HE SAID BETWEEN JULY AND SEPTEMBER LAST YEAR, THE FINES IMPOSED VARIED FROM \$250 TO \$1 000 WITH THE AVERAGE BEING \$605.

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WEDNESDAY, MAY 28, 1986

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PLANS IN HAND FOR COMMUNITY SERVICE ORDERS

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PREPARATIONS ARE BEING MADE FOR A COMMUNITY SERVICE ORDER PILOT SCHEME TO BE INTRODUCED BY THE END OF THIS YEAR, THE ACTING ATTORNEY GENERAL, THE HON JAMES FINDLAY, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON HUI YIN-FAT, MR FINDLAY SAID THE PRESENT POSITION ON IMPLEMENTATION OF THE COMMUNITY SERVICE ORDER SCHEME WAS THAT A SENIOR SOCIAL WORK OFFICER HAD RETURNED FROM A TWO-MONTH ATTACHMENT PROGRAMME AFTER STUDYING THE OPERATION OF A SIMILAR SCHEME IN THE UNITED KINGDOM.

THE OFFICER HAD NOW PREPARED A DRAFT PLAN ON THE OPERATIONAL ARRANGEMENTS FOR A PILOT SCHEME AND CIRCULATED IT TO GOVERNMENT DEPARTMENTS AND VOLUNTARY AGENCIES LIKELY TO OFFER PLACEMENTS.

A WORKING GROUP HAD BEEN SET UP WITHIN THE SOCIAL WELFARE DEPARTMENT TO EXAMINE THE PRACTICAL ASPECTS OF IMPLEMENTING THE SCHEME.

MR FINDLAY SAID THE WORKING GROUP WOULD TAKE APPROXIMATELY TWO MONTHS TO FIRM UP PROPOSALS ON THE PILOT SCHEME AND THESE WOULD THEN BE SUBMITTED TO THE SOCIAL WELFARE ADVISORY COMMITTEE FOR COMMENT.

+IT IS AIMED TO INTRODUCE THE PILOT SCHEME BY THE END OF THIS YEAR,+ HE SAID.

REFERRING TO THE PROPOSED SPENT CONVICTION SCHEME, MR FINDLAY SAID THAT FOLLOWING A PERIOD OF EXTENSIVE CONSULTATION, A DRAFT BILL TO IMPLEMENT THE SCHEME WOULD BE CONSIDERED BY THE EXECUTIVE COUNCIL WITHIN THE NEXT TWO TO THREE WEEKS.

IF APPROVED, THE BILL WOULD BE INTRODUCED INTO THE LEGISLATIVE COUNCIL AS SOON AS PRACTICABLE THEREAFTER.

+ONCE IT IS PASSED INTO LAW IT WILL BECOME EFFECTIVE IMMEDIATELY,+ HE SAID.

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WEDNESDAY, MAY 28, 1986

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BANKING BILL PASSED
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THE BANKING BILL 1986 WAS PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THREE OTHER BILLS - ANTIQUITIES AND MONUMENTS (AMENDMENT) BILL 1986, PUBLIC BUS SERVICES (AMENDMENT) BILL 1986 AND ROAD TRAFFIC (AMENDMENT) BILL 1986 - WERE READ A SECOND TIME AND DEBATE ON THEM WAS AJOURNED.

THE MEETING WAS ADJOURNED TO JUNE 4.

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CONCERN OVER CHILDREN'S TV PROGRAMMING
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THE TELEVISION ADVISORY BOARD HAS VOICED ITS CONCERN OVER THE SLOW PROGRESS OF CHILDREN'S PROGRAMMING ON TELEVISION.

IN ITS 11TH REPORT TABLED AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE BOARD SAYS ONE WELCOME DEVELOPMENT IS THE SETTING UP OF A CHILDREN'S PROGRAMME ADVISORY COMMITTEE BY ONE TV STATION WITH THE AIM OF INQUIRING INTO WAYS TO IMPROVE PROGRAMMING IN THIS AREA.

