



# DAILY INFORMATION BULLETIN

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SECOND READING OF BILL TO DETER ILLEGAL IMMIGRATION

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THE IMMIGRATION (AMENDMENT) BILL 1990 SEEKS TO REINFORCE THE GOVERNMENT'S POLICY OF DETERRENCE OF ILLEGAL IMMIGRATION BY DENYING ILLEGAL IMMIGRANTS THE OPPORTUNITY TO OBTAIN WORK IN HONG KONG, THE SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, SAID TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE BILL IN THE LEGISLATIVE COUNCIL, MR ASPREY SAID THE BILL PROVIDED FOR MORE EFFECTIVE PROSECUTION OF EMPLOYERS AND FOR INCREASED PENALTIES, WITH THE OBJECT OF REDUCING THE EMPLOYMENT OPPORTUNITIES AVAILABLE TO ILLEGAL IMMIGRANTS AND THUS STEMMING THE FLOW AT SOURCE.

"THE GREAT MAJORITY OF ILLEGAL IMMIGRANTS COME TO HONG KONG TO SEEK EMPLOYMENT.

"WE NEED THEREFORE TO TACKLE THE PROBLEM AT ITS SOURCE BY MAKING IT CLEAR TO EMPLOYERS THAT IT DOES NOT PAY TO EMPLOY ILLEGAL IMMIGRANTS, AND TO PROSPECTIVE ILLEGAL IMMIGRANTS THAT THERE IS NO POINT COMING TO HONG KONG BECAUSE THERE WILL BE NO WORK AVAILABLE FOR THEM HERE.

"THIS PROVIDES THE UNDERLYING PHILOSOPHY OF THE PROVISIONS IN THE BILL," MR ASPREY SAID.

HE POINTED OUT THAT THE EXISTING PROVISIONS OF THE IMMIGRATION ORDINANCE ALREADY PROVIDED FOR THE PROSECUTION OF EMPLOYERS OF ILLEGAL IMMIGRANTS.

THEY HAD PROVED EFFECTIVE IN CONTROLLING THE EMPLOYMENT OF ILLEGAL IMMIGRANTS IN RESTAURANTS, FACTORIES AND OTHER PLACES OF EMPLOYMENT WHERE THERE WAS ONLY ONE EMPLOYER WHO COULD BE EASILY IDENTIFIED.

THE EXISTING PROVISIONS, HOWEVER, SUFFERED FROM TWO DEFECTS, MR ASPREY ADDED.

"FIRST, THE PENALTIES ARE INADEQUATE, AND THERE HAS IN PARTICULAR BEEN CRITICISM OF THE DISPARITY IN MAXIMUM PENALTIES FOR ILLEGAL IMMIGRANTS AND FOR THOSE WHO EMPLOY THEM.

"THE PRESENT LEGISLATION SETS A MAXIMUM OF THREE YEARS' IMPRISONMENT FOR ENTERING AND REMAINING IN HONG KONG WITHOUT PERMISSION, COMPARED TO A MAXIMUM OF ONE YEAR'S IMPRISONMENT FOR AN EMPLOYER OF AN ILLEGAL IMMIGRANT," HE SAID.

MR ASPREY POINTED OUT THAT CLAUSE 2 OF THE BILL SOUGHT TO REMEDY THIS BY INCREASING THE MAXIMUM TERM OF IMPRISONMENT FOR AN EMPLOYER TO THREE YEARS, AND AT THE SAME TIME, INCREASING THE MAXIMUM FINE FROM \$50,000 TO \$250,000.

/"THIS, WE .....

"THIS, WE BELIEVE, WILL MAKE IT VERY CLEAR TO EMPLOYERS HOW SERIOUSLY WE VIEW THE OFFENCE OF HIRING ILLEGAL IMMIGRANTS, AND SHOULD I HOPE PROVE AN ADEQUATE DETERRENT," HE SAID.

MR ASPREY STRESSED THAT THE OFFENCE WAS AT PRESENT ONE OF STRICT LIABILITY; BUT CLAUSE 2 WOULD ALSO IN FUTURE PROVIDE AN EMPLOYER WITH A DEFENCE AGAINST THE CHARGE IF HE COULD SHOW THAT HE HAD TAKEN ALL PRACTICABLE STEPS TO DETERMINE WHETHER THE PERSON WAS LAWFULLY EMPLOYABLE, AND THAT IT WAS REASONABLE TO CONCLUDE THAT THE PERSON WAS LAWFULLY EMPLOYABLE.

SECONDLY, HE ADDED THAT RECENT EXPERIENCE HAD SHOWN THAT THE PRESENT LAW WAS INADEQUATE IN CASES WHERE ILLEGAL IMMIGRANTS WERE FOUND ON CONSTRUCTION SITES.

"IT IS DIFFICULT UNDER EXISTING LEGISLATION TO BRING A SUCCESSFUL PROSECUTION AGAINST EMPLOYERS OF ILLEGAL IMMIGRANTS ON CONSTRUCTION SITES," HE SAID.

THIS WAS BECAUSE THE SUB-CONTRACTING SYSTEM WHICH WAS USUAL IN THE CONSTRUCTION INDUSTRY MEANT THAT THERE WERE GENERALLY SEVERAL EMPLOYERS ON A CONSTRUCTION SITE.

SINCE COMPREHENSIVE RECORDS WERE SELDOM KEPT, IT WAS FREQUENTLY IMPOSSIBLE TO TELL FOR WHICH EMPLOYER AN ILLEGAL IMMIGRANT MIGHT BE WORKING.

ON THE OTHER HAND, MR ASPREY SAID ILLEGAL IMMIGRANTS OFTEN DID NOT KNOW WHO WAS EMPLOYING THEM.

"CONTACT WITH THE EMPLOYER IS OFTEN THROUGH A THIRD PARTY WHO HAS NO APPARENT CONNECTION WITH THE EMPLOYER; AND EVEN IF THEY DO KNOW THEIR EMPLOYER, ILLEGAL IMMIGRANTS ARE UNLIKELY TO BE WILLING TO IDENTIFY HIM EITHER FOR FEAR OF NOT BEING PAID, OR BECAUSE OF PEER PRESSURE NOT TO INFORM ON SOMEONE WHO IS ALSO PROVIDING EMPLOYMENT FOR FRIENDS AND RELATIVES.

"ILLEGAL IMMIGRANTS ARE WELL BRIEFED ON WHAT TO SAY TO THE POLICE WHEN ARRESTED," HE ADDED.

MR ASPREY SAID THAT CLAUSE 4 OF THE BILL PROVIDED THAT THE CONSTRUCTION SITE CONTROLLER SHOULD BE LIABLE IF AN ILLEGAL IMMIGRANT WAS PRESENT ON A CONSTRUCTION SITE, THIS WAS BECAUSE OF THESE DIFFICULTIES OF PROVING WHO WAS THE EMPLOYER OF AN ILLEGAL IMMIGRANT FOUND ON A CONSTRUCTION SITE, INDEED THE DIFFICULTY EVEN OF PROVING EMPLOYMENT IN SUCH CASES.

THERE WOULD, HOWEVER, BE A DEFENCE AVAILABLE TO THE CONSTRUCTION SITE CONTROLLER THAT HE TOOK ALL PRACTICABLE STEPS TO PREVENT ILLEGAL IMMIGRANTS FROM BEING ON THE SITE.

"I BELIEVE THE EXPLICIT RECOGNITION OF THIS DEFENCE WILL HELP ALLAY THE FEARS WHICH HAVE BEEN EXPRESSED CONCERNING THE VICARIOUS LIABILITY NATURE OF THE OFFENCE," MR ASPREY SAID.

HE SAID HE UNDERSTOOD THAT THE HONG KONG CONSTRUCTION ASSOCIATION WAS PLANNING TO INTRODUCE A SELF-REGULATORY CODE OF PRACTICE COVERING THE EMPLOYMENT OF WORKERS.

"THIS IS TO BE WELCOMED.

"CONSTRUCTION SITE CONTROLLERS WILL HAVE TO ENSURE THAT BOTH THEY AND THEIR SUB-CONTRACTORS EMPLOY PERSONS WHO ARE LEGALLY EMPLOYABLE," HE ADDED.

SINCE THE PUBLICATION OF THE BILL, MR ASPREY SAID CONCERN HAD BEEN EXPRESSED WHETHER DOMESTIC PREMISES WERE INCLUDED IN THE DEFINITION OF A "CONSTRUCTION SITE".

AT THE COMMITTEE STAGE OF THE BILL, MR ASPREY PROPOSED TO MOVE AN AMENDMENT TO SECTION 38A OF THE ORDINANCE TO EXEMPT FROM THE DEFINITION OF "CONSTRUCTION WORK" REDECORATION, RENOVATION, ALTERATION, MAINTENANCE OR REPAIR IN INDIVIDUAL DOMESTIC PREMISES.

HE ADDED THAT THERE WAS ONE ADDITIONAL MEASURE PROPOSED IN THE BILL: CLAUSE 3 INCREASED THE MAXIMUM FINE FOR LANDING AND REMAINING WITHOUT PERMISSION FROM \$5,000 TO \$10,000.

"THE PRESENT LEVEL OF FINE WAS SET IN 1980 AND IT IS NOW TIME TO CHANGE IT TO BE MORE IN LINE WITH TODAY'S VALUES," MR ASPREY SAID.

ON THE BACKGROUND TO THE AMENDMENT TO THE BILL, MR ASPREY SAID ILLEGAL IMMIGRATION HAD FOR MANY YEARS BEEN A SERIOUS PROBLEM.

IN NOVEMBER 1980 THE 'TOUCH BASE' POLICY WAS ENDED, AND SINCE THEN ILLEGAL IMMIGRANTS ARRESTED IN HONG KONG HAD BEEN REPATRIATED.

"THE RESULT WAS A VERY SUBSTANTIAL DROP IN THE NUMBER OF ILLEGAL IMMIGRANTS ENTERING HONG KONG," HE SAID.

HOWEVER, IN THE MID-1980S, THE NUMBERS BEGAN TO INCREASE ONCE AGAIN.

IN 1987, OVER 26,700 ILLEGAL IMMIGRANTS WERE ARRESTED.

THIS CAUSED THE GOVERNMENT TO REVIEW ITS POLICIES ONCE MORE, MR ASPREY EXPLAINED.

"IN MAY 1988, WE STARTED TO PROSECUTE ILLEGAL IMMIGRANTS ARRESTED IN HONG KONG. IF CONVICTED, THEY HAVE HAD TO SERVE THEIR SENTENCE BEFORE REPATRIATION.

"IN JULY 1988 THE COURT OF APPEAL LAID DOWN A SENTENCING GUIDELINE OF 15 MONTHS IMPRISONMENT FOR ILLEGAL IMMIGRANTS CONVICTED OF REMAINING ILLEGALLY IN HONG KONG," HE ADDED.

MR ASPREY POINTED OUT THAT PROSECUTION HAD A MARKED AND IMMEDIATE DETERRENT EFFECT. THE NUMBERS OF ILLEGAL IMMIGRANTS ARRESTED DROPPED SUBSTANTIALLY.

"HOWEVER, THIS DETERRENT EFFECT HAS NOT LASTED.

"IN THE FIRST NINE MONTHS OF THIS YEAR, NEARLY 21,500 ILLEGAL IMMIGRANTS HAVE BEEN ARRESTED. CLEARLY FURTHER MEASURES ARE REQUIRED," HE SAID.

MR ASPREY SAID HE BELIEVED THE MEASURES HE HAD OUTLINED SHOULD HAVE A SIGNIFICANT EFFECT IN REDUCING ILLEGAL IMMIGRATION INTO HONG KONG.

"I WOULD FINALLY REITERATE THAT THERE WILL BE NO AMNESTY FOR ILLEGAL IMMIGRANTS.

"OUR POLICY REMAINS THAT ILLEGAL IMMIGRANTS WILL BE REPATRIATED," HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

AG EXPLAINS PROSECUTIONS POLICY ON ILLEGAL IMMIGRATION

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THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, TODAY (WEDNESDAY) EXPLAINED THE PROSECUTIONS POLICY THAT WOULD BE ADOPTED IN IMPLEMENTING MEASURES PROPOSED UNDER THE IMMIGRATION (AMENDMENT) BILL 1990.

THE BILL, IF ENACTED, WOULD CONSTITUTE IMPORTANT CHANGES TO THE LAWS CONCERNING ILLEGAL IMMIGRATION.

SPEAKING AT THE SECOND READING OF THE BILL IN THE LEGISLATIVE COUNCIL, MR MATHEWS SAID FROM THE DATE OF ENACTMENT HE PROPOSED TO PROSECUTE ANY ILLEGAL IMMIGRANT FOUND AT A PLACE OF EMPLOYMENT, FOR SUCH OFFENCES AS POSSESSION OF ANY IDENTITY CARD RELATING TO ANOTHER, AND LANDING OR REMAINING IN HONG KONG WITHOUT THE AUTHORITY OF THE DIRECTOR OF IMMIGRATION.

"SUCH AN OFFENDER WILL BE PROSECUTED WHETHER OR NOT OTHER ILLEGAL IMMIGRANTS ARE FOUND AT THE PLACE OF EMPLOYMENT, REGARDLESS OF WHETHER THAT PERSON HAS BEEN TO HONG KONG AS AN ILLEGAL IMMIGRANT BEFORE, AND WHETHER OR NOT HE CAME AS PART OF A GROUP," MR MATHEWS SAID.

ILLEGAL IMMIGRANTS WHO COMMITTED OTHER OFFENCES WOULD BE PROSECUTED FOR SUCH OTHER OFFENCES IN THE NORMAL WAY. OTHER ILLEGAL IMMIGRANTS, NOT WITHIN THE CATEGORY DESCRIBED, WOULD GENERALLY BE REPATRIATED TO CHINA WITHOUT PROSECUTION.

