



DAILY INFORMATION BULLETIN

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BILLS PASSED

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TWELVE BILLS WERE PASSED INTO LAW IN THE LEGISLATIVE COUNCIL TODAY.

THEY WERE THE BANKING (AMENDMENT) BILL 1981, THE DEPOSIT-TAKING COMPANIES (AMENDMENT)(NO. 2) BILL 1981, THE BANKING (AMENDMENT)(NO. 2) BILL 1981, THE DEPOSIT-TAKING COMPANIES (AMENDMENT)(NO. 3) BILL 1981, THE ESTATE DUTY (AMENDMENT) BILL 1981, THE INLAND REVENUE (AMENDMENT)(NO. 2) BILL 1981, THE STAMP DUTY BILL 1981, THE INLAND REVENUE (AMENDMENT)(NO. 3) BILL 1981, THE RATING (AMENDMENT) BILL 1981, THE STAMP (AMENDMENT) BILL 1981, THE IMMIGRATION (AMENDMENT) BILL 1981 AND THE PRINCE PHILIP DENTAL HOSPITAL BILL 1981.

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FS SPEAKS ON BANK LICENSING POLICY AND FUTURE OF HK AS A FINANCIAL CENTRE

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THE FINANCIAL SECRETARY, SIR PHILIP HADDON-CAVE, TODAY ANNOUNCED IN LEGISLATIVE COUNCIL A NEW BANK LICENSING POLICY, WHICH WILL PERMIT A LIMITED GROWTH IN THE NUMBER OF FOREIGN BANKS AND LOCALLY INCORPORATED INSTITUTIONS LICENSED AS BANKS UNDER THE BANKING ORDINANCE. THE FINANCIAL SECRETARY STATED THAT THIS NEW POLICY WILL HELP FURTHER TO ENHANCE HONG KONG'S STATUS AS A FINANCIAL CENTRE.

THE GOVERNOR IN COUNCIL (THE LICENSING AUTHORITY UNDER THE BANKING ORDINANCE) WILL CONSIDER APPLICATIONS FOR LICENCES FROM BANKS INCORPORATED OUTSIDE HONG KONG WHICH MEET CERTAIN CRITERIA, INCLUDING MINIMUM ASSETS (NET OF CONTRA ITEMS) OF US\$10 000 MILLION. IN CONSIDERING APPLICATIONS THE GOVERNOR IN COUNCIL WILL ALSO TAKE OTHER FACTORS INTO ACCOUNT, INCLUDING THE NUMBER OF BANKS FROM AN APPLICANT BANK'S COUNTRY OF ORIGIN WHICH ARE ALREADY LICENSED UNDER THE BANKING ORDINANCE.

THE GOVERNOR IN COUNCIL WILL ALSO CONSIDER APPLICATIONS FOR LICENCES FROM LOCALLY INCORPORATED DEPOSIT-TAKING COMPANIES WHICH MEET A DIFFERENT SET OF CRITERIA, INCLUDING MINIMUM TOTAL ASSETS (NET OF CONTRA ITEMS) OF HK\$2 000 MILLION, AND DEPOSITS FROM THE PUBLIC OF HK\$1 500 MILLION.

THERE ARE NOW 115 LICENSED BANKS IN HONG KONG. THIS INCLUDES 41 BANKS WHICH WERE LICENSED BETWEEN MARCH 1978 (WHEN THE PREVIOUS 13-YEAR MORATORIUM ON LICENSING NEW BANKS WAS EASED) AND AUGUST 1979 (WHEN THE GRANT OF FURTHER LICENCES WAS SUSPENDED, TO PERMIT A REVIEW OF BANK LICENSING POLICY WHICH HAS NOW BEEN COMPLETED).

/THIS REVIEW

THIS REVIEW HAS BEEN CONDUCTED AS PART OF A SEQUENCE OF WORK ON THE MONETARY SECTOR IN HONG KONG, INCLUDING THE COLLECTION OF A NEW SERIES OF MONETARY STATISTICS- THE ESTABLISHMENT OF HONG KONG ASSOCIATION OF BANKS AS A STATUTORY BODY- THE CREATION OF A NEW CATEGORY OF LICENSED DEPOSIT-TAKING COMPANY- AND THE IMPROVEMENT OF THE PRUDENTIAL SUPERVISION OF BANKS AND DEPOSIT-TAKING COMPANIES. THIS SEQUENCE OF WORK IS NOT COMPLETED WITH THIS REVIEW OF BANK LICENSING POLICY: THE FINANCIAL SECRETARY REFERRED IN HIS STATEMENT TODAY TO TWO AREAS ON WHICH WORK IS CONTINUING, NAMELY THE TAXATION TREATMENT OF INTEREST EARNED ON FOREIGN CURRENCY DEPOSITS IN HONG KONG- AND THE SUPERVISION OF ACTIVITIES CARRIED ON OUTSIDE HONG KONG BY LOCALLY INCORPORATED BANKS AND DEPOSIT-TAKING COMPANIES.

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BANKING AND DEPOSIT-TAKING COMPANIES BILLS BECOME LAW
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AMENDMENTS WERE INTRODUCED INTO THE DEPOSIT-TAKING COMPANIES (AMENDMENT) (NO. 2) BILL 1981 BEFORE IT WAS PASSED INTO LAW TOGETHER WITH THE BANKING (AMENDMENT) BILL 1981 IN THE LEGISLATIVE COUNCIL TODAY.

THE AMENDMENTS WERE TO RELAX THE MINIMUM PAID-UP SHARE CAPITAL REQUIREMENT FOR DEPOSIT-TAKING COMPANIES FROM \$100 MILLION TO \$75 MILLION, BUT AT THE SAME TIME, TO PROVIDE THAT EACH APPLICANT SHOULD ALSO HAVE A MINIMUM ISSUED SHARE CAPITAL OF \$100 MILLION.

SPEAKING AT THE RESUMED DEBATE OF THE DEPOSIT-TAKING COMPANIES BILL THE FINANCIAL SECRETARY, THE HON SIR PHILIP HADDON-CAVE SAID THE UNPAID SHARE CAPITAL OF UP TO \$25 MILLION WOULD REPRESENT A FIRM COMMITMENT BY THE SHAREHOLDERS, A COMMITMENT WHICH COULD BE CALLED ON IN CASE OF NEED AND WHICH WAS PERMANENTLY IN PLACE, UNLIKE SUBORDINATED LOAN STOCK OR SIMILAR VARIETIES OF CAPITAL.

SIR PHILIP SAID BOTH THESE MINIMA COULD BE AMENDED BY THE GOVERNOR IN COUNCIL AT ANY TIME.

THE OTHER AMENDMENTS WERE TO PREVENT A REGISTERED DEPOSIT-TAKING COMPANY FROM TAKING ANY SHORT-TERM DEPOSITS FROM A BANK OUTSIDE HONG KONG WHICH WAS NOT LICENSED UNDER THE BANKING ORDINANCE, AND THEY WERE DESIGNED TO REMOVE THE INTERFERENCE WITH NORMAL TRANSACTIONS ON THE INTERNATIONAL MONEY MARKETS.

SIR PHILIP SAID THESE AMENDMENTS MADE IT CLEAR THAT REGISTERED DEPOSIT-TAKING COMPANIES MIGHT CONTINUE TO TAKE SHORT-TERM DEPOSITS FROM BANKS IN HONG KONG AND OVERSEAS, AND ALSO, FOR THE AVOIDANCE OF A MINOR RESIDUAL DOUBT AS TO THE PRECISE IMPACT OF THE AMENDING BILL AS DRAFTED, FROM OTHER DEPOSIT-TAKING COMPANIES.

UNOFFICIAL MEMBERS SUPPORTED THE AMENDING LEGISLATION TO REVISE THE DEFINITION OF BANKING BUSINESS AND TO DRAW A CLEAR DISTINCTION BETWEEN BANKS AND DEPOSIT-TAKING COMPANIES.

BUT THEY HAD A RESERVATION AS TO THE PROPOSED REQUIREMENT THAT, TO QUALIFY FOR LICENSED STATUS, A DEPOSIT-TAKING COMPANY SHOULD HAVE A PAID-UP SHARE CAPITAL OF AT LEAST \$100 MILLION.

SPEAKING AT THE RESUMED DEBATE ON THE TWO BILLS, THE HON JOHN SWAINE SAID: +THIS IS SEEN AS IMPOSING TOO ONEROUS A CASH REQUIREMENT ON PROSPECTIVE APPLICANTS.

+AND UNOFFICIAL MEMBERS THEREFORE RECOMMEND THAT THIS REQUIREMENT BE MODIFIED BY APPLICANTS BEING ALLOWED TO MAKE PART OF THE PAYMENT BY YEARLY INSTALMENTS, WITH THE DEFERRED PORTION BEING COVERED BY A BANK OR OTHER SUITABLE GUARANTEE.+

THE BILLS SEEK TO SPECIFY TWO CLASSES OF DEPOSIT-TAKING COMPANIES - ONE CATEGORISED AS +REGISTERED+ AND THE OTHER +LICENSED+.

A REGISTERED DTC WITH A MINIMUM DEPOSIT OF \$50 000 WILL NOT BE ALLOWED TO TAKE DEPOSITS OF LESS THAN THREE MONTHS.

HOWEVER, A LICENSED DTC WILL BE ALLOWED TO TAKE DEPOSITS OF ANY MATURITY, BUT IT WILL NOT BE PERMITTED TO TAKE DEPOSITS OF LESS THAN \$500 000.

MR SWAINE SAID THE AD HOC GROUP OF UNOFFICIALS FORMED TO STUDY THE BILLS RECEIVED WRITTEN REPRESENTATIONS FROM THE HONG KONG ASSOCIATION OF BANKS AND THE DEPOSIT-TAKING INDUSTRY AND MET WITH THEIR REPRESENTATIVES.

THE DEPOSIT-TAKING COMPANIES FELT, NOT UNNATURALLY, THAT THESE CHANGES WOULD INJURE THEIR BUSINESS, HE SAID.

HOWEVER, MR SWAINE ADDED, IT WAS FELT THAT GOVERNMENT'S POLICY REASONS FOR THESE REFORMS MUST BE SUPPORTED.