THE BOARD SAYS IT IS ALSO CONCERNED ABOUT THE DISTORTION OF HISTORICAL FACTS AND PERSONALITIES IN SOME DRAMAS; THE DELIBERATE SCHEDULING BY ONE STATION TO CREATE A HEAD-ON CLASH BETWEEN TWO IDENTICAL PROGRAMMES OF HIGH ENTERTAINMENT VALUE PRODUCED SEPARATELY BY THE TWO STATIONS; THE EMOTIVE RING-SIDE COMMENTARIES IN SOME SPORTS PROGRAMMES; AND THE ABRUPT DISCONTINUATION OF SEVERAL FOREIGN DRAMA SERIALS ON THE ENGLISH CHANNELS.

THE REPORT FINDS THAT LOCALLY-PRODUCED DRAMAS, MOST OF WHICH WERE ESCAPIST FARE, CONTINUED TO FORM THE LARGEST PART OF THE TELEVISION STATIONS' PROGRAMMING OUTPUT.

STATIONS ARE ADVISED NOT TO OVER-CONCENTRATE ON SUCH PROGRAMMES AND BE MINDFUL OF THE VALUE THAT COULD BE GAINED BY MORE SERIOUS DRAMAS WHICH EXPLORE CONTEMPORARY THEMES.

BUT THE REPORT IS NOT ALL GLOOM. IT ADDS THAT THE SUCCESS OF LOCAL TELEVISION MAY BE GAUGED FROM THE MANY AWARDS ACCORDED TO THEM AT VARIOUS INTERNATIONAL FESTIVALS. TVB OBTAINED AN UNPRECEDENTED 14 PRIZES DURING THE 18-MONTH PERIOD UNDER REVIEW WHILE RTHK COLLECTED 10 AWARDS.

/THE REPORT

THE REPORT POINTS OUT THAT A NUMBER OF PROGRAMMES PRODUCED BY THE TWO TELEVISION STATIONS HAVE FOUND UNIVERSAL APPEAL AS THEY ARE BROADCAST TO VIEWERS IN OTHER COUNTRIES THROUGHOUT THE WORLD.

IT ALSO SAYS RTHK TELEVISION PROGRAMMES, KNOWN FOR THEIR QUALITY PRODUCTIONS, CONTINUED TO BE VARIED, INFORMATIVE, INTERESTING AND WELL-RECEIVED.

THE BOARD NOTES WITH APPROVAL THAT THE TWO COMMERCIAL STATIONS HAVE INCREASED THEIR COMMUNITY INVOLVEMENT ACTIVITIES SIGNIFICANTLY AND THERE HAS BEEN AN EXPANSION OF NEWS AND PUBLIC AFFAIRS PROGRAMMES.

ON PUBLIC CONSULTATION, THE REPORT SAYS MEMBERS OF THE TELEVISION HOME VIEWING GROUPS ARE GENERALLY SATISFIED WITH THE QUALITY OF THE STATION-PRODUCED PROGRAMMES AND OF THE ADVERTISING MATERIALS BROADCAST ON TELEVISION.

IT NOTES THAT COMPARED WITH PREVIOUS REVIEW PERIODS THERE WERE FEWER COMPLAINTS ABOUT UNHEALTHY THEMES, VIOLENCE AND OBJECTIONABLE LANGUAGE IN PROGRAMMES OR MISLEADING AND OFFENSIVE ADVERTISEMENTS.

STATION-PRODUCED AND IMPORTED DOCUMENTARIES, EDUCATIONAL AND INFORMATIVE PROGRAMMES, YOUTH PROGRAMMES AND SPECIALS IN SUPPORT OF INTERNATIONAL YOUTH YEAR WERE COMMENTED UPON FAVOURABLY BY HOME VIEWING GROUP MEMBERS, THE REPORT SAYS.

THE FOURTH FULL-SCALE TELEVISION AUDIENCE ATTITUDE SURVEY WAS CONDUCTED IN AUGUST 1984.

FINDINGS OF THE SURVEY WERE GENERALLY SUPPORTIVE OF THE PRESENT LEVEL OF CONTROL ON RADIO AND TELEVISION BROADCASTING.

DURING THE PERIOD UNDER REVIEW, THE BOARD HAS ADVISED THE TELEVISION AUTHORITY ON THREE OCCASIONS TO IMPOSE FINANCIAL PENALTIES ON THE TWO TELEVISION STATIONS FOR CONTRAVENING THE ADVERTISING AND PROGRAMMES STANDARDS AND FOR FAILING TO SUBMIT MATERIAL FOR CENSORSHIP.