THE ATTORNEY GENERAL SAID IT SHOULD BE CLEAR THAT THE POLICY WOULD BE DIRECTED AT THOSE ILLEGAL IMMIGRANTS WHO CAME TO HONG KONG FOR ECONOMIC REASONS.

AS FAR AS EMPLOYERS WERE CONCERNED, MR MATHEWS SAID HE WOULD CONTINUE TO PROSECUTE UNDER CURRENT PROVISIONS EMPLOYERS WHO WERE SHOWN TO HAVE BEEN EMPLOYING ILLEGAL IMMIGRANTS.

"IT SHOULD BE WELL UNDERSTOOD THAT THIS APPLIES TO ALL EMPLOYERS, AND NOT ONLY TO THOSE IN THE CONSTRUCTION INDUSTRY," HE SAID.

HE NOTED THAT THE NEW PROVISIONS WOULD PENALISE PRINCIPAL CONTRACTORS IN CONTROL OF BUILDING SITES UPON WHICH ILLEGAL IMMIGRANTS WERE FOUND. IN THIS REGARD HE MADE TWO POINTS:

"FIRST, WHERE A NUMBER OF ILLEGAL IMMIGRANTS ARE FOUND ON SUCH A SITE AT ONE TIME, I INTEND THAT ONE CHARGE WILL BE LAID AGAINST THE PRINCIPAL CONTRACTOR, RATHER THAN SEPARATE CHARGES IN RESPECT OF EACH ILLEGAL IMMIGRANT, SINCE THE LATTER COURSE WOULD EXPOSE A CONTRACTOR TO MULTIPLES OF THE MAXIMUM PENALTY.

"HOWEVER, SUCH A CONTRACTOR SHOULD REALISE THAT THE COURTS ARE LIKELY, FOLLOWING ORDINARY PRINCIPLES OF SENTENCING, TO IMPOSE A HIGHER PENALTY IF MORE THAN ONE ILLEGAL IMMIGRANT IS FOUND ON THE SITE.

"SECONDLY, THE DIRECTOR OF PUBLIC PROSECUTIONS WILL EXAMINE CASES WHERE CHARGES MIGHT BE LAID UNDER THIS NEW PROVISION TO ASCERTAIN WHETHER THE PRINCIPAL CONTRACTOR HAS DONE ALL THAT CAN BE EXPECTED OF HIM TO PREVENT ILLEGAL IMMIGRANTS FROM BEING ON THE SITE FOR WHICH HE IS RESPONSIBLE.

"IF THE DIRECTOR IS SATISFIED THAT SUCH PREVENTIVE MEASURES HAVE BEEN TAKEN, A PROSECUTION IS UNLIKELY TO FOLLOW," SAID THE ATTORNEY GENERAL.

MR MATHEWS ALSO SAID IT WAS UNUSUAL FOR HIM TO PUBLICISE PROSECUTIONS POLICY IN ANY SPECIFIC AREA.

"BUT I DO SO IN THIS INSTANCE BECAUSE THERE SHOULD BE NO DOUBT ABOUT OUR DETERMINATION TO DETER ILLEGAL IMMIGRATION, AND BECAUSE I WISH THERE TO BE NO MISUNDERSTANDING OR FALSE SENSE OF SECURITY BY THOSE AGAINST WHOM THESE LAWS ARE TARGETTED."

HE ALSO MAKE IT CLEAR THAT HE WOULD NOT HESITATE TO ALTER THAT POLICY TO CATER FOR SUCH CHANGE OF CIRCUMSTANCES AS MIGHT ARISE, PARTICULARLY SHOULD IT PROVE NECESSARY TO PROVIDE ADDITIONAL DETERRENCE AGAINST ILLEGAL IMMIGRATION.

DEBATE ON THE BILL WAS ADJOURNED.

NO RELAXATION IN FIGHT AGAINST CRIME

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THE SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY TODAY (WEDNESDAY) ASSURED THAT THE INTRODUCTION OF THE PUBLIC ORDER (AMENDMENT) BILL 1990 DOES NOT REPRESENT A RELAXATION IN GOVERNMENT'S FIGHT AGAINST CRIME.

MOVING THE SECOND READING OF THE BILL, MR ASPREY EXPLAINED THAT THE BILL SOUGHT TO REPEAL THOSE PARTS OF SECTION 33(2) OF THE ORDINANCE WHICH PROVIDED FOR A MANDATORY MINIMUM SENTENCE OF IMPRISONMENT OR A SENTENCE OF CANING FOR THE OFFENCE OF BEING IN POSSESSION OF AN OFFENSIVE WEAPON IN A PUBLIC PLACE.

THE BILL ALSO SEEKS TO REPEAL SECTION 33(2A) WHICH ENABLED THE COURTS TO EXERCISE THE POWERS CONFERRED BY THE MENTAL HEALTH ORDINANCE TO ISSUE DETENTION ORDERS IN RESPECT OF PERSONS CONVICTED OF A SECTION 33 OFFENCE.

"THIS PROVISION BECOMES REDUNDANT ONCE MANDATORY SENTENCES ARE REMOVED FOR SECTION 33 OFFENCES," MR ASPREY SAID.

MR ASPREY POINTED OUT THAT AT PRESENT, SECTION 33(2) OF THE PUBLIC ORDER ORDINANCE REQUIRED THE COURTS TO IMPOSE A MANDATORY SENTENCE OF CANING OR IMPRISONMENT FOR NOT LESS THAN SIX MONTHS ON ANY PERSON AGED 14 YEARS OR OVER CONVICTED OF BEING IN POSSESSION OF AN OFFENSIVE WEAPON IN A PUBLIC PLACE.

"THE ONLY EXCEPTIONS TO THIS ARE THAT YOUNG PERSONS UNDER 17 YEARS OF AGE MAY BE SENTENCED TO DETENTION IN A TRAINING CENTRE, AND PERSONS UNDER 25 YEARS OF AGE MAY BE SENTENCED TO DETENTION IN A DETENTION CENTRE," HE SAID.

HE POINTED OUT THAT ON JULY 11 THIS YEAR, THE CORPORAL PUNISHMENT (REPEAL) BILL 1990 WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TO REMOVE FROM THE COURTS THE POWER TO AWARD SENTENCES OF CORPORAL PUNISHMENT.

"RETENTION OF CORPORAL PUNISHMENT FOR OFFENCES UNDER SECTION 33 OF THE PUBLIC ORDER ORDINANCE WOULD THEREFORE BE AN ANOMALY, AND THE BILL PROVIDES THAT CANING SHOULD NO LONGER BE A SENTENCING OPTION," HE SAID.

MR ASPREY SAID IF THE POWER OF THE COURTS TO AWARD A SENTENCE OF CORPORAL PUNISHMENT ALONE WERE REMOVED, THE COURTS WOULD IN MOST CASES BE REQUIRED TO IMPOSE A MANDATORY MINIMUM PRISON SENTENCE ON PERSONS CONVICTED OF AN OFFENCE UNDER SECTION 33 OF THE ORDINANCE.

"THE RETENTION OF A MANDATORY PRISON SENTENCE FOR THIS OFFENCE HAS HOWEVER BEEN WIDELY CRITICISED BECAUSE IT DEPRIVES THE COURTS OF THE OPPORTUNITY OF TAILORING SENTENCES TO THE INDIVIDUAL CIRCUMSTANCES OF OFFENCES AND OFFENDERS.

"THE BILL THEREFORE ALSO REMOVES FROM SECTION 33 THE PROVISIONS RELATING TO A MANDATORY SENTENCE OF IMPRISONMENT," HE SAID.

MR ASPREY SAID THE ADMINISTRATION HAD GIVEN CAREFUL CONSIDERATION TO THE POSSIBILITY OF RAISING THE MAXIMUM PENALTY FOR SECTION 33 OFFENCES UPON THE REMOVAL OF MANDATORY SENTENCES.

HOWEVER, HE POINTED OUT THAT THE ADMINISTRATION DECIDED AGAINST DOING SO AT PRESENT BECAUSE:

- (A) THE EXISTING MAXIMUM PENALTY WAS NOT INADEQUATE GIVEN THAT THIS OFFENCE WAS ESSENTIALLY A CRIME PREVENTION MEASURE. A SECTION 33 OFFENCE CARRIED A MAXIMUM PENALTY OF THREE YEARS' IMPRISONMENT WHEN TRIED IN THE DISTRICT COURT OR THE HIGH COURT; AND TWO YEARS' IMPRISONMENT WHEN TRIED IN A MAGISTRATE'S COURT; AND
- (B) IF IN ANY PARTICULAR CASE, THE ATTORNEY GENERAL CONSIDERED THAT THE SENTENCE AWARDED WAS MANIFESTLY INADEQUATE, HE MIGHT APPLY TO THE COURT OF APPEAL FOR A REVIEW OF THAT SENTENCE TO ENSURE THAT THE OFFENDER WAS APPROPRIATELY PUNISHED.

MR ASPREY SAID FUTURE TRENDS IN SECTION 33 OFFENCES, AND THE ADEQUACY OF THE EXISTING MAXIMUM PENALTIES, WOULD BE CAREFULLY MONITORED.

"IN PARTICULAR, THE POSSIBLE NEED FOR HIGHER MAXIMUM PENALTIES FOR POSSESSION OF AN OFFENSIVE WEAPON WILL BE RECONSIDERED WHEN THE LAW REFORM COMMISSION HAS COMPLETED ITS REVIEW AND SUBMITTED ITS RECOMMENDATIONS ON POLICE POWERS OF STOP, SEARCH AND SEIZURE," HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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TWO-PRONG ACTION TO COUNTER ORGANISED CRIME AND TRIAD

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ACTION BEING TAKEN TO COUNTER ORGANISED CRIME AND TRIAD ACTIVITIES INCLUDES BOTH OPERATIONAL AND LEGISLATIVE MEASURES, THE SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN REPLY TO A QUESTION BY THE HON PEGGY LAM, MR ASPREY SAID THAT AS REGARDS OPERATIONAL MEASURES, THE ORGANISED AND SERIOUS CRIME GROUP WOULD CONTINUE TO CONDUCT LONG-TERM INTELLIGENCE-BASED OPERATIONS, AND TO TAKE OFFENSIVE ACTION AGAINST THE HIERARCHIES OF TRIAD SOCIETIES THROUGHOUT THE TERRITORY.

MR ASPREY ALSO NOTED THAT AT THE REGIONAL AND DISTRICT LEVEL, ACTION HAD BEEN STEPPED UP AGAINST TRIAD ACTIVITIES INCLUDING EXTORTION, LOANSHARKING, DANGEROUS DRUGS, GAMBLING AND VICE.

"AS REGARDS LEGISLATIVE MEASURES, THIS COUNCIL HAS IN THE PAST YEAR ENACTED LEGISLATION WHICH ENABLES MORE EFFECTIVE LAW ENFORCEMENT ACTION TO BE TAKEN AGAINST GAMBLING, VICE AND DRUG TRAFFICKING WHICH ARE MAJOR REVENUE-PRODUCING ACTIVITIES FOR TRIAD SOCIETIES.

"WE ARE NOW PREPARING NEW DRAFT LEGISLATION TO ATTACK ORGANISED CRIME, AND WE EXPECT TO PUBLISH THIS LEGISLATION EARLY NEXT YEAR IN THE FORM OF A WHITE BILL FOR PUBLIC CONSULTATION," HE SAID.

MR ASPREY POINTED OUT THAT IF THESE MEASURES WERE TO BE SUCCESSFUL, THE SUPPORT OF THE COMMUNITY WAS VITAL.

"EVERYONE HAS A DUTY TO ASSIST THE POLICE BY REPORTING ALL TYPES OF CRIME AND, IF NECESSARY, BY BEING PREPARED TO GIVE EVIDENCE AS A WITNESS.

"THIS WILL BE ONE OF THE MESSAGES OF THE PUBLICITY CAMPAIGN WHICH WILL BE LAUNCHED SHORTLY TO CALL FOR PUBLIC SUPPORT IN THE FIGHT AGAINST CRIME," HE EXPLAINED.

MR ASPREY NOTED THAT BECAUSE OF THE VERY NATURE OF TRIAD SOCIETIES, IT WAS DIFFICULT TO QUANTIFY ACCURATELY THE LEVEL OF THEIR ACTIVITY IN OUR SOCIETY.

"TAKEN OVER THE PAST FIVE OR 10 YEARS, THE NUMBER OF REPORTED CRIMES INVOLVING TRIADS HAS DECREASED SUBSTANTIALLY," THE SECRETARY SAID.

BUT MR ASPREY SAID THAT THERE HAD BEEN A WORRYING INCREASE IN TRIAD-RELATED CRIME IN THE PAST TWO YEARS.

HE POINTED OUT THAT CASES INVOLVING TRIADS ACCOUNTED FOR ABOUT THREE PER CENT OF TOTAL CRIME LAST YEAR.

"BUT WE MUST NOT UNDERESTIMATE THE THREAT WHICH TRIADS POSE TO LAW AND ORDER IN OUR SOCIETY, AND THE POLICE ARE CERTAINLY NOT COMPLACENT ABOUT THE PRESENT SITUATION," HE ADDED.

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SOME OFF-DUTY POLICE OFFICERS ALLOW TO CARRY FIREARMS

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SOME POLICE OFFICERS, MAINLY THOSE INVOLVED IN CRIMINAL INVESTIGATION AND CERTAIN OTHER SPECIFIC OPERATIONAL TASKS, WERE AUTHORISED TO CARRY FIREARMS WHEN OFF DUTY.

