



DAILY INFORMATION BULLETIN

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TUESDAY, FEBRUARY 28, 1984

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MINISTER OF STATE MEETS PRESS

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FOLLOWING IS THE STATEMENT BY MR RICHARD LUCE, MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, AT THE PRESS CONFERENCE THIS AFTERNOON:

"FIRSTLY LET ME SAY THAT I AM VERY PLEASED TO BE HERE AGAIN. THE LAST TIME WAS ONLY FIVE MONTHS AGO, AND, AS YOU KNOW, I ATTACH GREAT IMPORTANCE TO REGULAR VISITS TO HONG KONG. I EXPLAINED ON MY ARRIVAL THAT I HAVE BEEN UNDERTAKING A FAR EASTERN TOUR. I HAVE BEEN ATTENDING THE FIRST NATIONAL DAY CELEBRATIONS IN BRUNEI WITH THE PRINCE OF WALES AND I GO ON TODAY TO MALAYSIA, AND I REGARD THIS AS A VERY IMPORTANT PART OF MY TOUR. JUST LIKE LAST TIME, IN SEPTEMBER OF LAST YEAR, I, OF COURSE, HAVE HAD LENGTHY TALKS WITH THE GOVERNOR AND, INDEED, AS WITH LAST TIME, WITH THE BRITISH AMBASSADOR IN PEKING, AND I VALUED THAT VERY MUCH. I HAVE ALSO HAD CONSULTATIONS WITH THE EXECUTIVE COUNCIL, AND VERY FULL DISCUSSIONS TOO, LAST NIGHT WITH UMELCO AND, OF COURSE, THAT REINFORCES THE POINT THAT THE BRITISH GOVERNMENT HAVE REPEATEDLY MADE ABOUT THE VALUE AND IMPORTANCE OF CONSULTATIONS, WITH THE EXECUTIVE COUNCIL AND WITH THE UNOFFICIALS.

"I HAVE CONTINUED AS WITH LAST TIME TO LISTEN TO A WIDE RANGE OF VIEWS, AND I THINK THIS ADDS FURTHER TO THE CROSS SECTION OF VIEWS THAT I ATTEMPTED TO LISTEN TO, THE VIEWS OF THE PEOPLE OF HONG KONG, IN SEPTEMBER OF LAST YEAR, FROM A WIDE VARIETY OF THE SOCIETY OF HONG KONG.

"I HAVE ALSO HAD THE CHANCE THIS MORNING TO SEE A LITTLE BIT MORE OF HONG KONG BY VISITING THE EASTERN DISTRICT. AND I CANNOT STATE ENOUGH TIMES, THE VALUE THE PRIME MINISTER, THE FOREIGN SECRETARY AND I PLACE UPON PERSONAL CONTACT AT THIS PERIOD IN THE HISTORY OF HONG KONG. HER MAJESTY'S GOVERNMENT ARE COMMITTED TO SEARCH FOR A SETTLEMENT WHICH WILL ENSURE STABILITY AND PROSPERITY IN HONG KONG, A SETTLEMENT WHICH, AS YOU KNOW, WILL BE ACCEPTABLE TO THE PEOPLE OF HONG KONG - THAT IS OUR AIM - TO THE CHINESE GOVERNMENT AND, OF COURSE, TO THE BRITISH PARLIAMENT.

"THE TALKS ARE PROCEEDING - BETWEEN THE BRITISH GOVERNMENT AND THE CHINESE GOVERNMENT. THE ATMOSPHERE IN THESE TALKS IS GOOD. WE ARE COVERING DETAILED GROUND AND, OF COURSE AS YOU KNOW, THE LAST TALKS WERE LAST WEEK IN PEKING, THE NINTH ROUND. WE ARE GETTING ON STEADILY WITH THESE TALKS AND WHAT WE, THE BRITISH GOVERNMENT, WANT IS THE BEST POSSIBLE SOLUTION FOR HONG KONG. AND I WANT TO STRESS TO YOU THAT I BELIEVE THAT THIS IS POSSIBLE TO ACHIEVE. THESE TALKS WHICH WE ARE HAVING IN PEKING, ARE PROCEEDING AT A PACE WHICH IS DESIGNED TO ACHIEVE JUST THAT OBJECTIVE. AND I WANT TO SAY THIS: THAT UPPERMOST IN OUR MIND, THE MIND OF THE BRITISH GOVERNMENT, IS YOUR FUTURE, THE FUTURE OF THE PEOPLE OF HONG KONG. I HAVE VALUED MY VISIT HERE ENORMOUSLY, AS I DO EACH TIME. AND I SHALL BE REPORTING OF COURSE ON MY VISIT TO SIR GEOFFREY HOWE, THE FOREIGN SECRETARY, AND I SHOULD JUST ADD, PERHAPS, AS A FINAL REMARK THAT SIR GEOFFREY HOWE, WILL HOPE TO VISIT HONG KONG IN THE NEAR FUTURE.

"NOW I AM VERY HAPPY TO TRY AND ANSWER QUESTIONS."

/QUESTION SESSION

QUESTION SESSION

Q: CAN I ASK YOU IF YOU THINK THIS IS THE RIGHT TIME FOR THE LEGISLATIVE COUNCIL TO DISCUSS THE 1997 ISSUE? AND, IF SO, HOW MUCH REAL INFORMATION CAN THE LEGCO COUNCILLORS BE GIVEN ON THE STATE OF THE 1997 TALKS?

A: WELL, THIS IS A MATTER FOR THE LEGISLATIVE COUNCIL OF HONG KONG. UNDER THE RULES, THEY ARE PERFECTLY ENTITLED IF THEY WISH TO DO SO, TO HAVE THIS PARTICULAR DEBATE. AND MY OWN VIEW IS THAT IT IS PERFECTLY NATURAL AND PERFECTLY UNDERSTANDABLE THAT THEY SHOULD HAVE THIS DEBATE, AND IT WILL BE FOR THEM TO EXPRESS THEIR OWN VIEWS.

Q: HOW MUCH REAL INFORMATION CAN YOU GIVE THEM?

A: WELL, THEY ARE ENTITLED TO EXPRESS THEIR VIEWS. THAT IS FOR THEM, IT IS THEIR CHOICE, THEY ARE ENTITLED TO HAVE THIS DEBATE. THEY WILL HAVE A CHANCE TO EXPRESS THEIR OWN VIEWS. THAT IS FOR THEM.

Q: PEKING HAS SET VARIOUS DEADLINES, LIKE SEPTEMBER, OR JUNE, OR JULY. WHEN CAN WE EXPECT TO HEAR WHAT THE BRITISH PROPOSALS ARE? WE HAVE HEARD WHAT PEKING'S PROPOSALS ARE. WHEN CAN WE HEAR WHAT BRITAIN'S PROPOSALS ARE?

A: WELL, AS I SAY, THE TALKS ARE PROCEEDING STEADILY. WHAT REALLY MATTERS, IT SEEMS TO US, IS TO FIND THE BEST SOLUTION, THE RIGHT SOLUTION, IN OUR JUDGEMENT, FOR HONG KONG. I HAVE SAID BEFORE, THE BRITISH GOVERNMENT HAS SAID BEFORE, MANY A TIME, WE HAVE NO DEADLINE. BUT WE OBVIOUSLY WANT TO PROCEED AS FAST AS IS REASONABLE. WE ARE PROGRESSING STEADILY. AND WE WILL CONTINUE TO DO JUST THAT. I THINK THE ONLY WAY I CAN ANSWER THAT QUESTION IS - THAT WE DON'T HAVE A DEADLINE. BUT, OBVIOUSLY, IT IS IN EVERYBODY'S INTERESTS TO SEE US REACH AN AGREEMENT AS SOON AS IS SENSIBLE AND POSSIBLE.

Q: SO. BY JUNE OR JULY?

A: OH. WE CERTAINLY, I CANNOT GIVE A TIME SCALE- IT WOULD BE QUITE WRONG. BUT WE ARE MAKING STEADY PROGRESS.

Q: JUST A POINT OF CLARIFICATION. YOU SAID THAT THE LEGISLATIVE COUNCIL WAS ENTITLED TO THIS DEBATE. ARE YOU TALKING THERE ABOUT DEBATE, ABOUT DEBATE ON MARCH 14, OR ARE YOU SAYING THAT LEGCO IS ENTITLED TO HAVE AN INFORMED PRIOR DEBATE ON WHATEVER THE PROPOSED SETTLEMENT IS?

A: WELL, AS I UNDERSTAND IT, THE LEGISLATIVE COUNCIL PROPOSE OF THEIR OWN ACCORD TO HAVE A DEBATE, IN MID-MARCH, ON THE SUBJECT THEY HAVE DETERMINED. IT GIVES THEM A CHANCE TO EXPRESS THEIR VIEWS. WHAT I HAVE SAID TO YOU IS THAT, UNDER THE RULES, AS I UNDERSTAND IT, IT IS A MATTER FOR THE GOVERNMENT OF HONG KONG, THE LEGISLATIVE COUNCIL. THEY ARE ENTITLED TO HAVE THIS DEBATE AND ALL I AM TELLING YOU IS THAT I THINK IT IS PERFECTLY REASONABLE, PERFECTLY UNDERSTANDABLE AND PERFECTLY NATURAL.

/Q: BUT THAT

Q: BUT THAT IS THE PROCEDURAL STEP. DO YOU THINK THEY ALSO SHOULD HAVE AN INFORMED DEBATE

A: YOU MEAN AT A LATER STAGE? I AM SO SORRY, I MIS-UNDERSTOOD YOUR QUESTION. I THINK, MYSELF, THAT THE WHOLE QUESTION OF, WHEN WE PRODUCE AN AGREEMENT, IT IS MOST IMPORTANT, MOST IMPORTANT, THAT HONG KONG SHOULD HAVE TIME TO ABSORB THAT AGREEMENT, TO ASSESS IT, TO REFLECT UPON IT, TO GIVE THEIR VIEWS UPON IT. NOW, IN THAT CONTEXT, IF THIS IS YOUR QUESTION, THE LEGISLATIVE COUNCIL OBVIOUSLY HAS AN IMPORTANT ROLE TO PLAY. AND IT WILL BE FOR THEM, OBVIOUSLY, TO DETERMINE WHAT KIND OF DISCUSSIONS THEY HAVE AS WELL.

Q: IF UNOFFICIALS OF THE EXECUTIVE COUNCIL PARTICIPATE IN A LEGCO DEBATE, ON 1997, WOULD THAT CONSTITUTE A BREACH OF CONFIDENTIALITY?

A: I THINK THE WHOLE QUESTION OF THE RULES AND PROCEDURES OF THE LEGISLATIVE COUNCIL, WHICH ARE ALL CLEARLY LAID OUT, ARE A MATTER FOR LEGISLATIVE COUNCILLORS AS TO WHAT THEY CAN AND CAN'T DEBATE. WHAT THEY ARE DEBATING IS A PARTICULAR MOTION, AND IT GIVES THEM, AS I UNDERSTAND IT, AN OPPORTUNITY TO EXPRESS THEIR VIEWS. I SEE NOTHING UNUSUAL OR EXTRAORDINARY IN THIS AND I CAN ONLY SAY THAT I THINK IT IS NATURAL. WHAT THEY ARE NOT DEBATING, IF THAT IS YOUR QUESTION, IS DETAILED AGREEMENT BETWEEN CHINA AND BRITAIN ON THE FUTURE OF HONG KONG BECAUSE THERE ISN'T, AS YET, A DETAILED AGREEMENT. BUT THEY CAN, OBVIOUSLY, IN THIS DEBATE, EXPRESS THEIR VIEWS.

Q: BEFORE A FINAL AGREEMENT IS ACTUALLY ANNOUNCED TO THE BRITISH PARLIAMENT, I MEAN

A: YES. BEFORE IT IS FINAL - WILL THEY HAVE A DEBATE? IS YOUR QUESTION.

Q: NO. NO. IF THEY DO HAVE A DEBATE ON 1997 BEFORE ANYTHING IS GIVEN TO THE BRITISH PARLIAMENT FOR CONSIDERATION, WOULD THAT CONSTITUTE A BREACH OF CONFIDENTIALITY.