ON ADVERTISING CONTROL, THE BOARD NOTES THE TELEVISION AUTHORITY HAS CLARIFIED THE TREATMENT FOR SPONSORSHIP OF TELEVISION PROGRAMMES BY CIGARETTE AND TOBACCO COMPANIES.

THUS, FROM MARCH 1, 1985, ALL ANNOUNCEMENTS ON TELEVISION BY A CIGARETTE OR TOBACCO COMPANY ARE REQUIRED TO CARRY THE MANDATORY HEALTH WARNING.

THE TELEVISION AUTHORITY RECORDED 15 COMPLAINTS ON TELEVISION ADVERTISEMENTS DURING THE REVIEW PERIOD.

OF THESE, THE AUTHORITY FOUND THAT 10 COMPLAINTS COULD NOT BE SUBSTANTIATED, TWO ADVERTISEMENTS WERE VOLUNTARILY WITHDRAWN BY THE ADVERTISERS CONCERNED AND THE REMAINING THREE ADVERTISEMENTS WERE STOPPED BY THE AUTHORITY.

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PROBATION SERVICE FOR YOUNG OFFENDERS A SUCCESS

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MORE YOUNG OFFENDERS UNDER 21 ARE BEING PLACED ON PROBATION BY THE COURTS TO HELP THEM TURN OVER A NEW LEAF WITHOUT THE STIGMA OF A CUSTODIAL SENTENCE, THE DIRECTOR OF SOCIAL WELFARE, MRS ANSON CHAN, SAID TODAY (WEDNESDAY).

SPEAKING AT A LUNCHEON MEETING OF THE LIONS CLUB OF VICTORIA, SHE SAID THAT IN 1979-80 THE NUMBER OF SUCH PROBATION CASES WAS 1 487, AND THIS HAD RISEN TO 2 052 IN 1984-85.

+A RECENT STUDY CONDUCTED BY MY DEPARTMENT INDICATES THAT A SUCCESS RATE OF 82.2 PER CENT HAS BEEN ACHIEVED FOR YOUNG OFFENDERS. THE SUCCESS RATE WAS CALCULATED ON THE BASIS THAT THE OFFENDER WAS NOT RECONVICTED DURING THE PROBATION PERIOD AND THE ONE-YEAR PERIOD AFTER THE EXPIRY OF THE PROBATION ORDER,+ SHE SAID.

PREPARING PRE-SENTENCING SOCIAL ENQUIRY REPORTS ON OFFENDERS AND SUPERVISING OFFENDERS SENTENCED ON PROBATION WERE TWO MAJOR ASPECTS OF PROBATION WORK.

IN 1979-80 THE NUMBER OF SOCIAL ENQUIRY REPORTS PREPARED WAS 3 734, BUT IN 1984-85 THE NUMBER HAD INCREASED TO 4 465.

THESE REPORTS ASSISTED MAGISTRATES AND JUDGES IN SENTENCING, AND IF THEY FOUND PROBATION A FEASIBLE OPTION THEY COULD MAKE A PROBATION ORDER FOR A PERIOD OF ONE TO THREE YEARS.

IF A PROBATIONER FAILED TO COMPLY WITH THE REQUIREMENTS OF A PROBATION ORDER, THE PROBATION OFFICER HAD THE RESPONSIBILITY AND AUTHORITY TO TAKE HIM BACK TO COURT TO ANSWER HIS BREACH OF THE ORDER, IN WHICH CASE HE WAS LIABLE TO MORE SEVERE PUNISHMENT.

A RECENT STUDY OF YOUNG OFFENDERS SHOWED THAT 57.4 PER CENT OF THEM FELL IN THE 14-16 AGE RANGE; THE SEX RATIO WAS EIGHT MALES TO ONE FEMALE; 57.8 PER CENT OF THEM WERE PUBLIC HOUSING DWELLERS; AND 69.6 PER CENT HAD STUDIED UP TO FORMS 1 TO 3.

THE MOST COMMON PROBLEMS ENCOUNTERED BY YOUNG OFFENDERS WERE THOSE RELATING TO UNDESIRABLE PEER INFLUENCE, VALUE SYSTEM, MOTIVATION IN STUDY, SCHOOL PERFORMANCE AND PARENT-CHILD RELATIONSHIP.

