



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 5-8428777

WEDNESDAY, MAY 31, 1989

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OPERATION OF REFUGEE STATUS REVIEW BOARDS EXPLAINED

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THE ESTABLISHMENT OF NEW REFUGEE STATUS REVIEW BOARDS WILL ENABLE THE GOVERNMENT TO PROCESS SOME 400 CASES A WEEK FROM VIETNAMESE BOAT PEOPLE WHO OBJECT TO AN INITIAL DECISION TO REFUSE THEM REFUGEE STATUS, THE ACTING SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN MOVING THE SECOND READING OF THE IMMIGRATION (AMENDMENT) (NO. 2) BILL 1989, MR ASPREY SAID SINCE THE IMPLEMENTATION OF SCREENING IN JUNE 1988, MORE THAN 20,000 VIETNAMESE BOAT PEOPLE HAD ARRIVED IN HONG KONG, WITH ONLY SOME 1,600 HAVING BEEN SCREENED.

"REFUGEE STATUS HAS BEEN GRANTED TO 165 PERSONS. THE REMAINDER HAVE BEEN REFUSED REFUGEE STATUS," HE SAID.

UNDER THE LAW AS IT STANDS, VIETNAMESE BOAT PEOPLE WHO HAVE BEEN REFUSED REFUGEE STATUS MAY OBJECT AGAINST THAT DECISION TO THE GOVERNOR IN COUNCIL.

"SO FAR, ALL THOSE REFUSED REFUGEE STATUS HAVE LODGED OBJECTIONS AGAINST THE DECISION," MR ASPREY SAID.

HE NOTED THAT IT HAD BEEN APPARENT FOR SOME TIME THAT THE NUMBER AND COMPLEXITY OF THE CASES MADE IT UNREASONABLE AND IMPRACTICAL FOR THE GOVERNOR IN COUNCIL TO BE INVOLVED IN DETERMINING OBJECTIONS.

"MOREOVER, UNLESS AND UNTIL WE CAN COMPLETE THE ENTIRE SCREENING AND OBJECTION PROCESS, WE SHALL NOT BE ABLE TO ACHIEVE REPATRIATION ON ANY ACCEPTABLE SCALE," HE SAID.

"THE ADMINISTRATION HAS, THEREFORE, REVIEWED THE PRESENT SCREENING AND APPEAL PROCEDURES, WITH THE AIM OF COMPLETING THE PROCESS WITHIN 12 MONTHS FOR ALL OUTSTANDING CASES AND THREE MONTHS FOR ALL NEW ARRIVALS.

"THIS WILL REQUIRE COMPLETION OF THE ENTIRE PROCESS FOR 400 PERSONS PER WEEK.

"DEDICATED, FULL TIME REVIEW BOARDS ARE NECESSARY TO ACHIEVE THIS OBJECTIVE," MR ASPREY SAID.

THE BILL PROVIDES FOR ASYLUM SEEKERS FROM VIETNAM TO HAVE, IN PLACE OF THE PRESENT RIGHT OF OBJECTION TO THE GOVERNOR IN COUNCIL UNDER SECTION 53 OF THE IMMIGRATION ORDINANCE, A RIGHT TO APPLY TO HAVE THEIR CASE REVIEWED BY A REFUGEE STATUS REVIEW BOARD.

IT IS INTENDED THAT THERE WILL BE ONE CHAIRMAN OF ALL THE BOARDS, AND HE, AS WELL AS THE DEPUTY CHAIRMEN AND OTHER MEMBERS WILL BE APPOINTED BY THE GOVERNOR.

/MR ASPREY

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MR ASPREY NOTED THAT WHERE POSSIBLE BOARD MEMBERS WOULD INCLUDE NON-OFFICIALS.

"IN CONSIDERING OBJECTIONS, A BOARD WILL ACT IN AN ADMINISTRATIVE CAPACITY.

"IT WILL BE ENTITLED TO TAKE INTO ACCOUNT ANY INFORMATION OR MATERIAL AT ITS ABSOLUTE DISCRETION, AND TO CONFIRM OR REVIEW THE FIRST INSTANCE DECISION AS IT THINKS FIT, WITHOUT A REQUIREMENT TO ASSIGN REASONS FOR ITS DECISION.

"ITS DECISION SHALL NOT BE SUBJECT TO APPEAL OR REVIEW." HE SAID.

MR ASPREY SAID THE BILL ALSO SOUGHT TO MAKE SOME MINOR AMENDMENTS TO THE IMMIGRATION ORDINANCE TO CLARIFY SOME OF THE EXISTING PROVISIONS RELATING TO VIETNAMESE BOAT PEOPLE.

CLAUSES 4 AND 5 WILL INTRODUCE TWO NEW SECTIONS TO THE IMMIGRATION ORDINANCE. SECTION 13F WILL PROVIDE FOR THE REVIEW OF AN INITIAL DECISION TO REFUSE REFUGEE STATUS BY A REFUGEE STATUS REVIEW BOARD, WHILE SECTION 13G PROVIDES FOR THE ESTABLISHMENT OF SUCH BOARDS.

THE STATUS OF VIETNAMESE BOAT PEOPLE DURING THEIR STAY IN HONG KONG IS CLARIFIED IN CLAUSE 2(B) WHICH PROVIDES THAT PERSONS DETAINED UNDER SECTION 13(D) OF THE ORDINANCE ARE NOT TO BE TREATED AS ORDINARY RESIDENTS IN HONG KONG.

SECTION 13A OF THE ORDINANCE AS IT STANDS ENABLES CHILDREN BORN OUTSIDE VIETNAM TO FORMER RESIDENTS OF VIETNAM TO BE PERMITTED TO REMAIN IN HONG KONG AS REFUGEES. AT PRESENT THE DETENTION OF SUCH CHILDREN IS AUTHORISED UNDER THE GENERAL PROVISIONS OF THE ORDINANCE.

CLAUSE 3(A) OF THE BILL PROVIDES THAT IN FUTURE THE DETENTION OF SUCH CHILDREN SHALL BE AUTHORISED UNDER SECTION 13D(1), THE SECTION UNDER WHICH FORMER RESIDENTS OF VIETNAM ARE THEMSELVES DETAINED.

CLAUSE 3(B) WILL PROVIDE FOR WRITTEN NOTICE OF DETERMINATION IN A FORM SPECIFIED BY THE DIRECTOR OF IMMIGRATION TO BE SERVED ON ASYLUM SEEKERS. NOTICE MAY BE GIVEN TO THE ASYLUM SEEKER IN PERSON, OR BY DISPLAYING IT IN SUCH A MANNER THAT IT MAY CONVENIENTLY BE READ BY HIM.

CLAUSE 6 OF THE BILL PROVIDES THAT OUTSTANDING APPEALS WHICH HAVE YET TO BE SUBMITTED TO THE GOVERNOR IN COUNCIL WILL BE CONSIDERED BY THE REFUGEE STATUS REVIEW BOARDS.

MR ASPREY SAID THE NEW ARRANGEMENTS SHOULD BE BROUGHT INTO OPERATION BEFORE THE MIDDLE OF JUNE, AS SOON AS REGULATIONS PRESCRIBING THE PRACTICE AND PROCEDURES OF THE REFUGEE STATUS REVIEW BOARDS WERE APPROVED BY THE GOVERNOR IN COUNCIL.

/LATER IN

LATER IN THE PROCEEDINGS. MR ASPREY ASSURED THE COUNCIL THAT THE GOVERNMENT WOULD BE PRESSING AS HARD AS IT COULD FOR THE MANDATORY REPATRIATION TO VIETNAM OF THOSE FOUND NOT TO BE REFUGEES FOLLOWING SCREENING.

HE ALSO SAID EFFORTS WOULD BE MADE TO TRY TO OBTAIN A QUALIFIED LAWYER AS THE CHAIRMAN OF THE BOARD AND TO RECRUIT SUITABLE PERSONS TO SERVE ON THE BOARDS FROM OUTSIDE THE RANKS OF OFFICIALS, FOR EXAMPLE, NON-OFFICIAL JUSTICES OF THE PEACE.

THE BILL WAS PASSED, FOLLOWING THE COMMITTEE STAGE AND THIRD READING.

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AG DEFENDS IMMIGRATION AMENDMENT BILL

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THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, TODAY (WEDNESDAY) REJECTED THE SUGGESTION THAT THE IMMIGRATION (AMENDMENT) (NO.2) BILL 1989 WAS IN BREACH OF THE RULES OF NATURAL JUSTICE.

MR MATHEWS WAS SPEAKING IN SUPPORT OF THE BILL DURING ITS SECOND READING DEBATE IN THE LEGISLATIVE COUNCIL.

HE SAID IT HAD BEEN SUGGESTED THAT THE BILL WAS IN CLEAR BREACH OF THE RULES OF NATURAL JUSTICE BECAUSE NEITHER THE APPLICANTS, THAT IS, VIETNAMESE BOAT PEOPLE, NOR THEIR REPRESENTATIVES COULD BE PRESENT AT THE HEARING OF A REVIEW OF THEIR CASES BY THE NEW REFUGEE STATUS REVIEW BOARD.

THE ATTORNEY GENERAL STRESSED THAT IT WAS IMPORTANT TO BEAR IN MIND THAT, AS A MATTER OF LAW, THE RIGHT TO A FAIR HEARING DID NOT INCLUDE A RIGHT TO AN ORAL HEARING PROVIDED THE APPLICANT WAS GIVEN AN OPPORTUNITY TO COMMENT ON THE SUBMISSIONS OF THE IMMIGRATION OFFICER.

HE EXPLAINED THAT REGULATIONS TO BE MADE UNDER THE BILL WOULD PROVIDE THAT THE DECISION OF THE IMMIGRATION OFFICER, HIS REASONS AND THE MATERIAL ON WHICH THE DECISION WAS BASED WOULD BE AVAILABLE TO THE APPLICANT OR HIS REPRESENTATIVE.

MR MATHEWS SAID THE BILL PROVIDED THAT AN APPLICANT MUST BE GIVEN ALL REASONABLE FACILITIES TO ENABLE HIM TO OBTAIN LEGAL ASSISTANCE AND HIS LEGAL REPRESENTATIVE WOULD BE GIVEN ALL REASONABLE FACILITIES TO ENABLE HIM TO GIVE THAT ASSISTANCE.

HE SAID THE REPRESENTATIVES WOULD IN GENERAL BE AN APPEALS COUNSELLOR APPOINTED BY THE UNHCR AND MOST COUNSELLORS WERE LEGALLY QUALIFIED.

/CONCLUDING, HE

CONCLUDING, HE STRESSED THAT THE BILL MADE "FULL AND ADEQUATE PROVISIONS":

- * FOR THOSE WHO WISH TO APPEAL TO SEE THE REASONS FOR THE IMMIGRATION OFFICERS' DECISION ON THEIR STATUS;
- * FOR APPLICANTS TO HAVE LEGAL ADVICE FOR THE PURPOSES OF THEIR APPEALS;
- * FOR APPLICANTS TO HAVE AN OPPORTUNITY TO COMMENT ON THE SUBMISSIONS OF THE IMMIGRATION OFFICERS.

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MEASURE WILL SPEED UP BOAT PEOPLE SCREENING
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THE IMMIGRATION (AMENDMENT) (NO. 2) BILL 1989 SOUGHT TO SPEED UP SCREENING PROCEDURES ON VIETNAMESE BOAT PEOPLE AND TO SET UP SPECIALISED APPEAL BOARDS TO HANDLE SUBSEQUENT APPEALS MADE AGAINST THE SCREENING RESULTS, THE HON STEPHEN CHEONG SAID TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE BILL IN THE LEGISLATIVE COUNCIL, MR CHEONG SAID THAT STREAMLINING OF EXISTING PROCEDURES WAS ESSENTIAL TO COPE WITH THE INCREASING NUMBER OF BOAT PEOPLE ARRIVING IN HONG KONG, BECAUSE THE SUCCESS OF REPATRIATION DEPENDED UPON EFFICIENT HANDLING OF SCREENING AND APPEAL PROCEDURES.

HE EMPHASISED THAT THE ADMINISTRATION SHOULD SEEK TO SECURE INTERNATIONAL ACCEPTANCE OF MANDATORY REPATRIATION AS QUICKLY AS POSSIBLE.

"IT IS CLEAR TO ALL OF US THAT MOST BOAT PEOPLE NOW ARRIVING IN HONG KONG, OR INDEED OTHER PLACES OF FIRST ASYLUM, ARE ECONOMIC MIGRANTS RATHER THAN GENUINE REFUGEES.

"MANDATORY REPATRIATION IS A CRUCIAL ELEMENT IN THE SUCCESSFUL IMPLEMENTATION OF THE SCREENING POLICY," HE SAID.

NOTHING THAT AN APPELLANT WOULD NOT HAVE THE RIGHT TO BE PRESENT OR BE LEGALLY REPRESENTED WHEN HIS CASE WAS REVIEWED BY THE APPEAL BOARDS, MR CHEONG URGED THAT A SUITABLE NUMBER OF LEGALLY QUALIFIED PERSONS BE APPOINTED TO SERVE ON THE BOARDS, TO ENSURE THAT THE APPEAL CASES HAD THE NECESSARY INPUT FROM THE LEGAL PROFESSION.

"IN ADDITION, LAY PERSONS OTHER THAN CIVIL SERVANTS SHOULD AS FAR AS POSSIBLE BE RECRUITED TO SERVE ON THE BOARDS," HE ADDED.

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IMMIGRATION BILL 'A MOCKERY OF SYSTEM OF JUSTICE'

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THE IMMIGRATION AMENDMENT (NO. 2) BILL 1989 WAS DESCRIBED BY THE HON MARTIN LEE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) AS A MOCKERY OF THE SYSTEM OF JUSTICE MUCH TREASURED BY THE PEOPLE OF HONG KONG.

SPEAKING AGAINST THE BILL DURING ITS SECOND READING, MR LEE SAID HE WAS UNABLE TO SUPPORT THE BILL AND WOULD STRONGLY URGE THE GOVERNMENT TO RECONSIDER IT.

THE BILL PROVIDED THAT NEITHER THE APPLICANT NOR HIS REPRESENTATIVE SHOULD BE ENTITLED TO BE PRESENT WHEN HIS CASE WAS REVIEWED BY THE REFUGEE STATUS REVIEW BOARD, HE SAID.

IT ALSO PROVIDED THAT THE BOARD, WHEN CONSIDERING ANY REVIEW, SHOULD ACT IN AN ADMINISTRATIVE OR EXECUTIVE CAPACITY AND WAS NOT REQUIRED TO GIVE ANY REASON FOR ITS DECISION.

"ALSO, ITS DECISION SHALL NOT BE SUBJECT TO REVIEW OR APPEAL IN ANY COURT," HE SAID.

MR LEE SAID HE SHARED THE CONCERN EXPRESSED BY THE BAR ASSOCIATION AND THE LAW SOCIETY THAT NO REPRESENTATIVE NOR EVEN THE APPLICANT HIMSELF MIGHT BE PRESENT AT ANY REVIEW.

"IT IS AN IMPORTANT RULE OF NATURAL JUSTICE THAT BOTH SIDES SHOULD BE HEARD : THIS IS PARTICULARLY OPPRESSIVE IN THE LIGHT OF THE BOARD'S DECISION BEING FINAL," HE SAID.

"AND WHEN THE APPLICANT HAS BEEN SCREENED OUT WITHOUT THE BENEFIT OF LEGAL ASSISTANCE AND WITHOUT BEING GIVEN REASONS FOR THE 'VERDICT', AND HE IS NOT EVEN GIVEN THE RIGHT TO APPEAR BEFORE THE TRIBUNAL TO CLARIFY POINTS CONTAINED IN THIS CASE FOR REVIEW, HOW CAN THE TRIBUNAL BE EXPECTED TO DO JUSTICE TO HIS CASE?" HE ASKED.

MR LEE MAINTAINED THAT HUMAN RIGHTS AND THE RULE OF LAW WERE UNIVERSAL VALUES WHICH SHOULD APPLY TO ALL, INCLUDING VIETNAMESE BOAT PEOPLE.

"THE RULE OF LAW IS MEANINGLESS UNLESS THE LAWS ARE FAIR AND JUST," HE SAID.

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BILL TIGHTENS LAW AGAINST ILLEGAL EMPLOYMENT
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A BILL SEEKING TO MAKE IT CLEAR THAT HOLDERS OF TWO-WAY PERMITS ISSUED BY THE CHINESE GOVERNMENT ARE NOT LAWFULLY EMPLOYABLE IN HONG KONG WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) BY THE ACTING SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY.

MOVING THE SECOND READING OF THE IMMIGRATION (AMENDMENT) BILL 1989, MR ASPREY SAID THE BILL ALSO SOUGHT TO FACILITATE PROSECUTIONS AGAINST THOSE WHO EMPLOYED ILLEGAL IMMIGRANTS.

THIS WAS IN VIEW OF THE FACT THAT SOME ILLEGAL IMMIGRANTS HAD SUCCEEDED IN OBTAINING EMPLOYMENT DURING THEIR STAY IN HONG KONG.

EXPLAINING THE BILL'S PROVISIONS, MR ASPREY SAID IN THE FIRST FOUR MONTHS OF THIS YEAR NEARLY 4,500 ILLEGAL IMMIGRANTS HAD BEEN ARRESTED, AN AVERAGE OF 38 A DAY.

"CLAUSE FOUR OF THE BILL MAKES IT CLEAR THAT LABOUR INSPECTORS HAVE THE AUTHORITY TO REQUIRE AN EMPLOYER TO PRODUCE FOR INSPECTION THE RECORD OF HIS EMPLOYEES," HE SAID.

"IF THE EMPLOYER IS SUSPECTED OF HAVING EMPLOYED ILLEGAL IMMIGRANTS, LABOUR INSPECTORS WILL BE EMPOWERED TO SEIZE EVIDENCE TO SUBSTANTIATE THIS, SUCH AS THE RECORD OF EMPLOYEES.

"THE EMPLOYER WILL BE ENTITLED TO TAKE A PHOTOCOPY OF THE RECORD FOR HIS RETENTION, AND WILL BE GIVEN A RECEIPT FOR THE ORIGINAL."

IF THE EMPLOYER WAS NOT PRESENT DURING THE INSPECTION OF A PLACE OF EMPLOYMENT, CLAUSE FIVE OF THE BILL WOULD ENABLE A LABOUR INSPECTOR TO REQUIRE PRODUCTION OF THE RECORDS WITHIN 72 HOURS BY NOTICE IN WRITING SERVED ON THE EMPLOYER.

MR ASPREY WENT ON TO SAY THAT CLAUSE THREE OF THE BILL WOULD ENABLE EVIDENCE THAT A PERSON WAS NOT LAWFULLY EMPLOYABLE TO BE BROUGHT BY MEANS OF A CERTIFICATE SIGNED BY THE DIRECTOR OF IMMIGRATION.

"THIS WILL AVOID THE NEED FOR LENGTHY DETENTION OF ILLEGAL IMMIGRANTS SIMPLY FOR THE PURPOSE OF ENABLING A PROSECUTION TO BE BROUGHT AGAINST AN EMPLOYER," HE SAID.