A: I SHOULD VERY MUCH DOUBT IT. I HAVEN'T GOT TO THE STAGE OF CONSIDERING WHAT THE PRECISE DETAILS OF HOW WE TEST THE OBJECTIVE WE HAVE IN MIND - WHICH IS THE ACCEPTABILITY OF THIS TO THE PEOPLE OF HONG KONG. THE LEGISLATIVE COUNCIL WILL HAVE A VERY IMPORTANT ROLE. AND PERHAPS I COULD GO ON TO SAY SOMETHING ELSE; WHICH IS IMPORTANT, AND THAT IS, WE HAVE SAID THIS AGREEMENT MUST BE ACCEPTABLE, OBVIOUSLY, NOT ONLY TO THE PEOPLE OF HONG KONG BUT TO THE BRITISH PARLIAMENT. AND, I WILL ASK YOU TO PUT YOURSELVES IN THE MIND OF ANY BRITISH PARLIAMENTARIAN. HE WILL, BEFORE HE VOTES, WANT TO KNOW WHAT IS THE VIEW OF THE PEOPLE OF HONG KONG BEFORE HE ACTUALLY VOTES. AND SO, THE REFLECTIONS OF THE VIEWS OF THE PEOPLE OF HONG KONG, EXPRESSED IN A VARIETY OF WAYS, AND YOU HAVE HIGHLIGHTED THE LEGISLATIVE COUNCIL AS ONE ELEMENT IN IT, AN IMPORTANT ELEMENT IN IT, WILL BE A VERY IMPORTANT FACTOR WHEN THE BRITISH PARLIAMENT COMES TO ASSESS THE OVERALL AGREEMENT.

/Q: CAN I

Q: CAN I THEN TAKE IT THAT YOU ARE ENDORSING THE MOTION PUT FORWARD BY MR LOBO? AND ARE YOU AFRAID THAT IF THERE IS A DEBATE IN THE LEGISLATIVE COUNCIL, WHETHER IT WILL ACTUALLY AFFECT THE PROGRESS OF THE NEGOTIATIONS?

A: I CERTAINLY WILL NOT SAY I ENDORSE OR NOT ENDORSE ANY MEASURES FOR THE LEGISLATIVE COUNCIL TO DETERMINE. BUT, I HAVE NOTED, AND YOU WILL NOTE, THAT IN THE QUEEN'S SPEECH OF LAST SUMMER, WE MADE IT QUITE PLAIN OURSELVES, THE BRITISH GOVERNMENT'S OBJECTIVE IS THAT ANY AGREEMENT, OUR AIM IS THAT ANY AGREEMENT, SHOULD BE ACCEPTABLE TO THE PEOPLE OF HONG KONG. NOW YOU MUST THEREFORE SEE THAT MOTION, AS I UNDERSTAND THE MOTION TO BE, THIS IS A MATTER FOR THE LEGISLATIVE COUNCIL AND THE PEOPLE OF HONG KONG. I AM NOT GOING TO SEEK TO DICTATE TO THEM WHAT THEY SHOULD DO AND SAY, THEY HAVE THEIR OWN PROCEDURES. AND THEY WILL EXPRESS THEIR OWN VIEWS. AND I SHALL LISTEN AND HEAR WITH VERY GREAT INTEREST TO WHAT THEY HAVE TO SAY.

Q: ARE YOU AFRAID IT WILL AFFECT THE PROGRESS OF THE TALKS IF IT IS DEBATED?

A: CAN I, CAN YOU REPEAT THAT; I COULDN'T HEAR?

Q: ARE YOU AFRAID IT WILL AFFECT THE PROGRESS OF THE TALKS IF IT IS DEBATED AND, LET'S SAY, THEY COME OUT AGAINST THE DRAFT SOLUTION WHICH HAS ALREADY BEEN REACHED, AND THEN IT IS LIKE GOING BACK TO STAGE ONE AGAIN?

A: WELL, AS I UNDERSTAND IT, IN MID-MARCH YOU ARE ANTICIPATING THAT THERE IS A DRAFT SOLUTION BY MID-MARCH WHICH THEY ARE GOING TO DEBATE. THIS IS NOT, I UNDERSTAND, THE SET OF CIRCUMSTANCES. I THINK YOU ARE, IF I MAY SAY SO, SLIGHTLY MUDDLING THE SET OF CIRCUMSTANCES IN WHICH THIS DEBATE IS TAKING PLACE. YOU KNOW WHAT THE MOTION IS, YOU KNOW WHAT THE QUEEN'S SPEECH SAYS= I DON'T SEE ANY PROBLEM OR ANY DIFFICULTY AND I THINK IT IS GOOD THAT THEY ARE EXPRESSING THEIR VIEWS. LET THEM EXPRESS THEIR VIEWS.

Q: SINCE THE PEOPLE OF HONG KONG WILL NOT KNOW WHAT THE AGREEMENT IS UNTIL IT HAS BEEN REACHED, IF THEY EXPRESS DISLIKE OF ANY PARTICULAR ASPECTS OF IT, ARE YOU PREPARED TO GO BACK TO PEKING AND SAY: 'WE ARE GOING TO HAVE TO CHANGE THIS?'

A: WELL. LET ME SAY THIS. THAT WE ARE GIVING NOW, OBVIOUSLY, VERY VERY CAREFUL THOUGHT TO THE BEST WAYS IN WHICH WE CAN GIVE A CHANCE, THE BEST POSSIBLE CHANCE, TO THE PEOPLE OF HONG KONG TO EXPRESS THEIR VIEWS ON THEIR FUTURE. AND WE HAVEN'T REACHED ANY FINAL DECISIONS ON THIS. THERE ARE VARIOUS THOUGHTS IN OUR MIND. THERE ARE VARIOUS PROCEDURES THAT WE MAY WANT TO GO THROUGH. AND, CLEARLY THE QUESTION OF GIVING ADEQUATE TIME TO THE PEOPLE OF HONG KONG TO ASSESS ALL THIS AND TO GIVE US THEIR VIEWS. AND, CERTAINLY, THIS IS A MATTER ON WHICH WE ARE GIVING THE HIGHEST OF PRIORITIES.

/Q: HOW WOULD

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Q: HOW WOULD YOU SUM UP THE VIEWS WHICH HAVE BEEN EXPRESSED TO YOU SINCE YOU HAVE BEEN HERE? ARE THE PEOPLE OF HONG KONG WORRIED ABOUT THE FUTURE?

A: WELL, I HAVE BEEN INTERESTED TO ASSESS THE VIEWS EXPRESSED TO ME LAST SEPTEMBER AND AGAIN ON MY VISIT THIS TIME. AND IF I WERE TO TRY AND ENCAPSULATE IT, I WOULD SAY THAT WHAT PEOPLE HAVE REALLY SAID TO ME THEY MOST WANT IS CONTINUITY OF SYSTEMS, THEIR WAY OF LIFE, CONTINUATION OF THE GROWTH OF PROSPERITY AND STABILITY. AND THAT IS PRECISELY WHAT WE ARE AIMING TO ACHIEVE FOR THE PEOPLE OF HONG KONG. AND I THINK THAT THAT REFLECTS, BROADLY SPEAKING, A CROSS-SECTION OF VIEWS THAT HAVE BEEN EXPRESSED TO ME BOTH LAST TIME AND CERTAINLY THIS TIME.

Q: THE FOREIGN OFFICE APPEARS TO BE STILL SAYING THAT THE TALKS COULD BE STEPPED UP TO MINISTERIAL LEVEL WHEN IT COMES TO THE TIME OF AN ANNOUNCEMENT. DOES THAT MEAN THAT WHEN WE CAN EXPECT A BROAD AGREEMENT YOU WILL GO TO PEKING? AND ALSO, YOU SAID EARLIER THAT YOU PUT A LOT OF EMPHASIS ON PRESENCE HERE. DOES THAT MEAN YOU WILL BE COMING BACK HERE IN THE NEXT FIVE MONTHS?

A: THANK YOU VERY MUCH. THERE IS A LOT I WOULD LIKE TO DO AND SEE. I ATTACH IMPORTANCE PERSONALLY TO REGULAR VISITS. AS FAR AS MINISTERIAL PARTICIPATION IS CONCERNED, I THINK THAT WAS THE FIRST PART OF YOUR QUESTION, IT IS, OF COURSE, TRUE THAT, UP TO NOW, THERE HAS BEEN NO MINISTERIAL PARTICIPATION IN THE ACTUAL TALKS, AND, OUR POSITION IS THAT, AS AND WHEN WE FEEL THAT IT WOULD BE HELPFUL AND USEFUL - I WAS GOING TO SAY 'USEFUL AND CONSTRUCTIVE' (LAUGHTER) - THEN, CERTAINLY WE WOULD SERIOUSLY CONSIDER MINISTERIAL PARTICIPATION.

Q: LAST OCTOBER, WHEN THE PRIME MINISTER WAS SPEAKING TO A BBC 'PHONE-IN' PROGRAMME, SHE REFERRED TO THE IMPORTANCE OF A BRITISH LINK AND, I QUOTE: 'WE THINK THAT THE BRITISH LINK IS VERY, VERY IMPORTANT INDEED BECAUSE IT IS PARTLY RESPONSIBLE FOR THE KIND OF SUCCESS THEY HAVE HAD IN HONG KONG'. END OF QUOTE. ARISING FROM THAT, MAY I ASK: DO YOU THINK THAT THE BRITISH LINK IS STILL IMPORTANT? AND WOULD YOU SPECIFY WHAT THAT BRITISH LINK COULD MEAN?

A: WELL. ALL THESE FACTORS ARE BEING TAKEN INTO ACCOUNT DURING THE COURSE OF THESE TALKS. AND WE COME BACK TIME AND AGAIN TO THE POINT: WHAT ARE THE FACTORS THAT CONTRIBUTE TO STABILITY AND PROSPERITY AND TO THE CONTINUITY OF SYSTEMS WHICH IS THE GENERAL OBJECTIVE IN THESE TALKS FOR THE SAKE OF THE PEOPLE OF HONG KONG? I CAN'T COMMENT ON SPECIFIC ASPECTS OF THE DISCUSSIONS, BECAUSE I WOULD BE BREAKING THE ONE FACTOR THAT I KNOW IS FRUSTRATING TO YOU - AND IS FRUSTRATING TO US - BUT IS NECESSARY, AND THAT IS THAT THE TALKS HAVE TO BE CONFIDENTIAL. AND ALL OUR MINDS ARE FOCUSED UPON: WHAT ARE THE FACTORS THAT WILL BE MOST CONDUCTIVE TO HELPING THIS CRITERIA OF STABILITY AND PROSPERITY AND THE CONTINUATION OF THE WAY OF LIFE OF THE PEOPLE OF HONG KONG, WHICH IS SO IMPORTANT TO THEM? AND THESE ARE ALL ELEMENTS IN THE DISCUSSION.

/Q: MR LUCE

Q: MR LUCE...

A: I SHOULD JUST ADD, SORRY, BEFORE YOU PUT YOUR QUESTION, I HAVE HAD A WIDE VARIETY OF VIEWS PUT TO ME AND THESE ARE THE KIND OF QUESTIONS AND POINTS THAT HAVE BEEN PUT TO ME OVER THE COURSE OF BOTH MY VISITS.

Q: MR LUCE, CAN I ASK YOU A QUESTION IN CHINESE?

Q: DO. BUT I SHALL JUST HAVE TO PUT MY FAMOUS EARPHONES ON. I HAVEN'T GOT TO THE STAGE OF BEING ABLE TO UNDERSTAND CHINESE.

Q: (IN CHINESE): WHEN YOU WERE LAST IN HONG KONG, YOU SAID THAT THE BRITISH GOVERNMENT WOULD TRY ITS BEST TO FIND A SOLUTION AND THAT THE SOLUTION WOULD BE ACCEPTABLE TO THE PEOPLE OF HONG KONG AND THE CHINESE AND BRITISH GOVERNMENTS, BUT IN A SITUATION WHERE WE DON'T HAVE ANY REFERENDUM, HOW CAN YOU ENSURE THAT THE SOLUTION EVENTUALLY REACHED WILL BE ACCEPTABLE TO THE PEOPLE OF HONG KONG?

Q: DO YOU NEED ME TO REPEAT THE QUESTION IN ENGLISH?