+THEY ARE, AS THE FINANCIAL SECRETARY SAID IN HIS SPEECH MOVING THE SECOND READING OF THESE BILLS, TO ENSURE THAT AN EFFECTIVE INTEREST RATE AGREEMENT IS AVAILABLE AS AN INSTRUMENT OF GOVERNMENT'S MONETARY POLICY, AND TO AVERT AN INTEREST RATE WAR WHICH WOULD UNDERMINE THE STABILITY OF THE MONETARY SYSTEM.

+THE FINANCIAL SECRETARY HAS STRESSED THAT THE INTEREST RATE AGREEMENT IS THE ONLY TOOL AVAILABLE TO THE GOVERNMENT TO INFLUENCE THE GROWTH RATE OF THE MONEY SUPPLY.

+AS LONG AS THIS REMAINS GOVERNMENT'S POLICY, AND NOTWITHSTANDING THE DOUBTS WHICH HAVE BEEN FELT AS TO WHETHER SUCH TOOL IS EFFECTIVE, PUBLIC POLICY, TO BE CONSISTENT, REQUIRES THAT THE INTEREST RATE AGREEMENT SHOULD BE OBSERVED AND NOT CIRCUMVENTED.+

MR SWAINE POINTED OUT THAT DEPOSIT-TAKING COMPANIES CAN NOW LAWFULLY QUOTE FOR DEPOSITS OF ANY MATURITY PROVIDED THE DEPOSITS ARE AT LEAST \$50 000.

AS THEY ARE NOT COVERED BY THE INTEREST RATE AGREEMENT, THEY HAVE HAD A COMPETITIVE ADVANTAGE OVER THE BANK WHO HAVE REACTED BY USING SUBSIDIARY OR ASSOCIATED DEPOSIT-TAKING COMPANIES TO BID FOR DEPOSITS OUTSIDE THE INTEREST RATE AGREEMENT.

+WE ARE TOLD THAT, AT THE END OF FEBRUARY 1981, THE 94 COMPANIES CONCERNED HELD 77 PER CENT OF ALL DEPOSITS WITH DEPOSIT-TAKING COMPANIES, AND 30 OF THESE COMPANIES WERE PRIMARILY CONCERNED WITH ON-LENDING THE DEPOSITS GARNERED BY DEPOSIT-TAKING COMPANIES CONNECTED WITH BANKS BEING SO ON-LENT.

+DEVICES SUCH AS THESE MUST STOP BUT EQUALLY WELL THE CONDITIONS WHICH GIVE RISE TO THEM MUST BE PUT RIGHT,+ HE SAID.

TO QUALIFY LICENSED STATUS, MR SWAINE SAID, A DEPOSIT-TAKING COMPANY WHICH IS A SUBSIDIARY OR ASSOCIATE OF A LICENSED BANK MUST SATISFY THE REQUIREMENT THAT IT IS WIDELY RECOGNISED AS AN ENTITY IN ITS OWN RIGHT AND HAS A SEPARATE MANAGEMENT STRUCTURE AT EXECUTIVE LEVELS.

+THIS ADDITIONAL CRITERION IS WELCOME BECAUSE IT SERVES TO UNDERSCORE THE DETERMINATION THAT THE INTEREST RATE AGREEMENT SHOULD BE UPHELD AND SHOULD NOT BE CIRCUMVENTED BY A BANK, THROUGH A CORPORATE ALTER EGO, COMPETING FOR FUNDS OUTSIDE THE INTEREST RATE AGREEMENT,+ HE ADDED.

THE HON STEPHEN CHEONG ALSO COMMENTED ON THE BILLS.

HE NOTED THAT ONE OF THE TWO REASONS GIVEN BY THE FINANCIAL SECRETARY FOR CREATING A NEW THREE-TIER STRUCTURE FOR DEPOSIT-TAKING COMPANIES WAS TO ENSURE THAT AN EFFECTIVE INTEREST RATE AGREEMENT WAS AVAILABLE AS AN INSTRUMENT OF GOVERNMENT'S MONETARY POLICY.

THE FINANCIAL SECRETARY CLAIMED THAT THIS WAS +THE ONLY MEANS AT OUR DISPOSAL TO INFLUENCE THE GROWTH RATE OF THE MONEY SUPPLY+ THROUGH +VARIATIONS IN THE LEVELS OF INTEREST RATES+.

BUT MR CHEONG BELIEVED THAT, IN OUR CIRCUMSTANCES, INTEREST RATE VARIATIONS ALONE WILL NOT HAVE THE DESIRED EFFECT ON CURTAILING THE GROWTH RATE OF MONEY SUPPLY AND THAT IT IS NOT THE ONLY MEANS AT OUR DISPOSAL TO INFLUENCE MONEY SUPPLY.

+ANOTHER FEASIBLE REGULATOR OF MONEY SUPPLY IS CHANGES IN THE MINIMUM LIQUIDITY RATIOS OF ALL DEPOSIT-TAKING INSTITUTIONS,+ HE SUGGESTED.

+THE POWER TO EFFECT SUCH CHANGES DEFINITELY LIES WITH THE GOVERNMENT.+

THE SECOND REASON GIVEN BY THE FINANCIAL SECRETARY FOR THE REFORMS WAS TO AVOID DE-STABILIZING INFLUENCES THAT WOULD +UNDERMINE THE GENERAL STABILITY OF OUR MONETARY SYSTEM+.

HOWEVER, MR CHEONG EXPRESSED CONCERN THAT THE VERY ELEMENTS OF THE THREE-TIER STRUCTURE, IF NOT MONITORED CAREFULLY, MAY IN THEMSELVES LEAD TO DE-STABILIZING INFLUENCES OF OUR MONETARY SYSTEM.

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UNDER THE BILLS, HE SAID, DEPOSIT-TAKING COMPANIES WOULD BE PROHIBITED FROM ACCEPTING DEPOSITS WITH AN ORIGINAL TERM TO MATURITY OF UNDER THREE MONTHS AND UNDER \$500 000, BUT NO STATISTICS HAVE BEEN COLLECTED BY THE GOVERNMENT TO ASSESS WHAT PERCENTAGE OF TOTAL DEPOSITS WITH DEPOSIT-TAKING COMPANIES FELL INTO THIS CATEGORY.

+WHILST I APPRECIATE THAT THESE STATISTICS WOULD FLUCTUATE ACCORDING TO INTEREST RATE EXPECTATIONS AND THAT IT IS IMPOSSIBLE TO JUDGE TO WHAT EXTENT A 90-DAY MARKET FOR DEPOSITS OF BETWEEN \$50 000 AND \$500 000 WOULD DEVELOP, I DO NOT CONSIDER THIS TO BE SUFFICIENT JUSTIFICATION FOR NOT HAVING EVEN ATTEMPTED TO UNDERTAKE THIS STATISTICAL ANALYSIS.

+CERTAINLY, GIVEN THE TENDENCY FOR DEPOSIT-TAKING COMPANIES TO BORROW SHORT AND LEND LONG, IT IS LIKELY THAT SOME, AT LEAST, WILL FACE SEVERE PROBLEMS AS THE CHOKING PROCESS TAKES EFFECT ON THEIR SOURCES OF SHORT TERM FUNDS.+

ALTHOUGH A TRANSITIONAL PERIOD OF 24 MONTHS HAS BEEN PROPOSED, MR CHEONG FEARED THAT THIS CHOKING EFFECT COULD GENERATE UNDESIRABLE DE-STABILIZING INFLUENCES IN PART OF THE MONETARY SECTOR.

HE THEREFORE URGED THE GOVERNMENT TO MONITOR THE SITUATION CAREFULLY AND NOT TO SHUT THE DOOR TO POSSIBLE EXTENSIONS OF THE TRANSITIONAL PERIOD IF REQUIRED.

QUOTING ANOTHER EXAMPLE OF POSSIBLE DE-STABILIZING INFLUENCES, MR CHEONG POINTED OUT THAT A NUMBER OF SMALL LOCAL LICENSED BANKS HAVE ACCESS THROUGH THEIR DTC SUBSIDIARIES AND OUTSIDE THE CONTEXT OF THE INTEREST RATE AGREEMENT TO COMPETE FAIRLY FOR DEPOSITS INCLUDING THOSE OF OVER \$500 000 AND WITH AN ORIGINAL TERM TO MATURITY OF UNDER THREE MONTHS.

HE SAID: +THESE DTC SUBSIDIARIES EXIST LARGELY FOR THE PURPOSE OF GARNERING FUNDS FOR ON-LENDING TO THEIR PARENT BANKS.

+WHEN THESE TWO BILLS COME INTO EFFECT, THESE DTCS WILL NOT BE ELIGIBLE FOR LICENSED STATUS AND THE PARENT BANKS INVOLVED WILL BE PLACED AT A SUBSTANTIAL DISADVANTAGE TO COMPETE FOR LARGE DEPOSITS OUTSIDE THE INTEREST RATE AGREEMENT VIS A VIS THOSE BANKS WHICH CAN ESTABLISH THEIR OWN LICENSED DTCS IN ACCORDANCE WITH THE VARIOUS CRITERIA LAID DOWN.+

HE URGED THE GOVERNMENT TO EXAMINE URGENTLY THE SIGNIFICANCE OF THIS TYPE OF DEPOSIT AS A SOURCE OF FUNDING TO THE SMALL LICENSED BANKS.

DEPENDING ON THE OUTCOME OF THIS ASSESSMENT, HE ADDED, THERE MAY WELL BE A STRONG CASE FOR ABANDONING THE INTEREST RATE AGREEMENT FOR DEPOSITS EXCEEDING \$500 000.

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INLAND REVENUE (NO. 2) BILL PASSED WITH AMENDMENTS
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THE FINANCIAL SECRETARY, THE HON SIR PHILIP HADDON-CAVE TODAY (WEDNESDAY) INTRODUCED AMENDMENTS TO THE INLAND REVENUE AMENDMENT (NO. 2) BILL 1981 IN THE LEGISLATIVE COUNCIL.

ONE OF THE AMENDMENTS WAS TO ACHIEVE TWO PURPOSES: FIRSTLY, TO MAKE CLEAR THAT GAINS OR PROFITS ARISING FROM TRANSACTIONS IN CERTIFICATES OF DEPOSIT OR BILLS OF EXCHANGE BE CHARGEABLE TO PROFITS TAX ONLY WHERE THERE ARE GAINS OR PROFITS IN RESPECT OF THE FUNDS OF THE TRADE, PROFESSION OR BUSINESS CONCERNED AND SECONDLY TO GIVE THE COMMISSIONER OF INLAND REVENUE STATUTORY AUTHORITY TO DETERMINE A MARKET VALUE FOR CERTIFICATES OF DEPOSIT OR BILLS OF EXCHANGE AT THE CLOSE OF BUSINESS ON A SPECIFIED DATE, NAMELY, MARCH 31, 1981.