THE CLARIFICATION THAT HOLDERS OF TWO-WAY PERMITS ISSUED BY THE CHINESE GOVERNMENT WERE NOT LAWFULLY EMPLOYABLE IN HONG KONG WAS MADE IN CLAUSE TWO, HE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

SIGNIFICANT CONSUMER PROTECTION MEASURES CONTAINED IN BILL

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THE CONTROL OF EXEMPTION CLAUSES BILL 1989 IS A MAJOR PIECE OF CONSUMER PROTECTION LEGISLATION, THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"THE BILL, IF ENACTED, WOULD HAVE A SIGNIFICANT EFFECT ON THE LAW OF CONTRACT AND OF NEGLIGENCE," HE SAID.

IN MOVING THE SECOND READING OF THE BILL, MR MATHEWS SAID THE BILL SOUGHT "TO ACHIEVE FAIRNESS WHILE AT THE SAME TIME MINIMISING UNCERTAINTY."

THE BILL WAS CONCERNED WITH THE EXEMPTION CLAUSES OF CONTRACTS AND NOTICES WHICH SOUGHT TO EXCLUDE LIABILITY FOR NEGLIGENCE OR BREACH OF CONTRACT AND CLOSELY FOLLOWED THE RECOMMENDATIONS OF THE LAW REFORM COMMISSION'S 1986 REPORT ON THE SUBJECT, HE SAID.

EXEMPTION CLAUSES WERE OFTEN USED TO EXCLUDE OR RESTRICT LIABILITY FOR BREACH OF CONTRACT OR NEGLIGENCE.

"THEY ARE SOMETIMES USED TO DENY A PERSON'S LEGITIMATE RIGHTS AND EXPECTATIONS, FOR EXAMPLE, WHERE ONE PARTY IN A STRONG BARGAINING POSITION IMPOSES ON A WEAKER OR LESS SOPHISTICATED PARTY A CLAUSE EXCLUDING LIABILITY FOR NEGLIGENCE.

"THE LAW REFORM COMMISSION CONCLUDED THAT THE USE OF EXEMPTION CLAUSES LEADS TO ABUSE, PARTICULARLY WHERE THE PARTIES TO A CONTRACT DO NOT HAVE EQUAL BARGAINING STRENGTH.

"THE COMMISSION BELIEVED THAT THE BENEFITS OF SOME MEASURE OF CONTROL OUTWEIGHED ANY ECONOMIC DISADVANTAGES WHICH MAY BE CAUSED BY THIS LIMITED INTERFERENCE WITH THE FREEDOM OF CONTRACT," MR MATHEWS SAID.

SUMMARISING THE MAIN FEATURES OF THE BILL, HE SAID IT PROVIDED THAT FOUR TYPES OF EXEMPTION CLAUSES WERE AUTOMATICALLY INEFFECTIVE WHILE CERTAIN OTHER TYPES WERE SUBJECT TO A "REASONABLENESS" TEST.

THE FOUR TYPES OF CLAUSES THAT WERE AUTOMATICALLY INEFFECTIVE WERE "THOSE THAT CANNOT, UNDER ANY CIRCUMSTANCES, BE JUSTIFIED."

THEY WERE AS FOLLOWS:

- * FIRST, AN EXEMPTION CLAUSE RELATING TO DEATH OR PERSONAL INJURY RESULTING FROM NEGLIGENCE.

"FOR EXAMPLE, THERE ARE NOTICES DISPLAYED IN SOME CHILDREN'S PLAYGROUNDS PURPORTING TO EXCLUDE LIABILITY FOR INJURIES CAUSED BY THE NEGLIGENCE OF THE PLAYGROUND OPERATOR," MR MATHEWS SAID.

"THERE CAN BE NO JUSTIFICATION IN THAT, OR ANY OTHER SITUATION, FOR DENYING A PERSON A REMEDY FOR INJURIES CAUSED BY ANOTHER PERSON'S NEGLIGENCE. THE BILL WILL, THEREFORE, PUT AN END TO THE UNFAIRNESS CAUSED BY SUCH CLAUSES."

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- * SECONDLY, AN EXEMPTION CLAUSE IN A GUARANTEE OF CONSUMER GOODS.

"AT PRESENT, MANY SO-CALLED 'GUARANTEES' IN FACT TAKE AWAY GREATER RIGHTS THAN THEY GIVE AND ARE THEREFORE TRAPS FOR CONSUMERS. THE BILL WILL PREVENT GUARANTEES OPERATING IN THIS WAY," MR MATHEWS SAID.

- * THIRDLY, A CLAUSE IN A CONTRACT FOR THE SALE OF GOODS EXCLUDING THE SELLER'S LIABILITY FOR SELLING GOODS WHICH DID NOT BELONG TO HIM.

"IT IS CONSIDERED UNFAIR FOR ANY BUYER TO HAVE TO BEAR THE LOSS CAUSED BY SUCH A WRONGFUL ACT OF THE SELLER AND, IN THIS RESPECT, THE BILL REPLACES A PROVISION THAT ALREADY EXISTS IN THE SALE OF GOODS ORDINANCE," MR MATHEWS SAID.

- * FOURTHLY, A CLAUSE IN A CONSUMER CONTRACT FOR THE SALE OR SUPPLY OF GOODS EXCLUDING THE SUPPLIER'S LIABILITY IF THE GOODS ARE DEFECTIVE OR DO NOT CORRESPOND TO THE CONTRACT DESCRIPTION.

"THE BILL HERE PROTECTS ONLY PARTIES WHO ARE CONSUMERS, SINCE WHERE A PERSON OBTAINS GOODS IN THE COURSE OF BUSINESS, THERE MAY BE SITUATIONS IN WHICH IT IS REASONABLE FOR HIM TO TAKE THE RISK OF THE GOODS BEING DEFECTIVE," MR MATHEWS SAID.

"THE SALE OF GOODS ORDINANCE ALREADY CONTAINS A PROVISION TO THIS EFFECT IN RELATION TO SALES AND THE BILL EXTENDS THE PROTECTION TO SUPPLY CONTRACTS, FOR EXAMPLE, CONTRACTS OF HIRE AND HIRE PURCHASE AGREEMENTS."

MR MATHEWS SAID THE BILL WOULD ALSO PREVENT ARBITRATION CLAUSES FROM BEING ENFORCED AGAINST A CONSUMER UNLESS THE CONSUMER CONSENTED TO ITS ENFORCEMENT AFTER DIFFERENCES HAD ARISEN, OR THE CONSUMER HAD RECOURSE TO ARBITRATION IN PURSUANCE OF THE AGREEMENT.

HE EXPLAINED THAT WHILE THE ADMINISTRATION SUPPORTED THE USE OF ARBITRATION BY PARTIES TO A CONTRACT WHO CONSCIOUSLY CHOSE THAT METHOD OF DISPUTE RESOLUTION IN THE KNOWLEDGE OF ALL ITS IMPLICATIONS, IN THE CASE OF A CONSUMER CONTRACT, IT WAS POSSIBLE THAT THE CONSUMER AGREED TO AN ARBITRATION CLAUSE WIHTOUT KNOWING OF ITS EXISTENCE OR WITHOUT REALISING ITS IMPLICATIONS.

THERE WERE SEVERAL TYPES OF CONTRACT THAT WERE EXCLUDED FROM CERTAIN OF THE STATUTORY CONTROLS AND THESE INCLUDED CONTRACTS RELATING TO INSURANCE AND TO THE CREATION OR TRANSFER OF AN INTEREST IN LAND.

"THIS BILL IS TECHNICAL AND COMPLEX. IF IT IS ENACTED, WE INTEND TO DELAY IMPLEMENTATION FOR AT LEAST 12 MONTHS, SO AS TO ALLOW THE BUSINESS COMMUNITY TO CONSIDER THEIR USE OF CONTRACTS AND TO MAKE ANY NECESSARY AMENDMENTS," MR MATHEWS ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

REVIEW OF AIRPORT HEIGHT RESTRICTIONS COMPLETED

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THE CIVIL AVIATION DEPARTMENT HAS RECENTLY COMPLETED A REVIEW OF AIRPORT HEIGHT RESTRICTIONS IN THE TERRITORY, THE ACTING SECRETARY FOR LANDS AND WORKS, THE HON KENNETH KWOK, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR KWOK WAS MOVING THE SECOND READING OF THE TEMPORARY CONTROL OF DENSITY OF BUILDING DEVELOPMENT (KOWLOON) BILL 1989, WHICH SEEKS TO TEMPORARILY CONTROL THE DENSITY OF DEVELOPMENT OF NEW BUILDINGS IN CERTAIN PARTS OF KOWLOON.

"THE REVIEW HAS RECOMMENDED THAT AIRPORT HEIGHT RESTRICTIONS IN MANY AREAS OF KOWLOON CAN BE RELAXED BY VARYING DEGREES WHICH MAY RESULT IN PERMITTING GREATER DENSITY FOR BUILDING DEVELOPMENT." HE SAID.

NOTWITHSTANDING THIS, MR KWOK SAID, THE QUESTION OF HOW TO TACKLE THE PROBLEMS OF DEVELOPMENT DENSITIES COMPREHENSIVELY IN THE URBAN AREAS WAS BEING ADDRESSED BY THE METROPLAN STUDY.

THIS WAS EXPECTED TO BE COMPLETED BY THE END OF THE YEAR AND WOULD TAKE A FURTHER YEAR TO IMPLEMENT THROUGH TOWN PLANS.

"IN ORDER THAT METROPLAN'S AIMS ARE NOT FRUSTRATED, OR EXPECTATIONS OF INCREASED DEVELOPMENT POTENTIAL NOT UNDULY RAISED, IT IS CONSIDERED NECESSARY TO TEMPORARILY CONTINUE TO LIMIT BUILDING DEVELOPMENT DENSITIES (WHERE THE PRESENT AIRPORT HEIGHT RESTRICTIONS MAY BE RELAXED) TO THEIR PRESENTLY PERMITTED LEVELS," HE SAID.

"THE BILL THEREFORE REQUIRES THE BUILDING AUTHORITY TO REFUSE APPROVAL OF BUILDING PLANS OF BUILDINGS IN THESE AREAS WHICH EXCEED THE PRESENTLY PERMITTED PLOT RATIOS.

"THESE PROVISIONS WILL CEASE TO BE IN FORCE BY DECEMBER 31, 1990 WHEN METROPLAN'S RECOMMENDATIONS, PARTICULARLY THOSE RELATING TO DENSITY CONTROLS, WILL HAVE BEEN IMPLEMENTED."

MR KWOK ADDED THAT THESE CONTROLS WERE DESIGNED TO RESTRICT DEVELOPMENT DENSITIES TO THEIR PRESENTLY PERMITTED LEVELS, BUT WOULD PERMIT GREATER FLEXIBILITY OF DESIGN BY ALLOWING DEVELOPERS, ONCE THE PRESENT AIRPORT HEIGHT RESTRICTIONS WERE RELAXED, TO PUT UP HIGHER BUILDINGS THAN WERE CURRENTLY PERMITTED.

DEBATE ON THE BILL WAS ADJOURNED.

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BILL TO ENSURE SAFETY ON MODERNISED PEAK TRAMWAY

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A BILL INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) REQUIRES THE PEAK TRAMWAYS COMPANY TO OPERATE ITS MODERNISED TRAMWAY IN COMPLIANCE WITH SAFETY PROVISIONS STIPULATED BY THE GOVERNMENT.

MOVING THE SECOND READING OF THE PEAK TRAMWAY (AMENDMENT) BILL 1989, THE SECRETARY FOR TRANSPORT, THE HON MICHAEL LEUNG, EXPLAINED THAT LAST SEPTEMBER THE GOVERNMENT EXTENDED THE FRANCHISE OF THE PEAK TRAMWAYS COMPANY TO RUN AND OPERATE THE TRAMWAY FOR 10 YEARS, WITH EFFECT FROM JANUARY 1, 1994.

THIS WAS SUBJECT TO THE COMMITMENT OF THE COMPANY TO EMBARK ON A MAJOR MODERNISATION SCHEME FOR THE TRAMWAY.

THE MODERNISATION WORKS OF THE TRAMWAY BEGAN THIS MONTH AND WOULD CONFORM TO THE LATEST INTERNATIONAL STANDARDS FOR FUNICULAR RAILWAYS.

THEY WOULD INVOLVE SUBSTANTIAL CHANGES TO THE TRAMWAY SYSTEM INCLUDING THE HAULAGE EQUIPMENT, THE CONTROL AND SIGNALLING SYSTEM, AND THE DESIGN OF THE TRAMCARS.

MR LEUNG SAID IT WAS THEREFORE NECESSARY TO AMEND THE PEAK TRAMWAY ORDINANCE TO ENSURE THE SAFE OPERATION OF THE MODERNISED TRAMWAY WHICH WOULD BE INAUGURATED IN AUGUST THIS YEAR.

THE MAIN POINTS OF THE BILL INCLUDED :

- * THE TRAMWAY SHALL BE DESIGNED AND CONSTRUCTED WITH DUE REGARD TO SAFETY AND IN ACCORDANCE WITH A CODE OF PRACTICE TO BE ISSUED BY THE GOVERNMENT;
- * THE SECRETARY FOR TRANSPORT CAN APPOINT INSPECTORS TO TEST AND EXAMINE THE TRAMWAY, TO ENSURE ITS SAFETY AND TO INVESTIGATE ACCIDENTS;
- * POWER FOR THE SECRETARY FOR TRANSPORT TO DIRECT THE COMPANY TO REMEDY DEFECTS ON THE TRAMWAY OR ORDER THE FULL OR PARTIAL CLOSURE OF THE TRAMWAY FOR SAFETY REASONS;
- * THE COMPANY MAY CLOSE OR PARTIALLY CLOSE THE TRAMWAY FOR REPAIRS AND ALTERATIONS BUT MUST NOTIFY THE SECRETARY OF ANY SUCH CLOSURE FORTHWITH;
- * INCREASES IN THE MAXIMUM PENALTY FOR WILFUL INTERFERENCE WITH THE TRAMWAY FROM THE PRESENT FINE OF \$100 TO \$5,000 AND IMPRISONMENT FOR SIX MONTHS;
- * AN EMPLOYEE OF THE COMPANY COMMITS AN OFFENCE IF NEGLIGENCE IN HIS WORK ENDANGERS OR IS LIKELY TO ENDANGER SAFETY ON THE TRAMWAY. THE MAXIMUM PENALTY WILL BE A FINE OF \$5,000 AND IMPRISONMENT FOR SIX MONTHS;
- * THE MAKING OF SUBSIDIARY LEGISLATION, INCLUDING SAFETY REGULATIONS AND BY-LAWS TO COPE WITH THE MODERNISED TRAMWAY;

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- * THAT WHILST THE COMPANY MAY CONTINUE TO FIX ITS OWN FARES, MONTHLY TICKETS WILL CONTINUE TO BE ISSUED TO REGULAR COMMUTERS AT A CHARGE NOT EXCEEDING 25 TIMES THE STANDARD ADULT SINGLE JOURNEY FARE; AND
- * THE AUTHORITY OF THE GOVERNOR IN COUNCIL UNDER THE ORDINANCE TO APPROVE THE TECHNICAL MATTERS OF THE TRAMWAY WILL BE DELEGATED TO THE SCRETARY FOR TRANSPORT.

DEBATE ON THE BILL WAS ADJOURNED.

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TRADE BAN ON MEDICINES CONTAINING RHINOCEROS INGREDIENTS PROPOSED

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THE GOVERNMENT PROPOSES TO BAN TRADE IN MEDICINES CONTAINING RHINOCEROS DERIVATIVES OR INGREDIENTS, TIGHTEN CONTROL ON TRADE IN ENDANGERED SPECIES IN GENERAL, AND INCREASE THE MAXIMUM FINE TO PROVIDE THE NECESSARY DETERRENT, THE ACTING FINANCIAL SECRETARY, THE HON DAVID NENDICK, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN INTRODUCING THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) (AMENDMENT) BILL 1989 FOR A SECOND READING, MR NENDICK SAID EXISTING LEGISLATION PROVIDED FOR THE CONTROL OF TRADE IN LIVE SPECIMENS AND READILY RECOGNISABLE PARTS AND DERIVATIVES.

"IT DOES NOT, HOWEVER, ADEQUATELY COVER RHINOCEROS DERIVATIVES OR INGREDIENTS IN CERTAIN CHINESE MEDICINES," HE SAID.

MR NENDICK POINTED OUT THAT THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) ORDINANCE AND ITS SCHEDULES WERE ENACTED IN 1976, GIVING EFFECT TO THE 1973 CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (CITES), TO WHICH HONG KONG WAS A PARTY THROUGH RATIFICATION BY THE UNITED KINGDOM.

HE SAID IT WAS THEREFORE NECESSARY TO TAKE ACTION TO PROHIBIT TRADE IN MEDICINES CONTAINING RHINOCEROS INGREDIENTS IN ORDER TO COMPLY WITH THE OBLIGATIONS UNDER CITES.

"IN ADDITION, THE BILL SEEKS TO INTRODUCE ADDITIONAL PROVISIONS ON TRANSIT, IDENTIFICATION OF SPECIMENS, POWERS OF SEARCH, FORFEITURE AND DISPOSAL OF LIVE AND PERISHABLE SPECIMENS IN ORDER TO FACILITATE THE ENFORCEMENT OF THE ORDINANCE," MR NENDICK SAID.

"THE BILL ALSO INTRODUCES NEW FINES OF \$10,000 FOR GIVING FALSE INFORMATION TO OBTAIN A LICENCE AND MAKING FALSE CLAIMS IN RESPECT OF SCHEDULED SPECIES AND CONTROLLED MEDICINE AS A DETERRENT," HE EXPLAINED.

"AS TO THE EXISTING FINES, WHICH WERE FIXED IN 1976, THE BILL SEEKS TO INCREASE THEM FIVEFOLD TO RESTORE THEIR DETERRENT EFFECT," HE ADDED.

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THE PROPOSED AMENDMENTS HAD BEEN DRAWN UP IN CLOSE CONSULTATION WITH THE ENDANGERED SPECIES ADVISORY COMMITTEE.

"WE HAVE CONSULTED ALSO WITH THE TRADE ASSOCIATIONS REPRESENTING IMPORTERS AND VENDORS OF TRADITIONAL CHINESE MEDICINES.

"THEY HAVE VOICED NO OBJECTION TO THE PROPOSED BAN PROVIDED SUFFICIENT TIME IS GIVEN FOR THE DISPOSAL OF EXISTING STOCK," MR NENDICK SAID.

"WE WILL ENSURE THAT SUFFICIENT ADVANCE NOTICE IS GIVEN BEFORE THE PROHIBITION ON RHINOCEROS INGREDIENTS COMES INTO OPERATION," HE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

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OZONE LAYER PROTECTION BILL 1989 EXPLAINED

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THE OZONE LAYER PROTECTION BILL 1989 WAS DRAWN UP TO FULFILL HONG KONG'S INTERNATIONAL OBLIGATION UNDER THE MONTREAL PROTOCOL WHICH CALLED FOR A FREEZE AND SUBSEQUENT REDUCTION IN THE PRODUCTION AND CONSUMPTION OF CHLOROFLUOROCARBONS (CFC'S) AND HALONS.