A: NO, NO, NO. THE INTERPRETER IS VERY GOOD INDEED. I THINK I AM THERE. WELL, WE ARE ON, AGAIN, THE ACCEPTABILITY AND HOW IT IS ACHIEVED. AND I THINK, AS I SAID EARLIER, NO FINAL DECISIONS HAVE BEEN TAKEN AS TO THE MECHANICS FOR ACCEPTABILITY. IT IS A MATTER OF VERY GREAT IMPORTANCE. I WOULD MAKE ONE OBSERVATION IN ALL THIS, AND THAT IS THAT HONG KONG REALLY HAS, AND IT STRIKES AN OUTSIDER LIKE ME, IT STRIKES, I HAVE NOTICED, EVERY MEMBER OF PARLIAMENT WHEN HE VISITS HERE, THE RATHER, IN SOME WAYS UNIQUE, AND SOPHISTICATED RANGE OF INSTITUTIONS THAT HAVE ALREADY BEEN DEVELOPED AND ARE IN THE PROCESS OF BEING DEVELOPED STILL FURTHER IN HONG KONG. I DON'T JUST MEAN THE EXECUTIVE COUNCIL, I DON'T JUST MEAN THE LEGISLATIVE COUNCIL, YOU HAVE GOT YOUR URBAN DISTRICT COUNCILS, YOUR DISTRICT BOARDS, YOU HAVE GOT THIS LATEST PROPOSAL, THAT THE GOVERNOR HAS ANNOUNCED, FOR REGIONAL COUNCILS. THERE ARE OTHER MEANS TOO. YOU HAVE UMELCO, OF COURSE, AND THE RATHER DISTINCTIVE FEATURES AND MECHANICS, MECHANICAL SYSTEMS, INVOLVED THERE. AND SO, HONG KONG HAS, AS I SEE IT, OVER THE YEARS DEVELOPED A HIGHLY SOPHISTICATED SYSTEM. THEREFORE WE MUST TAKE THAT INTO ACCOUNT, THAT VERY FULLY INTO ACCOUNT, WHEN WE ARE ASSESSING HOW WE CAN TAKE THE VIEWS OF THE PEOPLE OF HONG KONG. BUT, I MUST STRESS TO YOU, NO FINAL DECISIONS HAVE BEEN TAKEN. IT IS OUR INTENTION AND OUR OBJECTIVE TO UNDERTAKE THE WIDEST POSSIBLE RANGE OF OPINIONS, TO GET THEIR OPINIONS, TO GET THEM FED BACK TO US, AND TO ENSURE THAT THERE IS ADEQUATE TIME TO DO JUST THIS. AND, WE WILL, OBVIOUSLY, BE ABLE TO FORM OUR FINAL JUDGEMENTS ABOUT HOW THIS IS DONE IN DUE COURSE.

Q: HOW ABOUT IF SOMEONE IS NOT SATISFIED WITH THE PROPOSED AGREEMENT? WHAT WILL THE BRITISH GOVERNMENT DO TO TAKE CARE OF THIS?

/A: WHY DIDN'T

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A: WHY DIDN'T YOU ASK YOUR FIRST QUESTION IN ENGLISH (LAUGHTER)? OR ARE YOU COMPROMISING, ONE OF EACH? IF IT IS NOT ACCEPTABLE DID YOU SAY? NOW YOU ARE GETTING TO A STAGE WHICH IS FAR AHEAD. WE ARE AIMING TO PRODUCE A SOLUTION. AND, AS I HAVE SAID, I BELIEVE IT IS ACHIEVABLE. A SOLUTION WHICH WILL BE ACCEPTABLE TO THE PEOPLE OF HONG KONG. AND I MUST REMIND YOU OF SOMETHING THAT I BELIEVE I SAID LAST TIME: I BELIEVE THERE IS A CONVERGENCE OF INTEREST BETWEEN THE PARTIES. THERE IS A DESIRE TO SEE STABILITY AND PROSPERITY. IN WHOSE INTERESTS MIGHT IT BE NOT TO SEE THIS? THE CHINESE GOVERNMENT MUST WANT TO SEE THIS. WE CERTAINLY WANT TO SEE IT. AND ABOVE ALL THE PEOPLE OF HONG KONG WANT TO SEE IT. NOW WE MUST WORK FOR THAT. WE MUST WORK FOR SUCCESS, THAT IS WHAT OUR MIND IS ON AT THE PRESENT TIME.

Q: BUT IF SOMEONE TELLS YOU THAT HE IS NOT HAPPY WITH THE PROPOSED AGREEMENT, WILL YOU TAKE THAT TO THE UK?

A: THERE ARE A LOT OF IFS IN POLITICAL LIFE. THESE ARE ALL FACTORS WE'LL HAVE TO TAKE INTO ACCOUNT AND, AT THE END OF THE DAY, DON'T FORGET OUR CONSTITUTIONAL SYSTEM, IN BRITAIN I AM TALKING ABOUT. DON'T FORGET THAT IT IS PARLIAMENT THAT FINALLY HAS TO SAY YES OR NO AND THOSE MEMBERS HAVE THE RIGHT TO DETERMINE AND THEY WILL ALSO TAKE INTO ACCOUNT THE VIEWS OF THE PEOPLE OF HONG KONG.

Q: I WONDER IF I CAN TAKE IT FURTHER - YOU HAVE EXPRESSED THE VIEW THAT YOU ARE HOPEFUL OF THE BEST POSSIBLE SOLUTION FOR HONG KONG AND THAT YOU FEEL THE PRESENT TALKS ARE OF A PACE DESIGNED TO ACHIEVE THAT OBJECTIVE. NOW, HONG KONG ITSELF IS A HIGHLY COMPLEX PLACE, THE CIRCUMSTANCES SURROUNDING IT HISTORICALLY AND GEOPOLITICALLY ARE ALSO HIGHLY COMPLEX, ARE TALKS WHICH TAKE PLACE EVERY THREE TO FOUR WEEKS, AND AFTER ALLOWING FOR TRANSLATION ONLY CONSIST OF SIX HOURS OF EXCHANGES, LIKELY TO PRODUCE A DETAILED AGREEMENT WHICH WILL BE THE BEST POSSIBLE SOLUTION FOR HONG KONG? OR IS IT THAT THESE PRESENT TALKS BETWEEN DIPLOMATIC REPRESENTATIVES OF THE PEOPLE'S REPUBLIC OF CHINA AND GREAT BRITAIN ARE DESIGNED TO REACH A BASIS OF AGREED PRINCIPLE FOR THE INTENSE NEGOTIATIONS BETWEEN POLITICAL REPRESENTATIVES OF THE PEOPLE'S REPUBLIC OF CHINA AND GREAT BRITAIN ON THE DETAILS OF A COMPLEX AGREEMENT?

A: WELL, OF COURSE, IT IS REALLY FOR US TO JUDGE, THE REGULARITY OF THE MEETINGS BETWEEN US AT OFFICIAL LEVEL IN PEKING IN THE CONTEXT OF US ALL WANTING TO MAKE REASONABLE PROGRESS, AND PROGRESS AS FAST AS IS REASONABLE - THAT IS THE BEST WAY OF PUTTING IT. BUT, OF COURSE, IN BETWEEN THE OFFICIAL TALKS WHICH TAKE PLACE THERE IS A CONSIDERABLE AMOUNT OF INFORMAL CONTACT BETWEEN OUR TWO GOVERNMENTS. AND IF YOU COMBINE THE TWO THEN WE HAVE TO MAKE A JUDGEMENT OURSELVES, ABOUT THE PACE AND THE RANGE OF DETAIL THAT HAS TO BE DISCUSSED. YOU, I THINK, USED THE WORD 'COMPLEX'. YES, THERE ARE VERY MANY ISSUES INDEED TO DISCUSS AND ALL THIS TAKES TIME; IT IS INEVITABLE. AND, THEREFORE, THE COMBINATION OF THE HOLDING OF OFFICIAL TALKS AND THE INFORMAL CONTACT THAT WE HAVE, IT IS A MATTER FOR US TO JUDGE AT WHAT STAGE, AND HOW OFTEN WE MEET, AND WE LOOK AT THIS THE WHOLE TIME. AND, OF COURSE, AS YOU KNOW, THE DATES HAVE BEEN FIXED FOR THE NEXT MEETING IN MARCH AT AN OFFICIAL LEVEL.

/Q: BUT IS

Q: BUT IS THIS A TWO-STAGE PROCESS IN WHICH THE FIRST STAGE IS AN AGREEMENT ON PRINCIPALS AND THEN THE NEXT STAGE IS A NEGOTIATION ON DETAIL?

A: OH WELL, NOW YOU ARE ASKING ME TO SAY 'LOOK HERE. I TOLD YOU THAT THE TALKS ARE CONFIDENTIAL, NOW YOU ARE SAYING LET'S REVEAL ALL THE DETAILS.' THAT'S A GOOD TRY, A VERY GOOD ATTEMPT. (LAUGHTER). IT IS FOR US TO.. WE ARE LOOKING, OBVIOUSLY, AT EVERY ASPECT OF THIS AND IN CONSIDERABLE DETAIL AND I DON'T THINK I HAVE GOT ANYTHING TO ADD TO IT. AT THE END OF THE DAY WHEN WE PRODUCE WHAT WE BELIEVE IS THE BEST POSSIBLE SOLUTION IT WILL CONTAIN BOTH THE PRINCIPLES AND THE DETAIL - AND WE ARE WORKING AT A REASONABLE PACE.

Q: THE BRITISH GOVERNMENT HAS, IN THE PAST, RESISTED MEANINGFUL SELF-RULE FOR HONG KONG. IS THE GOVERNMENT PREPARED TO ALLOW GREATER SELF RULE FROM NOW UNTIL 1997. AND CAN THIS INCLUDE, FOR EXAMPLE, THE FOLLOWING: SOME ELECTED MEMBERS OF LEGCO, AND POLITICAL PARTIES?

A: WELL, ON THIS WHOLE QUESTION - WHEN YOU SAY 'SELF-RULE' ARE YOU TALKING ABOUT THE DEMOCRATIC EVOLUTION IN HONG KONG? I TAKE IT THAT IS WHAT YOU ARE REFERRING TO. WE AS A GOVERNMENT FAVOUR PROGRESSIVE, DEMOCRATIC, EVOLUTION, OBVIOUSLY IN KEEPING WITH THE SPECIAL CIRCUMSTANCES OF HONG KONG. WE HAVE NOTED WITH GREAT INTEREST THE DEVELOPMENTS OF THE FEW MONTHS AND YEARS AT LOCAL GOVERNMENT LEVEL WITH THE OBJECTIVE OF INCREASING THE DEMOCRATIC ELEMENT IN IT, OF ELECTED REPRESENTATIVES. THE GOVERNOR HAS NOW ANNOUNCED A FURTHER STAGE IN WHICH HE HAS ASKED THE VIEWS OF THE PEOPLE OF HONG KONG. THERE ARE NO HARD AND FAST PLANS, BUT, OBVIOUSLY WHAT WE HAVE IN MIND IS THE LONG-TERM STABILITY OF HONG KONG, AND THE DEMOCRATIC EVOLUTION, ON A PROGRESSIVE BASIS, IS OBVIOUSLY AN IMPORTANT PART OF THIS.

Q: CAN LONG-TERM STABILITY INCLUDE POLITICAL PARTIES IN HONG KONG?

A: WELL, I THINK THIS HAS TO BE TAKEN STAGE BY STAGE, AND I SHOULD ADD, THEREFORE, THAT OBVIOUSLY AS WE MOVE FROM ONE STAGE TO ANOTHER THE VIEWS OF THE PEOPLE OF HONG KONG, AS TO HOW THEY WOULD LIKE TO SEE IT DEVELOPED IS THE MOST IMPORTANT FACTOR. AND THAT IS WHY THE ANNOUNCEMENT OF THE REGIONAL COUNCIL AND THE OTHER CHANGES WHICH THE GOVERNOR HAS PROPOSED, AS PART OF THIS DEMOCRATIC EVOLUTION, HE HAS ASKED THE VIEWS OF THE PEOPLE. AND THERE WILL BE CLOSE CONSULTATION AND THEN WE MOVE ON TO THE NEXT STAGE. I THINK WE HAVE TO LOOK AT THIS ON A STAGE BY STAGE BASIS.