ANOTHER AMENDMENT WAS TO ENSURE THERE IS NO QUESTION OF DOUBLE TAXATION, ONCE UNDER INTEREST TAX AND THE OTHER UNDER PROFITS TAX. THIS AMENDMENT ALSO CATERS FOR THE SITUATION WHERE, EXCEPTIONALLY, THE ACCEPTOR RATHER THAN THE DRAWER OF A BILL OF EXCHANGE RECEIVES THE MONIES ON THE FIRST SALE OR OTHER DISPOSAL OF THE INSTRUMENT.

IT ALSO GIVES STATUTORY AUTHORITY TO THE COMMISSIONER OF INLAND REVENUE TO ENABLE HIM TO ESTABLISH MARKET VALUES FOR CERTIFICATES OF DEPOSIT OR BILLS OF EXCHANGE AT MARCH 31, 1981 SO AS TO REMOVE FROM THE BILL THE ALLEGED ELEMENT OF RETROSPECTIVITY FOR SURPLUSES SUBJECT TO INTEREST TAX, IN THE SAME WAY AS IT HAS BEEN REMOVED IN RESPECT OF GAINS OR PROFITS SUBJECT TO PROFITS TAX.

IN REPLY TO THE HON DAVID NEWBIGGING'S CALL FOR SOME REASSURANCE TO THE UNIT TRUST INDUSTRY, SIR PHILIP SAID, THE ONLY ASSURANCE HE COULD GIVE WAS THAT UNIT TRUSTS WHICH TRADE IN SHARES INCUR A TAX LIABILITY.

+PERHAPS, HOWEVER, HE AND THE INDUSTRY MAY GLEAN SOME COMFORT FROM THE THOUGHT THAT, IN THE COMMISSIONER'S VIEW, UNIT TRUSTS GENERALLY DO NOT TRADE, ALTHOUGH SOME DO SOMETIMES,+ SIR PHILIP SAID.

HE POINTED OUT THAT ONLY FOUR UNIT TRUSTS HAD BEEN ASSESSED RECENTLY: EACH WAS A PROTECTIVE ASSESSMENT FOR YEARS OF ASSESSMENT WHICH WOULD HAVE BECOME TIME-BARRED, EACH WAS THE SUBJECT OF OBJECTIONS AND IT WAS STILL OPEN TO EACH TO SHOW THAT IT HAD NOT BEEN TRADING IN SHARES.

THE BILL WAS PASSED WITH THESE AMENDMENTS IN THE COUNCIL TODAY.

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TWO-YEAR LAW REVIEW BEHIND STAMP DUTY BILL
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THE STAMP DUTY BILL, WHICH WAS APPROVED WITH SOME AMENDMENTS AT THE LEGISLATIVE COUNCIL TODAY, WAS THE RESULT OF A CONSIDERABLE LAW REVISION EXERCISE OVER A PERIOD OF TWO YEARS AND WAS A COMPREHENSIVE PIECE OF LEGISLATION WHICH CONSOLIDATED AND UPDATED THE EXISTING ORDINANCES AND REGULATIONS, THE FINANCIAL SECRETARY, THE HON. SIR PHILIP HADDON-CAVE SAID.

REFERRING TO A POINT RAISED BY THE HON JOHN SWAINE, THAT HE WAS DISPOSED TO OFFER RELIEF FOR FUND MANAGERS IN UNIT TRUSTS WHO BUY AND SELL UNITS WITHIN A SPECIFIED PERIOD, HE SAID THAT SUBJECT TO FURTHER RESEARCH, AN AMENDING BILL WOULD BE INTRODUCED LATER THIS YEAR, BEFORE THE IMPLEMENTATION OF PART IV OF THE NEW PRINCIPAL ORDINANCE.

+THE PRECISE FORM OF THE RELIEF WILL NEED TO BE WORKED OUT CAREFULLY, HAVING REGARD TO THE PROCEDURES AND PRACTICES OF THE UNIT TRUST INDUSTRY IN HONG KONG,+ HE SAID.

REPLYING TO A POINT MADE BY THE HON DAVID NEWBIGGING WITH REGARD TO CONSULTATION, SIR PHILIP SAID THAT THERE WAS CONSULTATION WITH THE LAW SOCIETY ON THE TECHNICAL ASPECTS OF THE BILL, AND THERE WOULD SHORTLY BE CONSULTATION WITH THE UNIT TRUST INDUSTRY ON PROCEDURAL MATTERS.

THE FINANCIAL SECRETARY SAID: +HOWEVER, I COULD NOT POSSIBLY AGREE THAT THERE SHOULD BE CONSULTATION WITH INTERESTED PARTIES PRIOR TO THE PUBLICATION OF PROPOSALS FOR TAX REFORM.

+WHILST THE BILL IS LARGELY A CONSOLIDATION EXERCISE, THE PROVISIONS RELATING TO UNIT TRUSTS INVOLVE REFORM, NAMELY, THE INTRODUCTION OF A NEW IMPOST, ALBEIT ONE THAT DOES NO MORE THAN TO PLACE UNIT TRUST HOLDERS IN A SIMILAR POSITION TO THAT OF ALL OTHER PERSONS WHO BUY AND SELL SHARES.

+TO CONCEDE THAT FISCAL PROPOSALS SHOULD BE THE SUBJECT OF ADVANCE NOTICE AND PRIOR CONSULTATION WITH INTERESTED PARTIES WOULD BE TO PROCEED ALONG A SLIPPERY PATH INDEED AND TO RENDER THE DECISION-MAKING PROCESS QUITE INTERMINABLE.+

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IMPORTANT CHANGES TO RATING LAW
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THE RATING (AMENDMENT) BILL WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY WITH SEVERAL AMENDMENTS.

THE CHANGES WERE RECOMMENDED BY THE LEGISLATION SCRUTINY GROUP OF UNOFFICIALS AFTER A MEETING WITH GOVERNMENT OFFICIALS.

GROUP CONVENER, THE HON PETER C. WONG, SAID DURING THE RESUMED DEBATE THAT SOME OF THE AMENDMENTS PROPOSED IN THE BILL REPRESENT IMPORTANT CHANGES TO RATING LAW AND PRACTICE WHILE OTHERS ARE OF A RELATIVELY MINOR NATURE TO CLARIFY THE LAW AND TO ENSURE THAT IT ACCORDS WITH MODERN PRACTICES.

APART FROM THE AGREED CHANGES, HE SAID, THREE OTHER POINTS DESERVE MENTION.

THE FIRST POINT RELATES TO THE PROPOSED EXTENSION OF THE CURRENT TWELVE-MONTH PERIOD OF BACK-DATING INTERIM VALUATIONS TO 24 MONTHS.

SUBJECT TO A TRANSITIONAL PROVISION, THE EFFECT OF THE EXTENSION IS TO PREVENT ANY DEMANDS FOR MORE THAN 12 MONTHS BACK RATES BEING ISSUED UNTIL AFTER DECEMBER 1981.

THEREAFTER THE MAXIMUM BACK-DATING PERIOD WILL BE GRADUALLY INCREASED UNTIL DECEMBER 1982 AFTER WHICH THE FULL 24 MONTHS BACK-DATING WILL BE POSSIBLE, HE SAID.

+IT IS NOT GOVERNMENT'S INTENTION TO RELY UPON THE ADDITIONAL PERIOD FOR BACK-DATING AS A MATTER OF ROUTINE.

+UNDER NORMAL CIRCUMSTANCES PROPERTIES WILL BE ASSESSED SO THAT INTERIM DEMANDS ARE ISSUED FOR NOT MORE THAN 12 MONTHS RATES.

+THE PROPOSED ADDITIONAL PERIOD IS FOR THE PROTECTION OF REVENUE DURING OCCASIONAL PERIODS OF PRESSURE WHEN THE RATING AND VALUATION DEPARTMENT IS HARD PRESSED FOR SOME REASON E.G. DUE TO A GENERAL REVALUATION,+ MR WONG SAID.

HE ALSO REVEALED THAT THE COMMISSIONER OF RATING AND VALUATION UNDERTOOK TO CONSIDER, AFTER THE NEXT REVALUATION EXERCISE, WHETHER THE EXEMPTION FROM RATES IN RESPECT OF TENEMENTS WITH A RATEABLE VALUE NOT EXCEEDING \$200 SHOULD BE EXTENDED TO INCLUDE THOSE WITH A HIGHER RATEABLE VALUE.

BUT, HE ADDED, IT APPEARS THAT THE PROPOSED EXEMPTION CEILING OF \$200 MAY BE RAISED.

AS TO THE QUESTION OF WHETHER SQUATTERS SHOULD PAY RATES, MR WONG FELT THAT THERE ARE DOUBTS AS TO WHETHER ILLEGAL BUILDINGS ON CROWN LAND ARE +TENEMENTS+ AS DEFINED IN THE RATING ORDINANCE.

THERE WOULD ALSO BE A NUMBER OF DIFFICULTIES IN TRYING TO ASSESS SQUATTERS AND RATES PAYABLE FOR MANY SMALL SQUATTER STRUCTURES MIGHT BE SUCH AS TO MAKE COLLECTION UNECONOMIC.

/IN ADDITION

IN ADDITION, THERE ARE MORE REMUNERATIVE TASKS TO WHICH SCARCE STAFF RESOURCES IN THE RATING AND VALUATION DEPARTMENT CAN BE PUT, MR WONG ADDED.

REFERRING TO MR WONG'S COMMENTS ON THE BACK-DATING OF INTERIM VALUATIONS, THE FINANCIAL SECRETARY SAID THAT WHILE MR WONG'S INTERPRETATION OF THE POLICY CHANGE PROPOSED IN CLAUSE 19 IS CORRECT IN SUBSTANCE, +I WOULD GO NO FURTHER THAN TO SAY THAT THE COMMISSIONER OF RATING AND VALUATION WILL ENDEAVOUR TO ASSESS NEW PREMISES TO RATES AS SOON AS POSSIBLE FOLLOWING COMPLETION.