A PROBATION OFFICER, LIKE ANY SOCIAL WORKER, MUST DEVELOP AND MAINTAIN A CONSTRUCTIVE WORKING RELATIONSHIP WITH THE PROBATIONER THROUGH WHICH HE COULD ENCOURAGE TRUST AND HENCE EXERCISE INFLUENCE.

/APART FROM

APART FROM HAVING GENUINE CONCERN FOR THE PROBATIONER, THE PROBATION OFFICER MUST ALSO INDICATE EXPECTATION AND PLACE EMPHASIS ON POSITIVE ASPECTS, ESPECIALLY IN THE CASE OF OFFENDERS WITH A LOW REGARD OF THEMSELVES.

+PROBATION OFFICERS NEED ALSO TO RENDER CONSTANT GUIDANCE TO THE PARENTS TO FACILITATE THEM TO TAKE UP A MORE RESPONSIBLE AND EFFECTIVE ROLE IN CHILD DISCIPLINE.

+IN ADDITION TO THE CASEWORK METHODS EMPLOYED IN WORKING WITH INDIVIDUALS AND FAMILIES, PROBATION OFFICERS WILL, FROM TIME TO TIME, MOBILISE VARIOUS SOCIAL AND COMMUNITY RESOURCES TO ASSIST THE REHABILITATION OF OFFENDERS,+ MRS CHAN SAID.

THE DEPARTMENT AT PRESENT RAN SEVEN CORRECTIONAL INSTITUTIONS OF WHICH THREE PROBATION HOMES AND A PROBATION HOSTEL ESPECIALLY FOR PROBATIONERS WHOSE ORDERS STIPULATED A PERIOD OF RESIDENCE IN SUCH HOMES.

PROBATIONERS WOULD BE PROVIDED WITH BASIC EDUCATION AND TRADE TRAINING WHILE IN RESIDENCE.

TO KEEP PACE WITH CHANGING NEEDS, MR CHAN SAID, THE DEPARTMENT HAD OPENED THE PUI CHI BOYS' HOME IN 1984 TO COPE WITH DEMAND, AND PLANNED ANOTHER GIRLS' HOME OF 120 PLACES IN TUEN MUN AS WELL AS TO REPROVISION THE BEGONIA ROAD BOYS' HOME IN JUNK BAY NEW TOWN.

THE VOLUNTEER SCHEME FOR PROBATIONERS WAS ANOTHER RESOURCE DEVELOPED BY THE DEPARTMENT IN 1978 TO ACTIVELY SUPPORT THE PROBATION SERVICE.

IT IS FOR CITIZENS OVER 21 PREPARED TO SHARE THEIR LEISURE TIME, EXPERIENCES AND SKILLS WITH OFFENDERS.

+SINCE THE INCEPTION OF THIS SCHEME, OVER 190 VOLUNTEERS HAVE BEEN MATCHED FOR SERVICE AND THE SCHEME HAS PROVED TO BE SATISFYING TO BOTH VOLUNTEERS AND PROBATIONERS,+ SHE SAID.

ON THE COMMUNITY SERVICE ORDER SCHEME, MR CHAN SAID LAST YEAR AN OFFICER WAS SENT OVERSEAS TO STUDY THE FEASIBILITY OF THIS SCHEME AND HOW BEST IT COULD BE APPLIED TO MEET LOCAL NEEDS.

+WE HOPE LATER THIS YEAR TO BE ABLE TO LAUNCH A PILOT PROJECT TO TEST ITS EFFECTIVENESS AND TO PROVIDE A BETTER BASIS FOR FUTURE PLANNING,+ SHE ADDED.

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MENTAL HEALTH FORTNIGHT BEGINS IN TUEN MUN

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A MENTAL HEALTH FORTNIGHT BEGAN IN TUEN MUN TODAY (WEDNESDAY) WITH THE AIM OF ENHANCING RESIDENTS' AWARENESS ON MENTAL HEALTH SO THAT THEY WOULD HAVE A BETTER UNDERSTANDING OF THE ILLNESS AND THE PROCESS OF REHABILITATION.

OFFICIATING AT THE OPENING CEREMONY WERE LEGISLATIVE COUNCILLOR AND CHAIRMAN OF THE TUEN MUN DISTRICT BOARD, MR LAU WONG-FAT, DISTRICT OFFICER, MR STEPHEN SELBY; AND CHAIRMAN OF THE TUEN MUN DISTRICT MENTAL HEALTH EDUCATION AD HOC COMMITTEE, MR CHAN CHE-HIM.