Q: FOLLOWING ON FROM THAT: YOU MENTIONED EARLIER CONSULTATION WITH PEOPLE - IS THERE STILL THE POSSIBILITY OF A REFERENDUM IN HONG KONG ABOUT THE FUTURE?

A: OBVIOUSLY THAT IS A FACTOR WE HAVE TO CONSIDER. I DID SAY EARLIER THAT WE HAVE TAKEN NO DECISIONS ABOUT HOW THE PROPOSALS WHICH WE AIM TO BE ACCEPTABLE TO THE PEOPLE OF HONG KONG, ARE PUT, AND WHAT THE MECHANICS ARE, WHAT THE PROCEDURES WILL BE. WE HAVE STILL TO MAKE A DECISION ON THAT.

Q: SORRY TO LABOUR THIS POINT, BUT IT WAS SOMETHING I WOULD LIKE TO GET CLEARED UP FROM THE BEGINNING OF THE PRESS CONFERENCE AND THAT IS - IF THE UNOFFICIAL COUNCILLORS NEXT MONTH WIN THEIR DEBATE AND THE MOTION IS ACCEPTED, THEREFORE, THAT BINDS LEGCO TO DEBATE ANY PROPOSALS BEFORE AN AGREEMENT IS SIGNED. NOW, IF LEGCO THEN THREW OUT THOSE PROPOSALS, WOULD THAT MEAN YOU WOULD HAVE TO GO BACK TO THE NEGOTIATING TABLE IN PEKING?

A: I MUST SAY THAT I AM RATHER INTERESTED BY THE WAY YOU ARE BUILDING UP ALL THIS. THERE IS THIS DEBATE IN MID-MARCH. THEY ARE ENTITLED TO HAVE THIS DEBATE. THEY HAVE THEIR MOTION. WE ALL KNOW WHAT THE MOTION IS. YOU ALL KNOW WHAT THE QUEEN'S SPEECH SAYS ABOUT ACCEPTABILITY. THAT IS PERFECTLY REASONABLE. AND, I, FOR THE SAKE OF ARGUMENT, WILL MAKE AN ASSUMPTION THAT WHEN WE GET TO THE NEXT STAGE OF THE MECHANICS OR TESTING THE OPINION OF HONG KONG, THEN CLEARLY THE LEGISLATIVE COUNCIL, WHICH IS A VERY IMPORTANT BODY, WILL HAVE THEIR VIEWS TO MAKE, AND WE SHALL HAVE TO TAKE THEM INTO ACCOUNT. THEN WE HAVE TO GET ON TO THE FINAL STAGE IN THIS WHOLE PROCESS WITH A CHANCE FOR THE BRITISH PARLIAMENT TO EXPRESS THEIR VIEWS. THE BRITISH PARLIAMENT WILL TAKE FULLY INTO ACCOUNT THE VIEWS OF THE LEGISLATIVE COUNCIL. AS WILL THE BRITISH GOVERNMENT. I DON'T THINK I CAN REALLY HELPFULLY SAY ANY MORE THAN THAT. I KNOW IT IS FRUSTRATING, BUT I DON'T THINK I CAN SAY ANY MORE THAN THAT.

Q: YOU SAY THAT BRITAIN HAS SET NO DEADLINE. DOES THIS MEAN THAT YOU ARE IGNORING THE CHINESE DEADLINE OF SEPTEMBER?

A: NO. WE HAVE REPEATEDLY SAID, THERE IS NOTHING NEW IN THE FACT THAT THE BRITISH GOVERNMENT DO NOT HAVE A DEADLINE - WE DO NOT BELIEVE THAT A DEADLINE IS CONDUCIVE TO PRODUCING THE RIGHT SETTLEMENT - BUT IT IS ABSOLUTELY FAIR ALSO TO SAY THAT THE CHINESE GOVERNMENT HAVE REPEATEDLY SINCE 1982 SAID THAT THEY THEMSELVES WISH TO TAKE SEPTEMBER OF 1984 AS A PERIOD IN WHICH THEY WOULD LIKE TO ANNOUNCE THEIR OWN PROPOSALS. THAT IS A FACTOR WE HAVE TO TAKE INTO ACCOUNT. THE QUESTION PUT TO ME WAS 'DO WE BELIEVE IN DEADLINES?' AS A GOVERNMENT WE HAVE REPEATEDLY SAID 'NO'. WE DON'T HAVE A DEADLINE. WE DON'T BELIEVE IN A DEADLINE. WE ARE CONCERNED WITH GETTING THE RIGHT AND THE BEST AGREEMENT - AS WE BELIEVE IS CHINA, THE CHINESE GOVERNMENT - BUT, OF COURSE, WE TAKE THE SEPTEMBER DEADLINE, AS FAR AS THEY ARE CONCERNED, INTO ACCOUNT.

Q: DOES THIS TAKE INTO ACCOUNT THE DEBATE IN PARLIAMENT? BECAUSE THE SUMMER RECESS MEANS, EFFECTIVELY, THAT YOU'LL HAVE TO HAVE AN AGREEMENT BY MAY?

A: WE HAVE NO DEADLINE. WE HAVE NO DEADLINE. WE TAKE INTO ACCOUNT THE CHINESE POSITION, OF COURSE, WE TAKE THAT INTO ACCOUNT. WE HAVE NO DEADLINE. AND, WHEN WE REACH AN AGREEMENT WE SHALL THEN PUT THIS, OBVIOUSLY, FOR THE PEOPLE OF HONG KONG TO CONSIDER. THAT WILL TAKE TIME AND THE LAST STAGE, AS WE SEE IT, THE FINAL STAGE, AS WE SEE IT, IN THIS PROCESS, WILL BE FOR THE BRITISH PARLIAMENT TO EXPRESS THEIR VIEWS. AND I CANNOT CONCEIVABLY GIVE YOU A DATE OR A TIME AT THIS STAGE.

/Q: WE HAVE

Q: WE HAVE SEEN A LOT OF COMMENTS FROM THE CHINESE SIDE ABOUT THE QUESTION OF ELECTIONS. AND IT APPEARS THAT THEY ARE FLYING VARIOUS KITES BECAUSE SOMETIMES THEY APPEAR CONTRADICTORY. WE HAVE BEEN TOLD THERE MIGHT BE ELECTIONS AS LONG AS THE ELECTED OFFICIALS MEET WITH PEKING'S APPROVAL, OR THAT, THROUGH JI PENG-FEI, THERE MIGHT BE A THREE-THREE STRUCTURE, WHICH APPEARS TO HAVE MET WITH DISPLEASURE IN THE LEFT-WING PRESS. AND THEN THIS MORNING WE HAVE A REPORT FROM LONDON THAT, THROUGH FOREIGN OFFICE SOURCES, PEKING HAD INDICATED THAT AN APPOINTED GOVERNOR WILL BE SOMEONE ACCEPTABLE TO THE LIFESTYLE AND THE PEOPLE OF HONG KONG. NOW, WHAT IS YOUR IMPRESSION OF PEKING'S STAND ON ELECTIONS AND WHAT WEIGHT SHOULD WE GIVE ALL THESE COMMENTS?

A: WELL, WITHOUT BREAKING THE CONFIDENTIALITY OF THE TALKS, - AND OBVIOUSLY THIS IS ONE OF MANY FACTORS THAT HAVE TO BE TAKEN INTO ACCOUNT LOOKING AT THE PERIOD BEYOND 1997. WHAT THE CHINESE GOVERNMENT APPEAR TO HAVE SAID - THEY HAVE MADE A NUMBER OF HELPFUL REMARKS ABOUT THE CONTINUATION OF THE LIFESTYLE OF THE PEOPLE OF HONG KONG AND ABOUT STABILITY IN HONG KONG. WE TAKE IT THAT SOME KIND OF DEMOCRATIC EVOLUTION WILL CONTRIBUTE TO THE STABILITY OF HONG KONG. SO, IT WOULD PROBABLY COME AS NO SURPRISE TO YOU THAT THIS KIND OF ISSUE WILL HAVE TO FEATURE LOOKING BEYOND 1997. BUT, AT THE SAME TIME, WE ALREADY HAVE A PROCESS OF DEMOCRATIC EVOLUTION NOW AND I HAVE NO DOUBT THE CHINESE GOVERNMENT HAVE NOTED THIS WITH INTEREST.

Q: MR LUCE, YOU HAVE REFUSED TO TALK IN TERMS OF DEADLINES, CHINESE, PARLIAMENTARY OR OTHERWISE, BUT WOULDN'T YOU AGREE WITH MRS SHIRLEY WILLIAMS THAT THIS IS AN ISSUE WHICH CANNOT BE RUSHED THROUGH THE UK PARLIAMENT IN ONE DAY? I AM THINKING NOW OF AN ANALOGY WITH THE CHANGES IN THE CANADIAN CONSTITUTION WHICH TOOK A VERY, VERY LONG TIME.

A: FIRST OF ALL, I WOULD LIKE TO SAY ABOUT SHIRLEY WILLIAMS THAT I FOUGHT HER IN 1970 AND I FAILED TO DEFEAT HER IN 1970, IN HER CONSTITUENCY AND, FOR THAT REASON, I HAVE A GREAT DEAL OF RESPECT FOR HER. AND, INDEED, SHE IS AN OLD FRIEND. OF COURSE IT IS RIGHT THAT THERE SHOULD BE ADEQUATE TIME FOR ASSESSMENT, AND FOR REFLECTION, FOR ABSORPTION, AND THAT INCLUDES THE BRITISH PARLIAMENT, BUT WE ARE TALKING A LONG WAY AHEAD AS FAR AS THE BRITISH PARLIAMENT IS CONCERNED BECAUSE, AS I HAVE TOLD YOU, THEY WILL HAVE TO VOTE AT THE END OF THE DAY. HOW MANY DAYS IS GIVEN FOR THEM TO ASSESS THE DEBATE IS A MATTER FOR PARTY MANAGERS AND FOR THE PRIME MINISTER TO DECIDE, BUT THAT IS A LONG WAY AHEAD. WE HAVE TO TALK TO THE PEOPLE OF HONG KONG FIRST AND GET THEIR VIEWS.

Q: THE WAY YOU DESCRIBE THE STAGES OF APPROVAL OF THIS BEST POSSIBLE AGREEMENT, IT SEEMS THAT BY THE TIME IT GETS TO THE HONG KONG PEOPLE, AND EVEN TO THE BRITISH PARLIAMENT, IT WILL BE TOO LATE TO MAKE ANY CHANGES IN IT, THAT IT WILL BE PRESENTED ON A 'TAKE IT OR LEAVE IT' SORT OF BASIS. IS THAT THE WAY IT WILL BE?

/A: WELL, YOU

A: WELL, YOU HAVE TO THINK OF THIS QUESTION BE AGAINST THE BACKGROUND OF THE FACT THAT WE ALL WANT THE SOLUTION TO ACCEPTABLE TO THE PEOPLE OF HONG KONG - THAT IS OUR DESIRE. AND SO YOU HAVE TO MAKE A JUDGEMENT ABOUT HOW WE TEST THEIR OPINION AND HOW WE GET THE VIEWS OF THE PEOPLE OF HONG KONG, VIEWS, INCIDENTALLY, THAT, IN ONE SENSE, WE ARE GETTING NOW, BECAUSE THEY ARE EXPRESSING THEIR VIEWS TO US ABOUT THE FUTURE THEY WANT. AGAINST THAT BACKGROUND, WHEN WE REACH A SOLUTION WE SHALL WANT IT TO BE ONE THAT IS ACCEPTABLE TO THE PEOPLE OF HONG KONG - THAT IS OUR COMMON AIM, COMMON OBJECTIVE. AND THEREFORE IT HAS TO BE SEEN AGAINST THAT LIGHT, BACKGROUND.

Q: SO YOU FEEL THAT THE INFORMAL CONTACTS YOU ARE HAVING NOW GIVE YOU ENOUGH OF AN IDEA THAT YOUR FINAL AGREEMENT WILL BE CLOSE ENOUGH TO THE MARK TO BE ACCEPTABLE TO THE PEOPLE OF HONG KONG?