+SECONDLY, I CONFIRM THAT THE GOVERNMENT WOULD BE PREPARED TO REVIEW THE MINIMUM RATEABLE VALUE FIGURE IN THE COURSE OF THE NEXT GENERAL REVALUATION, WHENEVER THAT MAY BE, BUT THE PURPOSE OF HAVING THE MINIMUM FIGURE IS ADMINISTRATIVE CONVENIENCE.

+IT IS NOT INTENDED, IN ITSELF, TO PROVIDE A MEASURE OF EXEMPTION FOR SMALL TENEMENTS ON SOCIAL OR OTHER GROUNDS.+

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INCREASES ALLOWED TO BRING RENTS CLOSER TO MARKET LEVEL
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RENT INCREASES FOR PREWAR DOMESTIC AND BUSINESS PREMISES ARE ALLOWED SO AS TO BRING THE RENTS OF THESE PREMISES CLOSER TO MARKET LEVEL UNDER A MOTION ADOPTED BY THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE MOTION SOUGHT TO INCREASE THE PERMITTED RENTS OF PREWAR DOMESTIC PREMISES FROM THE EXISTING LEVEL OF SIX TIMES THE STANDARD RENT (I.E. RENT PASSING IN 1941) TO EIGHT TIMES AND THAT OF PREWAR BUSINESS PREMISES FROM 12 TO 18 TIMES THE STANDARD RENT PROVIDED THAT THE PERMITTED RENT DID NOT EXCEED THE FAIR MARKET RENT.

MOVING THE MOTION IN THE COUNCIL TODAY, THE SECRETARY FOR HOUSING, THE HON DONALD LIAO SAID THE RELAXATION WOULD RESULT IN AN AVERAGE INCREASE OF LESS THAN \$100 A MONTH FOR A DOMESTIC PREMISES USUALLY SHARED BY THREE FAMILIES, BRINGING THE RENT FROM ABOUT 21 PER CENT TO 27 PER CENT OF ITS MARKET RENT. ABOUT 4 200 DOMESTIC UNITS IN PREWAR BUILDINGS ARE LIKELY TO BE AFFECTED.

ON PREWAR BUSINESS PREMISES, MR LIAO SAID THE AVERAGE INCREASE FOR A TYPICAL COMMERCIAL GROUND TENEMENT FLOOR WOULD BE ABOUT \$540 A MONTH, BRINGING THE RENT FROM ABOUT 27 PER CENT TO 38 PER CENT OF ITS FAIR MARKET RENT. ABOUT 1 800 BUSINESS UNITS ARE LIKELY TO BE AFFECTED.

UNDER THIS MOTION, LANDLORDS WILL BE REQUIRED TO SERVE AT LEAST ONE MONTH'S NOTICE OF THE INCREASED RENTS TO THEIR TENANTS. IN THE CASE OF PUBLIC ASSISTANCE RECIPIENTS, ANY INCREASE IN RENT WILL BE OFFSET BY INCREASES IN RENT ALLOWANCES UP TO THE PERMITTED MAXIMA.

/MR LIAO

MR LIAO SAID THE INCREASES WERE SMALL IN ACTUAL CASH TERMS AND REPRESENTED ANOTHER SMALL STEP IN GOVERNMENT'S POLICY OF LOOSENING THESE RIGID AND OUTDATED CONTROLS WHICH HAD BEEN IN FORCE FOR OVER 30 YEARS.

HE RECALLED THAT IN NOVEMBER 1978, THE GOVERNMENT AGREED TO PURSUE A POLICY OF ALLOWING ANNUAL INCREASES IN THE PERMITTED RENTS OF PREWAR PREMISES IN ORDER TO MITIGATE THE RESTRICTIVE NATURE OF THE STATIC RENT CONTROLS, AND IT WAS THE DECLARED POLICY OF THE LEGISLATIVE COUNCIL TO DECONTROL PREWAR BUSINESS PREMISES ON JULY 1, 1984.

HE SAID DESPITE THE ANNUAL INCREASES SINCE 1976, AVERAGE PERMITTED RENTS OF BUSINESS PREMISES SUBJECT TO CONTROL STILL STOOD AT ABOUT 27 PER CENT OF FAIR MARKET RENTS WHILE THOSE OF DOMESTIC PREMISES AT ABOUT 21 PER CENT OF FAIR MARKET RENTS.

+THIS IS DUE TO THE VERY LOW BASE ON WHICH RENT INCREASES ARE CALCULATED AND TO INCREASED MARKET RENTAL LEVELS OVER THE PAST TWO YEARS. UNLESS FURTHER INCREASES ARE ALLOWED, THE GAP BETWEEN EXISTING RENTS AND MARKET RENTS IS NOT LIKELY TO BE REDUCED,+ HE SAID.

THERE ARE 11 000 UNITS IN PREWAR BUILDINGS. OF THESE 5 000 ARE EITHER OCCUPIED BY OWNERS, SPECIFICALLY EXCLUDED FROM CONTROLS OR LET AT RENTS AT OR APPROACHING MARKET LEVELS. THE RESOLUTION ADOPTED HAS LITTLE EFFECT ON RENTS PAYABLE BY TENANTS OF PREMISES WHICH ARE NOT SUBJECT TO CONTROLS.

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IMMIGRATION BILL BECOMES LAW

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THE IMMIGRATION (AMENDMENT) BILL WHICH INTRODUCES DETERRENTS TO VIETNAMESE REFUGEES REFUSING RESETTLEMENT OFFERS, WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY.

DURING THE COMMITTEE STAGE OF THE BILL, THE SECRETARY FOR SECURITY, THE HON LEWIS DAVIES, MOVED A MINOR AMENDMENT TO THE BILL WHICH WILL ENABLE THE COUNCIL TO DELETE OR ADD TO THE LIST OF DOCUMENTS USED AS PROOF OF IDENTITY.

UNDER THE BILL, VIETNAMESE REFUGEES WHO CONTRAVENE THEIR CONDITIONS OF STAY ARE LIABLE TO DETENTION FOR UP TO 28 DAYS AND MAY BE REFUSED PERMISSION TO WORK.

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WEDNESDAY, MAY 27, 1981

- 11 -

BILL SEEKS HIGHER PENALTY FOR MARINE LITTERING

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A BILL WAS INTRODUCED AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) PROVIDING FOR AN INCREASED PENALTY OF \$5 000 AND SIX MONTHS IMPRISONMENT FOR MARINE LITTERING.

IN INTRODUCING THE SUMMARY OFFENCES (AMENDMENT)(NO. 2) BILL 1981, WHICH WAS ALSO GIVEN A SECOND READING, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES, SAID THAT WHILE THE PENALTY MIGHT SEEM HIGH, IT WAS CONSIDERED THAT IT SHOULD BE SET AT A LEVEL +NOT ONLY TO DEMONSTRATE THE SERIOUSNESS WITH WHICH THIS OFFENCE IS VIEWED, BUT ALSO TO ACT AS A SUFFICIENT DETERRENT.+

MR JONES EXPLAINED THAT THE BILL REFINES EXISTING MEASURES FOR CONTROLLING LITTERING IN PUBLIC PLACES AND AT THE SAME TIME MAKES SPECIFIC PROVISION FOR A NEW MARINE LITTERING OFFENCE.

HE SAID THE BILL WOULD MAKE IT AN OFFENCE TO DEPOSIT LITTER INTO HONG KONG WATERS, OR TO LEAVE LITTER IN ANY PLACE WHERE IT WOULD BE LIKELY TO BE SWEEPED BY THE TIDE INTO THE SEA. THIS IS INTENDED TO DEAL WITH THE PROBLEM OF SUCH MATERIAL AS SCRAP TIMBER FROM BOAT OR TIMBER YARDS WHICH IS FREQUENTLY LEFT ON THE TIDE LINE AND ALLOWED TO DRIFT INTO THE WATER.

IT IS ALSO PROPOSED THAT, APART FROM THE ACTUAL OFFENDER, LIABILITY FOR THIS OFFENCE WILL BE EXTENDED TO INCLUDE THE OWNER OR MASTER OF THE VESSEL OR THE PROPRIETOR OR OCCUPIER OF THE ESTABLISHMENT FROM WHICH SUCH WASTE EMANATES SO AS TO ENCOURAGE HIM TO PROVIDE PROPER DISPOSAL ARRANGEMENTS.

THE BILL ALSO PROVIDES THAT IT SHALL BE A DEFENCE IF A PERSON CHARGED UNDER THESE EXTENDED LIABILITIES CAN PROVE THAT THE OFFENCE OCCURRED DUE TO AN ACCIDENT, OR CIRCUMSTANCES BEYOND HIS CONTROL, AND THAT ALL REASONABLE PRECAUTIONS TO PREVENT ITS OCCURRENCE HAD BEEN TAKEN.

+FINALLY, THE BILL PROVIDES FOR THE PENALTY FOR THE OFFENCE OF MARINE LITTERING TO BE INCREASED TO \$5 000 AND SIX MONTHS IMPRISONMENT. WHILE THIS MAY SEEM HIGH, IT IS CONSIDERED THAT THE PENALTY SHOULD BE SET AT A LEVEL NOT ONLY TO DEMONSTRATE THE SERIOUSNESS WITH WHICH THIS OFFENCE IS VIEWED, BUT ALSO TO ACT AS A SUFFICIENT DETERRENT.+

DEBATE ON THE BILL WAS ADJOURNED.

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BILL ON OPERATION OF ROPEWAY INTRODUCED

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THE PRINCIPAL RESPONSIBILITY FOR THE SAFE OPERATION OF AN AERIAL ROPEWAY WOULD BE PLACED ON ITS OWNER UNDER THE AERIAL ROPEWAYS (SAFETY)(AMENDMENT) BILL 1981, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES, SAID TODAY (WEDNESDAY).

IN MOVING THE SECOND READING OF THE BILL IN THE LEGISLATIVE COUNCIL, MR JONES SAID THE DEFINITION OF +OWNER+ WOULD BE MADE CLEAR TO INCLUDE THE LESSEE, HIRER OR MANAGER OF A ROPEWAY.

UNDER THE AMENDMENTS, CRIMINAL LIABILITY WOULD BE IMPOSED ON AN OWNER WHO OPERATED A ROPEWAY IN AN UNSAFE CONDITION OR IN A DANGEROUS MANNER. AN OWNER WOULD ALSO BE LIABLE FOR BREACHES OF REGULATIONS BY PERSONS EMPLOYED BY HIM TO CONTROL, OPERATE, OR MAINTAIN THE ROPEWAY.