THIS WAS STATED BY THE SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, IN A WRITTEN REPLY TO A QUESTION BY THE HON JAMES TIEN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR ASPREY SAID THIS WAS ALLOWED PROVIDED THE SECURITY OF THE FIREARMS WAS NOT COMPROMISED.

OVER THE LAST TWO YEARS, THERE HAD BEEN TWO COMPLAINTS ABOUT THE USE OF REVOLVERS BY OFFICERS WHILE OFF DUTY.

/THE SECRETARY .....

THE SECRETARY SAID ONE OF THESE OCCURRED RECENTLY IN WANCHAI AND IS CURRENTLY UNDER INVESTIGATION.

THE OTHER CASE OCCURRED IN DECEMBER LAST YEAR WHEN A DETECTIVE CONSTABLE WHILE OFF DUTY FIRED ONE SHOT AT A METAL GATE.

"HE WAS DISMISSED FROM THE POLICE FORCE AFTER BEING SENTENCED TO NINE MONTHS' IMPRISONMENT FOR THE OFFENCE OF RECKLESSLY DISCHARGING A FIREARMS," MR ASPREY SAID.

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BILL TO CLARIFY TAXATION FRINGE BENEFITS MOVED

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THE INLAND REVENUE (AMENDMENT) (NO. 3) BILL 1990 SEEKS TO CLARIFY THE POSITION IN RELATION TO THE TAXATION OF FRINGE BENEFITS, THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, SAID IN THE LEGISLATIVE COUNCIL MEETING TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE BILL, SIR PIERS EXPLAINED IT WAS OF PARTICULAR RELEVANCE TO PAYMENTS MADE BY EMPLOYERS TO THEIR EMPLOYEES FOR THE PURPOSE OF THE EDUCATION OF THE EMPLOYEES' CHILDREN.

"MEMBERS WILL RECOLLECT THAT IN DECEMBER 1988 THE COURT OF APPEAL HANDED DOWN A DECISION ON THE INTERPRETATION OF SECTION 9 OF THE INLAND REVENUE ORDINANCE.

"THE DECISION DID NOT REFLECT THE ASSESSING PRACTICE IN RESPECT OF FRINGE BENEFITS FOLLOWED BY THE INLAND REVENUE DEPARTMENT BEFORE THE CASE AROSE," SIR PIERS SAID.

HE NOTED THAT PRIOR TO THE APPEAL COURT DECISION, THE INLAND REVENUE DEPARTMENT HAD LONG ACCEPTED THAT PRINCIPLES DERIVED FROM UNITED KINGDOM CASE LAW DETERMINED WHETHER FRINGE BENEFITS, OR "PERQUISITES", WERE CHARGEABLE TO SALARIES TAX.

"THE DEPARTMENT'S ASSESSING PRACTICE WAS BASED ON THE UNDERSTANDING THAT THESE DECISIONS HAD ESTABLISHED THAT BENEFITS RECEIVED IN A FORM OTHER THAN MONEY, EXCEPT FOR THOSE COVERED BY SPECIFIC PROVISIONS OF THE INLAND REVENUE ORDINANCE, COULD NOT BE TREATED AS CHARGEABLE INCOME UNLESS THEY TOOK THE FORM OF 'MONEY'S WORTH'.

"A BENEFIT WAS REGARDED AS CONSTITUTING MONEY'S WORTH IF IT WAS CAPABLE OF BEING CONVERTED INTO MONEY BY THE RECIPIENT, OR INVOLVED THE DISCHARGE BY THE EMPLOYER OF A PERSONAL LIABILITY OF THE EMPLOYEE," SIR PIERS EXPLAINED.

ACCORDINGLY, IF AN INCONVERTIBLE BENEFIT HAD BEEN PROVIDED TO AN EMPLOYEE AND THE DEPARTMENT HAD RECOGNISED THAT THE EMPLOYER, RATHER THAN THE EMPLOYEE, WAS THE PARTY LIABLE FOR THE RELEVANT EXPENSE, THE BENEFIT WAS ACCEPTED AS NOT BEING CHARGEABLE.

/"THE COURT .....

"THE COURT OF APPEAL RULED, HOWEVER, THAT THE WORD 'PERQUISITE' IN THE ORDINANCE SHOULD BE GIVEN ITS ORDINARY MEANING, RATHER THAN THE RESTRICTED MEANING RECOGNISED IN THE UNITED KINGDOM.

"IN ESSENCE, THE COURT FOUND THAT UNDER THE PRESENT LAW, ALL BENEFITS DERIVED BY AN EMPLOYEE FROM HIS EMPLOYMENT WERE CHARGEABLE TO SALARIES TAX," HE SAID.

IN VIEW OF THE IMPLICATIONS OF THE DECISION, PARTICULARLY IN RELATION TO THE IDENTIFICATION AND VALUATION OF BENEFITS, SIR PIERS SAID THE ADMINISTRATION DECIDED THAT THE ORDINANCE SHOULD BE AMENDED TO ACCORD WITH THE PRACTICE THE DEPARTMENT FOLLOWED BEFORE THE CASE AROSE.

"THIS DECISION WAS ANNOUNCED BY THE COMMISSIONER IN A PUBLIC STATEMENT ISSUED IN MARCH 1989.

"IT WAS ALSO ANNOUNCED AT THE SAME TIME THAT PENDING THE INTRODUCTION OF THE LEGISLATION THE DEPARTMENT WOULD CONTINUE TO APPLY ITS PREVIOUS PRACTICE," HE SAID.

IN THE MEANTIME AN APPEAL HAD BEEN MADE TO THE PRIVY COUNCIL.

SIR PIERS POINTED OUT THAT THE DECISION OF THE PRIVY COUNCIL IN JANUARY THIS YEAR WAS NOT AS WIDE IN SCOPE AS THAT OF THE COURT OF APPEAL.

"THE PRIVY COUNCIL FOUND THAT NOT ALL BENEFITS DERIVED BY AN EMPLOYEE FROM HIS EMPLOYMENT WERE CHARGEABLE UNDER THE PRESENT LEGISLATION.

"INCONVERTIBLE BENEFITS WHICH DID NOT INVOLVE THE EXPENDITURE OF MONEY OR WHICH INVOLVED EXPENDITURE WHICH COULD NOT BE ATTRIBUTED WHOLLY OR PROPORTIONATELY TO ONE EMPLOYEE WOULD NOT BE CAUGHT," HE SAID.

HOWEVER, SIR PIERS POINTED OUT THAT IN CONTRAST TO THE DEPARTMENT'S PREVIOUS PRACTICE, THE PRIVY COUNCIL DID NOT ACCEPT THAT AN INCONVERTIBLE BENEFIT WOULD ESCAPE THE CHARGE TO SALARIES TAX IF THE EMPLOYER RATHER THAN THE EMPLOYEE HAD THE LIABILITY FOR THE RELEVANT PAYMENT.

HE ADDED THAT THE PRIVY COUNCIL CONSIDERED THAT THERE WAS NO DIFFERENCE BETWEEN AN EMPLOYEE'S PERSONAL DEBT DISCHARGED BY AN EMPLOYER PURSUANT TO AN EMPLOYMENT CONTRACT AND MONEY PAID FOR THE BENEFIT OF THE EMPLOYEE PURSUANT TO THE EMPLOYMENT CONTRACT.

"THE PRIVY COUNCIL DECISION ALLOWS THE TAXATION OF FRINGE BENEFITS ON A WIDER SCALE THAN WAS THE PRACTICE BEFORE THE CASE AROSE.

"SO, IN ORDER TO BRING THE LAW INTO LINE WITH LONG ACCEPTED PRACTICE IN HONG KONG, THE ORDINANCE NEEDS TO BE AMENDED TO REFLECT THAT PRACTICE.

"WE DO NOT WISH TO WIDEN THE EXTENT TO WHICH PERQUISITES HAVE BEEN TAXED PREVIOUSLY IN HONG KONG," SIR PIERS SAID.

DEBATE ON THE BILL WAS ADJOURNED.

REDUCTION IN LIFEBOAT LEVY AIMS AT REVIVING STOCK INDEX MARKET  
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THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, SAID TODAY (WEDNESDAY) THAT THE REDUCTION IN SPECIAL LEVY ON HANG SENG INDEX FUTURES CONTRACT WILL HOPEFULLY ACCELERATE THE REVIVAL OF THE STOCK INDEX MARKET.

THE FINANCIAL SECRETARY IN A STATEMENT TO THE LEGISLATIVE COUNCIL ON THE EXCHANGES (SPECIAL LEVY) ORDINANCE SAID THAT ALL THE PARTIES TO THE FACILITIES HAD AGREED TO THE REDUCTION IN LEVY, WHICH TOOK EFFECT AT THE BEGINNING OF THIS WEEK.

"THE AMENDED AGREEMENT GIVES THE FUTURES EXCHANGE AN ENTITLEMENT TO RECEIVE \$25 OUT OF EACH LEVY OF \$30 PAID, AND REQUIRES THE TRUSTEE OF THE SPECIAL LEVY FUND TO PAY THAT ENTITLEMENT TO THE FUTURES EXCHANGE FORTHWITH UPON THE TRUSTEE RECEIVING EACH PAYMENT OF LEVY FROM THE FUTURES EXCHANGE.

"ADOPTION OF THIS PROCEDURE HAS ENABLED THE REDUCTION TO BE EFFECTED QUICKLY AND WITHOUT AMENDING THE LEGISLATION," HE SAID.

THE FINANCIAL SECRETARY SAID THE SO-CALLED "LIFEBOAT" LEVY OF \$30 PER TRANSACTION, BUYING OR SELLING, IN RESPECT OF TRADING DONE IN THE STOCK INDEX MARKET OF THE HONG KONG FUTURES EXCHANGE WAS PROVIDED FOR IN THE EXCHANGES (SPECIAL LEVY) ORDINANCE ENACTED IN OCTOBER 1987.

"IT PROVIDES A SOURCE OF REPAYMENT FOR THE CREDIT FACILITIES EXTENDED TO THE HONG KONG FUTURES GUARANTEE CORPORATION AT THAT TIME," SIR PIERS SAID.

THE FINANCIAL SECRETARY POINTED OUT THAT TURNOVER IN THE STOCK INDEX MARKET HAD BEEN LOW AND THE FUTURES EXCHANGE HAD ARGUED THAT THIS WAS ATTRIBUTABLE TO HIGH TRADING COSTS, AND THAT IF THE MARKET WAS TO RECOVER IT WAS NECESSARY FOR THE SPECIAL LEVY TO BE REDUCED.

"IN EVALUATING THE EFFECT OF A REDUCTION, WE HAVE NOTED THAT RELATIVELY SMALL SUMS ARE BEING RECEIVED FROM THIS SOURCE.

"I SHOULD ADD THAT INTEREST AT PRIME LENDING RATE IS BEING PAID ON THE OUTSTANDING PRINCIPAL, AND IT SEEMS UNLIKELY THAT INTEREST WILL NOT BE ADEQUATELY COVERED FROM SOURCES OTHER THAN THE SPECIAL LEVY ON THE FUTURES CONTRACT," HE SAID.

SIR PIERS SAID THE VIEW WHICH HE HAD TAKEN WAS THAT THE RELATIVELY SMALL REDUCTION IN THE RATE OF REPAYMENT OF THE GOVERNMENT FACILITY WAS A PRICE WORTH PAYING FOR THE POTENTIAL INCREASE IN ACTIVITY IN THE STOCK INDEX MARKET.

"THE RULES OF THE FUTURES EXCHANGE HAVE BEEN AMENDED TO PROVIDE THAT MEMBERS OF THE EXCHANGE ONLY COLLECT, BY WAY OF THE SPECIAL LEVY, \$5 PER STOCK INDEX CONTRACT. THIS AMENDMENT HAS BEEN APPROVED BY THE SECURITIES AND FUTURES COMMISSION," THE FINANCIAL SECRETARY SAID.

MEASURES TO MAINTAIN ORDERLY QUEUING FOR FLATS

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A NUMBER OF MEASURES ARE BEING WORKED OUT BY THE GOVERNMENT WITH CONCERNED BODIES TO MAINTAIN ORDERLY QUEUING DURING THE SALE OF UNCOMPLETED FLATS.

THIS WAS STATED BY THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR GRAHAM BARNES, WHEN REPLYING TO A QUESTION BY THE HON. LEUNG WAI-TUNG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR BARNES SAID FOLLOWING THE RECENT INCIDENTS IN QUEUES FOR SALE OF UNCOMPLETED FLATS, THE GOVERNMENT HAD DISCUSSED WITH THE REAL ESTATE DEVELOPERS ASSOCIATION POSSIBLE WAYS TO PROTECT GENUINE HOME BUYERS AS WELL AS TO DISCOURAGE THE INVOLVEMENT OF UNRULY PEOPLE IN THE QUEUES.

HE SAID THAT THE ASSOCIATION HAD AGREED, AS A FIRST STEP, TO ASK DEVELOPERS TO ADOPT A NUMBER OF MEASURES IN FUTURE SALES OF RESIDENTIAL FLATS IN LARGE DEVELOPMENTS WHEN QUEUES BEGAN TO FORM.

THESE MEASURES, HE EXPLAINED, WOULD REQUIRE THE DEVELOPERS TO REGISTER THE NAMES AND IDENTITY CARD NUMBERS OF THE PEOPLE IN THE QUEUE, GIVING EACH A PRIORITY NUMBER FOR RETURN AT A SPECIFIED TIME LATER IN THE DAY TO SELECT FLATS.

ONLY ONE REGISTRATION SHOULD BE ALLOWED FOR EACH IDENTITY CARD, BUT NO RESTRICTION WOULD BE MADE ON THE NUMBER OF UNITS A PURCHASER CAN BUY.