THE ACTING SECRETARY FOR LANDS AND WORKS, THE HON KENNETH KWOK, SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN MOVING THE SECOND READING OF THE BILL.

"THE OZONE LAYER PROTECTS THE EARTH AND ITS INHABITANTS FROM THE SUN'S ULTRA-VIOLET RAYS.

"SINCE THE MID-1970'S, SCIENTISTS HAVE OBSERVED A GRADUAL DEPLETION OF THIS PROTECTIVE LAYER, RESULTING IN HARMFUL EFFECTS WHICH INCLUDE INCREASES IN THE INCIDENCE OF SKIN CANCER, SUPPRESSION OF HUMAN IMMUNE RESPONSES AND IMPEDED GROWTH OF LIVING MATTER," MR KWOK SAID.

"SCIENTIFIC RESEARCH HAS SHOWN THAT DESTRUCTION OF THE OZONE LAYER IS CAUSED BY CFC'S AND HALONS.

"CFC'S ARE USED IN REFRIGERATION, AIR CONDITIONING, PACKAGING, AND AS SOLVENT AND AEROSOL PROPELLANTS. HALONS ARE USED MAINLY IN FIRE FIGHTING. APART FROM DEPLETING THE OZONE LAYER, CFC'S ALSO CONTRIBUTE SUBSTANTIALLY TO THE 'GREENHOUSE EFFECT' ON GLOBAL WARMING."

MR KWOK SAID THAT IN VIEW OF THE THREAT OF OZONE DEPLETION, THE VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER HAD BEEN DRAWN UP IN 1985 TO PROVIDE AN INTERNATIONAL FRAMEWORK TO ADDRESS THE PROBLEM.

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"UNDER THE PROVISIONS OF THE CONVENTION, THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER WAS CONCLUDED IN SEPTEMBER 1987, STIPULATING MORE SPECIFIC CONTROLS. HONG KONG WAS PARTY TO BOTH AGREEMENTS," HE SAID.

THE MONTREAL PROTOCOL, WHICH CAME INTO EFFECT ON JANUARY 1 THIS YEAR, CALLED FOR A FREEZE AND SUBSEQUENT REDUCTIONS IN THE PRODUCTION AND CONSUMPTION OF CFC'S AND HALONS.

SIGNATORIES OF THE PROTOCOL HAD AGREED TO FREEZE AT THEIR 1986 LEVELS THE PRODUCTION AND CONSUMPTION OF CFC'S WITH EFFECT FROM JULY 1, 1989, AND HALONS WITH EFFECT FROM JANUARY 1, 1992. THE CONSUMPTION OF CFC'S WAS ALSO TO BE REDUCED BY 50 PER CENT OVER A PERIOD OF 10 YEARS.

"HONG KONG DOES NOT PRODUCE ANY CFC'S OR HALONS BUT CLAUSE 3 OF THE BILL PROVIDES FOR PROHIBITION AGAINST THE FUTURE MANUFACTURE OF SUCH SUBSTANCES. AT THE SAME TIME, WE ARE OBLIGED TO RESTRICT THE CONSUMPTIONS." MR KWOK SAID.

"UNDER PROVISIONS IN THE BILL, ALL IMPORTERS AND EXPORTERS ARE REQUIRED TO REGISTER WITH THE DIRECTOR OF ENVIRONMENTAL PROTECTION AND OBTAIN A LICENCE BEFORE IMPORTING OR EXPORTING THE CONTROLLED SUBSTANCES.

"WE SHALL FIRST INTRODUCE CONTROL ON THE CONSUMPTION OF CFC'S BY PUTTING IN PLACE AN ADMINISTRATIVE QUOTA SYSTEM TO ENSURE THAT THE 1986 LEVELS ARE NOT EXCEEDED.

"THE CONTROL OF THE IMPORT AND EXPORT OF HALONS WILL BE IMPLEMENTED AT A LATER STAGE."

MR KWOK SAID THAT TO ENSURE THAT REGISTRATION AND LICENSING WERE BEING IMPLEMENTED IN A FAIR AND REASONABLE MANNER, CLAUSE 8 OF THE BILL PROVIDED FOR APPEAL TO THE GOVERNOR BY NOTICE IN WRITING ADDRESSED TO THE CHIEF SECRETARY.

"THE BILL ALSO PROVIDES POWERS FOR THE GOVERNOR IN COUNCIL TO MAKE REGULATIONS FOR CONTROL OF PRODUCTS CONTAINING OR MADE WITH THE CONTROLLED SUBSTANCES AND FOR THE USE, RECOVERY, RECYCLING OR DISPOSAL OF SUCH SUBSTANCES," HE SAID.

"THIS ALSO PROVIDES THE FRAMEWORK TO INTRODUCE OTHER MEASURES AS MAY BE ENDORSED BY THE INTERNATIONAL COMMUNITY."

MR KWOK POINTED OUT THAT RESTRICTION ON IMPORT AND EXPORT OF THE CONTROLLED SUBSTANCES WAS UNLIKELY TO HAVE A SIGNIFICANT IMPACT ON THE ECONOMY AS THEY CONSTITUTED A VERY SMALL PROPORTION OF HONG KONG'S OVERALL TRADE.

THE EFFECT ON LOCAL CONSUMERS WOULD NOT BE GREAT, AS SUBSTITUTES WERE EITHER ALREADY AVAILABLE FOR MANY CFC'S USES. BETTER HOUSEKEEPING AND RECYCLING COULD ALSO SUBSTANTIALLY REDUCE DEPENDENCE ON CFC'S.

DEBATE ON THE BILL WAS ADJOURNED.

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BILL TO DESIGNATE AND CONTROL DRIVER TRAINING SCHOOLS
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THE SECRETARY FOR TRANSPORT, THE HON MICHAEL LEUNG, INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) A BILL WHICH WOULD GIVE THE COMMISSIONER FOR TRANSPORT THE AUTHORITY TO DESIGNATE DRIVER TRAINING SCHOOLS AND TO REGULATE THEIR OPERATION.

MOVING THE SECOND READING OF THE ROAD TRAFFIC (AMENDMENT) BILL 1989, MR LEUNG SAID AT PRESENT THERE WAS NO LEGISLATION GOVERNING SUCH SCHOOLS AND DRIVING COURSE CONTENTS.

SINCE IT WAS THE GOVERNMENT'S POLICY TO ENCOURAGE OFF-STREET DRIVER TRAINING, AND REGULATIONS WOULD BE INTRODUCED TO REQUIRE LEARNER MOTORCYCLISTS TO TAKE COMPULSORY BASIC TRAINING IN DRIVING SCHOOLS, IT WAS NECESSARY TO ESTABLISH A PROPER LEGAL FRAMEWORK TO CONTROL DRIVER TRAINING SCHOOLS, HE SAID.

THE BILL PROPOSED TO EMPOWER THE COMMISSIONER TO DESIGNATE DRIVING SCHOOLS FOR A MAXIMUM PERIOD OF FIVE YEARS AND TO LAY DOWN CONDITIONS REGARDING THE NECESSARY REQUIREMENTS, PROCEDURES AND STANDARDS.

THESE INCLUDED THE CONTENT AND DURATION OF DRIVING COURSES, DRIVER TRAINING FACILITIES TO BE PROVIDED, AND SAFETY MEASURES AND EQUIPMENT.

THE COMMISSIONER WAS ALSO AUTHORISED TO SPECIFY THE TUITION FEES FOR MANDATORY OFF-STREET MOTORCYCLE AND MOTOR TRICYCLE TRAINING, AND TO INSPECT DESIGNATED DRIVING SCHOOLS.

HE MIGHT ALSO REVOKE THE DESIGNATION IF AN OPERATOR WAS IN BREACH OF THE CONDITIONS AND ANY OTHER LEGAL PROVISIONS.

HOWEVER, AN OPERATOR COULD APPEAL TO THE TRANSPORT TRIBUNAL TO REVIEW THE COMMISSIONER'S DECISION, MR LEUNG ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

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LONG TERM TRANSPORT STRATEGY OUTLINED IN GREEN PAPER

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THE SECRETARY FOR TRANSPORT, THE HON MICHAEL LEUNG, TABLED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) A GREEN PAPER ON TRANSPORT POLICY IN HONG KONG, SETTING OUT FOR PUBLIC CONSULTATION A LONG TERM STRATEGY TO KEEP HONG KONG'S TRANSPORT SYSTEM MOVING INTO THE 21ST CENTURY.

MR LEUNG EMPHASISED THAT THE PUBLICATION OF THE CONSULTATIVE DOCUMENT DID NOT MEAN THAT THERE WAS A NEED TO CHANGE THE BASIC PRINCIPLES OF HONG KONG'S TRANSPORT POLICY.

HE SAID THE THREE BASIC PRINCIPLES SET OUT IN THE 1979 WHITE PAPER HAD STOOD THE TEST OF TIME -- TO IMPROVE THE TRANSPORT INFRASTRUCTURE; TO EXPAND AND IMPROVE PUBLIC TRANSPORT; AND TO MAKE MORE ECONOMIC USE OF THE ROAD SYSTEM.

BECAUSE CONTINUOUS FORWARD PLANNING WAS THE KEY TO OUR SUCCESS IN COPING WITH THE RAPID GROWTH IN TRANSPORT DEMAND AND TO REVIEW THE STRATEGY TO MEET FUTURE CHALLENGES, THE SECOND COMPREHENSIVE TRANSPORT STUDY (CTS-2) WAS COMMISSIONED IN 1986, HE SAID.

HE POINTED OUT THAT SINCE THE CTS-1 IN 1976 AND UP TO 1988, THE VEHICLE FLEET INCREASED BY 75 PER CENT, PUBLIC TRANSPORT PATRONAGE INCREASED BY ABOUT 65 PER CENT, AND THE TOTAL VOLUME OF TRAVEL MORE THAN DOUBLED.

THE GOVERNMENT REMAINED COMMITTED TO A COMPREHENSIVE AND LONG TERM INFRASTRUCTURE BUILDING PROGRAMME, HE SAID.

MR LEUNG RECALLED THAT MOST OF THE PROJECTS RECOMMENDED BY THE CTS-1 IN 1976 HAD BEEN COMPLETED.

FOR THE NEXT DECADE, THE ROAD AND RAIL PROJECTS OUTLINED IN THE GREEN PAPER WOULD REQUIRE AN ESTIMATED TOTAL INVESTMENT OF \$29 BILLION TO MEET THE ANTICIPATED NEED FOR LINKING THE NEW TOWNS AND THE URBAN AREAS, PROVIDING ADDITIONAL HARBOUR CROSSINGS AND CROSS BORDER ROUTES.

HOWEVER, MR LEUNG STRESSED: "WE SIMPLY CANNOT BUILD OURSELVES OUT OF CONGESTION."

HE SAID THAT ROAD AND RAIL CONSTRUCTION HAD BECOME MORE EXPENSIVE AND DIFFICULT. "ALSO, WE CANNOT BUILD INDISCRIMINATELY, AS CONSIDERATION WILL NEED TO BE GIVEN TO PRESERVING AND IMPROVING OUR ENVIRONMENT."

TURNING TO THE PUBLIC TRANSPORT SYSTEM, WHICH WOULD CONTINUE TO BE ONE OF THE KEY ELEMENTS OF THE TRANSPORT STRATEGY, MR LEUNG SAID HONG KONG'S PUBLIC TRANSPORT SYSTEM WAS SECOND TO NONE IN PROVIDING A COMPREHENSIVE NETWORK, WITH A WIDE CHOICE OF MODES AT REASONABLE FARES.

/"DESPITE HEAVY

"DESPITE HEAVY CONGESTION AT PEAK HOURS," HE SAID, "IT IS EASIER TO TRAVEL AROUND HONG KONG THAN LONDON, TOKYO AND MANY OTHER CITIES."

HE EXPLAINED THAT THE BASIC PHILOSOPHY OF THE PUBLIC TRANSPORT SYSTEM WAS THAT THE OPERATION OF DIFFERENT MODES SHOULD BE CARRIED OUT BY THE PRIVATE SECTOR OR BY PUBLIC CORPORATION OPERATING ON COMMERCIAL PRINCIPLES, WITH THE GOVERNMENT PROVIDING A STATUTORY FRAMEWORK, MONITORING AND CO-ORDINATION.

THE INTER-MODAL CO-ORDINATION POLICY WOULD CONTINUE TO BE THE BASIS FOR MAINTAINING A BALANCED AND EFFICIENT SYSTEM, MR LEUNG SAID.

"THIS MAINTAINS A GOOD RANGE OF PUBLIC TRANSPORT SERVICES; ENCOURAGES THE USE OF OFF-STREET MODES; KEEPS THE TRAVELLING COST LOW; AND GIVES DUE WEIGHT TO CONSUMER COMFORT AND CONVENIENCE.

"THE POLICY WILL CONTINUE TO BE APPLIED FLEXIBLY TO MEET CHANGING TRANSPORT DEMANDS AND DEVELOPMENTS," HE SAID.

ON ROAD MANAGEMENT, MR LEUNG BELIEVED THAT WITHOUT EFFECTIVE MANAGEMENT MEASURES VEHICULAR TRAFFIC WOULD IMPEDE THE SMOOTH FLOW OF GOODS AND SERIOUSLY UNDERMINE THE EFFICIENCY OF ROAD-BASED PUBLIC TRANSPORT SERVICES AND HOLD UP EMERGENCY VEHICLES.

ECONOMIC SUCCESS HAD GENERATED AN ENORMOUS DEMAND FOR GOODS MOVEMENTS. THE RAPID GROWTH IN RECENT YEARS OF CROSS BORDER GOODS VEHICLE TRAFFIC IMPOSED FURTHER STRAINS ON THE ROAD NETWORK.

MR LEUNG SAW THE NEED TO MANAGE THE GROWTH OF GOODS VEHICLE TRAFFIC WITHOUT ADVERSELY AFFECTING THE ECONOMY. "AT THE SAME TIME, INCREASING AFFLUENCE GENERATES A NATURAL DEMAND FOR HIGH QUALITY MEANS OF TRAVEL AND CAR OWNERSHIP," HE SAID.

"THERE ARE NOW 324,000 LICENSED VEHICLES, OR ABOUT 230 VEHICLES FOR EVERY KILOMETRE OF ROAD, ONE OF THE HIGHEST DENSITIES OF TRAFFIC ANYWHERE IN THE WORLD.

"WE HAVE MORE COMMERCIAL VEHICLES PER KILOMETRE OF ROAD THAN MOST OTHER COUNTRIES HAVE TOTAL VEHICLES PER KILOMETRE.

"THE TOTAL PATRONAGE OF PUBLIC TRANSPORT IS FAST APPROACHING 10 MILLION BOARDINGS PER DAY.

"YET MOST OF THESE ACTIVITIES ARE CONCENTRATED INTO A BUILT-UP AREA OF LESS THAN 100 SQUARE KILOMETRES; MUCH OF THIS CONTAINS SOME OF THE HIGHEST DENSITY RESIDENTIAL AREAS IN THE WORLD."

THE GREEN PAPER SET OUT A WIDE RANGE OF POSSIBLE MEASURES TO ACHIEVE MORE EFFECTIVE USE OF ROAD SPACE BY GIVING PRIORITY TO THE MORE EFFICIENT AND ESSENTIAL ROAD USERS, AND MANAGING TRAVEL DEMAND TO A LEVEL WITH WHICH THE ROAD SYSTEM COULD COPE.

/MR LEUNG

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MR LEUNG POINTED OUT THAT SOME CONGESTION WAS INEVITABLE AND THAT THE TASK AHEAD WAS TO KEEP IT WITHIN ACCEPTABLE LIMITS IN TERMS OF TIME AND COST TO THE COMMUNITY.

HE SAID BETTER CO-ORDINATION OF LAND USE AND TRANSPORT PLANNING WOULD HELP REDUCE PRESSURE ON THE TRANSPORT SYSTEM. THIS WOULD REQUIRE THE FULLEST CO-OPERATION BETWEEN TRANSPORT AND TOWN PLANNERS.

"THIS MEANS, FOR EXAMPLE, LOCATING EMPLOYMENT OPPORTUNITIES CLOSE TO RESIDENTIAL AREAS, PLACING PORT AND FREIGHT TERMINALS NEAR WAREHOUSES AND INDUSTRIES, AND REDUCING THE DENSITY OF LAND DEVELOPMENT," HE SAID.

MR LEUNG ALSO CALLED ON THE COMMUNITY TO PLAY AN ACTIVE ROLE IN REDUCING PEAK HOUR CONGESTION BY, FOR EXAMPLE, SUPPORTING A GREATER USE OF FLEXI-TIME AND STAGGERED WORKING HOURS.

"THE GOVERNMENT IS KEEN TO EXPLORE ANY SUCH METHODS TO REDUCE THE NEED FOR REGULATION AND RESTRAINTS. THUS ONE OF THE MAIN PURPOSES OF THE CONSULTATION IS TO FIND OUT HOW THE COMMUNITY CAN HELP AND WHAT PRACTICAL INCENTIVES GOVERNMENT CAN PROVIDE TO BRING THIS ABOUT," HE SAID.

MR LEUNG SAID THE GREEN PAPER ONLY SET OUT POSSIBLE ALTERNATIVES IN TACKLING THE TRANSPORT PROBLEMS IN THE NEXT DECADE.

"THE GOVERNMENT NEEDS PUBLIC VIEWS TO HELP DETERMINE THE PRACTICABILITY AND ACCEPTABILITY OF THESE ALTERNATIVES AND WELCOMES ANY SUGGESTIONS ON OTHER OPTIONS," HE ADDED.

MR LEUNG HOPED THE GREEN PAPER WOULD GENERATE FULL AND CONSTRUCTIVE PUBLIC DEBATE AND DISCUSSIONS SO THAT A BALANCED TRANSPORT STRATEGY COULD BE FINALISED AFTER THE FOUR-MONTH CONSULTATION PERIOD ENDING SEPTEMBER 30.

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POLICE COMPLAINTS COMMITTEE'S REPORT FOR 1988

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THE POLICE COMPLAINTS COMMITTEE HAS RELEASED ITS ANNUAL REPORT FOR 1988. THE COMMITTEE WAS SET UP IN EARLY 1986 TO TAKE OVER THE WORK PREVIOUSLY UNDERTAKEN BY THE FORMER UMELCO POLICE GROUP. IT OVERSEES THE HANDLING BY THE POLICE OF COMPLAINTS BY THE PUBLIC.

TABLING THE REPORT IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) IN HIS CAPACITY AS CHAIRMAN OF THE POLICE COMPLAINTS COMMITTEE, DR THE HON DANIEL TSE SAID THAT DURING THE YEAR 1988, THE COMMITTEE HAD REVIEWED AND ENDORSED 3,516 COMPLAINT CASES, EMBRACING 5,451 ALLEGATIONS, PROCESSED BY THE COMPLAINTS AGAINST THE POLICE OFFICE (CAPO) OF THE ROYAL HONG KONG POLICE FORCE.