MR LAU SAID IT WAS IMPORTANT FOR RESIDENTS TO MAINTAIN PROPER MENTAL HEALTH IN VIEW OF THE PRESSURES OF MODERN CITY LIFE.

ACTIVITIES DURING THE FORTNIGHT INCLUDE AN EXHIBITION ON MENTAL HEALTH, SEMINARS AND TALKS WITH FILMS, SLIDES AND VIDEO SHOWS.

THE FORTNIGHT OF ACTIVITIES FORM PART OF A CAMPAIGN ON PUBLIC EDUCATION IN MENTAL HEALTH WHICH HAS BEEN ORGANISED BY THE TUEN MUN DISTRICT MENTAL HEALTH EDUCATION AD HOC COMMITTEE, AND SPONSORED BY THE TUEN MUN DISTRICT BOARD.

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SONG SPREADS ANTI-NARCOTICS MESSAGE

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POPULAR SINGER ALAN TAM HAS PLEDGED HIS SUPPORT IN THE FIGHT AGAINST NARCOTICS BY SPREADING THE ANTI-NARCOTICS MESSAGE THROUGH HIS LATEST CANTONESE HIT SONG +BREAKING THROUGH+.

THIS WAS DISCLOSED BY THE ASSISTANT SECRETARY FOR SECURITY, MRS AGNES ALLCOCK, AT A PRESS CONFERENCE HELD TODAY (WEDNESDAY) TO ANNOUNCE DETAILS OF AN ANTI-NARCOTICS VARIETY SHOW JOINTLY ORGANISED BY THE ACTION COMMITTEE AGAINST NARCOTICS (ACAN) AND TELEVISION BROADCASTS LIMITED (TVB).

+IT IS HOPED THAT THROUGH THE MEDIUM OF POPULAR CONTEMPORARY MUSIC, WHICH IS AN EFFECTIVE MEANS OF REACHING OUT TO YOUNG PEOPLE, THE ANTI-NARCOTICS MESSAGE WILL BE WIDELY SPREAD,+ MRS ALLCOCK SAID.

+BREAKING THROUGH+, THE SIXTH SPECIAL ANTI-NARCOTICS THEME SONG, IS COMPOSED BY DONALD ASHLEY AND PETER NG WITH LYRICS WRITTEN BY HEUNG SUET-WAI AND SUNG BY ALAN TAM.

/ALAN TAM,

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ALAN TAM, SUPPORTED BY 120 MEMBERS OF VARIOUS YOUTH ORGANISATIONS, WILL SING THE SONG AT THE ANTI-NARCOTICS VARIETY SHOW TO BE HELD AT THE HONG KONG COLISEUM ON JUNE 8.

OTHER POPULAR SINGERS, INCLUDING ROMAN TAM, FRANCIS YIP, SALLY YEH AND LUI FONG, WILL BE TAKING PART IN THE TWO-HOUR SHOW WHICH WILL BE BROADCAST LIVE BY TVB.

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93 PASS MEDICAL LICENTIATE EXAMINATION * * * * *

NINETY-THREE CANDIDATES PASSED PART II (ENGLISH FOR PROFESSIONAL USE) OF THE LICENTIATE EXAMINATION FOR UNREGISTRABLE DOCTORS, THE LICENTIATE COMMITTEE OF THE MEDICAL COUNCIL OF HONG KONG ANNOUNCED TODAY (WEDNESDAY).

THIS YEAR THE PART II EXAMINATION WAS HELD TWICE, IN MARCH AND MAY, GIVING SOME CANDIDATES A CHOICE OF EXAMINATION DATES, AND SOME OTHERS WHO FAILED THE FIRST TIME THE CHANCE TO TAKE THE EXAMINATION AGAIN.

FIFTY-SIX OUT OF 88 CANDIDATES PASSED THE EXAMINATION IN MARCH, AND 37 OUT OF 44 CANDIDATES (INCLUDING 27 WHO HAD FAILED IN MARCH) PASSED IN MAY, GIVING A PASS RATE OF 70 PER CENT.

THOSE WHO PASSED THE PART II EXAMINATION THIS YEAR MAY NOW TAKE THE PART III EXAMINATION IN JULY.