A: I CAN'T SAY THAT, BY SIMPLY TALKING TO PEOPLE NOW WHEN THEY DON'T KNOW WHAT KIND OF AGREEMENT IT IS GOING TO BE, IS IN ITSELF A GOOD TEST. THOUGH MY ABILITY TO TALK TO PEOPLE AND TO HEAR THEIR VIEWS DOES, AT LEAST, GIVE ME A PICTURE AND CONFIRMS WHAT I HAVE SAID EARLIER, WHAT I THINK THEIR ASPIRATIONS AND DESIRES ARE. BUT THERE ARE VARIOUS STAGES IN THIS AND, AS I SAY, I CAN'T DISCLOSE NOW BECAUSE WE HAVEN'T TAKEN DECISIONS ABOUT HOW WE SOUND OPINION AND GET THE FEEDBACK OF OPINION WHICH IS GOING TO BE SO IMPORTANT TO US.

Q: SO IT IS POSSIBLE THAT YOU MIGHT GET THAT AT A STAGE EARLY ENOUGH TO GO BACK TO PEKING AND SAY, 'WE WOULD LIKE TO CHANGE ONE OR TWO ITEMS'?

A: WE SHALL HAVE TO MAKE A JUDGEMENT AS TIME GOES ALONG.

Q: THIS IS REALLY A POINT OF CLARIFICATION IN THE LIGHT OF WHAT HAS BEEN SAID - IS IT THE BRITISH GOVERNMENT'S INTENTION TO DISCLOSE ELEMENTS OF THE PROPOSALS ON THE NEGOTIATIONS PRIOR TO THE REACHING OF AN AGREEMENT WITHIN THE COMPETENCE OF THE SINO-BRITISH NEGOTIATORS? OR WILL CONFIDENTIALITY PREVAIL UNTIL AFTER THAT AGREEMENT HAS BEEN INITIALED, IF YOU LIKE, AND WHILE IT IS AWAITING RATIFICATION?

A: I THINK, ON THIS, PEOPLE, OBVIOUSLY, HERE, AND LET ME TRY TO PUT MYSELF INTO THE SHOES OF THE PEOPLE WHO LIVE HERE, THE FIVE MILLION PEOPLE WHO LIVE HERE, ARE NATURALLY, AND UNDERSTANDABLY, ANXIOUS ABOUT THEIR FUTURE. AND, IF THE OBVIOUS REASON THAT WE HAVE GIVEN - IF WE ARE TO TRY AND GET THE BEST SOLUTION THE TALKS HAVE TO REMAIN CONFIDENTIAL - IT IS FRUSTRATING. BECAUSE IF YOU ARE UNCERTAIN, YOU DON'T KNOW WHAT IS HAPPENING, YOU FEEL MORE ANXIOUS AND WORRIED. SO ALL THAT IS UNDERSTANDABLE, SO WE MUST, AND ARE, TAKING THAT VERY, VERY FULLY INTO ACCOUNT. I CAN'T ANSWER YOUR QUESTION SPECIFICALLY, BUT I CAN ANSWER IT BY SAYING THAT WE IN LONDON ARE HIGHLY SENSITIVE TO THE ANXIETY OF THE PEOPLE OF HONG KONG TO KNOW, AS SOON AS THEY POSSIBLY CAN, WHAT THE PROSPECTS ARE FOR THEIR FUTURE. AND THAT, THE POINT YOU HAVE MADE TO ME, IN THE FORM OF A QUESTION, IS ONE THAT WE HAVE VERY MUCH IN OUR MINDS AT THE PRESENT TIME.

Q: CHINA HAS MADE SEVERAL PROPOSALS, A WIDE RANGE OF FREEDOMS TO HONG KONG BUT HAS MADE NO MENTION OF RELIGIOUS FREEDOM. DO YOU THINK RELIGIOUS FREEDOM IS IMPORTANT FOR THE STABILITY AND THE PROSPERITY OF HONG KONG?

A: I HAVE CERTAINLY HAD THE POINT ABOUT THE DESIRE FOR FREEDOM OF WORSHIP PUT TO ME WHEN I WAS LAST HERE AND I ACKNOWLEDGE THAT IS IMPORTANT AS PART OF THE CONTINUATION OF THE WAY OF LIFE OF THE PEOPLE WHO LIVE HERE. YES. I DO AGREE.

Q: YOU SAID THAT SIR GEOFFREY WAS DUE TO VISIT HERE SOON. IT HAS BEEN RUMOURED IN APRIL. DO YOU THINK THAT, WHEN HE COMES, IT WILL BE SIGNIFICANT IN THAT IT WILL BE SHOWING THAT THE PACE OF THE NEGOTIATIONS ARE THEN BEING STEPPED UP?

A: FIRST OF ALL, NO PRECISE DATE HAS BEEN ABLE TO BE FIXED YET. IT WILL BE, I AM SURE, IN THE NEAR FUTURE AND I KNOW THAT SIR GEOFFREY HOWE IS ANXIOUS TO MAKE HIS VISIT. HIS FIRST VISIT AS FOREIGN SECRETARY TO HONG KONG. HE LOOKS FORWARD TO THAT AND, OF COURSE, IN THAT CONTEXT, IT WILL BE SIGNIFICANT AND IMPORTANT.

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JANUARY EXPORTS RISE SHARPLY

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THE VALUE OF DOMESTIC EXPORTS IN JANUARY 1984 INCREASED SUBSTANTIALLY BY 68 PER CENT OR \$4 351 MILLION OVER JANUARY 1983, TO REACH \$10 791 MILLION, ACCORDING TO PROVISIONAL TRADE FIGURES PUBLISHED TODAY BY THE CENSUS AND STATISTICS DEPARTMENT.

THE VALUE OF RE-EXPORTS ALSO ROSE RAPIDLY, BY 61 PER CENT OR \$2 258 MILLION TO \$5 976 MILLION.

THUS, TAKING DOMESTIC EXPORTS AND RE-EXPORTS TOGETHER, THE VALUE OF TOTAL EXPORTS, AT \$16 767 MILLION, WAS 65 PER CENT OR \$6 609 MILLION HIGHER THAN THE FIGURE A YEAR EARLIER.

THE VALUE OF IMPORTS REACHED \$15 899 MILLION, AN INCREASE OF 38 PER CENT OR \$4 362 MILLION OVER THE SAME MONTH LAST YEAR.

THE VALUE OF TOTAL EXPORTS WAS GREATER THAN THAT OF IMPORTS AND THE VISIBLE TRADE ACCOUNT RECORDED A SURPLUS OF \$868 MILLION. THIS IS THE FIRST SURPLUS SINCE AUGUST 1980, WHEN THE SURPLUS WAS ONLY \$16 MILLION.

PUTTING THE MONTH'S TRADE FIGURES INTO CONTEXT, A GOVERNMENT SPOKESMAN POINTED OUT THAT COMPARING THE 12 MONTHS ENDING JANUARY 1984 WITH THE 12 MONTHS ENDING JANUARY 1983, OVERALL TRADE HAD GROWN BY MORE THAN 27 PER CENT. FURTHER, THE GROWTH RATE OF THE VALUE OF TOTAL EXPORTS, AT 31 PER CENT, WAS FASTER THAN THAT OF THE VALUE OF IMPORTS, AT 25 PER CENT. AS A RESULT, THE VISIBLE TRADE GAP (I.E. THE PROPORTION OF THE VALUE OF IMPORTS NOT COVERED BY THAT OF TOTAL EXPORTS) IN THE 12 MONTHS ENDING JANUARY 1984 NARROWED TO SEVEN PER CENT, FROM 11 PER CENT IN THE PREVIOUS 12-MONTH PERIOD.

COMMENTING ON THESE COMPARATIVE FIGURES, THE SPOKESMAN SAID THAT DOMESTIC EXPORTS REMAINED STRONG AND EXCEEDED THE \$10 000 MILLION MARK FOR THE FOURTH CONSECUTIVE MONTH.

HOWEVER, HE NOTED THAT TRADE FIGURES FOR THE BEGINNING MONTHS OF THE YEAR ARE, AS USUAL, INFLUENCED BY THE TIMING OF THE CHINESE NEW YEAR AND THAT SOME OF THE DOMESTIC EXPORTS IN JANUARY 1984 REFLECT INCREASED SHIPMENTS PRIOR TO THE CHINESE NEW YEAR HOLIDAYS.

HE POINTED OUT THAT WHILE THE INCREASE IN THE VALUE OF IMPORTS WAS IN PART DUE TO ANTICIPATION OF HIGHER RETAIL SALES DURING THE CHINESE NEW YEAR FESTIVAL, RETAINED IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES ALSO CONTINUED TO SHOW INCREASES.

THE FOLLOWING TABLE PRESENTS THE PROVISIONAL MERCHANDISE TRADE FIGURES FOR JANUARY 1984:

TRADE FIGURES FOR JANUARY, 1984

THE CENSUS AND STATISTICS DEPARTMENT HAS RELEASED THE FOLLOWING PROVISIONAL MERCHANDISE TRADE FIGURES FOR JANUARY:

<u>MERCHANDISE:</u>	DOMESTIC EXPORTS	:	\$10 791 MILLION
	RE-EXPORTS	:	\$ 5 976 MILLION
	TOTAL EXPORTS	:	\$16 767 MILLION
	IMPORTS	:	\$15 899 MILLION
	TRADE BALANCE	:	\$ 868 MILLION (IN SURPLUS)

COMPARATIVE FIGURES

<u>LATEST 3 MONTHS</u>	NOVEMBER 1983 TO JANUARY 1984	NOVEMBER 1982 TO JANUARY 1983	INCREASE OR DECREASE	
	\$ MN.	\$ MN.	\$ MN.	%
DOMESTIC EXPORTS	32 105	21 978	+10 127	+46.1
RE-EXPORTS	17 939	12 154	+ 5 785	+47.6
TOTAL EXPORTS	50 044	34 132	+15 912	+46.6
IMPORTS	51 856	37 781	+14 075	+37.3
TRADE BALANCE	- 1 812	- 3 649	+ 1 837	

/SAME MONTH

SAME MONTH LAST YEAR	JANUARY 1984	JANUARY 1983	INCREASE OR DECREASE	
	\$ MN.	\$ MN.	\$ MN.	%
DOMESTIC EXPORTS (% OF TOTAL EXPORTS)	10 791 (64.4%)	6 440 (63.4%)	+ 4 351	+67.6
RE-EXPORTS	5 976	3 718	+ 2 258	+60.7
TOTAL EXPORTS	16 767	10 158	+ 6 609	+65.1
IMPORTS	15 899	11 537	+ 4 362	+37.8
TRADE BALANCE	+ 868	- 1 379	+ 2 247	

LAST MONTH	JANUARY 1984	DECEMBER 1983	INCREASE OR DECREASE	
	\$ MN.	\$ MN.	\$ MN.	%
DOMESTIC EXPORTS (% OF TOTAL EXPORTS)	10 791 (64.4%)	10 922 (63.7%)	- 131	- 1.2
RE-EXPORTS	5 976	6 219	- 243	- 3.9
TOTAL EXPORTS	16 767	17 141	- 374	- 2.2
IMPORTS	15 899	18 925	- 3 026	-16.0
TRADE BALANCE	+ 868	- 1 784	+ 2 652	

LAST 12 MONTHS	FEBRUARY 1983 TO JANUARY 1984	FEBRUARY 1982 TO JANUARY 1983	INCREASE OR DECREASE	
	\$ MN.	\$ MN.	\$ MN.	%
DOMESTIC EXPORTS	108 757	83 232	+25 525	+30.7
RE-EXPORTS	58 552	44 752	+13 800	+30.8
TOTAL EXPORTS	167 309	127 984	+39 325	+30.7
IMPORTS	179 804	144 407	+35 397	+24.5
TRADE BALANCE	- 12 495	- 16 423	+ 3 928	

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TUESDAY, FEBRUARY 28, 1984

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NEW LOOK AT BROADCASTING

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THE GOVERNOR HAS APPOINTED A BOARD TO CONDUCT AN OVERALL REVIEW OF TELEVISION AND SOUND BROADCASTING.

THE 16-MEMBER BOARD IS TO BE CHAIRED BY THE HON MR JUSTICE POWER, WHO HELD A PRESS CONFERENCE THIS AFTERNOON TO EXPLAIN THE TASK OF THE BOARD.

THE REVIEW WILL ENABLE THE GOVERNMENT TO PREPARE AN OVERALL POLICY FOR BROADCASTING WHICH WILL BE IN LINE WITH THE NEEDS OF THE PEOPLE OF HONG KONG.