THE REPORT STATES THAT THE LARGEST SINGLE SUBJECT OF COMPLAINT WAS ABOUT OVERBEARING, IMPOLITE CONDUCT OR ABUSIVE LANGUAGE OF POLICE OFFICERS (25 PER CENT OF THE TOTAL NUMBER OF ALLEGATIONS). THIS WAS FOLLOWED BY ASSAULT (23.7 PER CENT), NEGLIGENCE OF DUTY OR IMPROPER ACTION (22.1 PER CENT), UNNECESSARY USE OF AUTHORITY (14.2 PER CENT) AND FABRICATION OF EVIDENCE (8.7 PER CENT).

IN ADDITION, THE REPORT STATES THAT AS A RESULT OF INVESTIGATIONS INTO COMPLAINTS CARRIED OUT BY OR ON BEHALF OF THE CAPO AND MONITORED BY THE COMMITTEE, APPROPRIATE LEGAL PROCEEDINGS, DISCIPLINARY OR INTERNAL ACTIONS WERE TAKEN AGAINST 1,210 POLICE OFFICERS DURING THE YEAR 1988.

HOWEVER, THE REPORT POINTS OUT THAT THE NUMBER OF PUBLIC COMPLAINTS SHOULD BE SEEN IN THE LIGHT OF THE DIFFICULT FRONT-LINE NATURE OF POLICE WORK. THEY SHOULD ALSO BE SEEN IN THE CONTEXT OF THE 3.3 MILLION POTENTIAL POLICE-PUBLIC CONFRONTATIONS DURING THE YEAR. (THESE INCLUDED 1.9 MILLION PERSONS STOPPED AND CHECKED THROUGH THE POLICE OPERATIONAL NOMINAL INDEX COMPUTER SYSTEM (PONICS) AND 1.4 MILLION TRAFFIC SUMMONSES AND TICKETS ISSUED).

DR TSE ALSO SAID THAT THE COMMITTEE, THROUGH THE SUPPORT OF AN INDEPENDENT SECRETARIAT, HAD BEEN ABLE TO VET IN DETAIL EACH AND EVERY COMPLAINT CASE PROCESSED BY THE CAPO. IN REVIEWING THE COMPLAINT CASES, THE COMMITTEE HAD ALSO PROPOSED A NUMBER OF REVIEWS OF, AND CHANGES TO, POLICE PRACTICES, PROCEDURES AND INSTRUCTIONS, WITH A VIEW TO IMPROVING UPON THE OVERALL EFFECTIVENESS OF THE COMPLAINTS SYSTEM AND ASSISTING THE COMMISSIONER OF POLICE IN MINIMISING PUBLIC COMPLAINTS AGAINST THE POLICE. SOME OF THE STUDIES AND CHANGES INITIATED BY THE COMMITTEE WERE:

- (A) THE REFINEMENT OF MEDICAL REPORT FORMS FOR COMPLAINT CASES CONCERNING ASSAULT;
- (B) A REVIEW OF THE RELEVANT POLICE GENERAL ORDERS ON HANDCUFFING LEADING TO THE RE-BRIEFING OF POLICE OFFICERS ON THE APPROPRIATE USE OF HANDCUFFS;

/(C) TO FACILITATE

- (C) TO FACILITATE THE RECLAIMING OF VEHICLES RETAINED BY THE POLICE, THE ISSUE OF A NOTE BY POLICE TRAFFIC UNITS TO DRIVERS CONCERNED, EXPLAINING THE PROCEDURES TO BE FOLLOWED;
- (D) AN EXAMINATION OF THE POLICE PROCEDURES AND THE LEVEL OF AUTHORISATION TO CURTAIL MINOR INVESTIGATIONS;
- (E) A REVIEW OF THE RELEVANT POLICE GENERAL ORDERS GOVERNING THE HANDLING OF REPORTS ON INDECENT EXPOSURE;
- (F) BRIEFINGS TO CAPO OFFICERS ON THE NEED TO SEEK THE OPINION OF THE CONSULTANT FORENSIC PATHOLOGIST WHERE AN ALLEGATION OF ASSAULT IS LIKELY TO BE RAISED IN COURT; AND
- (G) THE ISSUE OF INSTRUCTIONS TO BRIEF POLICE OFFICERS CONCERNED THAT THEY SHOULD INITIATE "BENCH WARRANT" OR "FUNCTION 60" (WANTED VEHICLES) CHECKS FOR OUTSTANDING TRAFFIC WARRANTS BEFORE COMMENCING WRITING OUT FIXED PENALTY TICKETS OR MAKING NOTEBOOK ENTRIES, IN ORDER TO REDUCE TO A MINIMUM DELAYS AND INCONVENIENCE CAUSED TO MEMBERS OF THE PUBLIC.

THE REPORT ALSO NOTES THAT A TOTAL OF 3,230 COMPLAINT CASES WERE REGISTERED BY THE CAPO IN 1988, REPRESENTING A DECREASE OF 16.9 PER CENT OVER THE FIGURE OF 3,885 IN 1987 AND A DECREASE OF 28.9 PER CENT OVER THE 4,544 COMPLAINT CASES REGISTERED IN 1986. AS IN PREVIOUS YEARS, THE MAJORITY OF COMPLAINT CASES (91.7 PER CENT) WERE MADE DIRECT TO THE POLICE FORCE.

DURING THE YEAR, THE COMMITTEE HAS ENDORSED THE ADOPTION OF AN INFORMAL RESOLUTION SCHEME TO RESOLVE COMPLAINTS ARISING AS A RESULT OF A FAULT IN PROCEDURE OR POLICY; A GENUINE MISUNDERSTANDING; AND CIRCUMSTANCES OUTSIDE THE CONTROL OF THE OFFICERS CONCERNED. THIS SCHEME ENABLES SUCH COMPLAINTS TO BE INFORMALLY RESOLVED THROUGH PERSONAL DISCUSSION BETWEEN THE INVESTIGATION OFFICERS AND THE COMPLAINANTS AS OPPOSED TO A FORMAL INVESTIGATION. IT IS INTENDED THAT THE SCHEME WILL BE INTRODUCED IN PHASES.

THE POLICE COMPLAINTS COMMITTEE IS AN INDEPENDENT MONITORING GROUP APPOINTED BY THE GOVERNOR. IN 1988, THE COMMITTEE COMPRISED A CHAIRMAN AND A VICE-CHAIRMAN, BOTH DRAWN FROM OMELCO AND NINE MEMBERS, ALL OF WHOM ARE JUSTICES OF THE PEACE. THE ATTORNEY GENERAL IS AN OFFICIAL REPRESENTATIVE ON THE COMMITTEE.

APPROVAL FOR INCREASE IN TELEPHONE CHARGES
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THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) APPROVED A RESOLUTION WHICH WILL ALLOW THE HONG KONG TELEPHONE COMPANY TO INCREASE TARIFF CHARGES FROM TOMORROW (THURSDAY).

THE MAJOR ITEMS INVOLVED ARE INCREASES IN EXCHANGE LINE RENTAL CHARGES, AND THE EFFECT ON ORDINARY BUSINESS AND RESIDENTIAL SUBSCRIBERS WOULD BE MODEST. THE ACTING FINANCIAL SECRETARY, THE HON DAVID NENDICK, TOLD THE COUNCIL.

THE MONTHLY COST OF AN ORDINARY EXCHANGE LINE FOR BUSINESS USE WILL BE INCREASED FROM \$66 TO \$70, AND FOR A RESIDENTIAL EXCHANGE LINE FROM \$43 TO \$48.

THE MONTHLY RENTAL CHARGE FOR A STANDARD TELEPHONE WILL RISE BY \$1, FROM \$5 TO \$6, TO COVER THE COST OF AN UPGRADING PROGRAMME. MR NENDICK SAID THAT IN MONETARY TERMS THIS WAS A MODEST INCREASE.

THE PRESENT CHARGES OF \$72 PER ANNUM FOR THE RENTAL OF AN INTERNAL EXTENSION, AND OF \$100 FOR THE CONNECTION AND CHANGE OF STARLINE FEATURES WILL BE ABOLISHED.

IN MOVING THE MOTION TO AMEND THE SCHEDULE TO THE TELEPHONE ORDINANCE OF MAXIMUM CHARGES THAT MAY BE LEVIED BY THE TELEPHONE COMPANY, MR NENDICK SAID CHARGES FOR LINE RENTALS AND INSTALLATION, AND OTHER MISCELLANEOUS CHARGES WERE LAST INCREASED IN OCTOBER 1985.

HE NOTED THAT BASED ON PROJECTIONS AVAILABLE AT THE TIME, IT WAS CONSIDERED A FURTHER ROUND OF INCREASES WOULD NOT BE REQUIRED UNTIL EARLY 1988.

"IT HAS BEEN POSSIBLE TO DELAY THESE INCREASES BY OVER A YEAR AS A RESULT OF HIGHER THAN EXPECTED SALES, AND IMPROVED PRODUCTIVITY AND OPERATING EFFICIENCY ON THE PART OF THE COMPANY," HE SAID.

"IT IS WORTH NOTING THAT OVER THE PAST TEN YEARS, TELEPHONE TARIFFS HAVE RISEN BY LESS THAN HALF THE RATE OF INFLATION," MR NENDICK POINTED OUT.

HE SAID THE COMPANY APPLIED TO INCREASE ITS TARIFFS IN FEBRUARY BY AN OVERALL AVERAGE OF SEVEN PER CENT IN ORDER TO MEET INCREASED OPERATING COSTS, TO MAINTAIN ITS HIGH STANDARD OF SERVICE AND TO KEEP PACE WITH GROWING DEMAND.

"THE APPLICATION HAS BEEN THOROUGHLY EXAMINED AND THE ITEMS IN THE RESOLUTION NOW BEFORE THIS COUNCIL ARE CONSIDERED JUSTIFIED." HE ADDED.

"BASED ON CURRENT PROJECTIONS, THERE IS UNLIKELY TO BE ANY REQUIREMENT FOR FURTHER INCREASES UNTIL 1991."

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HKECIC MAXIMUM LIABILITY RAISED TO \$6,000 MILLION

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THE MAXIMUM CONTINGENT LIABILITY OF THE HONG KONG EXPORT CREDIT INSURANCE CORPORATION WAS RAISED BY \$1,000 MILLION TO \$6,000 MILLION BY RESOLUTION OF THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

A MOTION SEEKING THE INCREASE WAS MOVED BY THE ACTING FINANCIAL SECRETARY, THE HON DAVID NENDICK.

MR NENDICK EXPLAINED THAT IN FEBRUARY LAST YEAR THE CORPORATION'S MAXIMUM CONTINGENT LIABILITY HAD BEEN INCREASED BY \$800 MILLION, TO \$5,000 MILLION.

"SINCE THEN, THE CORPORATION'S LIABILITY UNDER CONTRACTS OF INSURANCE HAS RISEN AT A RATE OF ABOUT \$130 MILLION PER QUARTER. AS AT MARCH 31, 1989, THE FIGURE STOOD AT \$4,682 MILLION," HE SAID.

"IN ADDITION, THERE IS POTENTIAL COMMITMENT IN RESPECT OF NEW POLICIES AND POLICIES PENDING RENEWAL TOTALLING \$152 MILLION, LEAVING ONLY \$166 MILLION FOR NEW BUSINESS.

"GIVEN THIS RATE OF INCREASE, THE CORPORATION'S ADVISORY BOARD ESTIMATES THAT THE EXISTING STATUTORY LIMIT MAY BE REACHED SHORTLY.

"IT HAS THEREFORE RECOMMENDED THAT THE MAXIMUM CONTINGENT LIABILITY CEILING BE INCREASED BY \$1,000 MILLION TO \$6,000 MILLION," MR NENDICK SAID.

HE POINTED OUT THAT FAILURE TO RAISE THIS LIMIT COULD RESULT IN THE CORPORATION HAVING TO TURN AWAY FURTHER BUSINESS AND HENCE TO DISCOURAGE OUR EXPORTS.

"I WOULD LIKE TO STRESSES THAT THE MAXIMUM LIABILITY IS A THEORETICAL CONTINGENT AMOUNT. IT IS NEVER LIKELY TO BE AT RISK AS A WHOLE AT ANY ONE TIME," HE ADDED.

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SUMMARY OF CHANGES MADE TO THIRD QUARTER ESTIMATES

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A SUMMARY OF ALL CHANGES MADE TO THE APPROVED ESTIMATES OF EXPENDITURE FOR THE THIRD QUARTER OF THE 1988-89 FINANCIAL YEAR WAS TABLED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) BY THE ACTING FINANCIAL SECRETARY, THE HON DAVID NENDICK.

SUPPLEMENTARY PROVISION OF \$264.7 MILLION WAS APPROVED, MR NENDICK SAID.

"THIS INCLUDED \$151 MILLION FOR THE PURCHASE OF WATER FROM CHINA.

/THE PROVISION

"THE PROVISION WAS FULLY OFFSET EITHER BY SAVINGS UNDER THE SAME OR OTHER HEADS OF EXPENDITURE OR BY DELETION OF FUNDS UNDER THE ADDITIONAL COMMITMENTS SUBHEADS," HE SAID.

APPROVED NON-RECURRENT COMMITMENTS WERE INCREASED BY \$74.9 MILLION DURING THE PERIOD. AND NEW NON-RECURRENT COMMITMENTS OF \$276.5 MILLION WERE ALSO APPROVED, MR NENDICK SAID.

IN THE SAME PERIOD, A NET INCREASE OF 1,361 POSTS WAS APPROVED.

HE ADDED THAT ITEMS IN THE SUMMARY HAD BEEN APPROVED EITHER BY THE FINANCE COMMITTEE OR UNDER DELEGATED AUTHORITY, AND THE LATTER HAD BEEN REPORTED TO THE FINANCE COMMITTEE.

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CHANGES AIMED AT PRODUCING WORKABLE POLITICAL SYSTEM FOR SAR

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MEMBERS OF THE EXECUTIVE AND LEGISLATIVE COUNCILS HAVE AGREED TO RECOMMEND CERTAIN CHANGES TO THE SECOND DRAFT OF THE BASIC LAW WHICH WILL PRODUCE A WORKABLE POLITICAL SYSTEM FOR THE FUTURE HONG KONG SPECIAL ADMINISTRATIVE REGION -- A SYSTEM THAT WILL PRESERVE THE TERRITORY'S ECONOMIC PROSPERITY AND ENSURE ITS FREEDOM, JUSTICE AND DEMOCRACY IN THE 50 YEARS BEYOND 1997.

IN MOVING A MOTION IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE SENIOR MEMBER, THE HON ALLEN LEE, SAID HE WAS PROUD OF THE FACT THAT AFTER WEEKS OF SOUL-SEARCHING AND DISCUSSION, MEMBERS WERE ABLE TO PUT ASIDE THEIR "DIVERSE AND STRONG PERSONAL VIEWS" IN THE OVERALL INTEREST OF HONG KONG, AND TO REACH BROAD AGREEMENT ON CERTAIN MAJOR ISSUES IN THE SECOND DRAFT.

HIS MOTION READS: "THAT THIS COUNCIL CALLS ON THE PEOPLE OF HONG KONG TO EXPRESS THEIR VIEWS ON THE BASIC LAW OF HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA (DRAFT) AND URGES THE AUTHORITIES CONCERNED TO TAKE SUCH VIEWS FULLY INTO ACCOUNT BEFORE THE PROMULGATION OF THE BASIC LAW."

MR LEE POINTED OUT THAT WHILE RECENT EVENTS IN HONG KONG HAD CLEARLY SHOWN THAT THE COMMUNITY WAS NOT POLITICALLY APATHETIC, MEMBERS RECOGNISED THAT THERE WAS A NEED TO PROVIDE PEOPLE WITH A FOCUS ON MAJOR ISSUES TO WHICH THEY COULD TURN.

"WHAT MY HONOURABLE COLLEAGUES WILL SAY TODAY AND TOMORROW IN THIS CHAMBER WILL, I HOPE, PROVIDE INSPIRATION AND A FOCUS FOR THE COMMUNITY IN THEIR STUDY OF THE DRAFT BASIC LAW, AND ASSIST THEM IN COMING TO A VIEW ON WHAT THEY WANT TO SEE ENSHRINED IN THE BASIC LAW, SO THAT THEY CAN ENSURE THAT THE PRINCIPLE OF ONE COUNTRY, TWO SYSTEMS PROMISED IN THE SINO-BRITISH JOINT DECLARATION WILL BE ADHERED TO, AND TO FORM A GOVERNMENT THAT IS TRULY HONG KONG PEOPLE RULING HONG KONG," HE SAID.

/MR LEE

MR LEE FOCUSED ON MEMBERS' RECOMMENDATIONS PERTAINING TO THE POLITICAL STRUCTURE OF THE FUTURE HKSAR WHERE AGREEMENT HAD BEEN REACHED, AND EXPLAINED THE REASONS FOR THOSE RECOMMENDATIONS.

ON THE RELATIONSHIP BETWEEN THE EXECUTIVE AND THE LEGISLATURE, MR LEE STRESSED THE IMPORTANCE OF A CO-OPERATIVE WORKING RELATIONSHIP AS WELL AS SUFFICIENT CHECKS AND BALANCES AGAINST POSSIBLE ABUSE OF POWER BETWEEN THE TWO ORGANS OF POWER.

MEMBERS FELT THAT THE MODEL PROPOSED IN THE BASIC LAW DID NOT DEFINE THIS RELATIONSHIP CLEARLY. THEY PROPOSED THAT THE MANY UNWRITTEN CONVENTIONS IN THE EXISTING GOVERNMENT STRUCTURE WHICH HAD PROVED TO BE EFFECTIVE IN ENCOURAGING A CO-OPERATIVE WORKING RELATIONSHIP SHOULD BE FORMALISED AND PRESERVED.

THOSE CONVENTIONS INCLUDED CLOSE CONSULTATION BETWEEN THE ADMINISTRATION AND OMELCO PANELS AND LEGISLATIVE COUNCIL AD HOC GROUPS; OVERLAPPING MEMBERSHIP BETWEEN THE EXECUTIVE COUNCIL AND THE LEGISLATIVE COUNCIL; AND A WIDE CONSULTATION PROCESS THROUGH AN EXTENSIVE NETWORK OF ADVISORY BOARDS AND COMMITTEES PRIOR TO THE MAKING OF POLICY DECISIONS BY THE EXECUTIVE COUNCIL.

"WE RECOMMEND, THEREFORE, IN RELATION TO ARTICLE 55, THAT THE CHIEF EXECUTIVE SHOULD APPOINT AT LEAST HALF OF THE EXECUTIVE COUNCIL MEMBERS FROM AMONG MEMBERS OF THE LEGISLATIVE COUNCIL," MR LEE SAID.

THIS REQUIREMENT WOULD ENSURE THAT THE CHIEF EXECUTIVE HAD REASONABLE SUPPORT IN A FULLY ELECTED LEGISLATURE, AND THAT THE LEGISLATURE HAD INFLUENCE IN THE POLICY MAKING PROCESS.

THE MEMBERS OF THE EXECUTIVE COUNCIL APPOINTED FROM THE LEGISLATIVE COUNCIL SHOULD HELP TO EXPLAIN AND OBTAIN SUPPORT ON THE ONE HAND, AND ACT AS A CHECK ON EXCO'S POLICY MAKING PROCESS ON THE OTHER. HE EXPLAINED.