MR BARNES NOTED THAT THESE MEASURES HAD BEEN TRIED OUT IN A NUMBER OF SALES RECENTLY, AND THE RESULTS HAD SO FAR BEEN SATISFACTORY IN THAT THEY SEEMED TO HAVE AVERTED ORGANIZED SWAMPING OF THE QUEUES BY UNRULY PEOPLE AND THE CONSEQUENT QUARRELLING AND FIGHTING.

HE SAID THE GOVERNMENT WOULD CONTINUE TO WATCH FUTURE SALES TO SEE IF THESE MEASURES CONTINUED TO WORK.

IN ADDITION, THE POLICE WOULD MAINTAIN CLOSE CONTACT WITH THE DEVELOPERS TO GIVE ADVICE ON NECESSARY ARRANGEMENTS BEFORE A SALE BEGAN, HE ADDED.

MR BARNES POINTED OUT THAT THE MEASURES WERE BEING WORKED OUT TO MAINTAIN ORDERLY QUEUING, NOT TO CURB SPECULATION.

HOWEVER, HE NOTED THAT THE CONSUMER COUNCIL WAS ALSO DISCUSSING WITH THE REAL ESTATE DEVELOPERS ASSOCIATION A PACKAGE OF MEASURES TO IMPROVE THE SALE PROCEDURES OF UNCOMPLETED RESIDENTIAL FLAT AND TO REDUCE SPECULATION.

"IT IS EXPECTED THAT THE CONSUMER COUNCIL WILL SUBMIT ITS FORMAL PROPOSALS TO GOVERNMENT IN ABOUT ONE MONTH'S TIME AND THESE WILL BE EXAMINED CAREFULLY ON ARRIVAL," HE SAID.

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MARK SIX PILOT SCHEME CONDITIONAL ON DB APPROVAL: SHA  
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THE SECRETARY FOR HOME AFFAIRS, THE HON PETER TSAO, TOLD THE LEGISLATIVE COUNCIL THIS (WEDNESDAY) AFTERNOON THAT THE ROYAL HONG KONG JOCKEY CLUB HAS YET TO SUBMIT DETAILS OF A PILOT SCHEME TO EXTEND THE SALE OF MARK SIX TICKETS TO SUPERMARKETS AND CONVENIENCE STORES.

HE SAID THAT THE GOVERNMENT HAD GIVEN APPROVAL-IN-PRINCIPLE FOR THE JOCKEY CLUB ON JULY 16 TO DEVELOP THE IDEA OF THE PILOT SCHEME.

HOWEVER, HE STRESSED THAT ANY APPROVAL OF THE PILOT SCHEME WOULD BE CONDITIONAL ON EVIDENCE BEING PRODUCED DEMONSTRATING THAT THE PILOT RUN WOULD BE ACCEPTABLE TO THE DISTRICT BOARD IN QUESTION.

"THE PUBLIC REACTION AND THE WORRIES AND CONCERNS ABOUT THE POSSIBLE AVAILABILITY OF MARK SIX TICKETS TO YOUNG PEOPLE UNDER 18 WILL BE TAKEN INTO FULL ACCOUNT IF AND WHEN A FORMAL PROPOSAL IS RECEIVED AND ANALYSED," HE SAID.

MR TSAO WAS REPLYING TO A QUESTION BY THE HON HUI YIN-FAT.

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CONTROL ON LOUDHAILERS IS TO CURB NUISANCE  
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THE EXISTING CONTROLS ON THE USE OF LOUDHAILERS ARE DESIGNED TO PREVENT NUISANCE AND DO NOT INFRINGE CIVIL LIBERTIES, THE SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, INFORMED THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON ELSIE TU, MR ASPREY SAID BASED ON THE RECORDS AVAILABLE, WHICH ARE NOT COMPLETE, THE NUMBER OF PROSECUTIONS INSTITUTED UNDER SECTION 4(29) OF THE SUMMARY OFFENCES ORDINANCE IN 1987 WAS 40; IN 1988, TWO; IN 1989, TWO; AND SO FAR IN 1990, 10.

"HOWEVER, AS I SAID IN THIS COUNCIL ON JULY 18 THIS YEAR, WE ARE EXAMINING WHETHER THERE IS ANY UNNECESSARY DUPLICATION BETWEEN THE PROVISIONS RELATING TO LOUDHAILERS IN THE SUMMARY OFFENCES ORDINANCE, THE PUBLIC ORDER ORDINANCE AND THE NOISE CONTROL ORDINANCE.

"WE HAVE NOT YET REACHED ANY CONCLUSIONS," HE SAID.

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GOVT CONSIDERING OVERSEAS OFFICE IN SINGAPORE  
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IN VIEW OF THE GROWING SIGNIFICANCE OF HONG KONG'S ECONOMIC AND TRADE LINKS WITH THE ASEAN NATIONS, THE GOVERNMENT HAD BEEN CONSIDERING SETTING UP AN OFFICE IN THAT REGION, AND SINGAPORE CERTAINLY MUST BE CONSIDERED A SUITABLE LOCATION.

INFORMING THE LEGISLATIVE COUNCIL IN A WRITTEN REPLY TO A QUESTION RAISED BY THE HON MARTIN LEE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), SIR PIERS JACOBS SAID IT HAD BEEN GOVERNMENT'S POLICY TO ESTABLISH PROGRESSIVELY ECONOMIC AND TRADE OFFICES IN OVERSEAS COUNTRIES WHICH HAD SUBSTANTIAL ECONOMIC TIES WITH HONG KONG.

"THE PRIMARY ROLE OF THESE OFFICES IS TO FACILITATE THE CONDUCT OF EXTERNAL COMMERCIAL RELATIONS AND TO PROMOTE INWARD INVESTMENT INTO HONG KONG.

"INEVITABLY THESE OFFICES ARE ALSO INVOLVED IN PROMOTING HONG KONG'S IMAGE ABROAD," SIR PIERS SAID.

HE ALSO POINTED OUT THAT THE GOVERNMENT CURRENTLY MAINTAINED OFFICES IN LONDON, GENEVA, BRUSSELS, WASHINGTON, NEW YORK, SAN FRANCISCO AND TOKYO AND WAS PLANNING TO OPEN ANOTHER OFFICE IN TORONTO.

SIR PIERS SAID WE SHALL PURSUE THE POSSIBILITY OF OPENING A HONG KONG ECONOMIC AND TRADE OFFICE IN SINGAPORE AFTER THE ESTABLISHMENT OF THE TORONTO OFFICE.

"THE TIMING WOULD BE DEPENDENT ON CONSULTATIONS WITH THE HOST COUNTRY AND THE AVAILABILITY OF RESOURCES," HE ADDED.

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GOVERNMENT ENCOURAGES ENERGY CONSERVATION  
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THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, THE HON GRAHAM BARNES TODAY (WEDNESDAY) SAID THERE WERE MANY GOOD REASONS TO ENCOURAGE THE CONSERVATION OF ENERGY AND THE GOVERNMENT WAS STUDYING WHAT FURTHER MEASURES COULD BE ADOPTED.

MR BARNES WAS REPLYING TO A QUESTION BY THE HON CHENG HON-KWAN IN THE LEGISLATIVE COUNCIL MEETING.

HE SAID: "THESE MEASURES INCLUDE, FOR EXAMPLE, THE EXAMINATION OF HOW ENERGY CAN BE SAVED THROUGH DESIGN IN NEW BUILDINGS AND THROUGH ALTERATIONS OF OLD ONES, AND THE EXTENT TO WHICH CONSERVATION SHOULD BE ACHIEVED THROUGH EDUCATION AND LEGISLATION RESPECTIVELY.

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"WHILE THE CURRENT SITUATION IN THE GULF DOES NOT CALL FOR EMERGENCY ENERGY CONSERVATION MEASURES AS SUCH, WE HAVE NEVERTHELESS CONDUCTED A THOROUGH REVIEW TO ENSURE THAT WE ARE FULLY PREPARED IN THE EVENT THAT THERE IS A DETERIORATION OF THE SITUATION LEADING TO A SEVERE SHORTAGE OF OIL PRODUCTS," MR BARNES SAID.

HE SAID THE ADMINISTRATION HAS BEEN IN REGULAR CONTACT WITH THE OIL COMPANIES OVER THE RECENT GULF CRISIS AND THEY HAD BEEN ASSURED BY THE COMPANIES THAT DESPITE THE POLITICAL TENSIONS IN THE GULF REGION, THE SUPPLY OF OIL PRODUCTS TO HONG KONG HAD REMAINED UNAFFECTED.

HE ADDED THAT FOLLOWING THE TWO PREVIOUS OIL CRISES IN 1973 AND 1979, HONG KONG HAD NOW BECOME MUCH LESS DEPENDENT UPON OIL FOR BASIC ENERGY REQUIREMENTS.

"NONETHELESS CERTAIN SECTORS OF THE ECONOMY STILL UTILISE OIL AS THEIR SOURCE OF ENERGY. THESE INCLUDE THE BUS SERVICES AND TAXIS, CERTAIN INDUSTRIES SUCH AS THE BLEACHING AND DYING INDUSTRY, AND TOWNGAS USERS.

"THEREFORE IT IS VERY IMPORTANT THAT SUPPLIES OF OIL PRODUCTS ARE MAINTAINED AT ADEQUATE LEVELS, AND IT IS FOR THIS REASON THAT THE OIL COMPANIES IN HONG KONG ARE OBLIGED TO FOLLOW A CODE OF PRACTICE WHICH REQUIRES THEM TO MAINTAIN A MINIMUM RESERVE OF 30 DAYS SUPPLY OF THE ESSENTIAL FUELS," SAID MR BARNES.

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MEASURES TO REDUCE THE NUMBER OF POWER FAILURES  
IN PUBLIC HOUSING ESTATES

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THE GOVERNMENT HAS BOTH SHORT-TERM AND LONG-TERM MEASURES TO REMEDY THE PROBLEM OF POWER FAILURE OR INTERRUPTION IN PUBLIC HOUSING ESTATES, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, THE HON GRAHAM BARNES, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON TAM YIU-CHUNG, MR BARNES SAID AN INTERIM REINFORCEMENT SCHEME WAS NOW BEING IMPLEMENTED.

THESE MEASURES WOULD BE COMPLETED IN ABOUT 90 PER CENT OF THE 80 BUILDINGS MOST PRONED TO POWER FAILURES BEFORE NEXT SUMMER.

THE REMAINING 10 PER CENT WILL BE DEALT WITH DURING THE SUMMER, HE SAID.

"THIS (THE SCHEME) INVOLVES LOAD SHARING BETWEEN RISING MAINS AND THE INSTALLATION OF SOME ADDITIONAL RISERS, WHICH SHOULD SIGNIFICANTLY REDUCE THE NUMBER OF INCIDENTS."

THE STANDBY EMERGENCY REPAIR SERVICE HAD ALSO BEEN STRENGTHENED, MR BARNES SAID.

/HE ALSO .....

HE ALSO SAID THAT SINCE 1979, THE HOUSING AUTHORITY HAD BEEN REWIRING ALL ITS PRE-1973 ESTATES. THE PROGRAMME IS NEARING COMPLETION, COVERING 157,000 FLATS IN 40 ESTATES.

THERE HAD BEEN MORE INCIDENTS IN BUILDINGS COMPLETED SINCE 1973, LARGELY AS A RESULT OF AN INCREASED USE OF HIGH CURRENT ELECTRICAL APPLIANCES, ESPECIALLY AIR-CONDITIONERS.

UNDER ITS CURRENT PROGRAMME, A TOTAL OF 120 BUILDINGS WITH INADEQUATE POWER LOADING WILL BE BROUGHT UP TO PRESENT-DAY STANDARDS OVER THE NEXT SIX YEARS, HE SAID.

MR BARNES SAID A TOTAL 1,287 INCIDENTS OF POWER FAILURES OR INTERRUPTIONS IN PUBLIC HOUSING ESTATES HAD TAKEN PLACE BETWEEN JUNE AND AUGUST THIS YEAR AND OF THESE, ONLY ONE CASE OF OVERLOADING RESULTED IN A MINOR EXPLOSION IN A METER ROOM.

"IT NORMALLY TOOK ABOUT TWO HOURS TO RESUME ELECTRICITY SUPPLY, BUT OF COURSE, THE TIME IN EACH CASE DEPENDED ON ITS SERIOUSNESS OF EACH CASE," HE SAID.

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DRAFT GUESTHOUSE LICENSING LAW COMPLETED: SHA  
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THE DRAFT LEGISLATION TO LICENSE GUESTHOUSES HAS BEEN COMPLETED AND, SUBJECT TO THE APPROVAL OF THE EXECUTIVE COUNCIL, WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL SHORTLY.

REPLYING TO A QUESTION BY THE HON KINGSLEY SIT HO-YIN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE SECRETARY FOR HOME AFFAIRS, THE HON PETER TSAO, ALSO SAID ALTHOUGH THE ENABLING LEGISLATION WAS YET TO BE IN PLACE, THE LICENSING AUTHORITY HAD BEEN SET UP.

"THE FIRST BATCH OF STAFF FROM THE BUILDINGS AND LANDS DEPARTMENT AND THE FIRE SERVICES DEPARTMENT, SIX OF THEM, WERE SECONDED TO CNTA (CITY AND NEW TERRITORIES ADMINISTRATION) ON OCTOBER 1, 1990, TO WORK OUT OPERATIONAL ARRANGEMENTS FOR ISSUING LICENCES, TO RENDER SAFE THOSE ESTABLISHMENTS WHICH POSE PARTICULAR RISKS TO LIFE AND LIMB," MR TSAO SAID.