PART III IS AN ORAL EXAMINATION OF CANDIDATES' ABILITY TO APPLY PROFESSIONAL KNOWLEDGE TO CLINICAL PROBLEMS. EACH CANDIDATE WILL BE GIVEN A TEST IN MEDICINE, SURGERY AND OBSTETRICS AND GYNAECOLOGY.

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BOARD TO DISCUSS COMMERCIAL SURVEY FINDINGS * * * * *

THE TUEN MUN DISTRICT BOARD'S COMMERCE AND INDUSTRY COMMITTEE WILL DISCUSS THE FINDINGS OF A SURVEY ON COMMERCIAL ACTIVITIES IN PRIVATE HOUSING AREAS OF THE NEW TOWN AT THEIR MEETING TOMORROW (THURSDAY).

THE SURVEY, CONDUCTED BY THE NEW TERRITORIES NORTH WEST DEVELOPMENT OFFICE, COVERS VARIOUS ASPECTS INCLUDING EMPLOYMENT IN COMMERCIAL PREMISES AND OPERATIONAL CHARACTERISTICS.

/A REPORT

A REPORT ON A SURVEY CONDUCTED LAST YEAR ON INDUSTRIAL DEVELOPMENT IN THE DISTRICT WILL ALSO BE TABLED AT THE MEETING.

OTHER ITEMS ON THE AGENDA INCLUDE THE COMMITTEE'S WORK REPORT FOR 1985-86, AND AN APPLICATION FOR DISTRICT BOARD FUNDS TO CARRY OUT A COMMUNITY EDUCATION PROGRAMME ON INDUSTRIAL SAFETY AND LABOUR MATTERS.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE TUEN MUN DISTRICT BOARD'S COMMERCE AND INDUSTRY COMMITTEE MEETING AT 2.30 PM TOMORROW IN THE CONFERENCE ROOM OF THE DISTRICT BOARD SECRETARIAT ON THE THIRD FLOOR OF TUEN MUN GOVERNMENT OFFICES, 1 TUEN HI ROAD.

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COMMITTEE TO STUDY EDUCATION ISSUES
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MEMBERS OF THE COMMUNITY BUILDING COMMITTEE OF THE KOWLOON CITY DISTRICT BOARD WILL MEET TOMORROW (THURSDAY) TO DISCUSS THE REPORT OF THE WORKING PARTY ON THE REVIEW OF THE JUNIOR SECONDARY EDUCATION ASSESSMENT SYSTEM, AND THE GOVERNMENT POLICY ON BOUGHT PLACES IN PRIVATE SCHOOLS.

THEY WILL ALSO CONSIDER THE FINANCIAL POSITION OF THE COMMUNITY BUILDING COMMITTEE AND APPLICATIONS FOR DISTRICT BOARD FUNDS TO CARRY OUT NINE PROJECTS THIS FINANCIAL YEAR.

THESE PROJECTS INCLUDE THE KOWLOON CITY DISTRICT CIVIC EDUCATION EXHIBITION, CIVIC AMBASSADOR SCHEME, STUDENT AMBASSADOR SCHEME, MAXI-CAB FARE DISCOUNT SCHEME FOR THE ELDERLY, OUTING FOR THE ELDERLY, AND THE PRODUCTION OF 20 000 LEAFLETS ON THE HARMFUL EFFECT OF PORNOGRAPHIC PUBLICATIONS ON YOUNG PEOPLE.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE KOWLOON CITY DISTRICT BOARD COMMUNITY BUILDING COMMITTEE MEETING AT 2.15 PM TOMORROW IN THE CONFERENCE ROOM OF THE DISTRICT OFFICE AT 141 KAU PUI LUNG ROAD, TO KWA WAN.

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PRESS BRIEFING ON TAI PO TRAFFIC
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THE CHAIRMAN OF THE TAI PO DISTRICT BOARD'S TRAFFIC AND TRANSPORT COMMITTEE, DR STEPHEN TANG LUNG-WAI, WILL BRIEF THE PRESS TOMORROW (THURSDAY) ON TRAFFIC MATTERS WHICH WERE DISCUSSED AT A RECENT COMMITTEE MEETING.