TO FURTHER STRENGTHEN THE LINK BETWEEN THE LEGISLATURE AND THE EXECUTIVE, MEMBERS FELT THAT LEGISLATIVE COUNCIL MEMBERS SHOULD BE INVOLVED IN THE MAJOR POLICY DECISION MAKING PROCESS OF THE EXECUTIVE COUNCIL AT AN EARLY STAGE, AND HERE THE ADVISORY BOARDS AND COMMITTEES WOULD HAVE AN IMPORTANT PART TO PLAY.

"HOWEVER, IN VIEW OF THE LARGE NUMBER OF ADVISORY BODIES AND THE RELATIVELY SMALL NUMBER OF LEGISLATIVE COUNCIL MEMBERS, WE FEEL THAT IT IS ONLY NECESSARY TO SPECIFY THAT THE LATTER SHOULD BE APPOINTED TO ADVISORY COMMITTEES IN MAJOR POLICY AREAS WHICH WILL BE DECIDED BY THE CHIEF EXECUTIVE IN ACCORDANCE WITH THE COMMUNITY'S NEEDS AT THE TIME," HE SAID.

TURNING TO THE SELECTION OF THE CHIEF EXECUTIVE, MR LEE SAID THAT MEMBERS HAD COME TO A UNANIMOUS VIEW THAT THE CHIEF EXECUTIVE SHOULD BE ELECTED BY UNIVERSAL SUFFRAGE NO LATER THAN 2003.

"FOLLOWING THIS CONSENSUS, MEMBERS OF BOTH COUNCILS WILL NOW PROCEED TO SCRUTINISE AND DISCUSS THE DETAILS RELATED TO THE SELECTION OF THE CHIEF EXECUTIVE, AND WHERE NECESSARY TO CONSULT THE ORGANISATION WHICH THEY REPRESENT," HE SAID.

ON THE FORMATION AND COMPOSITION OF THE FUTURE LEGISLATURE, MR LEE REITERATED MEMBERS' SUPPORT FOR THE TIMETABLE OF INTRODUCING 50 PER CENT DIRECTLY ELECTED SEATS IN 1997 AND 100 PER CENT DIRECTLY ELECTED SEATS IN 2003.

"WE ALSO AGREED THAT THIS CLEAR TIMETABLE IS NEEDED TO PROVIDE A FOCUS TOWARDS WHICH THE COMMUNITY COULD WORK, AND THAT THE REFERENDUM ENVISAGED IN ANNEX II OF THE SECOND DRAFT WOULD THEREFORE NOT BE NECESSARY," HE ADDED.

IN CONSIDERING THE DEVELOPMENT TOWARDS THE ULTIMATE AIM OF HAVING ALL MEMBERS DIRECTLY ELECTED IN 2003, MEMBERS HAD TAKEN INTO ACCOUNT THE NEED FOR "ORDERLY PROGRESSION" TO AVOID ABRUPT CHANGES WHICH COULD BE UNSETTLING, AND RECOGNISED THE NEED TO RETAIN FUNCTIONAL CONSTITUENCY SEATS DURING THE TRANSITION PERIOD AND IN THE EARLY YEARS OF THE HKSAR.

"EXPERIENCE HAS SHOWN THAT FUNCTIONAL CONSTITUENCY REPRESENTATIVES HAVE A DISTINCT AND EFFECTIVE CONTRIBUTION TO THE WORK OF THE LEGISLATURE, AND IT WOULD SUIT HONG KONG'S UNIQUE CIRCUMSTANCES TO RETAIN THESE SEATS UNTIL 2003 WHILE THE COMMUNITY PREPARES ITSELF FOR A FULLY DIRECTLY ELECTED LEGISLATURE," HE SAID.

BASED ON THESE REASONS, MEMBERS RECOMMENDED THAT IN 1997, OF THE TOTAL 60 SEATS, 30 SHOULD BE FILLED BY DIRECT ELECTIONS AND 30 FROM FUNCTIONAL CONSTITUENCIES; THAT IS 50 PER CENT OF THE SEATS SHOULD BE FILLED BY DIRECT ELECTIONS.

IN 1999, THE SECOND TERM OF THE SPECIAL ADMINISTRATIVE REGION LEGISLATURE, THE NUMBER OF DIRECTLY ELECTED SEATS SHOULD INCREASE FROM 30 TO 60. WHILE THE NUMBER OF FUNCTIONAL CONSTITUENCY SEATS SHOULD REMAIN UNCHANGED. HENCE, THERE WOULD BE A TOTAL OF 90 SEATS, 66 PER CENT OF WHICH WOULD BE FILLED BY DIRECT ELECTIONS.

IN 2003, THE THIRD TERM, THE NUMBER OF DIRECTLY ELECTED SEATS SHOULD BE FURTHER INCREASED BY 30, THAT IS FROM 60 TO 90. THIS WOULD MAKE UP THE ENTIRE LEGISLATURE, THEREBY ACHIEVING 100 PER CENT UNIVERSAL SUFFRAGE.

"THE SIZE OF THE LEGISLATIVE COUNCIL WILL BE SLIGHTLY LARGER THAN THAT PROPOSED IN THE BASIC LAW DRAFT IN ORDER TO ACCOMMODATE THE CHANGES WE RECOMMEND AND TO COPE WITH THE WORKLOAD ENVISAGED," MR LEE SAID.

HE URGED ALL SECTORS OF THE COMMUNITY TO CAREFULLY CONSIDER THE RECOMMENDATIONS ALREADY AGREED BY MEMBERS ON THE POLITICAL STRUCTURE OF THE FUTURE HKSAR GOVERNMENT. MEANWHILE, MEMBERS OF THE TWO COUNCILS WOULD CONTINUE TO STUDY THE DRAFT BASIC LAW IN DETAIL, WITH A VIEW TO REACHING FURTHER CONSENSUS ON OTHER IMPORTANT AREAS.

MR LEE HOPED THAT WHEN VIEWS BY MEMBERS OF THE COMMUNITY REACH THE BASIC LAW DRAFTERS, THEY WOULD CARRY ONE VOICE: THE VOICE OF UNITY WHICH HAD CLEARLY BEEN HEARD IN HONG KONG WHEN THE COMMUNITY EXPRESSED THEIR CONCERN OVER RECENT EVENTS IN CHINA.

CALL TO INCLUDE PREAMBLE IN BASIC LAW TEXT
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THE PREAMBLE OF THE BASIC LAW SHOULD BE AN INTEGRAL PART OF THE DOCUMENT AND SHOULD CARRY THE SAME LEGAL EFFECT AS THE BODY TEXT, THE HON EDWARD HO SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE MOTION DEBATE ON THE DRAFT BASIC LAW, MR HO SAID THE TWO PRINCIPLES STATED IN THE PREAMBLE WERE "ABSOLUTELY CRUCIAL" AS THEY PROVIDED THE FRAMEWORK FOR AND THE PRECEPTS TO FUTURE INTERPRETATIONS OF THE MINI-CONSTITUTION.

HE WAS REFERRING TO THE PRINCIPLES THAT THE ESTABLISHMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION (HKSAR) WOULD BE IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 31 OF THE CONSTITUTION OF THE PEOPLE'S REPUBLIC OF CHINA (PRC) AND THAT THE BASIC POLICIES OF THE PRC REGARDING HONG KONG HAD BEEN ELABORATED BY THE CHINESE GOVERNMENT IN THE SINO-BRITISH JOINT DECLARATION.

UNDER THE PRINCIPLE OF "ONE COUNTRY, TWO SYSTEMS", MR HO DOUBTED WHETHER THE PROVISIONS OF ARTICLE 31 OF THE CONSTITUTION ALONE, AS IT STOOD, PROVIDED SUFFICIENT AUTHORITY AND CLARITY THAT THERE WOULD NOT BE ANY CONFLICT BETWEEN THE BASIC LAW AND THE CONSTITUTION.

HE URGED THE CHINESE GOVERNMENT TO MAKE DETAILED EXAMINATION OF THIS VERY IMPORTANT ASPECT OF THE CONSTITUTION AS THE SLIGHTEST UNCERTAINTY COULD RESULT IN CHAOS IN THE YEARS TO COME.

HE ADDED THAT IN READING THE DRAFT BASIC LAW, IT WAS DIFFICULT TO CONSTRUCT IN ONE'S MIND A MODEL OF GOVERNMENT THAT WOULD, ON THE ONE HAND, HAVE THE NECESSARY CHECKS AND BALANCES BETWEEN THE EXECUTIVE AND THE LEGISLATIVE AUTHORITIES OF THE GOVERNMENT TO PREVENT THE ABUSE OF POWER; AND ON THE OTHER HAND, THAT THE EXECUTIVE AUTHORITIES WOULD HAVE THE NECESSARY SUPPORT FROM THE LEGISLATURE FOR THE PROPER AND EFFECTIVE FUNCTIONING OF A STABLE GOVERNMENT.

"I THEREFORE ENDORSE THE PROPOSALS ON THE RELATIONSHIP BETWEEN THE EXECUTIVE AND THE LEGISLATIVE AUTHORITIES WHICH HAVE BEEN AGREED AMONGST MEMBERS OF THE EXECUTIVE AND THE LEGISLATIVE COUNCILS," HE SAID.

MR HO NOTED THAT IN MEMBERS' ATTEMPT TO REACH CONSENSUS, THEY HAD TO TAKE THE FOLLOWING POINTS INTO ACCOUNT:

- * WHETHER THE PEOPLE OF HONG KONG WANTED FULL DEMOCRACY, I.E. UNIVERSAL FRANCHISE, AS THE ULTIMATE GOAL; AND WHETHER THE MOVE TOWARDS THAT GOAL SHOULD BE EVOLUTIONARY AND GRADUAL;
- * THAT WHILST THE PACE OF DEVELOPMENT OF DEMOCRACY SHOULD RELATE TO THE POLITICAL MATURITY OF THE PEOPLE, A CLEAR TIME TABLE FOR SUCH DEVELOPMENT WOULD PROVIDE A MUCH-NEEDED CERTAINTY;

- * THAT IN THE PURSUIT OF DEMOCRACY, THE UNIQUE NATURE OF HONG KONG AS AN SAR IN A "ONE COUNTRY TWO SYSTEMS" SITUATION AND ITS COMPLEX LAYERS OF POLITICAL, ECONOMIC AND SOCIAL INFRASTRUCTURE THAT HAD GIVEN RISE TO ITS SUCCESS AS A VIBRANT ECONOMY, AN INTERNATIONAL FINANCIAL AND TOURIST CENTRE, AND A VITAL INDUSTRIAL BASE SHOULD BE RECOGNISED;
- * THAT WHATEVER THE MODEL, IT HAD TO BE ACCEPTED BY ALL SECTORS OF OUR COMMUNITY; AND
- * THAT HONG KONG PEOPLE SHALL GOVERN HONG KONG UNDER THE PRINCIPLE OF "ONE COUNTRY, TWO SYSTEMS".

NOTING THAT ALMOST A MILLION PEOPLE FROM ALL WALKS OF LIFE HAD MARCHED THROUGH THE STREETS OF HONG KONG IN PEACEFUL DEMONSTRATIONS ON MAY 21 AND 28 WITH A UNITY OF PURPOSE, MR HO BELIEVED CONSENSUS IN OUR COMMUNITY ON THE BASIC LAW, ESPECIALLY IN RELATION TO SHAPING OUR FUTURE GOVERNMENT WAS NOT BEYOND OUR REACH GIVEN THE WILL.

"IN ANY SOCIETY, THERE WILL BE INEQUALITIES OF WEALTH AND UNEQUAL OPPORTUNITIES.

"BUT THE ESSENCE OF CAPITALISM IS A WELL-FUNCTIONING COMPETITIVE MARKET WHICH ENGENDERS OVERALL ECONOMIC GROWTH, AND IT IS ONLY THROUGH ECONOMIC GROWTH THAT OPPORTUNITIES CAN BE PROVIDED TO THE COMMON MAN," MR HO SAID.

IN FACT, LIBERAL DEMOCRACY REQUIRES A MARKET ECONOMY. THERE SHOULD BE NO HINDRANCE AND CONFLICTS OF INTEREST FOR ALL SECTORS OF OUR COMMUNITY TO ARRIVE AT A CONSENSUS.

"AND THE TIMING FOR SUCH A CONSENSUS IS NOW."

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NEW CHAPTER CONCERNING MARTIAL LAW NEEDED IN DRAFT

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RECENT DEVELOPMENTS IN BEIJING SHOWED THAT THERE WAS A NEED FOR A NEW CHAPTER IN THE BASIC LAW TO DEAL WITH ANY IMPOSITION OF MARTIAL LAW AND DECLARATION OF A STATE OF EMERGENCY IN THE HONG KONG SPECIAL ADMINISTRATIVE REGION (HKSAR). THE HON MARTIN LEE SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE MOTION DEBATE ON THE DRAFT BASIC LAW, MR LEE NOTED THAT ARTICLE 67 (20) OF THE CONSTITUTION OF THE PEOPLE'S REPUBLIC OF CHINA PROVIDED THAT THE STANDING COMMITTEE OF THE NATIONAL PEOPLE'S CONGRESS (NPC) MAY DECIDE TO ENFORCE MARTIAL LAW IN PARTICULAR PROVINCES, AUTONOMOUS REGIONS OR MUNICIPALITIES DIRECTLY UNDER THE CENTRAL GOVERNMENT.

AND ARTICLE 89 (16) EMPOWERED THE STATE COUNCIL TO DECIDE ON THE ENFORCEMENT OF MARTIAL LAW IN PARTS OF PROVINCES, AUTONOMOUS REGIONS OR MUNICIPALITIES DIRECTLY UNDER THE CENTRAL GOVERNMENT.

/BUT NEITHER

BUT NEITHER ARTICLE MADE ANY REFERENCE TO SPECIAL ADMINISTRATIVE REGIONS, AND ACCORDINGLY NEITHER THE NPC STANDING COMMITTEE NOR THE STATE COUNCIL WAS EMPOWERED UNDER THE CHINESE CONSTITUTION TO IMPOSE MARTIAL LAW IN THE HKSAR, OR SEND IN TROOPS. MR LEE SAID.

HE SAID THAT SINCE ALL INTERNAL DISTURBANCES IN THE HKSAR WOULD FIRST BE DEALT WITH BY THE HKSAR GOVERNMENT, THE HKSAR GOVERNMENT WOULD BE IN THE BEST POSITION TO DETERMINE WHETHER A PARTICULAR DISTURBANCE HAD GONE BEYOND ITS CONTROL.

"THE BASIC LAW SHOULD THEREFORE STIPULATE THAT WHEN THE CHIEF EXECUTIVE OF THE REGION DETERMINES THAT THE TURMOIL IN THE REGION HAS BECOME UNCONTROLLABLE, HE MAY, UNDER ARTICLE 14 OF THE BASIC LAW, INVITE THE GARRISON TO ASSIST IN RESTORING LAW AND ORDER OF THE REGION," HE SAID.

THE INVITATION MUST BE ENDORSED BY THE LEGISLATIVE COUNCIL WITHIN THREE DAYS. AND IF THE LEGISLATIVE COUNCIL WERE TO REFUSE TO ENDORSE THE INVITATION OR DECIDE THAT THE HKSAR COULD HANDLE THE SITUATION BY ITSELF, THEN IT SHOULD BE GIVEN POWER TO ORDER THE TROOPS TO RETURN TO THEIR BARRACKS, IF NECESSARY.

"WE SHOULD INSIST THAT EVEN WHEN THE HKSAR IS IN A STATE OF EMERGENCY, THE RIGHT TO ADMINISTER THE REGION SHOULD STILL BE VESTED IN THE HKSAR GOVERNMENT. AND THE GARRISON'S DUTY IS TO RESTORE LAW AND ORDER TO THE REGION WHEN REQUESTED TO DO SO, AND NOT TO ADMINISTER THE REGION EVEN UNDER MARTIAL LAW," HE SAID.

HE ADDED THAT EVEN IN TIMES OF EMERGENCY, SOME BASIC HUMAN RIGHTS MUST NOT BE INFRINGED, SUCH AS THE RIGHT TO LIFE AND THE RIGHT AGAINST TORTURE.

MR LEE ALSO SUGGESTED THAT THE CONSTITUTION OF THE PEOPLE'S REPUBLIC OF CHINA BE AMENDED SO THAT IT WOULD STATE CLEARLY THAT THE FOUR BASIC PRINCIPLES, PARTICULARLY THE PRINCIPLE OF THE LEADERSHIP OF THE CHINESE COMMUNIST PARTY, WOULD NOT APPLY TO THE HKSAR.

TURNING TO THE ELECTION OF THE SAR CHIEF EXECUTIVE, MR LEE SAID THAT MANY LEGISLATIVE COUNCILLORS STILL HELD THE VIEW THAT THE FIRST CHIEF EXECUTIVE SHOULD NOT BE ELECTED BY UNIVERSAL ADULT SUFFRAGE.

"WHEN THIS ISSUE WAS DEBATED AT OUR IN-HOUSE MEETINGS BEHIND CLOSED DOORS, I MUST CONFESS THAT I HAD NOT HEARD A SINGLE CONVINCING ARGUMENT IN SUPPORT OF THAT VIEW," HE SAID.

HE SAID IT WAS QUITE CLEAR FROM RECENT EVENTS THAT NOBODY IN HONG KONG WANTED A CHIEF EXECUTIVE WHO TOOK ORDERS FROM THE LEADERSHIP OF THE CHINESE COMMUNIST PARTY.

/ "AND NOBODY

"AND NOBODY WANTS TO SEE THEIR CONSTITUTIONAL RIGHTS OF FREEDOM OF SPEECH, OF THE PRESS, OF ASSEMBLY, OF ASSOCIATION, OF PROCESSION, AND OF DEMONSTRATION TO BE TAKEN AWAY AT THE WHIMS OF THE PARTY LEADERS." HE SAID.

HE THEREFORE BELIEVED THAT THE PEOPLE OF HONG KONG WOULD NOT ACCEPT THE OMELCO MAJORITY MODEL THAT THE CHIEF EXECUTIVE WOULD NOT BE DIRECTLY ELECTED UNTIL THE YEAR 2003.

HE SAID THAT ALTHOUGH OMELCO WAS UNABLE TO REACH COMPLETE CONSENSUS AT THIS POINT OF TIME, IT DID NOT MATTER GREATLY BECAUSE HE HOPED THE CONSULTATION PERIOD ON THE DRAFT BASIC LAW WOULD BE PROLONGED IN THE LIGHT OF RECENT EVENTS.

"FURTHER, THE BASIC LAW CONSULTATIVE COMMITTEE SHOULD IMMEDIATELY RESUME ITS DUTY IN CANVASSING THE VIEWS OF THE PUBLIC BECAUSE THE WHOLE OF HONG KONG WOULD BE LOOKING AT THE DRAFT BASIC LAW IN A COMPLETELY NEW LIGHT," HE SAID.

AS TO THE RELATIONSHIP BETWEEN THE CENTRAL AUTHORITIES AND THE HKSAR, HE FULLY ENDORSED THE POSITION REACHED BY OMELCO.

"I WISH ONLY TO ADD HERE THAT COUNTER-REVOLUTIONARY OFFENCES IN CHINA MUST NOT BE INTRODUCED TO THE HKSAR WHETHER AS A NATION-WIDE LAW UNDER ARTICLE 18 OR BY ANY OTHER MEANS WHATSOEVER," HE SAID.