A NEW CLAUSE WOULD BE INTRODUCED INTO THE PRINCIPAL ORDINANCE WHICH WOULD SHIFT THE ONUS OF PROOF ONTO DIRECTORS OR OFFICERS OF COMPANIES TO REQUIRING THEM TO PROVE THAT AN OFFENCE WAS COMMITTED WITHOUT THEIR CONSENT OR CONNIVANCE.

THE BILL EXPANDS EXISTING PROVISION WITH REGARD TO SAFETY, SO THAT REQUIREMENTS MAY TAKE INTO ACCOUNT PERSONS WHO ARE IN THE VICINITY OF A ROPEWAY, AS WELL AS PERSONS USING OR OPERATING IT.

IT ALSO SEEKS TO INCREASE PENALTIES UNDER THE ORDINANCE AND ANY REGULATIONS TO A LEVEL WHICH WILL BE A PROPER DETERRENT. THE PRINCIPAL CHANGE IS TO INCREASE THE PENALTIES FOR OFFENCES BY AN OWNER WHICH DIRECTLY ENDANGER SAFETY TO A FINE OF \$50 000, IMPRISONMENT FOR TWO YEARS, AND A DAILY PENALTY OF \$1 000.

THE MAXIMUM PENALTIES WHICH MAY BE PRESCRIBED BY REGULATIONS WOULD BE INCREASED TO THE SAME LEVEL FROM THE PRESENT LEVEL OF A FINE OF \$2 000 AND SIX MONTHS IMPRISONMENT.

DEBATE ON THE BILL WAS ADJOURNED.

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ROAD MAINTENANCE IS ADEQUATE

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THE ACTING DIRECTOR OF PUBLIC WORKS, THE HON JACK STEAN, SAID TODAY HE BELIEVED THE HIGHWAYS SYSTEM THROUGHOUT THE TERRITORY WAS ON THE WHOLE MAINTAINED IN AN ADEQUATE STATE OF REPAIR THOUGH THERE WAS ALWAYS ROOM FOR IMPROVEMENT.

HE WAS REPLYING TO A QUESTION BY THE HON LYDIA DUNN IN THE LEGISLATIVE COUNCIL.

MR STEAN SAID, +THE TASK OF MAINTAINING THE HIGHWAYS SYSTEM, WHICH FALLS ON THE HIGHWAYS OFFICE, IS ONE OF INCREASING DIFFICULTY.+

/+IN THE.....

+IN THE CALENDAR YEARS 1979 AND 1980, THE NUMBER VEHICLES REGISTERED ROSE FROM 235 000 TO 304 000 AND WE NOW HAVE 272 VEHICLES FOR EVERY KILOMETRE OF ROAD IN HONG KONG.+ HE ADDED.

+COUPLED WITH THIS VERY HIGH DENSITY OF TRAFFIC, THERE IS A TREND TOWARDS HEAVIER VEHICLES WHICH OF COURSE GENERALLY MEANS HEAVIER AXLE LOADINGS AND BOTH OF THESE FACTORS OBVIOUSLY INCREASE THE RATE OF DETERIORATION OF THE ROADS.

+ADDITIONALLY, BECAUSE OF THE HIGH VOLUME OF TRAFFIC FLOW ON OUR ROADS THE DIFFICULTIES OF GAINING ADEQUATE TIME AND SPACE TO PROPERLY CARRY OUT ROAD REPAIR WORKS HAVE BEEN EXACERBATED.+

MR STEAN POINTED OUT THAT THE HIGHWAYS OFFICE WAS ATTEMPTING TO MITIGATE THESE PROBLEMS BY IMPROVING THE QUALITY OF MATERIALS USED IN ROAD WORKS AND BY INTRODUCING NEW TECHNIQUES AND MECHANICAL PLANT INTO HIGHWAYS WORKS.

+HOWEVER,+ HE CONTINUED, +THERE ARE STAFF SHORTAGES, PARTICULARLY AT THE TECHNICAL LEVEL WHICH RESTRICT THE HIGHWAYS OFFICE OVERALL CAPACITY FOR WORK INCLUDING ROAD REPAIR WORKS.

+THE MOST CRITICAL SHORTAGE IS IN THE WORKS SUPERVISOR GRADE WHERE THE VACANCY RATE IS 35 PER CENT.+

WHILE HE BELIEVED THAT THE OVERALL PICTURE WAS NOT REALLY A BAD ONE, MR STEAN ASSURED MISS DUNN THAT THE PUBLIC WORKS DEPARTMENT WAS NOT COMPLACENT AND WOULD EXERT ITS BEST EFFORTS TO IMPROVE ON THE PRESENT SITUATION.

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GOVERNMENT NOT PARTY TO CONTRACTS

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THE SECRETARY FOR SOCIAL SERVICES, THE HON E.P. HO, IN REPLY TO A QUESTION FROM THE HON ANDREW SO WHETHER THE GOVERNMENT WOULD CONSIDER MAKING FUNDS AVAILABLE TO ALLOW VOLUNTARY AGENCIES AND SUBSIDISED SCHOOLS TO IMPROVE THE CONDITIONS OF SERVICE OF THEIR STAFF AND TO BRING THEM MORE IN LINE WITH THOSE OFFERED TO CIVIL SERVANTS, SAID THAT THE GOVERNMENT WAS NOT A PARTY TO THE CONTRACTS OF EMPLOYMENT BETWEEN A VOLUNTARY AGENCY AND ITS STAFF.

+INSOFAR AS THE PROVISION OF PUBLIC FUNDS FOR THE USE OF VOLUNTARY AGENCIES IS CONCERNED, THE GOVERNMENT'S POLICY IS TO ENABLE SUCH SUBVENTED AGENCIES, INCLUDING AIDED SCHOOLS, TO MAINTAIN SERVICES AT AGREED LEVELS WITHIN APPROVED POLICIES,+ MR HO SAID.

IT IS A PRINCIPLE OF THIS SUBVENTION POLICY THAT AIDED BODIES MUST NOT USE THE SUBVENTIONS THEY RECEIVE TO GIVE BETTER SALARIES AND CONDITIONS OF SERVICE TO THOSE OF THEIR STAFF HAVING SIMILAR QUALIFICATIONS, AND DOING COMPARABLE WORK, AS SPECIFIC CLASSES OF CIVIL SERVANTS, HE SAID.

+ANY APPLICATION BY A SUBVENTED AGENCY FOR ADDITIONAL FUNDS TO IMPROVE THE CONDITIONS OF SERVICE OF ITS STAFF WILL HAVE TO BE CONSIDERED IN THE LIGHT OF THESE CRITERIA,+ MR HO SAID.

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TOO MANY CHILDREN FOR ESTATE SCHOOL PLACES

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THERE IS AN INADEQUATE PROVISION OF PRIMARY SCHOOL PLACES IN TAI HING ESTATE BECAUSE OF THE EXTRAORDINARILY LARGE NUMBER OF YOUNG CHILDREN LIVING IN THE ESTATE.

THIS WAS STATED BY THE SECRETARY FOR THE NEW TERRITORIES, MR DAVID AKERS-JONES, IN REPLY TO A QUESTION BY MR HO KAM-FAI IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

+ABOUT 36 PER CENT OF THE TOTAL POPULATION OF TAI HING ARE BELOW THE AGE OF NINE, AND THIS IS DIRECTLY RELATED TO THE UNUSUALLY HIGH NUMBER OF YOUNG FAMILIES WHO FOR ONE REASON OR ANOTHER ARE ATTRACTED TO LIVE IN TUEN MUN,+ MR AKERS-JONES SAID.

PRIMARY SCHOOL PLACES IN ALL PUBLIC HOUSING ESTATES WERE PROVIDED ON A YARDSTICK OF ONE CLASSROOM FOR EVERY 850 PEOPLE, HE SAID.

+THIS STANDARD OF PROVISION MAKES CERTAIN ASSUMPTIONS ABOUT THE POPULATION STRUCTURE AND WE HAVE FOUND BY EXPERIENCE THAT THIS STANDARD IS ADEQUATE.

+THE SITUATION IN TAI HING IS EXCEPTIONAL FOR THE REASONS EXPLAINED.

+HOWEVER I AM GLAD TO REPORT THAT WE HAVE BEEN ABLE TO DO SOMETHING ABOUT THE IMMEDIATE PROBLEM IN TAI HING BY USING OTHER SCHOOL PREMISES IN THE VICINITY,+ MR AKERS-JONES SAID.

A LONGER-TERM SOLUTION WOULD BE THE PROVISION OF MORE SCHOOL PREMISES WITHIN THE NEIGHBOURHOOD.

+THE TAI HING SITUATION HAS ALERTED US TO A SITUATION WHICH MAY CROP UP ELSEWHERE, AND I WILL BE MEETING WITH OTHER DEPARTMENTS IN THE VERY NEAR FUTURE TO DECIDE WHAT ADJUSTMENTS MAY BE NECESSARY TO MAINTAIN AN ADEQUATE PROVISION OF FACILITIES TO MATCH THE SIZE AND STRUCTURE OF THE POPULATION IF THIS SHOWS SIGNS OF HAPPENING ELSEWHERE,+ HE SAID.

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BASIC FACILITIES PROVIDED IN MOST SQUATTER AREAS

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THE GOVERNMENT ACCEPTS THAT BASIC FACILITIES SHOULD BE PROVIDED IN EXISTING LONG-STANDING SQUATTER AREAS, AND INDEED MOST OF THEM HAVE FACILITIES OF ONE SORT OR ANOTHER, THE DIRECTOR OF HOME AFFAIRS, THE HON GRAHAM BARNES, SAID AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM THE HON WONG LAM AS TO WHAT PLAN THE GOVERNMENT HAD TO IMPROVE BASIC FACILITIES IN THE EXISTING SQUATTER AREAS, MR BARNES SAID SINCE 1975 MORE THAN 80 AREAS IN THE URBAN AREAS HAD BEEN PROVIDED WITH A LEGAL SUPPLY OF ELECTRICITY AND ANOTHER 20 WOULD BE ADDED TO THESE SOON.

MORE THAN 185 AREAS IN THE NEW TERRITORIES ALREADY HAD A SUPPLY, HE ADDED.