"THESE INTERIM MEASURES WILL BE INCORPORATED INTO MORE PERMANENT ARRANGEMENTS WHEN THE LICENSING SCHEME BECOMES FULLY OPERATIONAL," HE ADDED.

HE ASSURED THE COUNCIL THAT ALL STAFF WOULD BE IN POST, SO THAT THE LICENSING AUTHORITY COULD SWING INTO FULL ACTION ONCE THE LEGISLATION WAS ENACTED AND BROUGHT INTO OPERATION.

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NO POLLUTING INDUSTRIES WITHIN COUNTRY PARKS

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THE PRACTICE OF THE COUNTRY PARKS AUTHORITY TO REFUSE APPROVAL TO ANY NEW DEVELOPMENT WHICH WOULD HARM THE ENVIRONMENT SEEMED TO BE WORKING OUT VERY WELL.

THIS WAS STATED BY THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, THE HON GRAHAM BARNES, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON J D MCGREGOR, MR BARNES SAID THE GOVERNMENT HAD NO KNOWLEDGE OF ANY POLLUTING INDUSTRIES OR RATHER INDUSTRIAL UNDERTAKINGS ACTUALLY SITUATED WITHIN COUNTRY PARKS.

MR BARNES SAID THE GOVERNMENT DID NOT THINK THAT IT WAS ABLE OR NEEDED TO IMPOSE A BLANKET BAN.

HE SAID THAT WHEN THE COUNTRY PARKS WERE FIRST ESTABLISHED, MOST OF THE EXISTING VILLAGES WITHIN THE GENERAL AREA OF THE COUNTRY PARKS WERE ACTUALLY EXCLUDED FROM THE PARKS.

ON HONG KONG ISLAND AND ELSEWHERE, THE BORDERS OF THE COUNTRY PARKS CAME RIGHT UP TO THE URBAN AREAS INCLUDING INDUSTRIAL AREAS, HE SAID.

"SO A BAN ON INDUSTRIES JUST OUTSIDE THE COUNTRY PARKS WOULD BE VERY MUCH A CASE BY CASE BUSINESS, FOR WHICH DISCRETIONARY BUT ENFORCEABLE PLANNING POWERS WOULD SEEM TO BE MORE APPROPRIATE THAN A TOTAL BAN.

MR BARNES SAID PROPOSALS WERE BEING MADE TO EXTEND TOWN PLANNING CONTROLS TO COVER NEW DEVELOPMENTS IN THE RURAL AREAS, AND POLICIES ON SQUATTER CONTROL WERE UNDER CONTINUAL REVIEW.

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GREATER EMPHASIS ON GOOD DESIGN AND QUALITY IN PUBLIC HOUSING

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THE HOUSING AUTHORITY IS PLACING GREATER EMPHASIS ON GOOD DESIGN AND QUALITY IN ITS PUBLIC HOUSING PROGRAMME.

THIS IS STATED BY ITS CHAIRMAN, SIR DAVID AKERS-JONES, IN THE LATEST ANNUAL REPORT OF THE HOUSING AUTHORITY TABLED AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY)

IN HIS REVIEW OF THE YEAR, SIR DAVID POINTS OUT THAT WITH 2.9 MILLION PEOPLE LIVING IN PUBLIC HOUSING, THE PROGRAMME IS WELL ON THE WAY TO PROVIDING HOMES FOR ALL IN NEED BY THE TURN OF THE CENTURY.

"THE HOUSING AUTHORITY HAS DECIDED TO EXTEND ITS PLANNING HORIZONS BEYOND THE YEAR 2001 WHICH WILL ENABLE THE AUTHORITY TO WORK IN CO-ORDINATION WITH THE GOVERNMENT IN CARRYING OUT METROPLAN AND THE PORT AND AIRPORT DEVELOPMENT", HE SAYS.

"AS CAN BE IMAGINED, DEVELOPMENT OF THESE HUGE PROJECTS WILL INVOLVE THE OPENING OF NEW LAND AND OPPORTUNITIES FOR PEOPLE TO LIVE AND WORK NEAR NEW PLACES OF ACTIVITY.

"THE HOUSING AUTHORITY'S PARTICIPATION IN THESE DEVELOPMENTS IS BOTH SIGNIFICANT AND VITAL".

PRICED AT \$30, THE 1989-90 ANNUAL REPORT WILL BE ON SALE FROM TOMORROW (THURSDAY) AT THE GOVERNMENT PUBLICATION CENTRE ON THE GROUND FLOOR OF THE GENERAL POST OFFICE, CONNAUGHT PLACE, CENTRAL.

ATTRACTIVELY-DESIGNED, THE 132-PAGE BILINGUAL REPORT PROVIDES A WEALTH OF VALUABLE INFORMATION COVERING ALL ASPECTS OF PUBLIC HOUSING, AND IS WELL ILLUSTRATED WITH PICTURES AND DETAILED STATISTICS.

THE REPORT POINTS OUT THAT WHILE BUILDING LARGE NUMBERS OF MODERN HOMES, THE HOUSING AUTHORITY IS ALSO PLACING INCREASING EMPHASIS ON IMPROVING QUALITY THROUGH BETTER DESIGNED, ROOMIER, BRIGHTER AND MORE COMFORTABLE HOMES.

TOWARDS THIS AIM, IT SAYS, THE AUTHORITY HAS DESIGNED A HARMONY SERIES OF FLATS THE FIRST OF WHICH WILL BE READY IN EARLY 1992.

IT HAS ALSO ESTABLISHED ITS OWN LIST OF APPROVED BUILDING CONTRACTORS WHO WILL BE REQUIRED TO OBTAIN ACCREDITATION UNDER THE INTERNATIONAL STANDARDS ORGANISATION GUIDE 9000 WITHIN THE NEXT THREE YEARS.

THE COMBINATION OF MORE QUALITY-CONSCIOUS BUILDING CONTRACTORS AND THE NEW HARMONY RANGE OF STANDARD RENTAL BLOCKS SHOULD MAKE FOR EVEN BETTER HOUSING IN THE 1990S.

A RECORD 53 000 FLATS WERE BUILT IN THE PUBLIC HOUSING PROGRAMME IN THE PAST YEAR, INCLUDING SOME OFFERED FOR SALE UNDER THE AUTHORITY'S VARIOUS HOME OWNERSHIP SCHEMES.

## IMPROVED EFFICIENCY CAN ACHIEVE SAVINGS: FS

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THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT SAVINGS CAN BE ACHIEVED THROUGH IMPROVED EFFICIENCY.

IN REPLY TO A QUESTION BY THE HON PETER WONG, SIR PIERS SAID THE ADMINISTRATION DID NOT WORK AGAINST FIXED CRITERIA IN DECIDING AS TO WHERE ECONOMIES COULD BEST BE MADE.

"WE RELY ON VALUE FOR MONEY STUDIES AND JUDGEMENT IN ASSESSING RELATIVE PRIORITIES."

"OFTEN CUTS IN EXPENDITURE DO NOT RESULT IN ANY APPRECIABLE REDUCTION IN SERVICE TO THE PUBLIC," HE SAID.

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## CONTROL OF EXEMPTION CLAUSES (AMENDMENT) BILL 1990

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THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, MOVED THE SECOND READING OF THE CONTROL OF EXEMPTION CLAUSES (AMENDMENT) BILL 1990 IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE BILL SOUGHT TO AMEND SECTION 15 OF THE CONTROL OF EXEMPTION CLAUSES ORDINANCE 1989 AS A CONSEQUENCE OF THE ENACTMENT OF THE ARBITRATION (AMENDMENT) (NO. 2) ORDINANCE 1989.

MR MATHEWS SAID: "BY A CROSS-REFERENCE TO THE ARBITRATION ORDINANCE, SECTION 15 OF THE CONTROL OF EXEMPTION CLAUSES ORDINANCE SERVES TO PROVIDE CONTROLS OVER DOMESTIC ARBITRATION AGREEMENTS, AS AGAINST INTERNATIONAL ARBITRATION AGREEMENTS WHICH ARE NOT SO CONTROLLED."

THE ARBITRATION (AMENDMENT) (NO. 2) ORDINANCE 1989 HAD SINCE AMENDED THE ARBITRATION ORDINANCE BY PROVIDING NEW DEFINITIONS FOR DOMESTIC AND INTERNATIONAL ARBITRATION AGREEMENTS. THE BILL SOUGHT TO REFLECT THESE CHANGES.

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## FOUR BILLS FOR FIRST AND SECOND READINGS

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THE BRITISH NATIONALITY (MISCELLANEOUS PROVISIONS) (AMENDMENT) BILL 1990 WAS PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

A MOTION MOVED BY PROF C.K. POON ON THE INTERPRETATION AND GENERAL CLAUSES ORDINANCE WAS ALSO PASSED.

IN ADDITION, FOUR BILLS WERE INTRODUCED FOR FIRST AND SECOND READINGS. THEY WERE THE INLAND REVENUE (AMENDMENT) (NO. 3) BILL 1990, CONTROL OF EXEMPTION CLAUSES (AMENDMENT) BILL 1990, IMMIGRATION (AMENDMENT) BILL 1990 AND PUBLIC ORDER (AMENDMENT) BILL 1990.

DEBATES ON THESE BILLS WERE ADJOURNED.

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WEDNESDAY, OCTOBER 17, 1990

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GOVERNOR STARTS BUSY PARIS PROGRAMME

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THE GOVERNOR, SIR DAVID WILSON, SPENT HIS FIRST FULL DAY IN PARIS (WEDNESDAY) WITH A BUSY ROUND OF OFFICIAL CALLS AND A SPEAKING ENGAGEMENT AT THE FRANCE-HONG KONG BUSINESS ASSOCIATION.

HIS DAY STARTED AT 8 AM WITH A BREAKFAST MEETING WITH THE FRENCH MINISTER FOR FOREIGN TRADE, JEAN-MARIE RAUSCH DURING WHICH TALKS FOCUSED ON THE GROWING FRENCH BUSINESS PRESENCE IN HONG KONG AND THE OPPORTUNITIES FOR FURTHER INVOLVEMENT, PARTICULARLY IN CONSTRUCTION PROJECTS RELATED TO THE NEW AIRPORT.

SIR DAVID ALSO HELD WIDE-RANGING TALKS WITH THE INFLUENTIAL PRESIDENT OF THE NATIONAL ASSEMBLY, LAURENT FABIUS WHEN HE STRESSED HONG KONG'S ROLE AS A REGIONAL AND FINANCIAL CENTRE AS WELL AS A GATEWAY TO CHINA.

THE GOVERNOR MET A NUMBER OF LEADING POLITICIANS AND BUSINESSMEN AT A LUNCH HOSTED BY TONY DREYFUS, STATE SECRETARY TO THE PRIME MINISTER AND LATER CALLED ON THE DEPUTY FOREIGN MINISTER, MADAME EDWIGE AVICE.

IN THE EVENING, SIR DAVID AND LADY WILSON WERE DUE TO MEET A WIDE CROSS SECTION OF PARIS SOCIETY AT A DINNER HOSTED BY THE BRITISH AMBASSADOR, SIR EWEN FERGUSSON.

AN OVERFLOW AUDIENCE OF MORE THAN 60 BUSINESSMEN AND INDUSTRIALISTS ATTENDED THE FRANCE-HONG KONG BUSINESS ASSOCIATION FUNCTION, RAISING A NUMBER OF QUESTIONS AND SEEKING ASSURANCES ABOUT HONG KONG'S FUTURE.

ON THE AIRPORT PROJECT, THE GOVERNOR STRESSED THAT THE DECISION TO GO AHEAD NOW WAS ESSENTIAL FOR THE FUTURE PROSPERITY OF THE SAR UNDER CHINA'S SOVEREIGNTY, AS WELL AS FOR THAT OF SOUTHERN CHINA. IT WOULD BE IRRESPONSIBLE TO LEAVE IT TO THE SAR GOVERNMENT AFTER 1997 WHEN HONG KONG'S ECONOMY COULD ALREADY HAVE BEEN BADLY AFFECTED BY THE DELAY, HE SAID.

IN ANSWER TO QUESTIONS ABOUT CHINA'S VIEWS ON THE PROJECT, SIR DAVID SAID EXPERTS FROM CHINA WERE NOW IN HONG KONG TO LEARN MORE ABOUT THE DETAILS AND HE HOPED THEY WOULD TAKE A "BENEVOLENT" ATTITUDE ONCE ALL ASPECTS HAD BEEN UNDERSTOOD. THIS WOULD GIVE PARTICIPANTS MORE CONFIDENCE.

BUT HE POINTED OUT THAT DECISIONS ON SUCH PROJECTS HAD ALWAYS BEEN TAKEN BY THE HONG KONG GOVERNMENT ALONE, WITHOUT ANY NEED FOR PERMISSION FROM BRITAIN. WHILE THERE WOULD BE PLENTY OF OPPORTUNITY FOR PRIVATE INVOLVEMENT AND FINANCING, HONG KONG HAD SUBSTANTIAL RESERVES TO COVER THE COSTS.

/THE GOVERNOR .....

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THE GOVERNOR REFUTED SUGGESTIONS THAT THERE WAS A TREND FOR FOREIGN COMPANIES TO MOVE THEIR BASES OUT OF HONG KONG, NOTING THERE WAS A NET GAIN OF 60 NEW SET-UPS EACH YEAR.

HE WAS CONFIDENT THAT HONG KONG WOULD MAINTAIN ITS SPECIAL ROLE AS A GATEWAY TO CHINA AND AS A REGIONAL CENTRE HOWEVER MUCH OTHER CENTRES IN CHINA AND ELSEWHERE IN THE REGION MIGHT GROW IN THE FUTURE.