THE BRIEFING WILL BE HELD AT 11.30 AM IN THE CONFERENCE ROOM OF THE DISTRICT BOARD SECRETARIAT ON THE THIRD FLOOR, TAI PO COMMERCIAL CENTRE, 152-172 KWONG FUK ROAD, TAI PO.

MEDIA REPRESENTATIVES ARE WELCOME TO ATTEND THE BRIEFING.

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SEMINAR ON CHILDREN'S PROGRAMME
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A SEMINAR TO INTRODUCE A SERIES OF NEW ITEMS TO BE LAUNCHED IN JUNE IN THE +CHILDREN'S TIME+ PROGRAMME OF RADIO TELEVISION HONG KONG WILL BE HELD ON SATURDAY (MAY 31).

THESE ITEMS AIM AT EXTENDING CHILDREN'S RANGE OF KNOWLEDGE AND AT STIMULATING THEIR INTEREST IN LEARNING.

THE SEMINAR WILL BE ATTENDED BY RTHK'S HEAD OF CULTURAL PROGRAMME DEVELOPMENT, MR CHUNG WAI-MING; HEAD OF THE EDUCATION UNIT, MRS TERESA LEE; PRODUCERS MRS MARY LEE, MR BENNY NGAI AND MRS NANCY FUNG, AND PROGRAMME PRESENTERS.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE EVENT TO BE HELD AT 3 PM ON SATURDAY AT PARK LANE ROOM, 27TH FLOOR, PARK LANE HOTEL.

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TEMPORARY CLOSURE OF STUBBS ROAD CARRIAGEWAY
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TO FACILITATE ROADWORKS AT THE STUBBS ROAD ROUNDABOUT, THE EASTBOUND CARRIAGEWAY OF STUBBS ROAD BETWEEN THE UP-RAMP TO WONG NAI CHUNG GAP ROAD FLYOVER AND THE STUBBS ROAD ROUNDABOUT WILL BE CLOSED TO ALL TRAFFIC FROM 7 PM TO 12 MIDNIGHT ON FRIDAY (MAY 30).

DURING THE CLOSURE, EASTBOUND VEHICLES ON STUBBS ROAD HEADING FOR TAI HANG ROAD OR THE PEAK WILL BE DIVERTED VIA THE WONG NAI CHUNG GAP ROAD FLYOVER, THE UNNAMED LOOP ROAD ON WONG NAI CHUNG GAP ROAD AND THE STUBBS ROAD ROUNDABOUT.

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TRAFFIC ARRANGEMENTS IN QUARRY BAY, CENTRAL
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TO FACILITATE CONSTRUCTION OF A FOOTBRIDGE, THE SECTION OF KING'S ROAD BETWEEN PAN HOI STREET AND WESTLAND ROAD WILL BE TEMPORARILY CLOSED TO TRAFFIC FROM MIDNIGHT ON SATURDAY (MAY 31) TO 7 AM ON SUNDAY.

DURING THE CLOSURE, EASTBOUND VEHICLES ON KING'S ROAD WILL BE DIVERTED TO JAVA ROAD, ISLAND EASTERN CORRIDOR, TAI KOO WAN ROAD, TAI WING AVENUE AND TAI KOO SHING ROAD BEFORE REJOINING SHAU KEI WAN ROAD OR KING'S ROAD.

WESTBOUND VEHICLES WILL HAVE TO TRAVEL VIA WESTLAND ROAD, TAI KOO SHING ROAD, TAI YUE AVENUE, TAI KOO WAN ROAD, ISLAND EASTERN CORRIDOR AND MAN HONG STREET BEFORE REJOINING KING'S ROAD.

FROM 10 AM ON FRIDAY, THE EXISTING BUS ONLY LANE RESTRICTION ON HARCOURT ROAD WESTBOUND WILL BE LIFTED UPON CLOSURE OF THE BUS GATE AT THE CENTRAL DIVIDER SEPARATING A SLIP ROAD LEADING TO COTTON TREE DRIVE AND ANOTHER SLIP ROAD LEADING TO QUEENSWAY.

AS A RESULT, ALL VEHICLES WILL BE ALLOWED TO ENTER THE INSIDE LANE OF THE SLIP ROAD LEADING TO COTTON TREE DRIVE BETWEEN THE BUS GATE AND A POINT ABOUT 50 METRES WEST OF THE SAME OPENING.

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