AS REGARDS WATER, MR BARNES SAID THE MAJORITY OF SQUATTERS HAD REASONABLY RELIABLE MAINS SUPPLY BUT MANY WOULD LIKE TO SEE THEIR SUPPLY SYSTEMS IMPROVED AND A VERY SMALL NUMBER WERE SITUATED IN PLACES WHERE IMPROVEMENT WAS PARTICULARLY DIFFICULT.

BUT A SYSTEMATIC PROGRAMME OF PROVISION OF MAINS WATER, MOSTLY THROUGH STANDPIPES, HAD BEEN CARRIED OUT, OVER MANY YEARS AND THIS WOULD CONTINUE.

AS FOR REFUSE COLLECTION, SANITATION AND THE PROVISION OF ACCESS ROADS AND PATHS TO FACILITATE CLEANSING, MR BARNES SAID: +IMPROVEMENT IS MADE DIFFICULT BY THE VERY DISORGANISED NATURE OF SQUATTER AREAS. WHETHER THEY ARE CLOSELY PACKED TOGETHER OR SOMEWHAT SCATTERED, THE SAME QUESTION ARISES: WHERE CAN FACILITIES SUCH AS REFUSE COLLECTION POINTS AND TOILETS ACTUALLY BE SITED SO THAT NOT ONLY WILL THEY BE USED BY RESIDENTS, BUT THEY WILL ALSO HAVE REASONABLE ACCESS FOR REFUSE AND NIGHTSOIL COLLECTION.+

FOR THE SAME REASON, SQUATTER AREAS COULD BE VERY DIFFICULT PLACES TO KEEP CLEAN BY SWEEPING, HE SAID.

+NEVERTHELESS, AS THE SECRETARY FOR HOME AFFAIRS MADE CLEAR TO THE COUNCIL ON APRIL 8, IT IS THE INTENTION TO PROVIDE MORE OF THESE TYPES OF THE FACILITY WHEREVER WE CAN,+ HE ADDED.

MR BARNES POINTED OUT THE GREATEST CURRENT PROBLEM IN MANY OF THE LONG-STANDING SQUATTER AREAS WAS THAT THE FACILITIES, SUCH AS THEY WERE, HAD BEEN OVER-LOADED BY INCREASES OF POPULATION.

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SQUATTER CONTROL OPERATIONS TO BE STEPPED UP

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PLANS ARE IN HAND TO REINFORCE THE SQUATTER CONTROL EFFORT IN CERTAIN AREAS, FOR EXAMPLE EAST KOWLOON, WHERE SQUATTING PRESSURE IS PARTICULARLY ACUTE.

THIS WAS SAID IN THE LEGISLATIVE COUNCIL TODAY BY THE SECRETARY FOR HOUSING, MR DONALD LIAO, IN REPLY TO A QUESTION BY THE HON WONG LAM, ABOUT THE GOVERNMENT'S PLANS TO CURB ILLEGAL SQUATTING.

HE ADDED: +HOWEVER, GIVEN THAT RESOURCES ARE LIMITED, PRIORITY FOR CONTROL MUST BE GIVEN TO AREAS OF CROWN LAND SCHEDULED FOR DEVELOPMENT.

+SQUATTER CONTROL STAFF PATROL DAILY, INCLUDING WEEKENDS AND PUBLIC HOLIDAYS, WITH A VIEW TO PREVENTING NEW SQUATTING AND DEMOLISHING ANY NEW STRUCTURES DISCOVERED, EITHER UNDER CONSTRUCTION OR COMPLETED.

/+WELL OVER

+WELL OVER 2 000 HUTS ARE DEMOLISHED EACH MONTH BY THESE TEAMS.

+IN ADDITION TO REGULAR PATROLLING AND DEMOLITION, THE POLICE FORCE, WORKING TOGETHER WITH HOUSING DEPARTMENT STAFF, WILL CONTINUE TO ARREST AND PROSECUTE PEOPLE FOUND BUILDING HUTS.

+IN THE LAST FINANCIAL YEAR, NEARLY 1 400 PEOPLE WERE CHARGED, MANY SUBSTANTIAL FINES WERE IMPOSED, AND OVER 70 WERE SENTENCED TO TERMS OF IMPRISONMENT FOR SUCH OFFENCES,+ HE SAID.

MR LIAO ADDED THAT THE RESPONSIBILITY OF SQUATTER CONTROL THROUGHOUT THE NEW TERRITORIES WOULD ALSO PASS TO THE HOUSING DEPARTMENT LATER THIS YEAR.

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POLICY ON PATIENT TRANSFERS WORKS WELL

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THE POLICY OF TRANSFERRING PATIENTS BETWEEN HOSPITALS IS IN ACCORDANCE WITH THE PRINCIPLE OF REGIONALISATION OF MEDICAL SERVICES AND HAS WORKED WELL IN THE LAST FOUR YEARS SINCE THE REGIONALISATION SCHEME WAS FIRST INTRODUCED.

THIS WAS STATED IN THE LEGISLATIVE COUNCIL TODAY BY THE DIRECTOR OF MEDICAL AND HEALTH SERVICES, DR THE HON K.L. THONG WHO ALSO SAID THE POLICY HAD CONTRIBUTED MUCH TO THE OBJECTIVE OF BETTER AND MORE OPTIMUM USE OF THE HOSPITAL FACILITIES TO THE BENEFITS OF ALL CONCERNED.

IN REPLY TO A QUESTION BY THE HON LYDIA DUNN, DR THONG SAID THE DUTIES AND RESPONSIBILITIES OF DOCTORS AND NURSING STAFF LOOKING AFTER TRANSFERRED PATIENTS WERE CLEARLY DEFINED. +THUS, EVEN AFTER A TRANSFER, THE PATIENT CONTINUES TO BE TAKEN CARE OF, UNDER WELL ESTABLISHED ARRANGEMENTS MADE BETWEEN THE ATTENDING PHYSICIANS AND THE NURSING STAFF,+ HE ADDED.

DR THONG DISCLOSED THAT THE STAFFING IN RESPECT OF NURSES IN PUBLIC HOSPITALS WAS GOVERNED BY A GENERAL APPROVED NURSE AND BED RATIO AS RECOMMENDED BY THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE WHICH REVIEWED IT REGULARLY ON AN ANNUAL BASIS.

BUT IN ACTUAL PRACTICE, HE SAID, THIS RATIO MIGHT ALSO BE VARIED AT THE DISCRETION OF THE NURSING OFFICER IN-CHARGE DEPENDING ON FACTORS SUCH AS THE CONDITION OF THE PATIENTS IN THE WARDS, TYPES OF CASES AND THE TURNOVER RATE ETC.

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DENTAL HOSPITAL GAINS WIDE PRAISE

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THE BILL WHICH PROVIDES FOR THE ESTABLISHMENT OF A BOARD OF GOVERNORS FOR THE PRINCE PHILIP DENTAL HOSPITAL WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING AT THE SECOND READING OF THE BILL, THE HON LYDIA DUNN SAID THE IMAGINATIVE AND INNOVATIVE LAYOUT OF THE HOSPITAL AND ITS MODERN FACILITIES AND EQUIPMENT HAVE ALREADY DRAWN MUCH PRAISE AND ADMIRATION FROM INTERNATIONAL LEADERS IN DENTISTRY WHO HAVE SO FAR VISITED THE COMPLEX BUILDING.

+ALL HAVE AGREED THAT, WHEN IT IS FULLY COMMISSIONED AND OPERATIONAL IN SEPTEMBER THIS YEAR, HONG KONG WILL HAVE IN THE PRINCE PHILIP HOSPITAL ONE OF THE MOST MODERN AND BEST EQUIPPED DENTAL HOSPITALS IN THE WORLD,+ SHE SAID.

AS CHAIRMAN OF THE PROVISIONAL BOARD OF GOVERNORS OF THE HOSPITAL, MISS DUNN NOTED THAT THE HIGH COST OF PROVIDING DENTAL EDUCATION AND THE RELATIVELY LOW PRIORITY ACCORDED TO IT IN MOST COUNTRIES HAVE MEANT THAT EVEN IN THE MOST ADVANCED WESTERN COUNTRIES EXISTING DENTAL SCHOOLS ARE REFURBISHED AND REHOUSED ONLY INFREQUENTLY.

SAID MISS DUNN: +IN DEVELOPING COUNTRIES, FACILITIES FOR DENTAL EDUCATION USUALLY HAVE TO BE PROVIDED ON AN INCREMENTAL BASIS AND IT TAKES SOME YEARS FOR THE QUALITY OF THEIR DENTAL GRADUATES TO MEET ACCEPTED INTERNATIONAL STANDARDS.

+BUT WITH THE PRINCE PHILIP DENTAL HOSPITAL WE WILL NOT ONLY BE INSTITUTING A DENTAL DEGREE COURSE DE NOVE, BUT WILL BE PRODUCING 60 GRADUATES A YEAR HOLDING A QUALIFICATION OF AN INTERNATIONALLY-ACCEPTED STANDARD.+

SHE SAID HER BOARD WAS LOOKING FORWARD TO RUNNING AN EFFICIENT HOSPITAL IN CLOSE COOPERATION WITH ALL CONCERNED, PARTICULARLY THE ACADEMIC STAFF OF THE UNIVERSITY OF HONG KONG.

+I HAVE NO DOUBT THAT THE UNIVERSITY'S REPRESENTATIVES ON THE BOARD WILL PUT FORWARD THE ACADEMIC VIEWPOINT FORCEFULLY.

+I THINK THAT PRESENTLY ENVISAGED ARRANGEMENTS FOR ADVICE AND CONSULTATION WILL PROVE TO BE PERFECTLY ADEQUATE, BUT THEY CAN ALWAYS BE REVIEWED AND RECONSIDERED IN THE LIGHT OF EXPERIENCE,+ SHE ADDED.

DR THE HON RAYSON HUANG SHARED THE VIEWS OF MISS DUNN THAT TRAINING OF DENTISTS IS A COMPLETELY NEW ENTERPRISE IN HONG KONG.

IT REQUIRES THE CLOSEST OF PARTNERSHIPS BETWEEN THE UNIVERSITY AND THE HOSPITAL BOARD TO ENSURE THAT THE OBJECTIVES OF THE PROJECT ARE EFFECTIVELY AND ECONOMICALLY MET, HE SAID.