SIR DAVID ALSO DEFENDED THE CONTINUING HONG KONG DOLLAR LINK TO THE US DOLLAR DESPITE ITS RECENT FALLS, POINTING OUT THAT IT HAD PROVEN TO BE A STABILISING INFLUENCE THROUGHOUT THE PERIOD SINCE ITS INTRODUCTION IN 1983. ANY CHANGE WOULD CAUSE UNCERTAINTY AND THREATEN THE TERRITORY'S ECONOMY AND STABILITY.

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HK: A SHOWCASE FOR FREE ENTERPRISE AND TRADE  
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HONG KONG IS A SHOWCASE OF WHAT FREE ENTERPRISE AND FREE TRADE CAN DO, THE GOVERNOR, SIR DAVID WILSON, SAID IN PARIS TODAY (WEDNESDAY).

SIR DAVID SAID HONG KONG WAS THE PERFECT BASE FOR THOSE SEEKING TO DO BUSINESS, BREAK INTO AND EXPAND MARKET SHARE IN THE EAST, OR LOOKING FOR RELIABLE OFF-SHORE PRODUCTION AND A PLACE TO MANAGE IT FROM.

THE GOVERNOR WAS ADDRESSING THE FRANCE-HONG KONG BUSINESS ASSOCIATION ON "HONG KONG IN THE 1990S".

SIR DAVID POINTED OUT THAT HISTORICALLY THE WEST TENDED TO VIEW THE EAST AS AT THE OTHER END OF A VERY LONG LINE - THE SILK ROAD SYNDROME.

"THIS IS MISLEADING. IN TODAY'S WORLD, COMMERCIAL NETWORKS NEED A GLOBAL PERSPECTIVE. DRAMATIC EVENTS ARE CHANGING THE ECONOMIC AND POLITICAL MAP OF BOTH EAST AND WEST EUROPE.

"WE IN HONG KONG HOPE THAT THESE WILL NOT DISTRACT BOARDROOMS FROM OUR PART OF THE WORLD.

"IF IT DOES, IT WILL BE TO THEIR DISADVANTAGE. EAST AND SOUTH EAST ASIA IS THE FASTEST GROWING REGION OF THE WORLD. HONG KONG IS AT THE HUB OF THIS REGION," THE GOVERNOR SAID.

THE GOVERNOR TOLD THE BUSINESSMEN THAT DESPITE WHAT THEY MIGHT HAVE READ OR HEARD ABOUT HONG KONG'S PROBLEMS, FOREIGN FIRMS SHOWED LITTLE SLACKENING OF INTEREST IN HONG KONG.

/TODAY, THERE .....

TODAY, THERE ARE 600 FOREIGN FIRMS WHOSE REGIONAL HEADQUARTERS IS IN HONG KONG - MORE THAN DOUBLE THE NUMBER ONLY FIVE YEARS AGO. OVER ONE THIRD ARE EUROPEAN BASED.

HE SAID ARRIVALS FAR EXCEEDED DEPARTURES.

"OPENNESS, LOW TAX, PRUDENT AND PREDICTABLE FISCAL POLICIES, IMPARTIAL AND ACCESSIBLE LEGAL SYSTEM, EFFICIENT ADMINISTRATION, FIRST CLASS INFRASTRUCTURE AND COMMUNICATIONS, COMMERCIAL ENTERPRISE, THE HONG KONG WORK ETHIC, AND THE INGENUITY AND ADAPTABILITY OF OUR LABOUR FORCE CONTINUE TO ATTRACT FOREIGN INVESTORS," SIR DAVID SAID.

OUTLINING THE GROWTH IN HONG KONG/CHINA TRADE AND HONG KONG'S INVESTMENTS IN CHINA, THE GOVERNOR SAID HONG KONG BUSINESSMEN HAD NOT CONFINED THEIR INVESTMENT ATTENTION TO SOUTH CHINA.

"IN THIS, THEY ARE VERY MUCH AHEAD OF THEIR MAJOR COMPETITORS, SOUTH KOREA AND TAIWAN.

"THEY HAVE DIVERSIFIED THEIR MANUFACTURING INTERESTS, NOT ONLY IN CHINA, BUT THROUGHOUT SOUTH EAST ASIA, AND EVEN IN NORTH AND CENTRAL AMERICA, THE CARIBBEAN AND THE EEC," HE SAID.

THERE HAD BEEN A PARALLEL EXPORT OF CAPITAL IN THE SERVICES SECTOR, PARTICULARLY INTO HOTEL NETWORKS, PROPERTY AND FINANCIAL SERVICES.

"BUT THIS IS NOT, AS SOME CLAIM, A CAPITAL FLIGHT. THERE IS STILL PLENTY OF CAPITAL IN HONG KONG, BUT THOSE WHO CONTROL CAPITAL HAVE AN EYE TO THE MAIN CHANCE, WHEREVER IN THE WORLD THAT MAY BE," HE SAID.

TURNING TO HONG KONG'S FINANCIAL SERVICES, SIR DAVID SAID IT HAD GROWN RAPIDLY.

"FROM A SECONDARY TRADE-RELATED ACTIVITY THEY HAVE EXPANDED TO BECOME A VITAL PART OF HONG KONG'S ECONOMY.

"HONG KONG IS THE REGION'S MOST OPEN AND MOST ENTERPRISING FINANCIAL CENTRE, WITH NO DISTINCTION DRAWN BETWEEN OFF-SHORE AND DOMESTIC BANKING BUSINESS. WE HAVE BECOME THE REGION'S LARGEST SYNDICATION CENTRE," HE SAID.

"NOT SURPRISINGLY, OVER 400 FOREIGN BANKS FROM 45 COUNTRIES ARE REPRESENTED IN HONG KONG. 78 OF THE WORLD'S TOP 100 IN TERMS OF CAPITAL HAVE FULL BANK LICENCES IN HONG KONG.

"THERE IS SCARCELY A MAJOR BANK IN THE WORLD WHICH IS NOT REPRESENTED IN ONE FORM OR ANOTHER," THE GOVERNOR SAID.

SIR DAVID SAID THE EUROPEAN INVOLVEMENT IN HONG KONG'S BANKING SECTOR WAS SIGNIFICANT, COMPRISING ABOUT ONE-THIRD OF LICENCED BANKS.

"THE FRENCH PRESENCE IS VERY STRONG - TAKEN TOGETHER THE EIGHT FRENCH BANKS RANK FOURTH AMONGST ALL FOREIGN BANKS IN HONG KONG. FRANCE IS ALSO WELL REPRESENTED IN OUR GROWING INSURANCE SECTOR," HE SAID.

HE POINTED OUT THAT THE FRENCH PRESENCE IN OTHER SECTORS IS ALSO IMPORTANT. NOT LEAST IN THE SALE OF TOP-OF-THE-MARKET, BRAND NAME GOODS.

"THESE ARE SOUGHT AFTER, NOT ONLY BY TOURISTS, BUT BY A NEWLY AFFLUENT POPULATION. THEIR APPETITE FOR FINE COGNAC IS WELL KNOWN; THAT FOR OTHER FINE THINGS INCREASING."

FRENCH COMPANIES ACCOUNTED FOR ONE PER CENT (US\$30.3 MILLION) OF OVERSEAS INVESTMENT IN MANUFACTURING, SIR DAVID SAID.

"AND THE INCREASING NUMBER OF FRENCH COMPANIES OPERATING IN AND FROM HONG KONG IS REFLECTED IN THE GROWING SIZE OF THE FRENCH BUSINESS ASSOCIATION - NOW NUMBERING MORE THAN 400.

"THE OPPORTUNITIES ARE THERE TO BE COMPETED FOR," THE GOVERNOR ADDED.

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#### ADMIRALTY JURISDICTION IN CRIMINAL CASES

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THE GOVERNMENT ANNOUNCED TODAY (WEDNESDAY) THE INTRODUCTION OF A BILL WHICH SEEKS TO ENABLE THE COURTS OF HONG KONG TO CONTINUE TO HAVE JURISDICTION AFTER 1997 OVER CRIMES COMMITTED AT SEA.

THE CRIMINAL LAW (AMENDMENT) BILL 1990 WOULD BE GAZETTED ON OCTOBER 26 (FRIDAY) AND WOULD BE INTRODUCED INTO THE LEGISLATIVE COUNCIL SHORTLY AFTERWARDS, A GOVERNMENT SPOKESMAN SAID.

THE BILL SEEKS TO ENACT LOCAL LEGISLATION WHICH WILL REMAIN IN FORCE AFTER JUNE 30 1997 TO PROVIDE THE COURTS OF HONG KONG WITH ADMIRALTY JURISDICTION OVER CRIMES COMMITTED AT SEA.

THE SPOKESMAN NOTED THAT THE COURTS OF HONG KONG ALREADY HAD SUCH JURISDICTION IN CRIMINAL CASES. IT WAS DERIVED FROM CERTAIN UNITED KINGDOM ENACTMENTS WHICH APPLIED OR HAD BEEN EXTENDED TO HONG KONG. THESE UNITED KINGDOM ENACTMENTS WOULD NOT CONTINUE TO APPLY TO HONG KONG AFTER JUNE 30 1997.

"HOWEVER, SIMILAR LEGISLATION WILL STILL BE REQUIRED TO ENABLE THE COURTS TO DEAL WITH CRIMES COMMITTED AT SEA. IT IS THEREFORE NECESSARY TO REPLACE THE UK ENACTMENTS BY LOCAL LEGISLATION WITH SIMILAR EFFECT WHICH SURVIVES BEYOND 1997," HE SAID.

"SIMILAR LOCAL LEGISLATION CONFERRING JURISDICTION ON THE COURTS OF HONG KONG TO DEAL WITH CIVIL PROCEEDINGS IN ADMIRALTY CASES WAS ALREADY ENACTED LAST YEAR TO REPLACE THE RELEVANT UNITED KINGDOM ENACTMENTS. THE CRIMINAL ASPECT OF ADMIRALTY JURISDICTION IS NOW DEALT WITH IN THIS BILL."

/THE BILL .....

THE BILL CONFERS JURISDICTION ON THE HONG KONG COURTS:

- TO TRY OFFENCES COMMITTED ON HONG KONG SHIPS;
- TO TRY OFFENCES COMMITTED BY BRITISH NATIONALS ON NON-HONG KONG SHIPS;
- WITH THE GOVERNOR'S CONSENT AND CERTIFICATE, TO DEAL WITH CRIMES COMMITTED WITHIN THE WATERS OF HONG KONG ON NON-HONG KONG SHIPS; AND
- TO TRY HOMICIDE WHEN THE PERSON CONCERNED DIES IN HONG KONG FROM INJURIES INFLICTED OUTSIDE HONG KONG.

THE BILL ONLY CONCERNS HONG KONG SHIPS, NOT NON-HONG KONG BRITISH SHIPS. THE HONG KONG COURTS WILL CONTINUE TO HAVE CRIMINAL ADMIRALTY JURISDICTION IN CASES CONCERNING NON-HONG KONG BRITISH SHIPS UNTIL JUNE 30 1997, BY VIRTUE OF THE UNITED KINGDOM ENACTMENTS.

AFTER THOSE ENACTMENTS CEASE TO APPLY IN HONG KONG FROM JULY 1 1997, NON-HONG KONG BRITISH SHIPS WILL BE TREATED NO DIFFERENTLY FROM ANY OTHER NON-HONG KONG SHIPS, THE SPOKESMAN SAID.

AT THE SIXTEENTH MEETING OF THE SINO-BRITISH JOINT LIAISON GROUP HELD IN LONDON LAST MONTH, THE TWO SIDES OF THE GROUP FORMALLY REACHED A COMMON VIEW ON THE LOCALISATION OF LEGISLATION ON CRIMINAL ADMIRALTY JURISDICTION.

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NO DECISION YET ON TOLL CHARGE FOR LANTAU FIXED CROSSING  
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THE TOLL CHARGE FOR THE LANTAU FIXED CROSSING HAS NOT BEEN DECIDED, THE SECRETARY FOR TRANSPORT, MR MICHAEL LEUNG, SAID TODAY (WEDNESDAY).

SPEAKING TO REPORTERS AFTER A MEETING WITH THE CHINESE TEAM OF EXPERTS TO DISCUSS THE PORT AND AIRPORT DEVELOPMENT PLAN, MR LEUNG SAID THERE WAS MISUNDERSTANDING IN SOME REPORTS ON THE TOLL CHARGE.

"WE HAVEN'T MADE ANY DECISION ON THAT YET. CERTAINLY IT WILL NOT BE AS EXPENSIVE AS THESE REPORTS SAID. IT WILL BE CLOSE TO THE PRESENT TUNNEL CHARGES," HE SAID.

MR LEUNG SAID THAT IT WILL DEFINITELY NOT BE AS EXPENSIVE AS \$200 AS MENTIONED IN THE REPORTS.

HE TOLD THE PRESS THAT THE TWO SIDES HAD A VERY DETAILED AND FRANK DISCUSSION ON TRANSPORT PLANS AND THEIR LINKS TO THE PORT AND AIRPORT DEVELOPMENT.

"AN INTRODUCTION ON THE PLAN IN GENERAL WAS MADE TO THEM THIS MORNING, AND A FURTHER SESSION TO ANSWER THEIR QUESTIONS WILL BE HELD IN THE AFTERNOON," HE SAID.

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NATIONAL TECHNICAL BARRIERS  
ON PRODUCTS IN EUROPEAN COMMUNITY TO VANISH BY 1992

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NATIONAL TECHNICAL BARRIERS ON THE CIRCULATION OF PRODUCTS WITHIN THE EUROPEAN COMMUNITY WILL BE PROGRESSIVELY ELIMINATED AS THE SINGLE MARKET IS COMPLETED BY 1992, THE DIRECTOR OF INDUSTRY, MR T.H. BARMA, SAID TODAY (WEDNESDAY).