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IMMIGRATION AMENDMENT BILL PASSED

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THE IMMIGRATION (AMENDMENT) (NO.2) BILL 1989 WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE BILL, DEALING WITH ISSUES CONCERNING VIETNAMESE ASYLUM SEEKERS, COMPLETED ITS PASSAGE THROUGH THE COUNCIL IN ONE SITTING.

TWO MEMBERS SPOKE ON THE BILL. THE HON STEPHEN CHEONG SPOKE IN FAVOUR, AND THE HON MARTIN LEE SPOKE AGAINST.

THE ACTING SECRETARY FOR SECURITY, THE HON ALISTAIR ASPREY, WHO INTRODUCED THE BILL, AND THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, REPLIED FOR THE GOVERNMENT.

SEVEN OTHER BILLS WERE INTRODUCED FOR FIRST AND SECOND READINGS AND DEBATES ON ALL SEVEN WERE ADJOURNED.

/THEY WERE :

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THEY WERE : THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) (AMENDMENT) BILL 1989; THE CONTROL OF EXEMPTION CLAUSES BILL 1989; THE PEAK TRAMWAY (AMENDMENT) BILL 1989; THE ROAD TRAFFIC (AMENDMENT) BILL 1989; THE IMMIGRATION (AMENDMENT) BILL 1989; THE OZONE LAYER PROTECTION BILL 1989; AND THE TEMPORARY CONTROL OF DENSITY OF BUILDING DEVELOPMENT (KOWLOON) BILL 1989.

IN OTHER BUSINESS, THE SECRETARY FOR TRANSPORT TABLED A GREEN PAPER ON TRANSPORT POLICY IN HONG KONG, AND THE REPORT OF THE POLICE COMPLAINTS COMMITTEE 1988 WAS ALSO TABLED.

THE FINANCIAL SECRETARY MOVED TWO MOTIONS - ONE UNDER THE HONG KONG EXPORT CREDIT INSURANCE CORPORATION ORDINANCE AND THE OTHER UNDER THE TELEPHONE ORDINANCE. BOTH WERE APPROVED.

THE COUNCIL BEGAN DEBATE ON A MEMBER'S MOTION CONCERNING THE BASIC LAW BEING DRAFTED FOR THE FUTURE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA.

THE MOTION, MOVED BY THE SENIOR MEMBER, THE HON ALLEN LEE, READS: "THAT THIS COUNCIL CALLS ON THE PEOPLE OF HONG KONG TO EXPRESS THEIR VIEWS ON 'THE BASIC LAW OF HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA (DRAFT)' AND URGES THE AUTHORITIES CONCERNED TO TAKE SUCH VIEWS FULLY INTO ACCOUNT BEFORE PROMULGATION OF THE BASIC LAW".

THIRTEEN MEMBERS SPOKE ON THE MOTION TODAY, AND THE DEBATE WILL CONTINUE TOMORROW (THURSDAY).

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WEDNESDAY, MAY 31, 1989

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FUNDS FOR ROYAL VISIT APPROVED

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THE FINANCE COMMITTEE AT ITS MEETING TODAY (WEDNESDAY) APPROVED \$5.5 MILLION TO MEET THE EXPENSES OF THE OFFICIAL VISIT BY THE PRINCE AND PRINCESS OF WALES TO HONG KONG BETWEEN NOVEMBER 8 AND 10.

A STEERING COMMITTEE HAS BEEN APPOINTED BY THE GOVERNOR TO ARRANGE A SUITABLE PROGRAMME TO PROVIDE A MEMORABLE OCCASION TO BE ENJOYED BY THE PEOPLE OF HONG KONG AS WELL AS THE ROYAL VISITORS.

A ROYAL VISIT OFFICE, HEADED BY THE DIRECTOR OF PROTOCOL, HAS ALSO BEEN SET UP TO COORDINATE THE DETAILED PLANNING FOR THE VISIT.

THE OFFICE IS NOT YET IN A POSITION TO PROVIDE AN ACCURATE ESTIMATE OF THE OVERALL COST AS THE VARIOUS ELEMENTS OF THE PROGRAMME HAVE NOT BEEN FINALISED.

A SPECTACULAR FESTIVAL PROCESSION, WHICH IS TO BE LARGELY SPONSORED BY THE PRIVATE SECTOR, IS BEING PLANNED AS ONE OF THE HIGHLIGHTS OF THE ROYAL VISIT PROGRAMME.

PRELIMINARY PLANNING FOR THE FESTIVAL PROCESSION IS THAT IT SHOULD BE AN EVENT FOR COMMUNITY PARTICIPATION AND WHICH WILL BE ENJOYED DIRECTLY OR THROUGH TELEVISION BY A LARGE NUMBER OF HONG KONG'S POPULATION.

THE PROCESSION WILL DEPICT THEMES OF MODERN HONG KONG FEATURING ITS PROGRESS AND ACHIEVEMENTS IN, FOR EXAMPLE, HIGH TECHNOLOGY.

IN VIEW OF THE VERY LIMITED EXPERIENCE AND EXPERTISE AVAILABLE IN HONG KONG IN THE FIELD OF DESIGNING AND STAGING THIS TYPE OF PROCESSION, IT IS INTENDED TO EMPLOY AN OVERSEAS SPECIALIST COMPANY TO ASSIST IN THE ORGANISATION OF THE EVENT, ALTHOUGH THE PRODUCTION WORK WILL BE LARGELY DONE IN HONG KONG.

TO FACILITATE THE SELECTION OF SUCH A PROFESSIONAL ORGANISER TO DESIGN AND STAGE-MANAGE THE FESTIVAL PROCESSION, A NEW NON-RECURRENT COMMITMENT OF \$88,000 WAS APPROVED ON MAY 1, THIS YEAR.

THE FUND APPROVED, UNDER DELEGATED AUTHORITY, WAS PART OF THE EXPENSES OF THE 1989 ROYAL VISIT FOR INVITING AN OVERSEAS SPECIALIST COMPANY TO VISIT HONG KONG AND TO MAKE A DETAILED PRESENTATION TO MEET THE STEERING COMMITTEE'S CONCEPT OF A PROCESSION AND ITS PROGRAMMING.

THE COMMITTEE WAS SATISFIED THAT THE PRESENTATION MET ITS REQUIREMENTS AND PROPOSED THAT THE COST OF FLOATS AND OTHER FEATURES OF THE PROCESSION SHOULD BE MET THROUGH SPONSORSHIP.

ON THIS BASIS IT WAS ESTIMATED THAT OF A TOTAL COST FOR THE 1989 ROYAL VISIT IN THE REGION OF \$12 MILLION, ACTUAL EXPENDITURE TO BE MET BY GOVERNMENT WOULD BE LESS THAN HALF, AT AROUND \$5.5 MILLION, WITH THE BALANCE BEING MET BY SPONSORS.

/SIX HONG

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SIX HONG KONG FIRMS HAVE ALREADY AGREED TO UNDERWRITE THE COST OF THE PROCESSION UP TO \$3 MILLION AND FURTHER SPONSORSHIP IS EXPECTED.

OTHER EXPENSES FOR THE ROYAL VISIT INCLUDE COSTS FOR PRESS AND PUBLICITY ARRANGEMENTS, DECORATIONS AND DISPLAYS, AND OFFICIAL RECEPTIONS.

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CREATION OF VBP REVIEW BOARD POSTS APPROVED

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THE FINANCE COMMITTEE TODAY (WEDNESDAY) APPROVED THE CREATION OF SUPERNUMERARY POSTS FOR THE ESTABLISHMENT OF REFUGEE STATUS REVIEW BOARDS TO CONSIDER APPEALS FROM VIETNAMESE BOAT PEOPLE (VBP) SCREENED OUT AS NON-REFUGEES.

THE POSTS COMPRISE ONE CHAIRMAN OF THE REVIEW BOARDS, FOUR DEPUTY CHAIRMEN AND FOUR MEMBERS OF INDIVIDUAL BOARDS. THE ADDITIONAL NOTIONAL ANNUAL SALARY COST INVOLVED TOTALS \$4,476,600.

THE COMMITTEE WAS TOLD THAT THE POSSIBILITY OF APPOINTING NON-CIVIL SERVICE MEMBERS TO THE BOARDS WAS BEING ACTIVELY CONSIDERED. IF IMPLEMENTED, THEY WOULD BE PAID AN HONORARIUM.

IN THE MEANTIME, FOR THE IMMEDIATE PURPOSE OF ESTABLISHING THE REVIEW BOARDS, MEMBERS WOULD TEMPORARILY BE OFFICIALS. ONCE THE MECHANISM OF THE EMPLOYMENT OF NON-CIVIL SERVICE MEMBERS WAS CLARIFIED, THESE OFFICIALS WOULD BE ABLE TO BE REDEPLOYED.

THE FINANCE COMMITTEE ALSO APPROVED INCREASES TOTTALLING \$7,334,320 IN THE ESTABLISHMENT CEILINGS IN THE GOVERNMENT SECRETARIAT AND IMMIGRATION DEPARTMENT FOR 1989-90 IN ORDER TO PROVIDE ADEQUATE STAFF TO SPEED UP SCREENING OF VBP AND PROCESSING OF APPEALS.

MEMBERS WERE TOLD THAT THE AIM WAS TO COMPLETE SCREENING FOR THE CURRENT VBP POPULATION AND TO DEAL WITH THE RESULTING APPEALS WITHIN A PERIOD OF 12 MONTHS, AS WELL AS TO COMPLETE THE PROCEDURES FOR NEW ARRIVALS WITHIN THREE MONTHS OF ARRIVAL.

TO ACHIEVE THIS OBJECTIVE, IT IS ESTIMATED THAT THE SCREENING AND APPEAL MECHANISMS MUST BE ABLE TO COPE WITH 400 PERSONS PER WEEK.

THE REVIEW BOARDS WILL TAKE OVER FROM THE EXECUTIVE COUNCIL THE PRESENT WORKLOAD OF CONSIDERING APPEALS FROM SCREENED-OUT VBP.

A BOARD MAY CONSIDER APPEAL CASES IN PRIVATE AND TO CONFIRM OR REVERSE THE FIRST-INSTANCE DECISION AS IT THINKS FIT. ITS DECISION WILL BE FINAL.

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COMMISSIONER OF BANKING'S ANNUAL REPORT PUBLISHED

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THE HONG KONG BANKING INDUSTRY CONSOLIDATED ITS POSITION IN 1988, IN LINE WITH A YEAR OF SUBSTANTIAL GROWTH IN THE REAL ECONOMY. THIS IS NOTED IN THE ANNUAL REPORT OF THE COMMISSIONER OF BANKING FOR 1988 PUBLISHED TODAY (WEDNESDAY).

SPEAKING AT A PRESS CONFERENCE AT WHICH THE REPORT WAS RELEASED, THE COMMISSIONER OF BANKING, MR TONY NICOLLE, SAID THE ATTRACTIVENESS OF HONG KONG AS A BASE FOR INTERNATIONAL BANKS CONTINUED UNABATED.

"BUT BOTH DOMESTIC AND FOREIGN BANKS NEED TO TAKE A CRITICAL LOOK AT THEIR COST AND LABOUR STRUCTURES IF THEY ARE TO MAINTAIN PROFITABILITY," HE CAUTIONED, ADDING THAT STATISTICS ON EMPLOYEE TURNOVER IN THE BANKING SECTOR, INCLUDED IN THE REPORT FOR THE FIRST TIME, SHOWED HOW TIGHT THE DEMAND FOR LABOUR HAD BECOME.

MR NICOLLE SAID THAT, UNLIKE 1987, IT HAD BEEN NECESSARY FOR HIM TO EXERCISE POWERS AFFORDED HIM BY THE BANKING ORDINANCE TO INTERVENE IN THE AFFAIRS OF FOUR REGISTERED DEPOSIT-TAKING COMPANIES IN ORDER TO PROTECT THE INTERESTS OF DEPOSITORS.

"MY ACTIONS AROSE BECAUSE THE INSTITUTIONS, DESPITE REPEATED ADVICE TO THE CONTRARY, HAD FAILED TO UNDERTAKE ADEQUATE CREDIT APPRAISAL BEFORE MAKING LOANS, TO MAINTAIN ADEQUATE RECORDS, AND TO MONITOR AND CONTROL EXPOSURES WITH ADEQUATE THOROUGHNESS," HE SAID.

HE ADDED THAT THE ACTIONS OF HIS OFFICE HAD RESULTED IN SATISFACTORY CONCLUSIONS TO THESE FOUR CASES.

THE COMMISSIONER SAID THE YEAR HAD SEEN A SIGNIFICANT CHANGE IN HIS OFFICE'S APPROACH TO SUPERVISION.

"WE HAVE SOUGHT TO INTRODUCE A BROADER APPROACH WHICH 'ALLOWS MORE ATTENTION TO BE PAID TO INSTITUTIONS' FUTURE PLANNING AND STRATEGIC DIRECTION," HE SAID.

"ALTHOUGH THE ON-SITE EXAMINATION OF AN INSTITUTION'S BOOKS REMAINS CENTRAL TO OUR WORK, WE ARE NOW SEEKING TO SUPPLEMENT THIS WITH OFF-SITE ANALYSIS OF STATISTICS AND MANAGEMENT INFORMATION, AND WITH IN-DEPTH DISCUSSIONS WITH TOP MANAGEMENT OF INSTITUTIONS.

"ONCE THIS APPROACH HAS BEDDED DOWN, I BELIEVE IT WILL PROVE OF GREAT IMPORTANCE AND USEFULNESS, NOT ONLY TO MY OFFICE, BUT ALSO TO ALL INSTITUTIONS," HE EXPLAINED.

MR NICOLLE SAID THE CAPITAL ADEQUACY RATIO, PROVIDED FOR BY THE BANKING ORDINANCE, HAD COME INTO FORCE ON SEPTEMBER 1, 1988.

"ESSENTIALLY, THE PURPOSE OF THE RATIO IS TO ASSIST IN PREVENTING AN INSTITUTION FROM OVERTRADING BY WHICH I MEAN THAT THE INSTITUTION'S CAPITAL MUST BE COMMENSURATE WITH THE RISKS IT IS UNDERTAKING."

THE ORDINANCE PROVIDES FOR A MINIMUM RATIO OF FIVE PER CENT, WITH POSSIBLE MAXIMUMS OF EIGHT PER CENT FOR BANKS AND 10 PER CENT FOR DTCS.

"I AM PLEASED WITH THE WAY THE CAPITAL ADEQUACY RATIO EXERCISE HAS WORKED OUT," HE SAID. "A GREAT DEAL OF TIME AND EFFORT WAS SPENT IN DISCUSSING AND AGREEING APPROPRIATE RATIOS WITH INSTITUTIONS, WITH THE RESULT THAT THE ACTUAL COMING INTO FORCE OF THE RELEVANT LEGAL PROVISION PASSED VERY SMOOTHLY.

"IN FACT, THE INSTITUTIONS SUBJECT TO THE RATIO WERE - AND STILL ARE - WELL CAPITALISED.

"THIS HAS MEANT IN TURN THAT HONG KONG WILL BE ABLE TO MOVE MORE QUICKLY THAN SOME OTHER FINANCIAL CENTRES IN ADOPTING THE WORLD-WIDE STANDARD RATIO SUGGESTED BY THE BASLE COMMITTEE ON BANKING REGULATIONS AND SUPERVISORY PRACTICES.

"THIS CALLS FOR A MINIMUM OF EIGHT PER CENT BY END-1992, BUT I EXPECT WE WILL ACHIEVE THAT MUCH EARLIER."

MR NICOLLE SAID HIS OFFICE HAD CONDUCTED A SURVEY OF PROPERTY LENDING DURING THE YEAR. "THERE WAS STRONG DEMAND IN THE LOCAL PROPERTY MARKET AND IT WAS CLEARLY IMPORTANT FOR MY OFFICE TO KEEP TRACK OF HOW INSTITUTIONS, IN GENERAL, WERE RESPONDING TO THIS," HE SAID.

"ONE NOTICEABLE POINT TO EMERGE WAS THE EXTENT TO WHICH SOME INSTITUTIONS CONSIDERED SECURITY TO BE THE MAJOR FACTOR INFLUENCING A DECISION TO LEND," HE ADDED.

"GOOD SECURITY IS OF COURSE IMPORTANT TO ANY BANKER, BUT IT SHOULD ONLY PROVIDE A SECOND LINE OF DEFENCE. THE VITAL FACTOR MUST BE THE BORROWER'S ABILITY TO REPAY, EITHER FROM CASH FLOW IN THE CASE OF A COMPANY, OR FROM INCOME FOR A PERSONAL BORROWER."

MR NICOLLE NOTED THAT HIS OFFICE'S RELATIONS WITH AUDITORS HAD CONTINUED TO BE FRUITFUL AND CONSTRUCTIVE.

HE SAID THAT 33 TRIPARTITE MEETINGS (I.E. BETWEEN THE COMMISSIONER, AN INSTITUTION AND ITS AUDITOR) HAD BEEN HELD.

"THIS WAS ALMOST TWICE THE NUMBER IN 1987 - AN INDICATION, I FEEL, OF A HEIGHTENED AWARENESS IN THE BANKING AND AUDITING SECTORS OF THE BENEFITS OF DISCUSSING POTENTIAL PROBLEMS AT AN EARLY STAGE, RATHER THAN OF AN INCREASE IN SUCH PROBLEMS," MR NICOLLE SAID.

HE ADDED THAT THE HONG KONG SOCIETY OF ACCOUNTANTS HAD ISSUED A GUIDELINE TO ITS MEMBERS WHICH SOUGHT TO CLARIFY THE CIRCUMSTANCES WHICH SHOULD PROMPT AUDITORS TO CONSIDER CONVENING A TRIPARTITE MEETING.

THE REPORT, THE THIRD MADE UNDER THE 1986 BANKING ORDINANCE, WILL GO ON SALE THIS AFTERNOON AT THE GOVERNMENT PUBLICATIONS CENTRE, IN CONNAUGHT PLACE, CENTRAL, AT \$21 PER COPY.

TASK FORCE TO COMBAT ILLEGAL TRADING IN IVORY
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THE CUSTOMS AND EXCISE DEPARTMENT WILL SET UP A SPECIAL TASK FORCE TO INVESTIGATE AND SUPPRESS THE ILLEGAL IMPORTATION AND EXPORTATION OF IVORY THROUGH HONG KONG FROM TOMORROW (THURSDAY).

A SPOKESMAN FOR THE DEPARTMENT SAID THE CUSTOMS HAD PLAYED AN ACTIVE PART IN THE PROTECTION OF ENDANGERED SPECIES INCLUDING IVORY IN THE PAST, WITH 42 SEIZURES OF IVORY TUSK AND IVORY PRODUCTS MADE AT ENTRY POINTS IN 1988.

"HOWEVER, IN VIEW OF THE RECENT ALLEGATION THAT HONG KONG WAS A CENTRE OF THE ILLEGAL IVORY TRADE, IT WAS NECESSARY TO GATHER MORE INTELLIGENCE TO VERIFY THE ACCUSATION AND STEP UP ENFORCEMENT ACTION," HE SAID.