+THE ACADEMIC AND THE LAYMAN MUST UNDERSTAND EACH OTHER'S LEGITIMATE INTERESTS IF WE ARE TO HAVE A SUCCESSFUL SYSTEM.

/+IN THIS

+IN THIS, MISS DUNN HAS RIGHTLY SAID, THE UNIVERSITY REPRESENTATION ON THE BOARD OF GOVERNORS, PROPOSED IN THE BILL, IS VERY IMPORTANT, AS IS OF COURSE THE PRESENCE ON THE BOARD OF THE DIRECTOR OF THE HOSPITAL.+

POINTING OUT THAT THE TRAINING OF DENTISTS INVOLVES A CONSIDERABLE RANGE OF IMPORTANT SPECIALISMS, DR HUANG EXPLAINED: +THESE SPECIALISMS ARE ORGANISED IN SEPARATE CLINICAL DEPARTMENTS AND UNITS, AND IT IS ESSENTIAL TO RECOGNISE THAT IT IS ON THE TEACHERS IN THESE DEPARTMENTS THAT, IN THE FINAL ANALYSIS, THE RESPONSIBILITY RESTS FOR MAINTAINING THOSE INTERNATIONALLY-RECOGNISED STANDARDS TO WHICH REFERENCE HAS ALREADY BEEN MADE.

+THERE WILL THEREFORE BE A NEED, AS MISS DUNN HAS FORESEEN, FOR THE BOARD TO RECEIVE REGULARLY THE VIEWS AND ADVICE OF THE ACADEMIC DEPARTMENT HEADS ON THOSE MATTERS RELEVANT TO HOSPITAL MANAGEMENT WHICH HAVE FUNDAMENTAL IMPLICATIONS FOR THE TEACHING OF DENTISTS.+

IN WINDING UP THE DEBATE ON THE BILL, THE SECRETARY FOR SOCIAL SERVICES, THE HON E.P. HO THANKED MISS DUNN AND DR HUANG FOR THEIR SUPPORT.

DESPITE THE DELAYS IN THE CONSTRUCTION OF THE HOSPITAL, HE SAID, WE HAD BEEN ABLE TO COMPLETE THIS MAJOR AND COMPLEX INSTITUTION IN LESS THAN FIVE YEARS FROM THE COMMENCEMENT OF THE PLANNING PROCESS.

+I BELIEVE IT IS NOT UNKNOWN FOR COMPARABLE INSTITUTIONS ELSEWHERE TO HAVE TAKEN UP TO 10, OR EVEN 20, YEARS BEFORE COMPLETION. OUR AMAZING PROGRESS HAS BEEN POSSIBLE ONLY BECAUSE OF THE ADAPTABILITY OF OUR PROCEDURES AS WELL AS THE GOODWILL AND HARD WORK OF ALL CONCERNED.+

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COMPUTER SYSTEM FOR LAND RECORDS LIKELY

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PROPOSALS TO COMPUTERISE LAND OFFICE RECORDS, IF APPROVED, WOULD BE IMPLEMENTED IN ABOUT 18 MONTHS TO TWO YEARS, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN REPLY TO A QUESTION BY THE HON PETER C WONG, MR JONES SAID A STUDY INTO THE COMPUTERISATION OF LAND REGISTER CARDS WOULD BE FINISHED NEXT MONTH AND PROGRESS MADE SO FAR INDICATED THAT A RECOMMENDATION TO DEVELOP A COMPUTER SYSTEM WOULD BE MADE.

+THE SYSTEM, IF DEVELOPED, WOULD CREATE A COMPUTERISED INDEX OF THE LAND REGISTER TO ENABLE MICROFILMED COPIES OF ANY MEMORIALS TO BE QUICKLY LOCATED AND OBTAINED,+ HE SAID.

MR JONES SAID TO DATE SOME 600 000 OF THE EXISTING TWO MILLION OR SO MEMORIALS HAD BEEN MICROFILMED AND THE MICROFILMING OF THE REMAINDER COULD TAKE ABOUT ANOTHER THREE YEARS.

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WEDNESDAY, MAY 27, 1981

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RAILWAY FREIGHT TRACK BEING UPGRADED

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THE GOVERNMENT IS UPGRADING THE FREIGHT TRACK OF THE RAILWAY TO MAIN LINE STANDARDS, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON S.L. CHEN, MR JONES SAID THE TWO RECENT DERAILMENTS OCCURRED ON FREIGHT ONLY TRACK WHICH, IN ACCORDANCE WITH WORLDWIDE PRACTICE, WAS NOT NORMALLY MAINTAINED TO PASSENGER LINE STANDARDS.

HOWEVER, AS THE FREIGHT TRACK LEADS TO THE MAIN LINE AND THE DERAILMENTS HELD UP MAIN LINE SERVICES, ACTION IS BEING TAKEN TO UPGRADE THE TRACK TO PREVENT A RECURRENCE.

MR CHEN ALSO ASKED WHETHER ANY SPECIAL TRAINING WOULD BE PROVIDED TO STAFF OF THE KOWLOON CANTON RAILWAY TO ENSURE SAFE OPERATION AFTER ITS ELECTRIFICATION.

MR JONES SAID THAT A DETAILED AND COMPREHENSIVE TRAINING PROGRAMME HAD BEEN DEVELOPED BY THE KCR MANAGEMENT AND THE GOVERNMENT'S CONSULTANTS, TRANSMARK, AND HAD BEEN IN OPERATION SINCE MARCH.

+IT WILL COVER ALL STAFF AND EVERY ASPECT OF THE RAILWAY SERVICE,+ HE SAID.

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NATIVE ENGLISH SPEAKERS FOR LANGUAGE INSTITUTE

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THE DIRECTOR OF EDUCATION THE HON COLVYN HAYE SAID IN LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT THE GOVERNMENT WOULD NOT ENGAGE A PROPORTION OF NATIVE ENGLISH SPEAKERS FOR THE TRAINING OF TEACHERS OF ENGLISH IN THE COLLEGES OF EDUCATION.

IN REPLY TO A QUESTION FROM REV THE HON JOYCE BENNETT, MR HAYE, HOWEVER, SAID A SUBSTANTIAL NUMBER WOULD BE ENGAGED IN THE PROPOSED INSTITUTE OF LANGUAGE IN EDUCATION TO WORK CLOSELY WITH ENGLISH DEPARTMENTS IN THE COLLEGES.

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NEW CHARGES AT GOVERNMENT CAR PARKS START MONDAY
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A TRANSPORT DEPARTMENT SPOKESMAN TODAY (WEDNESDAY) REMINDED MOTORISTS THAT NEW PARKING CHARGES AT 11 GOVERNMENT CAR PARKS WOULD COME INTO EFFECT ON JUNE 1 (MONDAY).

AND MONTHLY PASSES FOR JUNE, SCHEDULED TO GO ON SALE TOMORROW (THURSDAY), WOULD BE SOLD AT THE NEW RATES.

THE SPOKESMAN SAID IT WAS HOPED THAT THE REVISED CHARGES WOULD HELP REGULATE DEMAND FOR PARKING SPACES BY INCREASING TURNOVER AND CUTTING DOWN ON CONGESTION AND INCONVENIENCE CAUSED BY VEHICLES FORMING QUEUES TO GAIN ENTRY TO CAR PARKS.

THE NEW HOURLY RATES FOR THE GARDEN ROAD, STAR FERRY, MURRAY ROAD, RUMSEY STREET AND CITY HALL CAR PARKS WILL BE INCREASED FROM \$3 TO \$4 BETWEEN 8 AM AND 6 PM ON WEEK DAYS. THE 6 PM TO 8 AM RATE WILL REMAIN UNCHANGED AT \$1 AN HOUR. BUT THE CHARGE FOR MONTHLY PASSES AT THESE CAR PARKS WILL BE INCREASED FROM \$600 TO \$800.

CHARGES FOR THE MIDDLE ROAD AND YAU MA TEI CAR PARKS WILL BE INCREASED FROM \$2 TO \$3 AN HOUR BETWEEN 8 AM AND MIDNIGHT FROM MONDAY TO SUNDAY. THE MIDNIGHT TO 8 AM RATE WILL REMAIN UNCHANGED AT \$1 AN HOUR. MONTHLY PASSES WILL REMAIN AT \$600.

CHARGES AT THE TAI KOK TSUI OPEN-AIR CAR PARK WILL GO UP FROM \$1 TO \$2 AN HOUR BETWEEN 8 AM AND MIDNIGHT MONDAY TO SUNDAY, WHILE THE COST OF A MONTHLY PASS WILL BE INCREASED FROM \$200 TO \$300. THE MIDNIGHT TO 8 AM HOURLY RATE WILL CONTINUE TO BE \$1.

THE 8 AM TO 6 PM RATE ON WEEK DAYS AT BOTH THE MURRAY BARRACKS AND HARBOUR ROAD OPEN-AIR CAR PARKS WILL BE RAISED FROM \$2 TO \$3 AN HOUR AND THE MONTHLY PASSES FROM \$300 TO \$400. THE 6 PM TO MIDNIGHT RATE AT THE HARBOUR ROAD CAR PARK ALSO WILL BE INCREASED FROM \$1 TO \$2 AN HOUR, BUT THE MIDNIGHT TO 8 AM CHARGE WILL REMAIN AT \$1 AN HOUR. THE CHARGE OF THE MURRAY ROAD CAR PARK DURING THE 6 PM TO MIDNIGHT PERIOD WILL REMAIN UNCHANGED AT \$1 PER HOUR.

THE COST OF A MONTHLY PASS FOR THE HUNG HOM MULTI-STOREY CAR PARK HAS BEEN REDUCED FROM \$600 TO \$200, ALTHOUGH THE HOURLY RATE REMAINS AT \$1.

MOTORISTS ARE REMINDED THAT ONLY THE \$800 MONTHLY PASS COULD BE USED AT ALL CAR PARKS. OTHER MONTHLY PASSES COULD ONLY BE USED IN SPECIFIC CAR PARKS WHERE THE MONTHLY CHARGE WAS THE SAME OR LESS. PASSES FOR EACH OF THE TEMPORARY OPEN-AIR CAR PARK ARE ONLY VALID FOR INDIVIDUAL CAR PARK.

CHARGES AT GOVERNMENT LORRY PARKS WILL REMAIN UNCHANGED.