THE BOARD HAS WIDE-RANGING TERMS OF REFERENCE WHICH WILL ALLOW IT TO EXAMINE ALL ASPECTS OF BROADCASTING IN THE TERRITORY.

PARTICULAR ATTENTION WILL BE PAID TO WHETHER CHANGES ARE NECESSARY IN THE TENDERING PROCEDURES FOR THE NEW LICENCES WHICH WILL BE AWARDED IN 1988 FOR TELEVISION, AND IN 1989 FOR SOUND BROADCASTING, SAID A GOVERNMENT SPOKESMAN.

ADVERTISING, CENSORSHIP, FINANCIAL AND MAN-POWER RESOURCES WILL ALSO BE ASSESSED.

THE BOARD WILL LOOK INTO THE ROLE OF THE TELEVISION AND ENTERTAINMENT LICENSING AUTHORITY, RTHK, GOVERNMENT BROADCASTING AND EDUCATIONAL TELEVISION. DEVELOPMENTS IN FIELDS SUCH AS CABLE SYSTEMS, DIRECT SATELLITE TRANSMISSIONS AND OFF-AIR SUBSCRIPTION SERVICES WILL ALSO BE STUDIED.

IT IS EXPECTED THAT THE BOARD WILL INVITE REPRESENTATIONS FROM THE BROADCASTING INDUSTRY, INTERESTED BODIES AND MEMBERS OF THE PUBLIC. THE BOARD WILL HOLD ITS FIRST MEETING SHORTLY AND IS EXPECTED TO SUBMIT ITS FINDINGS TO THE GOVERNOR-IN-COUNCIL BY THE SUMMER OF 1985.

MEMBERS OF THE BOARD ARE:

HON MR JUSTICE POWER (CHAIRMAN)

MR A.G. COOPER (SECRETARY)

SECRETARY FOR HOME AFFAIRS

SECRETARY FOR DISTRICT ADMINISTRATION'S REPRESENTATIVE

ATTORNEY-GENERAL'S REPRESENTATIVE

DEPUTY FINANCIAL SECRETARY'S REPRESENTATIVE

DIRECTOR OF BROADCASTING

COMMISSIONER FOR TELEVISION AND ENTERTAINMENT LICENSING

/POSTMASTER-GENERAL

POSTMASTER-GENERAL

THE HON ALLEN LEE PENG-FEI, OBE, JP

THE HON YEUNG PO-KWAN, CPM

MRS PAMELA CHAN WONG SHUI

DR LAM YAT-WAH

MR MICHAEL STEVENSON, JP

MR TSIM TAK-LUNG

MRS MAISIE WONG SHIN-U, JP

ITS TERMS OF REFERENCE ARE:

TO MAKE RECOMMENDATIONS TO THE GOVERNOR-IN-COUNCIL ON THE BROADCASTING POLICIES TO BE ADOPTED BY THE GOVERNMENT FOR THE PERIOD FOLLOWING EXPIRY OF THE EXISTING COMMERCIAL TELEVISION AND RADIO LICENCES, IN 1988 AND 1989; THE RECOMMENDATIONS TO BE BASED ON:-

- (A) ASSESSMENT OF THE LONG-TERM NEEDS OF THE POPULATION AFTER 1988 FOR BOTH TELEVISION AND SOUND BROADCASTING, IN TERMS OF QUANTITY, VARIETY AND QUALITY;
- (B) EXAMINATION OF TECHNICAL DEVELOPMENTS IN RELATED FIELDS, SUCH AS CABLE SYSTEMS, DIRECT SATELLITE TRANSMISSIONS, OFF-AIR SUBSCRIPTION SERVICES, MULTIPLEX, TELETXT, DATA TRANSMISSION AND TELECOMMUNICATION, IN RELATION TO COSTS AND WITH REGARD TO THEIR SUITABILITY FOR HONG KONG IN THE 1990'S AND BEYOND;
- (C) ASSESSMENT OF THE OPTIONS FOR ORGANISING COMMERCIAL TELEVISION AND RADIO BROADCASTS, SUCH AS INDEPENDENT STATIONS, A SINGLE TRANSMITTING ORGANISATION WITH PROGRAMME CONTRACTORS, RECEPTION VIA SATELLITE ETC, HAVING REGARD TO THE BBC RELAY STATION BEING SET UP IN HONG KONG;
- (D) ASSESSMENT OF THE FINANCIAL AND MANPOWER RESOURCES AVAILABLE TO THE LOCAL BROADCASTING INDUSTRY;
- (E) CONSIDERATION OF THE CHANGES REQUIRED IN THE CONDITIONS OF ADVERTISING CONTROL, WITH A VIEW TO THE POSSIBILITY OF BANNING CERTAIN TYPES OF ADVERTISEMENT, ON THE ONE HAND, AND IMPROVING THE SOURCES OF REVENUE AND EARNING CAPACITY OF FUTURE LICENSEES TO PROVIDE A SOUND BASE FOR BETTER PROGRAMMES, ON THE OTHER;

- (F) ASSESSMENT OF THE ROLE OF RTHK AND GOVERNMENT BROADCASTS, INCLUDING THE FUTURE OF EDUCATION TELEVISION AND THE USE OF ANNOUNCEMENTS OF PUBLIC INTEREST ON RADIO AND TELEVISION;
- (G) ASSESSMENT OF THE FUTURE CENSORSHIP AND MONITORING REQUIREMENTS, INCLUDING CHANGES IN THE ROLE OF THE TELEVISION AND ENTERTAINMENT LICENSING AUTHORITY;

TO PREPARE GUIDELINES FOR DRAFTING INSTRUCTIONS FOR ANY LEGISLATION CONSIDERED NECESSARY TO GIVE EFFECT TO THE BOARD'S RECOMMENDATIONS.

TO MAKE RECOMMENDATIONS ON THE MANNER OF CALLING FOR BIDS AND THE INVITING OF TENDERS FOR BROADCASTING LICENCES.

THE BOARD WILL INVITE REPRESENTATIONS FROM ANY PERSON OR ORGANISATION WITH AN INTEREST IN BROADCASTING, AND SHALL FORM SUCH SUB-COMMITTEES AND WORKING GROUPS AS IT SEES FIT.

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NOTE TO EDITORS:

PUBLIC MEETINGS OF FINANCE COMMITTEE
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THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL WILL THIS YEAR BE HOLDING MEETINGS IN PUBLIC TO EXAMINE THE DRAFT ESTIMATES OF EXPENDITURE FOR 1984-85.

THERE WILL BE FOUR MEETINGS IN ALL, EACH STARTING AT 2.30 PM IN THE LEGISLATIVE COUNCIL CHAMBER - ON WEDNESDAY, MARCH 7; THURSDAY, MARCH 8; FRIDAY, MARCH 9; AND MONDAY, MARCH 12.

EACH YEAR THE DRAFT ESTIMATES OF EXPENDITURE ARE FORMALLY PRESENTED TO THE LEGISLATIVE COUNCIL. THIS WILL TAKE PLACE THIS YEAR ON BUDGET DAY TOMORROW (WEDNESDAY), AT THE PRESENTATION AND SECOND READING OF THE APPROPRIATION BILL.

THE PRESIDENT THEN REFERS THEM, IN ACCORDANCE WITH STANDING ORDERS, TO THE FINANCE COMMITTEE FOR EXAMINATION BEFORE CONSIDERATION OF THE APPROPRIATION BILL IN COMMITTEE OF THE WHOLE COUNCIL.

STANDING ORDERS ALSO PROVIDE THAT: +FOR THE PURPOSES OF ANY SUCH EXAMINATION THE FINANCE COMMITTEE SHALL, UNLESS THE COMMITTEE OTHERWISE ORDER, MEET IN PUBLIC AND MAY CALL BEFORE THEM TO GIVE EVIDENCE THE PUBLIC OFFICER RESPONSIBLE FOR THE SERVICE OR SERVICES PROVIDED UNDER ANY HEAD OF THE ESTIMATES.+

PRIOR TO THE MEETINGS OF THE FINANCE COMMITTEE, UNOFFICIAL MEMBERS, WHO ARE THE ONLY MEMBERS TO HAVE A VOTE, FORM THEMSELVES INTO WORKING GROUPS TO STUDY THE ESTIMATES AND FORMULATE QUESTIONS AS TO THEIR CONTENT AS OPPOSED TO THE POLICIES UNDERLINING THEM.

THESE QUESTIONS ARE DIVIDED INTO TWO CATEGORIES - THOSE REQUIRING WRITTEN REPLIES FROM CONTROLLING OFFICERS AND THOSE FOR WHICH THOSE OFFICERS WILL HAVE TO APPEAR IN PERSON BEFORE THE COMMITTEE TO GIVE ORAL EVIDENCE IN SUPPORT OF THE PROVISION SOUGHT.

EACH AFTERNOON'S MEETING WILL BE DEVOTED TO THE EXAMINATION OF A GROUP OF GOVERNMENT SERVICES AND THE AGENDA WILL COMMENCE WITH A BRIEF CONSIDERATION OF THE WRITTEN REPLIES TO THE WRITTEN QUESTIONS RAISED BEFORE THE MEETING.

IF MEMBERS WISH TO RAISE FURTHER QUESTIONS IN CONNECTION WITH THESE REPLIES, THEY WILL SIGNIFY THEIR INTENTION TO THE CHAIRMAN AT THIS STAGE. HE WILL THEN ARRANGE FOR THE RELEVANT CONTROLLING OFFICER TO ATTEND THE MEETING AFTER ALL THE OTHER CONTROLLING OFFICERS LISTED IN THE TIMETABLE FOR ORAL EXAMINATION THAT AFTERNOON HAVE BEEN EXAMINED. IF THE CONTROLLING OFFICER IS ALREADY ON THE LIST, THE QUESTION WILL BE PUT TO HIM AFTER HE HAS ANSWERED THOSE QUESTIONS OF WHICH HE HAS PREVIOUSLY BEEN NOTIFIED.

EACH CONTROLLING OFFICER CALLED TO APPEAR PERSONALLY FOR ORAL EXAMINATION WILL SIT NEXT TO THE CHAIRMAN IN THE CHAMBER. THE CHAIRMAN WILL READ OUT EACH OF THE QUESTIONS TO WHICH MEMBERS HAVE REQUESTED AN ORAL REPLY, AND THE OFFICER WILL THEN REPLY. THE CHAIRMAN HAS THE RIGHT TO RULE OUT OF ORDER ANY QUESTIONS WHICH HE CONSIDERS INAPPROPRIATE TO THE EXAMINATION OF THE ESTIMATES.

AFTER EACH REPLY, MEMBERS MAY ASK SUPPLEMENTARY QUESTIONS IN CONNECTION WITH THE SAME SUBJECT. AFTER THE CONTROLLING OFFICER HAS ANSWERED ALL THE NOTIFIED QUESTIONS AND THE SUPPLEMENTARY QUESTIONS, MEMBERS MAY ASK ANY OTHER QUESTIONS RELATIVE TO THE HEAD OR SUBHEAD OF EXPENDITURE CONTROLLED BY THE OFFICER APPEARING BEFORE THEM, INCLUDING QUESTIONS RELATING TO THE WRITTEN REPLIES.

WHEN ALL CONTROLLING OFFICERS ON THE LIST FOR THE AFTERNOON HAVE BEEN EXAMINED, THE CHAIRMAN WILL SUMMON IN, ONE BY ONE, ANY OTHER CONTROLLING OFFICER TO WHOM MEMBERS WISH TO PUT QUESTIONS AS NOTIFIED AT THE START OF THE MEETING.

THE DEPUTY FINANCIAL SECRETARY AND THE ASSISTANT FINANCIAL SECRETARY OR SECRETARIES RESPONSIBLE FOR THE GROUP OF SERVICES UNDER EXAMINATION ON ANY GIVEN AFTERNOON WILL BE IN ATTENDANCE TO PROVIDE FURTHER CLARIFICATION OF THE ISSUES UNDER DISCUSSION.

THE CHIEF SECRETARY IS THE CHAIRMAN OF THE FINANCE COMMITTEE, AND THE OTHER OFFICIAL MEMBERS ARE THE FINANCIAL SECRETARY AND THE SECRETARY FOR LANDS AND WORKS, WHO HAVE NO VOTE.