THE TASK FORCE WILL WORK UNDER THE DIRECTION OF THE HEAD OF THE CUSTOMS INVESTIGATION BUREAU AND IN CLOSE CO-ORDINATION WITH THE AGRICULTURE AND FISHERIES DEPARTMENT.

THE SPOKESMAN WARNED THAT ANY ILLEGAL IMPORT OR EXPORT OF IVORY CARRIES A MAXIMUM PENALTY OF \$50,000 AND IMPRISONMENT FOR TWO YEARS.

MEMBERS OF THE PUBLIC WHO HAVE INFORMATION ABOUT THE ILLEGAL IVORY TRADE ARE URGED TO CONTACT THE DUTY OFFICER OF THE CUSTOMS INVESTIGATION BUREAU ON TEL. 5-8521437.

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DISTRICT BOARD TO DISCUSS VIETNAMESE BOAT PEOPLE PROBLEM
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THE SHAM SHUI PO DISTRICT BOARD WILL MEET TOMORROW (THURSDAY) TO DISCUSS SUGGESTIONS MADE BY 10 MEMBERS TO RESOLVE THE VIETNAMESE REFUGEE AND BOAT PEOPLE PROBLEM.

AMONG THE SUGGESTIONS IS THE SCRAPPING THE FIRST PORT OF ASYLUM POLICY IF NO SOLUTIONS ARE FOUND IN THE FORTHCOMING INTERNATIONAL CONFERENCE ON INDO-CHINESE REFUGEES IN GENEVA.

MEMBERS OF THE BOARD WILL ALSO DISCUSS A PROPOSAL BY THE BUILDINGS ORDINANCE OFFICE TO LANUCH A COMPREHENSIVE CLEARANCE OF UNAUTHORISED BUILDING WORKS IN SHAM SHUI PO.

IN ADDITION, THEY WILL GIVE THEIR VIEWS ON ANTI-SMOKING PROPOSALS AND A REVIEW BY THE MARINE DEPARTMENT ON THE CONTROL, LICENSING AND SAFETY OF LOCAL CRAFT.

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NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE MEETING OF THE SHAM SHUI PO DISTRICT BOARD, WHICH WILL BEGIN AT 2 PM TOMORROW (THURSDAY) AT THE CHEUNG SHA WAN COMMUNITY CENTRE, 55 FAT CHEUNG STREET.

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WEDNESDAY, MAY 31, 1989

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MONETARY STATISTICS FOR APRIL 1989 PUBLISHED

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ACCORDING TO STATISTICS PUBLISHED TODAY (WEDNESDAY) BY THE MONETARY AFFAIRS BRANCH, BOTH HONG KONG DOLLAR AND FOREIGN CURRENCY DEPOSITS INCREASED IN APRIL COMPARED WITH THE PREVIOUS MONTH.

THE BROADER DEFINITIONS OF MONEY SUPPLY, HK\$M2 AND HK\$M3, GREW MORE RAPIDLY IN APRIL THAN IN MARCH. WHILE THE NARROWEST DEFINITION, HK\$M1, REGISTERED A FALL DURING THE MONTH.

TOTAL LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS DECLINED IN APRIL COMPARED WITH MARCH, MAINLY DUE TO THE FALL IN OFFSHORE LOANS. LOANS TO FINANCE VISIBLE TRADE AND OTHER LOANS FOR USE IN HONG KONG CONTINUED TO SHOW CONSIDERABLE INCREASES.

THE ACCOMPANYING TABLE SETS OUT SUMMARY FIGURES FOR APRIL 1989 AND COMPARISONS WITH EARLIER MONTHS.

DEPOSITS

HONG KONG DOLLAR DEPOSITS WITH AUTHORISED INSTITUTIONS GREW BY 1.9 PER CENT IN APRIL FOLLOWING INCREASES OF 0.2 PER CENT AND 0.7 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. OF THESE DEPOSITS, DEMAND AND SAVINGS DEPOSITS DROPPED BY 4.7 PER CENT AND 0.8 PER CENT RESPECTIVELY, WHILE TIME DEPOSITS ROSE BY 4.9 PER CENT. DURING THE 12 MONTHS ENDING APRIL 1989, TOTAL HONG KONG DOLLAR DEPOSITS GREW BY 14.6 PER CENT.

FOREIGN CURRENCY DEPOSITS WITH AUTHORISED INSTITUTIONS GREW BY 3.4 PER CENT IN APRIL, FOLLOWING INCREASES OF 0.6 PER CENT AND 3 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. OF THESE DEPOSITS, U.S. DOLLAR DEPOSITS INCREASED BY 3.1 PER CENT WHILE NON-U.S. DOLLAR DEPOSITS INCREASED BY 3.8 PER CENT. OVER THE YEAR, TOTAL FOREIGN CURRENCY DEPOSITS INCREASED BY 34.4 PER CENT.

FOREIGN CURRENCY SWAP DEPOSITS INCREASED BY 3 PER CENT IN APRIL, AFTER INCREASES OF 4.9 PER CENT AND 7.4 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. ADJUSTED TO INCLUDE THESE DEPOSITS, HONG KONG DOLLAR DEPOSITS GREW BY 2 PER CENT IN APRIL AND BY 21.5 PER CENT COMPARED WITH A YEAR EARLIER. ON THE OTHER HAND, FOREIGN CURRENCY DEPOSITS, ADJUSTED TO EXCLUDE SWAP DEPOSITS, INCREASED BY 3.5 PER CENT IN APRIL AND BY 29.5 PER CENT OVER THE YEAR.

DEPOSITS OF ALL CURRENCIES WITH BANKS GREW BY 2.5 PER CENT IN APRIL WHILE THOSE WITH DEPOSIT-TAKING COMPANIES ROSE BY 6.6 PER CENT. DURING THE 12 MONTHS ENDING APRIL 1989, THE FORMER ROSE BY 25.8 PER CENT WHILE THE LATTER GREW BY 25 PER CENT.

MONEY SUPPLY

MONEY SUPPLY

HK\$M1 DECLINED BY 2.9 PER CENT IN APRIL WHILE HK\$M2 AND HK\$M3 ROSE BY 1.3 PER CENT AND 1.6 PER CENT RESPECTIVELY. THESE COMPARED WITH CORRESPONDING RATES OF -2.7 PER CENT, 0.2 PER CENT AND 0.4 PER CENT IN MARCH. DURING THE 12 MONTHS ENDING APRIL 1989, HK\$M1, HK\$M2 AND HK\$M3 GREW BY 7.7 PER CENT, 13.4 PER CENT AND 14.3 PER CENT RESPECTIVELY.

ADJUSTED TO TAKE ACCOUNT OF SWAP DEPOSITS, HK\$M2 GREW BY 1.5 PER CENT WHILE HK\$M3 ROSE BY 1.8 PER CENT IN APRIL. COMPARED WITH A YEAR EARLIER, THEIR CORRESPONDING GROWTH RATES WERE 20.2 PER CENT AND 20.5 PER CENT.

TOTAL M1 FELL BY 2.4 PER CENT IN APRIL WHILE TOTAL M2 AND M3 GREW BY 2.4 PER CENT AND 2.7 PER CENT RESPECTIVELY. THEIR CORRESPONDING GROWTH RATES IN MARCH WERE -4.1 PER CENT, 1.9 PER CENT AND 2 PER CENT. OVER THE YEAR, TOTAL M1 GREW BY 7.7 PER CENT, TOTAL M2 AND TOTAL M3 EACH GREW BY 25.4 PER CENT.

LOANS AND ADVANCES

TOTAL OUTSTANDING LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS DECLINED BY 1.9 PER CENT IN APRIL, COMPARED WITH INCREASES OF 5.7 PER CENT AND 5 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. OF THE TOTAL OUTSTANDING LOANS, THOSE DENOMINATED IN HONG KONG DOLLARS GREW BY 3.2 PER CENT WHILE THOSE DENOMINATED IN FOREIGN CURRENCIES FELL BY 5.6 PER CENT.

LOANS TO FINANCE VISIBLE TRADE OF HONG KONG GREW BY 4.4 PER CENT IN APRIL, FOLLOWING A FALL OF 2.2 PER CENT IN FEBRUARY AND AN INCREASE OF 2.2 PER CENT IN MARCH. OVER THE YEAR, THESE LOANS GREW BY 32.8 PER CENT.

OTHER LOANS FOR USE IN HONG KONG GREW BY 3.9 PER CENT IN APRIL COMPARED WITH INCREASES OF 3.7 PER CENT AND 2.9 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. OVER THE YEAR, THESE LOANS GREW BY 38.9 PER CENT.

LOANS FOR USE OUTSIDE HONG KONG DECREASED BY 8.1 PER CENT IN APRIL, AFTER INCREASES OF 4.3 PER CENT AND 7.5 PER CENT IN FEBRUARY AND MARCH RESPECTIVELY. OVER THE YEAR, THESE LOANS GREW BY 22 PER CENT.

NUMBER OF REPORTING INSTITUTIONS

THE NUMBER OF REPORTING LICENSED BANKS INCREASED BY TWO TO 161. THE NUMBER OF LICENSED DEPOSIT-TAKING COMPANIES REMAINED UNCHANGED AT 35 WHILE THAT OF REGISTERED DEPOSIT-TAKING COMPANIES FELL BY THREE TO 210.

MONETARY STATISTICS - APRIL 1989

	Apr 1989	Earlier months (% change to April 1989)			(HK\$mn)
		Mar 1989	Jan 1989	Apr 1988	
Money Supply					
M1 - HK\$	78,285	80,623 (-2.9 %)	87,362 (-10.4 %)	72,717 (7.7 %)	
Foreign currency	8,890	8,734 (1.8 %)	9,608 (-7.5 %)	8,202 (8.4 %)	
Total	87,175	89,357 (-2.4 %)	96,970 (-10.1 %)	80,918 (7.7 %)	
M2 - HK\$	371,267	366,578 (1.3 %)	367,752 (1.0 %)	327,333 (13.4 %)	
Foreign currency	519,146	503,277 (3.2 %)	484,985 (7.0 %)	382,534 (35.7 %)	
Total	890,413	869,855 (2.4 %)	852,737 (4.4 %)	709,867 (25.4 %)	
M3 - HK\$	408,119	401,505 (1.6 %)	401,177 (1.7 %)	357,019 (14.3 %)	
Foreign currency	556,626	538,097 (3.4 %)	518,007 (7.5 %)	412,587 (34.9 %)	
Total	964,745	939,603 (2.7 %)	919,184 (5.0 %)	769,606 (25.4 %)	
Notes and coins in circulation	35,300	35,766 (-1.3 %)	39,975 (-11.7 %)	30,642 (15.2 %)	
of which held by public	30,976	31,005 (-0.1 %)	33,838 (-8.5 %)	27,164 (14.0 %)	
Total Deposits					
Total Demand deposits	56,199	58,352 (-3.7 %)	63,132 (-11.0 %)	53,754 (4.5 %)	
Total Savings deposits	162,000	163,008 (-0.6 %)	171,225 (-5.4 %)	182,903 (-11.4 %)	
Total Time deposits with banks	624,195	600,581 (3.9 %)	568,984 (9.7 %)	433,166 (44.1 %)	
Total Time deposits with dtcs	72,142	67,687 (6.6 %)	64,313 (12.2 %)	57,714 (25.0 %)	
HK\$ deposits	364,747	358,104 (1.9 %)	354,856 (2.8 %)	318,355 (14.6 %)	
US\$ deposits	288,238	279,663 (3.1 %)	266,761 (8.1 %)	222,560 (29.5 %)	
Other foreign currency deposits	261,551	251,861 (3.8 %)	246,037 (6.3 %)	186,622 (40.2 %)	
All deposits	914,535	889,628 (2.8 %)	867,654 (5.4 %)	727,537 (25.7 %)	
Foreign currency swap deposits	52,858	51,301 (3.0 %)	45,527 (16.1 %)	25,378 (108.3 %)	
Total Loans and advances					
To finance H.K.'s visible trade	60,734	58,199 (4.4 %)	58,239 (4.3 %)	45,734 (32.8 %)	
To finance merchandising trade not touching H.K.	11,913	11,885 (0.2 %)	11,988 (11.5 %)	5,467 (117.0 %)	
Other loans for use in H.K.	523,654	508,748 (2.9 %)	472,311 (10.9 %)	377,107 (38.9 %)	
Other loans for use outside H.K.	396,070	431,204 (-8.1 %)	384,775 (2.9 %)	324,582 (22.0 %)	
Other loans where the place of use is not known	74,815	77,703 (-3.7 %)	56,012 (33.6 %)	60,762 (23.1 %)	
Loans in HK\$	474,346	459,563 (3.2 %)	419,770 (13.0 %)	329,175 (44.1 %)	
Loans in foreign currencies	592,839	628,176 (-5.6 %)	560,556 (5.8 %)	484,476 (22.4 %)	
Total loans and advances	1,067,184	1,087,739 (-1.9 %)	980,326 (8.9 %)	813,651 (31.2 %)	

MARINE SEARCH AND RESCUE EXERCISE COMPLETED

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AN INTERNATIONAL MARINE SEARCH AND RESCUE EXERCISE, INVOLVING HONG KONG, CHINA AND MACAU RESOURCES, WAS SUCCESSFULLY COMPLETED THIS (WEDNESDAY) AFTERNOON.

THE EXERCISE, WHICH WAS CO-ORDINATED BY THE MARITIME RESCUE CO-ORDINATION CENTRE (MRCC) OF THE MARINE DEPARTMENT, WAS DESIGNED TO TEST AND EVALUATE ALL SEARCH AND RESCUE RESOURCES AND THE COMMUNICATION AND LIAISON PROCEDURES BETWEEN HONG KONG GOVERNMENT DEPARTMENTS, THE GUANGDONG MARINE EMERGENCY SEARCH AND RESCUE CENTRE AND THE MACAU MARINE POLICE.

THE HONG KONG GOVERNMENT AGENCIES PARTICIPATING IN THE EXERCISE INCLUDED MARINE DEPARTMENT, CIVIL AVIATION DEPARTMENT, ROYAL HONG KONG AUXILIARY AIR FORCE, ROYAL HONG KONG POLICE, CIVIL AID SERVICES AND AUXILIARY MEDICAL SERVICES. TWO LOCAL COMMERCIAL FERRY COMPANIES ALSO PROVIDED VESSELS FOR THE EXERCISE.

THE SCENERIO OF THE EXERCISE, WHICH BEGAN AT 9 AM, WAS TO LOCATE AN OUTBOUND FERRY FROM HONG KONG WHICH WAS INVOLVED IN A "COLLISION" WITH ANOTHER VESSEL SOMEWHERE IN THE PEARL RIVER ESTUARY.

MRCC ACTIVATED A SEARCH ON RECEIPT OF THE MESSAGE AND LOCATED THE "DISTRESS" VESSEL WITH 208 PASSENGERS ON BOARD, ALL OF WHOM WERE "EVACUATED" BY MEANS OF AN RHKAAF HELICOPTER, A COMMERCIAL HOVERFERRY AND THE "NAM HAI NO.1" OF THE GUANGDONG MARINE EMERGENCY SEARCH AND RESCUE CENTRE.

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GOVERNMENT GRANTS FOR MATRICULATION STUDENTS

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APPLICATIONS FOR GOVERNMENT MAINTENANCE GRANTS FOR MATRICULATION COURSES IN 1989-90 ARE NOW BEING INVITED.

THE AWARDS ARE MADE ANNUALLY TO NEEDY STUDENTS WHO HAVE OBTAINED GOOD RESULTS IN THE HONG KONG CERTIFICATE OF EDUCATION EXAMINATION IN THE YEAR OF AWARD AS AN INDICATION THAT THEY ARE LIKELY TO BE SUCCESSFUL EITHER IN THE HIGHER LEVEL EXAMINATION OR THE ADVANCED LEVEL EXAMINATION.

APPLICANTS MUST BE SUPPORTED BY RECOMMENDATIONS FROM HEADS OF SCHOOLS.

THE AMOUNT OF MAINTENANCE GRANT SHALL BE DETERMINED BY A GOVERNMENT MAINTENANCE GRANTS COMMITTEE IN THE LIGHT OF FINANCIAL NEED AND FUNDS AVAILABLE. GRANTS AWARDED IN 1988-89 HAVE BEEN IN THE REGION OF \$230 A MONTH.

THE ANNUAL GRANTS WILL BE TENABLE AT ANY SECONDARY SCHOOL APPROVED BY THE DIRECTOR OF EDUCATION.

APPLICANTS ARE EXPECTED TO COMPLETE FULL-TIME ADVANCED LEVEL/HIGH LEVEL EXAMINATION STUDIES FOR THE ACADEMIC YEAR FOR WHICH THE GRANT HAS BEEN AWARDED. IF ANY STUDENT WHO HAS BEEN AWARDED A GRANT LEAVES BEFORE THE COMPLETION OF ONE YEAR, HE/SHE MAY BE REQUIRED TO REFUND TO GOVERNMENT THE AMOUNT HE/SHE HAS RECEIVED.

A GRANT SHALL BE DISCONTINUED AT ANY TIME IF IN THE OPINION OF THE DIRECTOR OF EDUCATION THE RECIPIENT FAILS TO MERIT THE AWARD BY REASON OF LACK OF PROGRESS OR UNSATISFACTORY CONDUCT.

A COMPLETED STATUTORY DECLARATION TOGETHER WITH ALL THE REQUIRED SUPPORTING DOCUMENTS SHOULD BE ATTACHED TO EACH APPLICATION.

THE COMMITTEE WILL NOT MAKE ANY AWARD TO A STUDENT WHOSE PARENT OR GUARDIAN HAS MADE A FALSE DECLARATION OR FAILED TO REVEAL THE INCOME OF THE WHOLE FAMILY. ANY PERSON WHO MAKES A FALSE STATUTORY DECLARATION IS LIABLE TO PROSECUTION.

STUDENTS WHO HAVE NOT BEEN RECEIVING A GRANT DURING THE 1988-89 SCHOOL YEAR BUT HAVE MADE SATISFACTORY PROGRESS IN SECONDARY 6 AND ARE IN NEED OF FINANCIAL ASSISTANCE TO COMPLETE THE ADVANCED LEVEL EXAMINATION COURSE IN THE 1989-90 SCHOOL YEAR ARE ALSO ELIGIBLE TO APPLY.

APPLICATION FORMS ARE NOW OBTAINABLE FROM THE OVERSEAS STUDENTS AND SCHOLARSHIPS SECTION OF THE EDUCATION DEPARTMENT AT ROOM 530, FIFTH FLOOR, LEE GARDENS, HYSAN AVENUE, CAUSEWAY BAY.

COMPLETED FORMS MUST BE RETURNED BY JULY 22 FOR STUDENTS IN SECONDARY 7 AND THE 14TH DAY AFTER THE RELEASE OF THE HONG KONG CERTIFICATE OF EDUCATION EXAMINATION RESULTS FOR STUDENTS IN SECONDARY 6.

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SCHOOL LEAVERS GIVEN ADVICE

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SCHOOL LEAVERS WERE TODAY (WEDNESDAY) GIVEN ADVICE ON HOW TO FACE THE NEW STAGE IN LIFE AHEAD OF THEM BY THE ACTING DIRECTOR OF SOCIAL WELFARE, MR STEPHEN LAW.