MEANWHILE, THE OPENING OF THE NEW ABERDEEN MULTI-STOREY CAR PARK, SCHEDULED FOR NEXT MONTH, HAS NOW BEEN POSTPONED UNTIL JULY.

THE HOURLY RATE AT THE NEW CAR PARK, WHICH HAS SPACE FOR 351 VEHICLES, WILL BE \$2 BETWEEN 8 AM AND MIDNIGHT AND \$1 FROM MIDNIGHT TO 8 AM THROUGHOUT THE WEEK. MONTHLY PASSES WILL COST \$400.

AUCTION OF SPECIAL CAR NUMBERS
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THE TRANSPORT DEPARTMENT WILL HOLD AN AUCTION OF SPECIAL CAR REGISTRATION NUMBERS ON SATURDAY (MAY 30) AT 10 AM IN THE CITY HALL LECTURE HALL.

A TOTAL OF 35 SPECIAL CAR NUMBERS WILL BE PUT UP FOR BIDDING.

THEY ARE :

CK 113	CK 1283	CL 4	CK 3183	CK 1956
CJ 7220	CC 353	CK 1668	CK 1932	CK 1839
CK 280	CK 5525	BN 1	CM 2	CK 108
CK 213	8668	CK 661	AA 2828	CK 3033
CK 802	AA 30	HK 6	CK 348	CK 1970
CK 7313	CC 2222	CG 101	CK 1999	CK 2572
CK 308	CK 618	CK 223	CK 332	CK 329

SUCCESSFUL BIDDERS MUST PAY IN CASH OR BY CHEQUE IMMEDIATELY AFTER THE BIDDING.

A TRANSPORT DEPARTMENT SPOKESMAN REMINDED BIDDERS THAT THE VEHICLE REGISTRATION NUMBER WOULD BE ASSIGNED ONLY TO A VEHICLE REGISTERED IN THE NAME OF THE SUCCESSFUL BIDDER WITHIN 12 MONTHS OF THE AUCTION.

AS IN THE PAST, PROCEEDS OF THE AUCTION WILL GO TO THE GOVERNMENT LOTTERIES FUND.

THE AUCTION WILL BE THE 64TH ORGANISED BY THE TRANSPORT DEPARTMENT SINCE MAY 1973.

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HOUSING MINISTER SEES DEVELOPMENTS
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THE MINISTER FOR HOUSING AND CONSTRUCTION, MR JOHN STANLEY, HERE ON A FIVE-DAY VISIT, THIS MORNING WENT ON A LAUNCH CRUISE AND SAW DEVELOPMENTS ON THE NORTH-WESTERN SIDE OF THE HARBOUR.

HE WAS ACCOMPANIED BY MR PETER THOMSON, SENIOR BRITISH TRADE COMMISSIONER- MR JOHN TODD, DEPUTY SECRETARY FOR THE ENVIRONMENT- MR EDDIE SHORT, ACTING DIRECTOR OF ENGINEERING DEVELOPMENT OF THE PUBLIC WORKS DEPARTMENT AND MR FRED PANG, DEPUTY DIRECTOR (CONSTRUCTION) OF THE HOUSING DEPARTMENT.

/ALSO ON

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ALSO ON BOARD THE LAUNCH +ISABEL+ WAS A TEAM OF TOP EXECUTIVES FROM BRITAIN'S BUILDING AND CONSTRUCTION INDUSTRIES.

FROM THE LAUNCH THE PARTY HAD A VIEW OF THE KWAI CHUNG CONTAINER PORT AND TSING YI BRIDGE.

THEY WERE ALSO BRIEFED BY MR SHORT ON THE DEVELOPMENT IN TSUEN WAN, KWAI CHUNG AND TSING YI ISLAND.

THE LAUNCH CONTINUED ITS WAY TO THE NEW TERRITORIES ARRIVING AT TUEN MUN EARLY IN THE AFTERNOON.

THERE, THE MINISTER WAS BRIEFED BY MR T.S. NG, PROJECT MANAGER (TUEN MUN), ON THE NEW TOWN AND BY A REPRESENTATIVE OF GOVERNMENT CONSULTANTS, OVE ARUP AND PARTNERS, ON THE DEVELOPMENT OF NORTH-WESTERN NEW TERRITORIES.

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QUEENSLAND MP'S SEE HIGH ISLAND RESERVOIR
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A GROUP OF PARLIAMENTARIANS FROM QUEENSLAND TODAY TOURED THE HIGH ISLAND RESERVOIR, THE BIGGEST SEABED FRESHWATER RESERVOIR IN THE WORLD.

THE 11-MEMBER PARLIAMENTARY DELEGATION, LED BY MR K.B. TOMKINS, MINISTER FOR WATER RESOURCES AND ABORIGINAL AND ISLAND AFFAIRS, IS IN HONG KONG ON A FOUR-DAY VISIT IN THE COURSE OF A FACT-FINDING TOUR OF ASIAN COUNTRIES.

THEY WERE ACCOMPANIED ON THE TOUR OF THE \$1 348 MILLION PROJECT BY THE ACTING DIRECTOR OF WATER SUPPLIES, MR TOM TOMLINSON.

EARLIER IN THE DAY, THE VISITORS WERE GIVEN A BRIEFING IN MR TOMLINSON'S OFFICE ON WATER SUPPLIES IN HONG KONG.

THEY WERE TOLD OF THE WATER SUPPLIES DEPARTMENT'S MOST EXTENSIVE SCHEME EVER TO CATER FOR ADDITIONAL SUPPLIES OF WATER FROM CHINA.

THE PROJECT, COSTING MORE THAN \$1.300 MILLION, WILL BE CARRIED OUT IN THREE STAGES DURING THE NEXT 12 YEARS.

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THAI OFFICIALS SEE HK PRISONS SYSTEM

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SIX OFFICIALS FROM THAILAND'S DEPARTMENT OF CORRECTIONS, TODAY (WEDNESDAY) VISITED THE PRISONS DEPARTMENT'S STAFF TRAINING INSTITUTE TO SEE PRISON OFFICERS UNDERGOING TRAINING, AND ALSO VISITED STANLEY PRISON, A MAXIMUM-SECURITY PRISON.

THE OFFICERS, WHO WILL SPEND FIVE DAYS HERE, WILL ALSO VISIT OTHER CORRECTIONAL INSTITUTIONS ADMINISTERED BY THE DEPARTMENT, INCLUDING A RECEPTION CENTRE, A DRUG ADDICTION TREATMENT CENTRE, A DETENTION CENTRE AND A TRAINING CENTRE FOR YOUNG OFFENDERS, AS WELL AS A CENTRE FOR WOMEN.

BEFORE LEAVING HONG KONG, THEY WILL ATTEND A PASSING-OUT PARADE OF PRISON OFFICER RECRUITS AT THE STAFF TRAINING INSTITUTE ON SATURDAY.

YESTERDAY (TUESDAY), THEY CALLED AT PRISONS HEADQUARTERS AND HAD TALKS WITH THE COMMISSIONER OF PRISONS, MR THOMAS GARNER.

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NTA LAND EXECUTIVES PASS POLYTECHNIC COURSE

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DEPUTY SECRETARY FOR THE NEW TERRITORIES, MR AUGUSTINE CHUI KAM, TODAY (WEDNESDAY) PRESENTED CERTIFICATES TO 25 NEW TERRITORIES ADMINISTRATION LAND EXECUTIVES, WHO HAVE PASSED A TWO-YEAR COURSE IN LAND ADMINISTRATION ORGANISED BY THE NTA AND THE HONG KONG POLYTECHNIC.

THE PRESENTATIONS WERE MADE AT NTA HEADQUARTERS.

THE PART-TIME, DAY RELEASE COURSE PROVIDES FORMALISED TRAINING IN LAND ADMINISTRATION FOR NEWLY-RECRUITED LAND EXECUTIVES.

SUBJECTS COVERED INCLUDE PRACTICE AND PROCEDURE OF LOCAL SERVICES, LAND SURVEYING AND MAP INTERPRETATION, VALUATION OF LAND AND BUILDINGS, LAW RELATED TO LAND ADMINISTRATION, BUILDING CONSTRUCTION, LAND USE AND DEVELOPMENT, ORGANISATION AND MANAGEMENT, AND ECONOMICS.

SINCE THE COURSE STARTED IN 1974, A TOTAL OF 85 SERVING LAND EXECUTIVES, EXCLUDING THE PRESENT 25, HAVE COMPLETED IT, WITH 49 OTHERS NOW ATTENDING.

/PASSING THE

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PASSING THE COURSE, HELD ONE DAY A WEEK AT THE POLYTECHNIC, IS A REQUIREMENT FOR CONFIRMATION TO THE GOVERNMENT'S PERMANENT AND PENSIONABLE ESTABLISHMENT.

RETIREMENT CEREMONY

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TWO LONG-SERVING MEMBERS OF THE GOVERNMENT SUPPLIES DEPARTMENT WILL BE RETIRING SHORTLY FROM THE CIVIL SERVICE.

THEY ARE MR CHU WING-HIN, SUPPLIES OFFICER AND MR CHAN WONG, FOREMAN.

MR CHU SERVED THE GOVERNMENT FOR 35 YEARS AND MR CHAN SERVED FOR 34 YEARS.

THE DIRECTOR OF GOVERNMENT SUPPLIES, MR R. KILVERT, WILL PRESENT THEM WITH RETIREMENT GIFTS ON BEHALF OF THEIR COLLEAGUES AT A CEREMONY ON FRIDAY (MAY 29) IN THE DEPARTMENT'S CANTEEN, TOP FLOOR, OIL STREET, NORTH POINT.

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NOTE TO EDITORS:

YOU ARE INVITED TO SEND REPRESENTATIVES TO COVER THE CEREMONY IN THE CANTEEN OF THE GOVERNMENT SUPPLIES DEPARTMENT HEADQUARTERS, TOP FLOOR, OIL STREET, NORTH POINT ON FRIDAY (MAY 29) AT 4 PM.

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WATER CUT

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FRESH WATER SUPPLY TO A NUMBER OF PREMISES IN KOWLOON CITY WILL BE TURNED OFF FOR SEVEN HOURS FROM 9 AM TO 4 PM ON FRIDAY (MAY 29) FOR WATER MAIN WORK.

PREMISES TO BE AFFECTED ARE THOSE BETWEEN SA PO ROAD AND KAI TAK ROAD.

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