SPEAKING AT A LUNCH MEETING OF THE ROTARY CLUB OF KOWLOON GOLDEN MILE, MR BARMA SAID A COMMON SET OF STANDARDS WOULD EMERGE AND ULTIMATELY A PRODUCT WHICH COULD BE SOLD IN ONE MEMBER STATE OF THE COMMUNITY WOULD BE FREELY MARKETABLE IN ALL OTHER MEMBER STATES.

AT PRESENT, HE SAID, MEMBER STATES OF THE COMMUNITY, LIKE OTHER COUNTRIES, HAD THEIR OWN QUALITY AND SAFETY REGULATIONS FOR GOODS SOLD IN THEIR HOME MARKET.

"THESE NATIONAL REQUIREMENTS HAVE FRAGMENTED THE MARKET AND ADDED TO COSTS BY FORCING PRODUCERS TO MODIFY THEIR PRODUCTS AND SUBJECT THEM TO DIFFERENT NATIONAL TESTING AND CERTIFICATION PROCEDURES," HE SAID.

MR BARMA SAID THE INDUSTRY DEPARTMENT HAD IN RECENT YEARS FOUND THAT AN INCREASINGLY IMPORTANT PART OF ITS WORK WAS PROMOTING THE WIDER APPLICATION OF QUALITY ASSURANCE IN HONG KONG'S MANUFACTURING INDUSTRIES.

"IT IS CLEAR THAT THE INFLUENCE OF OUR MAJOR OVERSEAS MARKETS ON HONG KONG'S PROGRESS INTO QUALITY ASSURED MANUFACTURING WILL BE PROFOUND.

"AFFLUENT MARKETS WILL BE DEMANDING HIGHER QUALITY PRODUCTS AND TECHNOLOGICAL INNOVATION. THE PRICE OF A PRODUCT WILL CONTINUE TO BE IMPORTANT, BUT ITS QUALITY WILL BE THE DETERMINING FACTOR IN ITS ACCEPTABILITY IN THE MARKET PLACE," HE SAID.

MR BARMA SAID OVERSEAS BUYERS ENGAGED TO SOURCE GOODS BY MAJOR IMPORTERS WOULD INCREASINGLY DEMAND THAT COMPANIES BE "PRE-QUALIFIED" AS ISO 9000 REGISTERED ENTERPRISES.

COMPANIES PRODUCING GOODS DESTINED FOR THE EUROPEAN MARKET WOULD BE THE FIRST TO BE AFFECTED, BUT THERE WERE ALSO LIKELY TO BE SIMILAR DEMANDS FROM VARIOUS SECTORS OF OTHER MARKETS, INCLUDING THE USA, AS THE IMPORTANCE OF ISO 9000 BECAME MORE APPARENT.

HE SAID HONG KONG COMPANIES WHICH SUCCESSFULLY MET THE QUALITY CHALLENGE AND ADOPTED A COMPREHENSIVE QUALITY POLICY SHOULD REACH THE STANDARD NECESSARY FOR COMPLIANCE WITH ISO 9000, AND BE WELL PLACED TO PURSUE A CONTINUING QUALITY IMPROVEMENT PROGRAMME.

/"OF COURSE .....

"OF COURSE, WHATEVER STAGE A COMPANY ACHIEVES IN THE PURSUIT OF QUALITY, THERE WILL ALWAYS BE ROOM FOR IMPROVEMENT.

"SOME IMPROVEMENTS MAY BE INCREMENTAL AND MODEST; OTHERS MAY NEED A MORE RADICAL APPRAISAL OF A COMPANY'S CORPORATE PHILOSOPHY AND OPERATIONS.

"BUT THREE ELEMENTS MUST ALWAYS BE PRESENT: A CLEAR AND STRONG QUALITY POLICY; A COMMITTED AND PARTICIPATIVE MANAGEMENT; AND A WELL PLANNED AND EXECUTED QUALITY SYSTEM," HE SAID.

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JUNE 1990 EMPLOYMENT, VACANCIES AND PAYROLL STATISTICS RELEASED  
\* \* \* \* \*

IN JUNE 1990, EMPLOYMENT IN THE SERVICES SECTOR INCREASED COMPARED WITH JUNE 1989, WHILE EMPLOYMENT IN MANUFACTURING SECTOR DECREASED, ACCORDING TO FIGURES RELEASED TODAY (WEDNESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THUS THE SHIFT IN EMPLOYMENT FROM MANUFACTURING TO SERVICES CONTINUED.

THERE WERE 755,000 PERSONS ENGAGED IN THE MANUFACTURING SECTOR IN JUNE 1990, REPRESENTING A DECREASE OF 8.4 PER CENT IN COMPARISON WITH JUNE 1989.

EMPLOYMENT IN THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR, AT 804,400 IN JUNE 1990, WAS 7.8 PER CENT HIGHER THAN IN JUNE 1989.

EMPLOYMENT IN THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR, AT 269,300, WAS UP BY 6.3 PER CENT.

EMPLOYMENT AT CONSTRUCTION SITES DECREASED BY 2.2 PER CENT COMPARED WITH JUNE 1989.

THE OVERALL EMPLOYMENT FIGURES FOR JUNE 1990 IN THESE SELECTED MAJOR ECONOMIC SECTORS, WITH COMPARISON WITH THE CORRESPONDING FIGURES FOR JUNE 1989 AND MARCH 1990, ARE AS FOLLOWS :-

SELECTED MAJOR SECTORS OF THE ECONOMY	PERSONS ENGAGED (EMPLOYMENT) IN*			PERCENTAGE CHANGE**	
	JUN. 89	MAR. 90	JUN. 90	JUN. 90 ON JUN. 89	JUN. 90 ON MAR. 90
MANUFACTURING	824 300	764 700	755 000	-8.4	-1.3
CONSTRUCTION (MANUAL WORKERS AT CONSTRUCTION SITES ONLY)	72 000	74 200	70 400	-2.2	-5.0

/WHOLESALE AND .....

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WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS	746 300	773 400	804 400	+7.8	+4.0
FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES	253 300	263 300	269 300	+6.3	+2.2

\* FIGURES ARE ROUNDED TO THE NEAREST HUNDRED.

\*\* BASED ON UNROUNDED EMPLOYMENT FIGURES.

COMPARING JUNE 1990 WITH MARCH 1990, EMPLOYMENT IN THE MANUFACTURING AND THE CONSTRUCTION SITES DECREASED BY 1.3 PER CENT AND 5.0 PER CENT RESPECTIVELY.

HOWEVER, OVER THE SAME PERIOD, EMPLOYMENT IN THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR AND THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR SHOWED AN INCREASE OF 4.0 PER CENT AND 2.2 PER CENT RESPECTIVELY.

A DEPARTMENTAL SPOKESMAN SAID THAT THE STATISTICS FOR SELECTED MAJOR SECTORS OF THE ECONOMY IN JUNE 1990 WERE DERIVED FROM THE QUARTERLY SURVEY OF EMPLOYMENT, VACANCIES AND PAYROLL AND THE QUARTERLY EMPLOYMENT SURVEY OF CONSTRUCTION SITES CONDUCTED BY THE DEPARTMENT.

THESE SECTORS COVER THE MANUFACTURING SECTOR; THE CONSTRUCTION SITES; THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR; AND THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR.

THE QUARTERLY SURVEY OF EMPLOYMENT, VACANCIES AND PAYROLL AND THE QUARTERLY EMPLOYMENT SURVEY OF CONSTRUCTION SITES ALSO PROVIDE VACANCY STATISTICS FOR THESE SELECTED MAJOR SECTORS. THE VACANCY DATA TOGETHER WITH A COMPARISON WITH THE CORRESPONDING FIGURES FOR JUNE 1989 AND MARCH 1990 ARE AS FOLLOWS :

SELECTED MAJOR SECTORS OF THE ECONOMY	NUMBER OF REPORTED VACANCIES IN *			PERCENTAGE CHANGE**	
	JUN. 89	MAR. 90	JUN. 90	JUN. 90 ON JUN. 89	JUN. 90 ON MAR. 90
MANUFACTURING	43 450	38 270	37 410	-13.9	- 2.2
CONSTRUCTION (MANUAL WORKERS AT CONSTRUCTION SITES ONLY)	N.A.	3 050	2 160	N.A.	-29.2

/WHOLESALE AND .....

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WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS	23 070	34 910	27 560	+19.4	-21.1
FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES	8 990	10 940	9 530	+ 6.0	-12.9

- \* FIGURES ARE ROUNDED TO THE NEAREST TEN.
- \*\* BASED ON UNROUNDED VACANCY FIGURES.
- N.A. FIGURES ARE NOT AVAILABLE.

THE TOTAL NUMBER OF REPORTED VACANCIES WAS THREE PER CENT LOWER IN JUNE 1990 COMPARED WITH JUNE 1989. OVER THIS PERIOD, THE NUMBER OF VACANCIES IN THE MANUFACTURING SECTOR FELL FURTHER BY 13.9 PER CENT, IN LINE WITH THE WEAK DOMESTIC EXPORT PERFORMANCE IN THE FIRST HALF OF 1990.

HOWEVER, THE NUMBER OF VACANCIES IN THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS, AND THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTORS SHOWED AN INCREASE OF 19.4 PER CENT AND 6.0 PER CENT RESPECTIVELY, LARGELY DUE TO A LOW BASE OF COMPARISON IN JUNE 1989.

COMPARED WITH MARCH 1990, AND BEARING IN MIND THE INFLUENCE OF SEASONAL FACTORS, THE NUMBER OF REPORTED VACANCIES IN THE MANUFACTURING SECTOR FELL BY ONLY 2.2 PER CENT IN JUNE 1990.

ON THE OTHER HAND, THE NUMBER OF VACANCIES ON CONSTRUCTION SITES, AND IN THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS, AND THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTORS DECREASED MARKEDLY, BY 29.2 PER CENT, 21.1 PER CENT AND 12.9 PER CENT RESPECTIVELY OVER THE SAME PERIOD.

THUS, THE DEMAND FOR LABOUR HAD APPARENTLY BECOME LESS INTENSE IN THE SECOND QUARTER COMPARED WITH THE FIRST QUARTER OF 1990.

ALSO AVAILABLE FROM THE SURVEY OF EMPLOYMENT, VACANCIES AND PAYROLL ARE STATISTICS ON MONTHLY PAYROLL OUTLAYS IN THE MANUFACTURING SECTOR; THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR; AND THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR. QUARTERLY TOTALS FOR EACH OF THESE SECTORS ARE SHOWN IN THE FOLLOWING TABLE :-

/TOTAL QUARTERLY .....

SELECTED MAJOR SECTORS OF THE ECONOMY	TOTAL QUARTERLY PAYROLL IN		% CHANGE*
	2ND QTR. 1989	2ND QTR. 1990	2ND QTR. 1990 ON 2ND QTR. 1989
	HK\$ MN	HK\$ MN	
MANUFACTURING	10,647	11,398	+ 7.0
WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS	10,012	12,680	+26.7
FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES	5,561	6,881	+23.7

\* BASED ON UNROUNDED PAYROLL FIGURES

COMPARED WITH THE SAME QUARTER A YEAR AGO, PAYROLL OUTLAYS IN THE ABOVE THREE SECTORS INCREASED BY 7.0 PER CENT, 26.7 PER CENT AND 23.7 PER CENT RESPECTIVELY IN THE SECOND QUARTER OF 1990.

AFTER ADJUSTMENT FOR VARIATIONS IN TOTAL MONTHLY PAYROLL OUTLAYS IN JUNE 1989 AND JUNE 1990, ARISING FROM CHANGES IN THE LEVEL OF EMPLOYMENT, A NOMINAL INDEX OF PAYROLL PER PERSON ENGAGED IS OBTAINED.

TO ALLOW FOR THE EFFECTS OF PRICE CHANGES, THE NOMINAL INDEX IS DEFLATED BY THE CONSUMER PRICE INDEX (A) TO GIVE THE REAL INDEX OF PAYROLL PER PERSON ENGAGED. THESE TWO INDICES FOR JUNE 1989 AND JUNE 1990 ARE GIVEN IN THE TABLES BELOW :-

SELECTED MAJOR SECTORS OF THE ECONOMY	NOMINAL INDEX OF PAYROLL PER PERSON ENGAGED (JUNE 1980 = 100)		% CHANGE
	JUN. 89	JUN. 90	JUN. 90 ON JUN. 89
MANUFACTURING	309.2	359.6	+16.3
WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS	298.8	351.7	+17.7

/FINANCING, INSURANCE .....

FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES	294.7	343.6	+16.6
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REAL INDEX OF  
PAYROLL PER PERSON ENGAGED  
(JUNE 1980 = 100)

SELECTED MAJOR SECTORS OF THE ECONOMY	REAL INDEX OF PAYROLL PER PERSON ENGAGED (JUNE 1980 = 100)		% CHANGE
	JUN. 89	JUN. 90	JUN. 90 ON JUN. 89
MANUFACTURING	152.0	162.0	+6.6
WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS	146.9	158.4	+7.8
FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES	144.9	154.8	+6.8

BETWEEN JUNE 1989 AND JUNE 1990, AN INCREASE OF 16.3 PER CENT WAS REGISTERED IN THE NOMINAL INDEX OF PAYROLL PER PERSON ENGAGED IN THE MANUFACTURING SECTOR.

FOR THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR, THE INCREASE WAS 17.7 PER CENT AND FOR THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR, THE INCREASE WAS 16.6 PER CENT.

SALARY REVISION AND THE ISSUE OF BONUSES WERE REPORTED AS THE MAIN REASONS FOR THE INCREASE IN PAYROLL PER PERSON ENGAGED OVER THIS PERIOD.