SPEAKING AT THE SPEECH DAY OF THE SALVATION ARMY WILLIAM BOOTH SECONDARY SCHOOL, MR LAW SAID IT WAS NECESSARY FOR THEM TO MAINTAIN A DESIRE TO LEARN ALL THE TIME WHEREVER THEY WERE.

"YOU SHOULD NOT SET YOUR MIND ON WORKING HARD ALONE FOR MATERIAL GAIN OR FURTHER YOUR STUDIES SOLELY FOR BETTER PROSPECT BUT INSTEAD YOU SHOULD LEARN MORE ABOUT YOUR SURROUNDINGS, THE COMMUNITY AND THE DEVELOPMENT OF THE WORLD," HE SAID.

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"IDEALS CAN PREVENT US FROM BECOMING THE SLAVES OF MATERIALISM AND HELP TO PROMOTE CIVILIZATION.

"I HOPE THAT YOU AS SCHOOL LEAVERS WILL LAY DOWN YUR LONG-TERM IDEALS TO DEVELOP A POSITIVE OUTLOOK IN LIFE AND EMBARK ON YOUR FUTURE DAYS WITH MORE ASSURANCE," HE ADDED.

IN ADDITION, MR LAW SAID, IT WAS ALSO NECESSARY FOR STUDENTS TO BE CONFIDENT AND TO CARE FOR AND LOVE OTHERS, NOT ONLY THEIR FAMILY MEMBERS BUT ALSO MEMBERS OF THE COMMUNITY, PARTICULARLY THE UNDERPRIVILEGED.

HE SUGGESTED THAT SCHOOL LEAVERS SHOULD CULTIVATE SOME INTERESTS IN THEIR SPARE TIME BY TAKING PART IN VARIOUS ADULT EDUCATION PROGRAMMES OR INTEREST GROUPS AND ACTIVITIES OFFERED BY YOUTH CENTRES, COMMUNITY CENTRES AND OTHER COMMUNITY SERVICE ORGANISATIONS.

HE SAID THE SALVATION ARMY HAD BEEN PROVIDING DIVERSIFIED SOCIAL SERVICES IN HONG KONG TO SERVE YOUNG CHILDREN, YOUNGSTERS, THE AGED, THE DISABLED AND OTHER PERSONS IN NEED FOR MORE THAN 40 YEARS.

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FSD RECRUITMENT DRIVE AT HOUSING ESTATES

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THE FIRE SERVICES DEPARTMENT WILL LAUNCH A FRESH CAMPAIGN IN SHOPPING AREAS AT FIVE PUBLIC HOUSING ESTATES TOMORROW (THURSDAY) TO RECRUIT STATIONS OFFICERS, FIREMEN AND AMBULANCEMEN.

THE CAMPAIGN WILL FORM PART OF THE CONTINUOUS RECRUITMENT EXERCISE CARRIED OUT BY THE DEPARTMENT.

RECRUITING CENTRES, EACH EQUIPPED WITH PANELS DISPLAYING COLOUR PHOTOGRAPHS INTRODUCING THE WORK OF THE FIRE SERVICES AND JOBS BEING OFFERED BY THE DEPARTMENT, WILL BE SET UP AT HING MAN ESTATE ON HONG KONG ISLAND, OI MAN AND CHOI WAN ESTATES IN KOWLOON, AND FU SHIN AND SHAN KING ESTATES IN THE NEW TERRITORIES.

THESE CENTRES WILL BE MANNED BY FSD STAFF FROM 11 AM TO 7 PM FROM MONDAYS TO FRIDAYS, AND FROM 9 AM TO 5 PM ON SATURDAYS AND SUNDAYS THROUGHOUT THE MONTH OF JUNE. THEY WILL BE MOVED TO FIVE OTHER PUBLIC HOUSING ESTATES ON A ROTATION BASIS AT A MONTHLY INTERVAL.

SENIOR DIVISIONAL OFFICER OF THE RECRUITMENT, TRAINING AND EXAMINATION GROUP OF THE HEADQUARTERS COMMAND, MR LAM CHUN-MAN, SAID TODAY (WEDNESDAY) THE PURPOSE OF SETTING UP THESE CENTRES AT PUBLIC HOUSING ESTATES WAS TO ATTRACT MORE PEOPLE TO JOIN THE FIRE SERVICES AND TO PROVIDE ON-THE-SPOT ASSISTANCE FOR APPLICANTS TO FILL IN THE FORMS.

/"WE NEED

"WE NEED TO UPGRADE OUR RECRUITMENT CAMPAIGN BECAUSE ONLY 14 STATION OFFICERS WERE RECRUITED LAST YEAR TO FILL 68 VACANCIES DESPITE CONTINUOUS RECRUITMENT EFFORTS," HE SAID.

MR LAM SAID AT LEAST 98 VACANCIES FOR STATION OFFICERS WOULD BE REQUIRED TO BE FILLED IN THE CURRENT FINANCIAL YEAR.

HE ANTICIPATED THAT THERE WOULD ALSO BE 376 VACANCIES FOR FIREMEN, SIX FOR AMBULANCE OFFICERS AND 332 FOR AMBULANCEMEN WHICH NEEDED TO BE FILLED IN THE 1989-90 FINANCIAL YEAR.

"WE ARE OFFERING A CAREER OF VARIETY, INTEREST AND OPPORTUNITY TO YOUNG PEOPLE WHO WISH TO SERVE THE COMMUNITY," HE ADDED.

FOR STATION OFFICERS AND FIREMEN, AN APPLICANT SHOULD BE UNDER 30 YEARS OF AGE, HAVE GOOD PHYSIQUE AND NORMAL EYESIGHT WITHOUT SPECTACLES AND BE ABLE TO SPEAK FLUENT CANTONESE AND READ AND WRITE CHINESE.

HE SHOULD BE 168 CENTIMETRES TALL OR ABOVE AND WEIGHS AT LEAST 55 KILOGRAMS. HIS CHEST MEASUREMENT SHOULD NOT BE LESS THAN 86 CENTIMETRES DEFLATED, WITH AN EXPANSION OF AT LEAST FIVE CENTIMETRES.

THE MINIMUM ACADEMIC QUALIFICATION REQUIRED FOR FIREMEN IS SATISFACTORY COMPLETION OF FORM III AND APPLICANTS FOR STATION OFFICERS MUST POSSESS AT LEAST FIVE SUBJECTS INCLUDING ENGLISH LANGUAGE (SYLLABUS B) AT GRADE E OR ABOVE IN THE HONG KONG CERTIFICATE OF EDUCATION EXAMINATION.

MEMBERS OF THE PUBLIC WISHING TO JOIN THE FIRE SERVICES DEPARTMENT AS AN AMBULANCEMAN SHOULD BE UNDER 30 YEARS OF AGE, HAVE GOOD PHYSIQUE AND BE ABLE TO SPEAK FLUENT CANTONESE AND READ AND WRITE CHINESE.

HE SHOULD BE WITHIN THE HEIGHT RANGE OF 165 TO 191 CENTIMETRES AND CORRESPONDING WEIGHT RANGE OF 52 TO 87 KILOGRAM IN A SPECIFIC PROPORTIONAL HEIGHT AND WEIGHT SCALE.

HIS CHEST MEASUREMENT SHOULD NOT BE LESS THAN 84 CENTIMETRES DEFLATED, WITH AN EXPANSION OF AT LEAST FIVE CENTIMETRES.

THE MINIMUM ACADEMIC QUALIFICATION REQUIRED IS SATISFACTORY COMPLETION OF FORM III.

THE STARTING SALARY FOR FIREMEN VARIES FROM \$4,496 TO \$4,940 PER MONTH DEPENDING ON QUALIFICATIONS, AND RISES TO A MAXIMUM OF \$7,150. FOR STATION OFFICERS, THE STARTING SALARY VARIES FROM \$9,275 TO \$11,530, AGAIN DEPENDING ON QUALIFICATIONS, AND THE MAXIMUM SALARY IS \$20,490.

THE STARTING SALARY FOR AN AMBULANCEMAN RANGES FROM \$4,355 TO \$4,790, DEPENDING ON QUALIFICATIONS, AND RISE TO \$6,935.

ALL RECRUITS WILL RECEIVE PROPER TRAINING AT THE FIRE SERVICES TRAINING SCHOOL AT PAT HEUNG IN THE NEW TERRITORIES.

APPLICATION FORMS (GF 340) ARE AVAILABLE AT THE FIRE RECRUITING CENTRES, FIRE STATIONS AND AMBULANCE DEPOTS, AND ALL DISTRICT OFFICES.

SUPERMARKET FINED FOR IMPROPER LABELLING

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THE MUNICIPAL SERVICES BRANCH TODAY (WEDNESDAY) REMINDED FOOD MANUFACTURERS, WHOLESALERS AND RETAILERS NOT TO SELL PREPACKAGED FOOD WHICH BORE NO PROPER LABELLING AS REQUIRED BY THE THIRD SCHEDULE OF THE FOOD AND DRUGS (COMPOSITION AND LABELLING) REGULATIONS (CHAPTER 132).

THE PENALTY FOR CONTRAVENING THE REGULATIONS IS A MAXIMUM FINE OF \$25,000 AND SIX MONTHS' IMPRISONMENT.

THE REMINDER FOLLOWS A COURT CASE RECENTLY HEARD IN THE SHA TIN MAGISTRACY IN WHICH A SUPERMAKET IN SHA TIN WAS FINED A TOTAL OF \$7,500 FOR SELLING PREPACKAGED FOOD ITEMS NAMELY PRESERVED VEGETABLES AND PRESERVED BLACK BEANS, WHICH HAD NOT BEEN MARKED OR LABELLED WITH THE NAME OR DESIGNATION OF THE FOOD, A LIST OF INGREDIENTS, THE ADDRESS OF THE PACKER AND THE NUMERICAL COUNT OF THE CONTENTS OR THE NET WEIGHT OF THE FOOD.

THE SUPERMAKET WAS ALSO PENALISED FOR SELLING BONITO JUICE WITH ITS BOTTLE ONLY MARKED IN JAPANESE, CONTRAVENING THE PARAGRAPH 8 OF THE THIRD SCHEDULE OF THE FOOD AND DRUGS (COMPOSITION AND LABELLING) REGULATIONS WHICH REQUIRES THE LABEL OF PREPACKAGED FOOD TO BE MARKED OR LABELLED IN EITHER THE ENGLISH LANGUAGE OR THE CHINESE LANGUAGE OR IN BOTH.

THE SUPERMAKET WAS PROSECUTED UNDER REGULATIONS 4(A)1 AND 5(1) OF THE REGULATIONS WHICH WAS MADE UNDER SECTION 55 OF PUBLIC HEALTH AND MUNICIPAL SERVICES ORDINANCE.

IT WAS ALSO ORDERED TO PAY A TOTAL OF SAMPLE COSTS \$32.50.

EARLIER THIS MONTH, TWO SIMILAR CASES INVOLVED A RETAILER AND A FOOD MANUFACTURER WHO HAD BEEN PROSECUTED AND FINED FOR SALE OF PREPACKAGED FOOD NOT MARKED OR LABELLED IN ACCORDANCE WITH THE REGULATIONS.

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AWARD PRESENTATION FOR SAFETY POSTER DESIGN WINNERS

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WINNERS IN THE 1988-89 INDUSTRIAL SAFETY POSTER DESIGN COMPETITION FOR STUDENTS WILL RECEIVE THEIR PRIZES AT A PRESENTATION CEREMONY TOMORROW (THURSDAY).

ORGANISED JOINTLY BY THE LABOUR DEPARTMENT AND THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL, THE COMPETITION WAS OPEN TO STUDENTS AGED BETWEEN 14 AND 22 FROM SECONDARY SCHOOLS AND POST-SECONDARY INSTITUTIONS.

/IT WAS

IT WAS INTENDED TO INSTIL IN YOUNG PEOPLE THE IMPORTANCE OF INDUSTRIAL SAFETY AND TO DEVELOP THEIR DESIGN TALENTS.

SINCE ITS INCEPTION IN 1968, THE ANNUAL EVENT HAS ATTRACTED VERY FAVOURABLE RESPONSE FROM BOTH SECONDARY AND TERTIARY STUDENTS.

THE COMPETITION WAS SPONSORED BY HO LU KWONG CHARITY FOUNDATION LTD., UNITED BUILDERS INSURANCE CO. LTD., AND MR HO SAI-CHU.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE PRIZE PRESENTATION TOMORROW (THURSDAY). THE COMMISSIONER FOR LABOUR, MR TONY HAMMOND, THE DIRECTOR OF EDUCATION, MR Y.T. LI, THE CHAIRMAN OF THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL, MR HO SAI-CHU, AND THE COUNCIL'S VICE-CHAIRMAN, MR K.Y. TONGSON, WILL OFFICIATE.

THE CEREMONY WILL BEGIN AT 4 PM IN THE JADE BALLROOM I, HOTEL FURAMA, CENTRAL.

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SHAU KEI WAN CLINIC MOVES

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THE SHAU KEI WAN MATERNAL AND CHILD HEALTH CENTRE WILL OPERATE FROM ITS NEW ADDRESS AT NO. 1 PO MAN STREET, PERFECT MOUNT GARDENS, SHAU KEI WAN MTR STATION FROM MONDAY (JUNE 5), THE DEPARTMENT OF HEALTH ANNOUNCED TODAY (WEDNESDAY).

A DEPARTMENT SPOKESMAN SAID THE CENTRE WILL BE AIR-CONDITIONED AND MORE SPACIOUS THAN THE EXISTING ONE AT NO. 8 CHAI WAN ROAD.

IT WILL PROVIDE A COMPREHENSIVE RANGE OF SERVICES, INCLUDING INFANT AND CHILD HEALTH CARE, IMMUNISATION, COMPREHENSIVE OBSERVATION SERVICE, ANTENATAL AND POSTNATAL CARE, AND FAMILY PLANNING.

THE HOURS OF OPERATION WILL REMAIN UNCHANGED.

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GOODS VEHICLES RESTRICTION IN CHEUNG SHA WAN

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THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON FRIDAY (JUNE 2), FORTUNE STREET BETWEEN ITS JUNCTION WITH FAT TSEUNG STREET AND A POINT ABOUT 174 METRES WEST OF THE SAME JUNCTION WILL BE DESIGNATED A GOODS VEHICLES URBAN CLEARWAYS FROM 7 AM TO 7 PM DAILY.

WITHIN THE URBAN CLEARWAY, ALL GOODS VEHICLES EXCEPT THOSE WITH PERMITS ISSUED BY THE COMMISSIONER FOR TRANSPORT WILL BE PROHIBITED FROM STOPPING FOR PASSENGERS OR GOODS.

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POLICE HAVE RESPONDED MAGNIFICENTLY: GOVERNOR

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THE GOVERNOR, SIR DAVID WILSON, YESTERDAY (TUESDAY) INTERRUPTED HIS BUSY SCHEDULE TO PAY AN IMPROMPTU CALL ON THE POLICE REGIONAL HEADQUARTERS FOR HONG KONG ISLAND TO THANK OFFICERS FOR THE WAY IN WHICH THEY HAD DEALT WITH EVENTS IN HONG KONG OVER THE PAST COUPLE OF WEEKS OR SO.

"YOU HAVE RESPONDED MAGNIFICENTLY," SIR DAVID TOLD OFFICERS FROM A CROSS SECTION OF THE FORMATIONS WHO HAD POLICED THE VARIOUS MASS RALLIES, DEMONSTRATIONS, MARCHES AND PUBLIC MEETINGS ASSOCIATED WITH STUDENT PROTESTS IN CHINA.

"YOU HAVE, I KNOW, RECEIVED CONGRATULATIONS FROM THE PUBLIC AND FROM THE LEGISLATIVE COUNCIL, AND ALL OF US FEEL RIGHTLY PROUD OF THE WAY IN WHICH THE FORCE HAS REACTED."

SIR DAVID LIKENED WHAT HAD HAPPENED IN HONG KONG IN THE PASSAGE OF TWO WEEKS TO AN EXERCISE SCENARIO.

"FIRST OF ALL WE HAD 1,000 BOAT PEOPLE ARRIVING IN THE COURSE OF TWO DAYS; THEN THE THREAT OF A TYPHOON AND THE MOVEMENT OF 2,000 PEOPLE FROM FERRIES ONTO DRY LAND. NEXT THE TYPHOON ARRIVED AND WE HAD TO DEAL WITH THIS. THEN MARTIAL LAW WAS DECLARED IN BEIJING AND WE HAD 50,000 DEMONSTRATORS IN THE MIDDLE OF A TYPHOON AND OVER HALF-A-MILLION MARCHERS THE FOLLOWING DAY.

"IF SOMEONE HAD WRITTEN ALL THIS DOWN AS AN EXERCISE SCENARIO WE WOULD HAVE SAID IT WAS WILD EXAGGERATION; REAL LIFE IS NOT LIKE THAT.

"BUT REAL LIFE IN HONG KONG IS ALWAYS STRANGER THAN SCENARIO WRITERS WOULD HAVE IT BE.

/"WE HAVE

"WE HAVE REASON TO BE PROUD THAT WE TACKLED ALL THESE EVENTS AND CAME THROUGH ON TOP. REASON TO BE PROUD OF THE PEOPLE OF HONG KONG FOR THE WAY THEY BEHAVED IN THE DEMONSTRATIONS.

"IT IS QUITE UNIQUE ROUND THE WORLD THAT SO MANY PEOPLE HAVE DEMONSTRATED WITH SUCH FEELING AND YET WITH REMARKABLY GOOD ORDER."

INTRODUCING THE GOVERNOR, THE REGIONAL COMMANDER HONG KONG ISLAND, MR JOHN CLEMENCE, SAID THAT THOSE PRESENT WERE ACUTELY CONSCIOUS OF THE EXTREME COMPLIMENT THAT SIR DAVID WAS PAYING THEM IN ALTERING A VERY BUSY SCHEDULE TO VISIT THE HEADQUARTERS.

"WHEREAS THOSE HERE TODAY ARE PROUD OF THEIR PERFORMANCE OVER THE LAST FEW WEEKS, THEY ARE VERY PROUD OF BEING MEMBERS OF THE COMMUNITY OF HONG KONG," HE SAID.

"IT IS A COMMUNITY WHICH HAS SHOWN REMARKABLE DISCIPLINE AND COOPERATION WITH THE POLICE WITH THE GREATEST RESTRAINT YET AT THE SAME TIME ABLE TO DEMONSTRATE ITS DEEP FEELING IN RESPECT OF THE EVENTS IN CHINA."

THE COMMISSIONER OF POLICE, MR RAYMON ANNING, WHO GREETED THE GOVERNOR ON HIS ARRIVAL, ALSO ADDED HIS CONGRATULATIONS "FOR *A JOB DONE PROFESSIONALLY".

"YOUR EFFORTS HAVE ENHANCED THE REPUTATION OF THE FORCE BOTH FROM THE PUBLIC POINT OF VIEW AND, THROUGH THE MEDIA, IN OTHER PARTS OF THE WORLD," HE ADDED.

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