ALL UNOFFICIAL MEMBERS OF THE LEGISLATIVE COUNCIL ARE MEMBERS OF THE FINANCE COMMITTEE WITH FULL VOTING POWERS.

SOCIAL SECURITY SYSTEM ADEQUATE FOR ITS PURPOSE - DIRECTOR
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HONG KONG'S SOCIAL SECURITY SYSTEM IS ADEQUATE FOR ITS PURPOSE OF ENSURING THAT EACH FAMILY HAS SUFFICIENT MONEY TO PROVIDE FOR THE BASIC REQUIREMENTS OF FOOD, SHELTER AND OTHER AMENITIES, THE DIRECTOR OF SOCIAL WELFARE, MR JOHN CHAMBERS, SAID TODAY (TUESDAY).

SPEAKING AT A LUNCHEON MEETING OF THE ROTARY CLUB OF HONG KONG NORTHWEST, HE SAID: +WHEN WE TAKE INTO ACCOUNT THE WIDE RANGE OF SERVICES PROVIDED IN OTHER SOCIAL SERVICE - EDUCATION, HOUSING, HEALTH AND SOCIAL WELFARE - I SEE NO REASON TO BE APOLOGETIC ABOUT OUR ACHIEVEMENTS IN THIS FIELD.+

MR CHAMBERS NOTED THAT THERE HAD BEEN A STEADY INCREASE IN APPLICATIONS FOR ASSISTANCE IN RECENT YEARS.

AT THE END OF 1980, THERE WERE ONLY 45 600 FAMILIES RECEIVING ASSISTANCE. THE 1983 FIGURE OF 54 700 REPRESENTS ABOUT A 20 PER CENT INCREASE, HE SAID.

THE ESTIMATED PROVISION FOR PUBLIC ASSISTANCE IN THE NEXT FINANCIAL YEAR IS \$540 MILLION, AS COMPARED WITH ONLY \$222 MILLION IN TOTAL PAYMENTS IN 1980-81.

+THIS INCREASE IS OF COURSE ONLY PARTLY DUE TO THE INCREASE IN CASELOAD,+ HE SAID.

+THE REST IS DUE TO THE HIGHER LEVEL OF BENEFITS.+

MR CHAMBERS DESCRIBED THE PUBLIC ASSISTANCE SYSTEM AS +AN INCOME MAINTENANCE SCHEME.+

+IN OTHER WORDS,+ HE SAID, +THERE ARE PRESCRIBED LEVELS OF INCOME FOR FAMILIES OF VARIOUS SIZES AND IF THE FAMILY'S TOTAL INCOME FALLS BELOW THE APPROPRIATE LEVEL, THE DIFFERENCE IS MADE UP BY MEANS OF PUBLIC ASSISTANCE PAYMENTS.+

IN ADDITION TO THE INCOME TEST, THERE IS A SAVINGS LIMIT OF \$6 450 FOR A SINGLE PERSON ON HIS OWN, OR \$4 300 FOR EACH MEMBER OF A FAMILY. IF THE FAMILY'S TOTAL SAVINGS EXCEED THESE LEVELS, PUBLIC ASSISTANCE IS NOT PAYABLE.

MR CHAMBERS SAID THAT A FAMILY OF FOUR WOULD, ON TOP OF A BASIC INCOME LEVEL OF \$1 425, BE ENTITLED TO A RENT ALLOWANCE UP TO A MAXIMUM OF \$953 A MONTH, AS WELL AS DISCRETIONARY GRANTS TOWARDS EDUCATIONAL EXPENSES FOR THE CHILDREN, ESSENTIAL TRAVELLING EXPENSES AND EXTRA DIETARY ALLOWANCES WHERE THESE WERE REQUIRED.

A FAMILY ON PUBLIC ASSISTANCE FOR MORE THAN 12 MONTHS WOULD BE ENTITLED TO AN ANNUAL LONG-TERM SUPPLEMENT OF \$1 290, WHICH IS INTENDED TO HELP MEET THE COST OF HOUSEHOLD ITEMS AND DURABLE GOODS.

/MR CHAMBERS

MR CHAMBERS SAID ALSO THAT A MAN OVER 60 LIVING ON HIS OWN WOULD BE ENTITLED TO A BASIC RATE OF \$510 A MONTH, PLUS A RENT ALLOWANCE OF \$276, AN OLD AGE SUPPLEMENT OF \$255 AND AN ANNUAL LONG-TERM SUPPLEMENT OF \$645. ADDITIONAL PAYMENTS FOR SPECIAL DIETS AND OTHER PURPOSES WOULD BE MADE IF APPROPRIATE.

WHEN THE BASIC SCALE RATES WERE INTRODUCED IN 1971, THEY WERE FIXED AT A VERY MODEST SUBSISTENCE LEVEL. +BUT THERE HAVE BEEN QUITE A LARGE NUMBER OF IMPROVEMENTS SINCE THEN,+ HE SAID.

IN 1972 THE SCALES WERE REVISED TO TAKE ACCOUNT OF ADDITIONAL ITEMS OF HOUSEHOLD EXPENDITURE NOT PROVIDED IN THE ORIGINAL SCALE OF ASSISTANCE. PROVISION WAS ALSO ADDED FOR DISCRETIONARY PAYMENTS TO MEET SPECIAL NEEDS.

IN 1978, THE LONG-TERM SUPPLEMENTS WERE ADDED, AS WELL AS SUPPLEMENTS FOR THOSE OVER 60, AND PEOPLE SUFFERING FROM SERIOUS DISABILITIES.

+PERHAPS THE MOST SIGNIFICANT IMPROVEMENT IN THE PUBLIC ASSISTANCE SCHEME TOOK PLACE IN JULY 1981 WHEN THERE WAS A REAL INCREASE (THAT IS, OVER AND ABOVE THE INCREASE JUSTIFIED BY THE RISE IN THE COST OF LIVING) OF 25 PER CENT ON THE BASIC SCALE,+ MR CHAMBERS SAID.

+THIS REFLECTED A RISE IN THE STANDARD OF LIVING OF THE POPULATION AS A WHOLE AND ENSURED THAT THE POOREST MEMBERS OF OUR COMMUNITY WERE ABLE TO HAVE A SHARE IN HONG KONG'S INCREASING PROSPERITY.+

APART FROM THESE CHANGES IN THE REAL VALUE OF PUBLIC ASSISTANCE PAYMENTS SINCE 1971, THERE HAVE BEEN NINE REVISIONS OF THE BASIC RATES DURING THE PERIOD TO REFLECT INCREASES IN THE COST OF LIVING.

MR CHAMBERS SAID THAT PUBLIC ASSISTANCE RATES HAD INCREASED BY 363 PER CENT SINCE 1972, WHEREAS THE INCREASE IN THE CPI(A) WAS ONLY ABOUT 225 PER CENT.

THIS WAS PARTLY THE RESULT OF THE +REAL+ INCREASE IN 1981 AND PARTLY BECAUSE THE PUBLIC ASSISTANCE INDEX INCLUDES A LARGER ELEMENT FOR FOOD PRICES THAN THE CPI(A) AND FOOD PRICES HAVE RISEN FASTER THAN THOSE OF OTHER CONSUMER GOODS AND SERVICES IN RECENT YEARS.

+CERTAINLY,+ HE SAID, +PUBLIC ASSISTANCE PAYMENTS ARE NO LONGER AT SUBSISTENCE LEVEL.+

MR CHAMBERS SAID THE ADEQUACY OF THESE PAYMENTS COULD BE GAUGED BY LOOKING AT THE AVERAGE INDUSTRIAL WAGE, NOW AT ABOUT \$2 100 A MONTH.

A FOUR-PERSON FAMILY ON ASSISTANCE WOULD RECEIVE UP TO \$2 378 A MONTH BASIC RATE AND RENT ALLOWANCE, PLUS ANY DISCRETIONARY PAYMENTS MADE, SO THAT THEY COULD BE SOMEWHAT BETTER OFF THAN A SIMILAR FAMILY WITH ONE BREADWINNER DRAWING THE AVERAGE INDUSTRIAL WAGE.

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MR CHAMBERS SAID THAT IF PAYMENTS WERE TOO HIGH, THERE WOULD BE A DANGER THAT SOME PEOPLE WOULD PREFER TO LIVE ON SOCIAL SECURITY PAYMENTS RATHER THAN WORK.

SYSTEMS IN SOME DEVELOPED COUNTRIES HAD BEEN CRITICISED ON THIS ACCOUNT, HE SAID.

+THERE IS NO INDICATION THAT THIS IS HAPPENING HERE,+ MR CHAMBERS SAID. +IN FACT, ONLY SIX PER CENT OF THE BENEFICIARIES ARE ON PUBLIC ASSISTANCE BECAUSE OF UNEMPLOYMENT OR LOW EARNINGS.+

+EVEN AT THE TIME WHEN UNEMPLOYMENT WAS CONSIDERABLY HIGHER THAN IT IS NOW, THERE WAS EVIDENCE THAT BY NO MEANS ALL THOSE ELIGIBLE WERE APPLYING FOR PUBLIC ASSISTANCE,+ HE ADDED.

MR CHAMBERS SAID THAT WITHIN THE SCHEME, THERE WERE ALSO ARRANGEMENTS TO DISREGARD AT LEAST PART OF THE EARNINGS OF PUBLIC ASSISTANCE RECIPIENTS, SO AS NOT TO DISCOURAGE THEM FROM SEEKING WORK.

+WE DO HAVE TO KEEP A CAREFUL WATCH FOR ABUSES OF THE SYSTEM SINCE THIS CAN EASILY BRING THE WHOLE SCHEME INTO DISREPUTE,+ HE SAID. +FROM TIME TO TIME CASES OF FALSE STATEMENTS OR FAILURE TO REPORT INCOME FULLY DO OCCUR AND WE FEEL THAT IT IS NECESSARY TO PROSECUTE IN SUCH CASES.+

ALTHOUGH THE SCHEME WAS THE BASIS OF THE SOCIAL SECURITY SYSTEM, IT WAS NOT THE ONLY FORM OF FINANCIAL HELP.

THERE WERE ALSO AN OLD AGE ALLOWANCE PAYABLE TO ANYONE AGED 70 OR OVER, REGARDLESS OF INCOME, AND THE NON-MEANS-TESTED DISABILITY ALLOWANCE FOR THE SEVERELY HANDICAPPED.

+THE ESTIMATED FUNDS REQUIRED FOR THESE TWO ALLOWANCES NEXT YEAR AMOUNT TO NEARLY \$845 MILLION, WHICH IS CONSIDERABLY MORE THAN THE PUBLIC ASSISTANCE SCHEME ITSELF,+ HE SAID.

+TAKEN TOGETHER THE THREE SCHEMES WILL COST THE HONG KONG TAXPAYER WELL OVER \$1 000 MILLION, IN 1984/85.+

THERE WERE SEVERAL OTHER SCHEMES WHICH PROVIDE FINANCIAL HELP FOR PEOPLE IN NEED FOR CERTAIN SPECIFIC REASONS, INCLUDING THE CRIMINAL AND LAW ENFORCEMENT INJURIES COMPENSATION SCHEME, THE TRAFFIC ACCIDENT VICTIMS ASSISTANCE SCHEME AND EMERGENCY RELIEF FOR THOSE SUFFERING FROM TYPHOON, FLOOD OR FIRE, HE SAID.

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\$80 MILLION REALISED AT LAND SALE
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THREE LOTS OF CROWN LAND WERE SOLD FOR ALMOST \$80 MILLION AT AN HOUR-LONG AUCTION AT THE CITY HALL THEATRE TODAY (TUESDAY).

THE SALE OF A 1 579 SQUARE METRE NON-INDUSTRIAL SITE IN ABERDEEN WAS POSTPONED FOR +TECHNICAL REASONS+, BUT THE AUCTIONEER, GOVERNMENT LAND AGENT, MR TIM MILLS, SAID IT WOULD POSSIBLY BE RE-OFFERED AT THE NEXT AUCTION ON APRIL 18.

A SITE IN TUEN MUN FOR PRIVATE RESIDENTIAL DEVELOPMENT WAS WITHDRAWN BECAUSE THERE WERE NO BIDS. MR MILLS HAD ASKED FOR BIDDING TO START AT \$11 MILLION ON THE 7 791 SQUARE METRE LOT.