OVER THE SAME PERIOD, THE REAL INDEX OF PAYROLL PER PERSON ENGAGED REGISTERED AN INCREASE OF 6.6 PER CENT FOR THE MANUFACTURING SECTOR, 7.8 PER CENT FOR THE WHOLESALE AND RETAIL, IMPORT AND EXPORT TRADES AND RESTAURANTS AND HOTELS SECTOR, AND 6.8 PER CENT FOR THE FINANCING, INSURANCE, REAL ESTATE AND BUSINESS SERVICES SECTOR.

DETAILED BREAKDOWNS OF THE ABOVE STATISTICS ARE AVAILABLE FROM THE QUARTERLY REPORT OF EMPLOYMENT, VACANCIES AND PAYROLL STATISTICS, JUNE 1990 AND THE QUARTERLY REPORT OF EMPLOYMENT AND VACANCIES AT CONSTRUCTION SITES, JUNE, 1990.

THEY ARE NOW AVAILABLE AT \$11 PER COPY AND \$7.5 PER COPY RESPECTIVELY AT THE GOVERNMENT PUBLICATIONS CENTRE, GENERAL POST OFFICE BUILDING, GROUND FLOOR, CONNAUGHT PLACE, AND AT THE SALES COUNTER OF THE CENSUS AND STATISTICS DEPARTMENT ON 19TH FLOOR, WANCHAI TOWER 1, 12 HARBOUR ROAD, WAN CHAI, HONG KONG.

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NEW MEASURES TO STREAMLINE CNTA OPERATIONS

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A NUMBER OF MEASURES WILL BE INTRODUCED FROM THE NEXT FINANCIAL YEAR TO REDUCE SPENDING AND TO STREAMLINE THE OPERATIONS OF THE CITY AND NEW TERRITORIES ADMINISTRATION (CNTA).

"THESE MEASURES HAVE BEEN DRAWN UP AFTER A CAREFUL STUDY ON HOW TO MAKE THE BEST USE OF EXISTING RESOURCES," A CNTA SPOKESMAN SAID TODAY (WEDNESDAY).

"THE AIM IS TO ACHIEVE SAVINGS IN MANPOWER AND EXPENSES AS PART OF THE GOVERNMENT'S AUSTERITY PROGRAMME WHILE AT THE SAME TIME MAINTAINING STANDARDS AS FAR AS POSSIBLE.

"GREAT CARE HAS BEEN TAKEN TO ENSURE THAT ANY ADVERSE EFFECT ON SERVICES TO THE PUBLIC IS KEPT TO THE ABSOLUTE MINIMUM," HE ADDED.

VACANT POSTS WILL BE DELETED TOGETHER WITH OTHER STAFFING CUTS.

THE NUMBER OF PUBLIC ENQUIRY SERVICE (PES) CENTRES WILL BE REDUCED FROM 69 TO 20 BUT THEY WILL HAVE A MUCH STRONGER BACKUP AND SUPPORT THROUGH EXPANSION OF THE PES UNIT IN CNTA HEADQUARTERS, INCLUDING A CENTRALISED TELEPHONE HOTLINE ENQUIRY SYSTEM AND A COMPUTERISED DATA BANK.

AS PART OF THE REORGANISATION OF THE PES, CNTA WILL FROM APRIL 1 NEXT YEAR ADMINISTER ONLY THOSE STATUTORY DECLARATIONS THAT ARE REQUIRED FOR THE PERSONAL USE OF MEMBERS OF THE PUBLIC.

THE SPOKESMAN EXPLAINED THAT OTHER GOVERNMENT DEPARTMENTS HAVE BEEN ASKED TO RE-EXAMINE THE NECESSITY FOR STATUTORY DECLARATIONS.

WHERE THESE ARE STILL REQUIRED, THE DEPARTMENTS CONCERNED WILL PROVIDE THE STATUTORY DECLARATION SERVICE INSTEAD OF CNTA.

HOWEVER, CNTA WILL CONTINUE TO ADMINISTER A LIMITED STATUTORY DECLARATION SERVICE TO THE GENERAL PUBLIC.

"CNTA IS JOINTLY WORKING OUT THE DETAILS WITH THE DEPARTMENTS CONCERNED AND A FURTHER ANNOUNCEMENT AND NOTICE WILL BE ISSUED IN EARLY 1991," HE ADDED.

ANOTHER MEASURE INVOLVES THE ARRANGEMENTS FOR BOOKING COMMUNITY CENTRES AND HALLS UNDER THE MANAGEMENT OF CNTA.

BOOKING IN FUTURE WILL BE THROUGH THE DISTRICT OFFICE WHICH WILL ENABLE THE STAFF NOW STATIONED IN THE CENTRES TO BE RELEASED FOR REDEPLOYMENT.

HOWEVER, THE APPLICATION PROCEDURES WILL BE KEPT SIMPLE AND THERE SHOULD NOT BE ANY EFFECT ON THE ACTIVITIES IN THESE PREMISES.

/ALSO STARTING .....

ALSO STARTING FROM THE NEXT FINANCIAL YEAR, ADMINISTRATIVE ARRANGEMENTS FOR THE YAU TSIM AND MONG KOK DISTRICTS WILL BE CHANGED WITH ONE DISTRICT OFFICER SERVING THE TWO DISTRICT BOARDS.

HOWEVER, THE TWO SECRETARIATS WILL REMAIN SEPARATE.

"IN VIEW OF THE SMALL SIZE OF THE TWO DISTRICT BOARDS (YAU TSIM: 12 MEMBERS, MONG KOK: 15 MEMBERS), THERE SHOULD BE NO PROBLEM IN PROVIDING THEM WITH SERVICES FROM ONE DISTRICT OFFICER," THE SPOKESMAN SAID.

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FIVE IIS FROM CHINA ARRESTED

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ACTING ON INFORMATION, IMMIGRATION INVESTIGATORS ARRESTED FIVE ILLEGAL IMMIGRANTS FROM CHINA CHEUNG SHA WAN AREA TODAY (WEDNESDAY).

THE FIVE ILLEGAL IMMIGRANTS, TWO MEN AND THREE FEMALES, AGED BETWEEN 17 AND 26, WERE APPREHENDED AT A JEWELLERY FACTORY.

DURING THE OPERATION, THE ILLEGAL IMMIGRANTS REFUSED TO OPEN DOOR AND TRIED TO ESCAPE THROUGH THE WINDOWS.

THE IMMIGRATION INVESTIGATORS LATER SUCCEEDED IN ARRESTING ALL OF THEM.

THEY ARE NATIVES OF HOI FUNG AND TOI SHAN AND CLAIMED TO HAVE SNEAKED INTO HONG KONG FROM JUNE TO SEPTEMBER THIS YEAR.

THEY ALSO CLAIMED THAT WHEN THEY WERE IN CHINA, THEY WERE OFFERED JOBS HERE WITH A MONTHLY SALARY RANGING FROM \$1,000 TO \$2,000. THEY WERE SUBSEQUENTLY ARRANGED TO ENTER HONG KONG ILLEGALLY.

THE PERSON-IN-CHARGE OF THE FACTORY IS ASSISTING WITH THE INVESTIGATION.

A SPOKESMAN FOR THE IMMIGRATION DEPARTMENT REITERATED THAT THERE WILL BE NO AMNESTY GRANTED TO ILLEGAL IMMIGRANTS.

HE ALSO REMINDED THAT ALL EMPLOYERS SHOULD CHECK THE IDENTITY OF THEIR RECRUITS, IRRESPECTIVE OF THEIR NATIONALITY AND THEY WILL BE LIABLE TO PROSECUTION IF THEY DO NOT OBSERVE THIS LEGISLATIVE REQUIREMENT.

EMPLOYERS WHO HAVE COME ACROSS DOUBTFUL PROOF OF IDENTITY MAY CALL THE INVESTIGATION HOT-LINE ON TEL. 824 1551 DURING OFFICE HOURS.

THE SPOKESMAN ALSO SAID ANY PERSON WHO IS THE EMPLOYER OF A PERSON NOT LAWFULLY EMPLOYABLE OR AIDS AND ABETS THE ILLEGAL REMAINING OF A PERSON IS LIABLE TO PROSECUTION.

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ANTI-DRUG FORTNIGHT TO BEGIN ON SATURDAY

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AN ANTI-DRUG FORTNIGHT TO AROUSE PUBLIC AWARENESS OF THE DRUG ABUSE PROBLEM WILL BE LAUNCHED FROM SATURDAY (OCTOBER 20).

A SPOKESMAN FOR THE NARCOTICS DIVISION TODAY (WEDNESDAY) SAID: "ORGANISED BY THE ACTION COMMITTEE AGAINST NARCOTICS, THE FORTNIGHT COMPRISES A SERIES OF ACTIVITIES DESIGNED TO ENCOURAGE PEOPLE, YOUNGSTERS IN PARTICULAR, TO ADOPT A HEALTHY LIFESTYLE AND SAY 'NO' TO ALL DRUGS.

"IT ALSO APPEALS TO PARENTS TO PAY MORE ATTENTION TO THEIR CHILDREN SO THAT THEY DO NOT FALL PREY TO DRUGS."

DURING THE FORTNIGHT EVENT, THOSE WHO WANT TO HAVE A BETTER UNDERSTANDING ABOUT THE GOVERNMENT'S OVERALL STRATEGY IN THE FIGHT AGAINST DRUGS ARE WELCOMED TO A 'HONG KONG FIGHTS DRUGS' EXHIBITION TO BE HELD IN HARBOUR CITY, TSIM SHA TSUI, FROM FRIDAY (OCTOBER 19) TO SUNDAY (OCTOBER 21).

ANOTHER EXHIBITION ON ABUSE OF PSYCHOTROPIC SUBSTANCES WILL BE STAGED IN TUEN MUN TOWN PLAZA BETWEEN OCTOBER 31 AND NOVEMBER 2.

LEAFLETS AND SOUVENIRS WILL BE DISTRIBUTED ON THE SPOT.

FOR THOSE WHO ARE INTERESTED IN SINGING OR PHOTOGRAPHY, THE 'SAY YES TO LIFE' SINGING CONTEST AND THE 'TO CREATE A BRIGHT TOMORROW' PHOTO COMPETITION WILL PROVIDE THEM WITH GOOD OPPORTUNITIES TO DISPLAY THEIR TALENTS ON ONE HAND AND ASSIST IN PUBLICISING ANTI-DRUG MESSAGE ON THE OTHER.

THE SINGING CONTEST IS OPEN TO PEOPLE AGED 15 TO 30 WHILE THE PHOTO COMPETITION WILL INCLUDE TWO DIVISIONS: STUDENT DIVISION FOR STUDENTS AGED BETWEEN 12 AND 21 AND OPEN DIVISION FOR MEMBERS OF THE PUBLIC WHO MUST BE AMATEUR PHOTOGRAPHY ENTHUSIASTS.

ENTRY FORMS FOR THE TWO COMPETITIONS ARE STILL AVAILABLE AT THE NARCOTICS DIVISION ON THE 23RD FLOOR OF THE QUEENSWAY GOVERNMENT OFFICE AND THE DISTRICT OFFICES.

THE FORTNIGHT WILL ALSO INCLUDE A FAMILY OUTING AND A KITE FLYING DAY ON SUNDAY (OCTOBER 21) IN TAI HAN TUN, SAI KUNG. MORE THAN 300 FAMILIES WILL TAKE PART IN THE EVENT TO PROMOTE HAPPY FAMILY LIFE.

TO PROMOTE DRUG EDUCATION, A WORKSHOP FOR ABOUT 200 STUDENT COUNSELLORS, OUTREACH SOCIAL WORKERS AND STAFF OF JUVENILE CORRECTIONAL INSTITUTIONS WILL BE HELD AT HONG KONG CULTURAL CENTRE, KOWLOON, ON OCTOBER 23 AND 24, AND A TRAINING CAMP FOR ABOUT 250 YOUTH LEADERS FROM NINE ORGANISATIONS ORGANISED AT LADY MACLEHOSE HOLIDAY VILLAGE, SAI KUNG, BETWEEN OCTOBER 26 AND 28.

/IN ADDITION .....

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IN ADDITION TO PUBLICITY ON TELEVISION AND RADIO, ANTI-DRUG MESSAGE WILL ALSO BE SHOWN ON THE TELE-SCREEN DISPLAY FACILITIES AT THE RACE COURSES AND HONG KONG STADIUM ON THE EVENT DAYS FROM THIS SATURDAY.

THE NARCOTICS DIVISION SPOKESMAN SAID: "WE HOPE THAT BY GROUPING THESE MAJOR ANTI-DRUG ACTIVITIES OF A YEAR TOGETHER AND MOUNTING THEM WITHIN A SHORT PERIOD OF TIME, IT CAN CREATE A MAXIMUM IMPACT ON THE PUBLIC."

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UNAUTHORISED STRUCTURE IN SHAM SHUI PO TO BE CLOSED

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THE BUILDING AUTHORITY IS SEEKING TO CLOSE AN ILLEGAL STRUCTURE IN SHAM SHUI PO SO THAT IT CAN BE DEMOLISHED WITHOUT DANGER TO THE OCCUPIERS AND THE PUBLIC.

THE STRUCTURE IS ON THE THIRD FLOOR OF NO. 55 NAM CHEONG STREET, KOWLOON.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS FROM THE TSUEN WAN DISTRICT COURT ON DECEMBER 17 WAS POSTED ON THE STRUCTURES TODAY (WEDNESDAY).

IT IS EXPECTED THAT DEMOLITION WILL START IMMEDIATELY AFTER THE CLOSURE ORDER IS OBTAINED.

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