THE FIRST SITE TO BE SOLD WENT TO KOWLOON MOTOR BUS COMPANY LIMITED FOR \$36.4 MILLION.

IT IS IN SHA TIN NEW TOWN AND IS FOR INDUSTRIAL OR GODOWN DEVELOPMENT OR FOR DEVELOPMENT AS A BUS DEPOT.

IT MEASURES 21 070 SQUARE METRES AND THE PRICE PAID WAS \$1 728 PER SQUARE METRE.

THE BUILDING COVENANT, TO BE FULFILLED IN 48 MONTHS, IS \$50 MILLION.

BIDDING ON THIS SITE OPENED AT \$22 MILLION.

A SITE AT ON PONG ROAD, TAI PO NEW TOWN, MEASURING 9 016 SQUARE METRES, WAS SOLD FOR \$28.2 MILLION (\$3 128 PER SQUARE METRE). BIDDING OPENED AT \$20 MILLION. THE BUYER WAS SUN HUNG KAI PROPERTIES LIMITED.

THE LOT, WHICH IS FOR NON-INDUSTRIAL DEVELOPMENT, CARRIES A BUILDING COVENANT OF \$60 MILLION TO BE COMPLETED WITHIN 48 MONTHS. MR MILLS SAID IT WAS THE LAST TAI PO TOWN CENTRE SITE FOR SALE BY AUCTION.

SALE CONDITIONS ALLOW FOR DEVELOPMENT OF TWO DOUBLE AND ONE SINGLE CRUCIFORM STYLE, PRIVATE RESIDENTIAL TOWER BLOCKS ABOVE A PODIUM.

THE MAXIMUM FLOOR AREA FOR PRIVATE RESIDENTIAL DEVELOPMENT WILL BE 30 700 SQUARE METRES AND FOR NON-INDUSTRIAL, EXCLUDING GODOWN, DEVELOPMENT 2 640 SQUARE METRES.

A 3 642-SQUARE-METRE SITE AT SAI CHING STREET, YUEN LONG, WAS SOLD TO MORE TREASURE COMPANY LIMITED FOR \$15.1 MILLION (\$4 146 PER SQUARE METRE).

IT IS A NON-INDUSTRIAL LOT WITH PLOT RATIOS VARYING FROM 3.3 TO 9.5 DEPENDING ON THE TYPE OF BUILDINGS TO BE PUT UP.

/THE DEVELOPER

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THE DEVELOPER IS REQUIRED TO FULFIL A \$28 MILLION BUILDING COVENANT WITHIN 48 MONTHS.

BIDDING OPENED AT \$8 MILLION.

MR MILLS SAID HE WAS +VERY PLEASED+ WITH THE RESPONSE, BEARING IN MIND THAT TOMORROW (WEDNESDAY) WAS BUDGET DAY.

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TRACK AT SPORTS GROUND OPEN TO JOGGERS

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THE RUNNING TRACK AT THE NEW SHA TIN SPORTS GROUND WILL BE OPEN TO THE PUBLIC FREE OF CHARGE FROM THURSDAY (MARCH 1).

IT WILL BE OPEN BETWEEN 7 AM AND 7 PM DAILY, EXCEPT WHEN THE PERIOD HAS BEEN BOOKED FOR EXCLUSIVE USE, A SPOKESMAN FOR THE NEW TERRITORIES SERVICES DEPARTMENT SAID.

THE NEW ARRANGEMENT IS TO PROVIDE A PROPER VENUE TO LOCAL ATHLETES AND JOGGERS, THE SPOKESMAN SAID.

USERS OF THE TRACK ARE ADVISED TO WEAR RUBBER SHOES AND TO ENTER THE TURFED SOCCER PITCH.

THE SPOKESMAN STRESSED THAT NO SPIKER SHOES ARE ALLOWED ON THE TRACK AND NO USERS MAY ENTER ITS INNER TWO LANES.

THOSE WISHING TO USE THE TRACK SHOULD BRING ALONG THEIR IDENTITY CARDS FOR REGISTRATION AT THE ENTRANCE.

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ENTERTAINMENT PROGRAMME FOR ELDERLY PEOPLE

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MORE THAN 300 ELDERLY PEOPLE IN TUEN MUN WILL BE TREATED TO A VEGETARIAN FEAST AND A 90-MINUTE ENTERTAINMENT PROGRAMME TOMORROW (WEDNESDAY) EVENING.

THE PARTICIPANTS, ALL AGED OVER 65, ARE RESIDENTS OF THE SAM SHING PUBLIC HOUSING ESTATE.

THE GATHERING IS ORGANISED BY THREE MUTUAL AID COMMITTEES OF THE ESTATE AND SPONSORED BY THE LOCAL DISTRICT BOARD AS AN EXPRESSION OF RESPECT TO THE AGED. IT IS ALSO AIMED AT PROMOTING A SENSE OF COMMUNITY INVOLVEMENT.

THE ENTERTAINMENT PROGRAMME, WHICH WILL START AT 5.30 PM, WILL FEATURE PERFORMANCES BY JUNIOR POLICE CALL MEMBERS, AND A CANTONESE OPERA SHOW BY ESTATE RESIDENTS.

A KUNG FU ACTOR, MR KWAN TAK-HING, WILL DEMONSTRATE CALLIGRAPHY AND WRITE SPRING FESTIVAL SCROLLS FOR THE PARTICIPANTS AS SOUVENIRS.

EACH PARTICIPANT WILL ALSO RECEIVE A RED PACKET - 'LAI SEE' - AS A NEW YEAR BLESSING.

OFFICIATING GUESTS WILL INCLUDE THE DISTRICT OFFICER, MR RICKY FUNG; THE CHAIRMAN OF TUEN MUN RURAL COMMITTEE, MR LAU WONG-FAT; POLICE DISTRICT COMMANDER, MR V.F.D. CHAPMAN; THE CHAIRMAN OF TUEN MUN RESPECT FOR THE AGED ASSOCIATION, MR LAU CHI-YUEN, THE CHAIRMAN OF TUEN MUN SPORTS ASSOCIATION, MR TANG TUNG-CHUI; SENIOR HOUSING MANAGER, MR HUI CHI-CHUNG; AND TWO DISTRICT BOARD MEMBERS.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE VEGETARIAN FEAST AND ENTERTAINMENT PROGRAMME FOR ELDERLY PEOPLE IN TUEN MUN TO BE HELD TOMORROW (WEDNESDAY) AT YAU HO RESTAURANT, STARTING AT 5.30 PM.

BEST BEING DONE FOR CHILD CARE
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THE GOVERNMENT IS DOING ITS BEST TO IMPROVE THE QUALITY OF CHILD CARE SERVICES TO ENABLE YOUNG CHILDREN TO ACHIEVE BALANCED PHYSICAL, EMOTIONAL AND INTELLECTUAL DEVELOPMENT.

THIS WAS STATED TODAY BY THE ASSISTANT DIRECTOR OF SOCIAL WELFARE (SOCIAL SECURITY), MR STEPHEN LAW, AT THE RE-NAMING CEREMONY OF THE TUNG WAH GROUP OF HOSPITALS' NG SHEUNG LAN MEMORIAL DAY NURSERY IN WAN CHAI.

THERE WAS A GREAT NEED FOR CHILD CARE SERVICES IN HONG KONG BECAUSE OF THE INCREASING NUMBER OF FAMILIES WITH BOTH PARENTS WORKING, HE SAID.

AND THERE ARE NOW MORE THAN 230 NURSERIES IN THE TERRITORY, PROVIDING CARE FOR 23 000 CHILDREN, HE SAID.

SEVEN OF THEM ARE RUN BY THE TUNG WAH GROUP, PROVIDING MORE THAN 700 PLACES.

TUNG WAH IS PLANNING FIVE ADDITIONAL NURSERIES AT TAI PO, TUEN MUN, DIAMOND HILL, MA TSAI HANG AND FANLING IN THE NEXT FIVE YEARS.

THE NURSERY WHICH WAS RE-NAMED TODAY WAS ESTABLISHED IN 1968. IT CATERS FOR 84 CHILDREN FROM LOW-INCOME FAMILIES.

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MORAL EDUCATION SEMINAR FOR TEACHERS

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THE EDUCATION DEPARTMENT IS ORGANISING A SEMINAR TO ACQUAINT SECONDARY SCHOOL TEACHERS WITH SOME SUGGESTED APPROACHES TO PROMOTE ETHICAL AND MORAL EDUCATION THROUGH EXTRA-CURRICULAR ACTIVITIES.

THE SEMINAR WILL BE HELD ON APRIL 12 AT TANG SHIU KIN VICTORIA TECHNICAL SCHOOL, 01 KWAN ROAD, WAN CHAI.

TEACHERS WISHING TO TAKE PART IN THE SEMINAR SHOULD CONTACT THE SENIOR INSPECTOR, RELIGIOUS-ETHICAL EDUCATION SECTION, ADVISORY INSPECTORATE, EDUCATION DEPARTMENT, ROOM 511, LEE GARDENS, HYSAN AVENUE, HONG KONG, BY MARCH 16.

OWING TO LIMITED ACCOMMODATION, APPLICATIONS WILL BE ACCEPTED ON A FIRST-COME-FIRST-SERVED BASIS.

ENQUIRIES CONCERNING THE SEMINAR CAN BE MADE ON TEL. 5-8392483.

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MINISTER OF STATE LEAVES

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THE MINISTER OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, MR RICHARD LUCE, LEFT HONG KONG THIS (TUESDAY) AFTERNOON FOR KUALA LUMPUR. HE WAS SEEN OFF AT THE AIRPORT BY THE GOVERNOR, SIR EDWARD YOUDE.

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U.S. MAKES AUTHORISATION CALL ON TEXTILE CATEGORY

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THE TRADE DEPARTMENT TODAY (TUESDAY) ANNOUNCED THAT THE UNITED STATES HAD MADE AN EXPORT AUTHORISATION (EA) CALL ON CATEGORY 637 (MAN-MADE FIBRE PLAYSUITS, SUNSUITS AND WASHSUITS).

THIS IS THE SECOND EA CALL BY THE UNITED STATES SO FAR THIS YEAR FOLLOWING THE ONE ON CATEGORY 652 (MMF UNDERWEAR) EARLIER THIS MONTH.

PENDING CONSULTATIONS WITH THE UNITED STATES GOVERNMENT, THE DEPARTMENT HAS SUSPENDED THE ISSUE OF FURTHER EXPORT AUTHORISATIONS FOR CATEGORY 637.

THE DEPARTMENT WILL, HOWEVER, CONTINUE TO APPROVE AND ISSUE EXPORT LICENCES FOR THIS CATEGORY AGAINST VALID EXPORT AUTHORISATIONS APPROVED PRIOR TO THE SUSPENSION.

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TUNNEL TRAFFIC ADVICE

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OWING TO THE CLOSURE OF THE LION ROCK TUNNEL +SLOW LANE+, MOTORISTS FROM EASTERN NEW TERRITORIES ARE ADVISED TO USE KCR TRAINS ON FEBRUARY 29 AND MARCH 1 TO AVOID TRAFFIC CONGESTION.

KCRC WILL BOOST UP THE FREQUENCY OF TRAIN SERVICES, AND KMB WILL OPERATE ADDITIONAL +K+ TRIPS.

LION ROCK TUNNEL WILL RESUME NORMAL OPERATION FROM 6.30 AM ON MARCH 2.

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SOY STREET TRAFFIC CHANGE

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FROM 10 AM ON MARCH 1 (THURSDAY), TRAFFIC ON THE SECTION OF SOY STREET BETWEEN SAI YEUNG CHOI STREET AND NATHAN ROAD WILL BE RE-ROUTED FROM ONE-WAY EASTBOUND TO ONE-WAY WESTBOUND TO FACILITATE CIRCULATION.

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TRAFFIC RESTRICTION

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FROM 10 AM ON THURSDAY (MARCH 1), THE SECTION OF ABERDEEN OLD MAIN STREET FROM ITS NORTHERN TIP TO A POINT 130 METRES NORTH OF ABERDEEN MAIN ROAD, WILL BE PROHIBITED TO ALL VEHICLES OVER 2-1/2 TONS UNLADEN.

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