



DAILY INFORMATION BULLETIN

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BUDGET DEFICIT THIS YEAR, FS REPORTS

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THERE IS NOW CLEARLY GOING TO BE A BUDGET DEFICIT THIS YEAR BECAUSE OF A PRONOUNCED FALL IN REVENUE FROM LAND SALES, THE FINANCIAL SECRETARY, THE HON JOHN BREMRIDGE, SAID AT THE LEGISLATIVE COUNCIL TODAY AT THE RESUMED DEBATE ON THE GOVERNOR'S POLICY ADDRESS.

MR BREMRIDGE SAID THAT A DEFICIT WOULD BE TAKEN UP BY HONG KONG'S RESERVES WHICH HE CONSIDERED TO BE SATISFACTORY.

+THAT IS WHAT SAVINGS ARE FOR, AND WE MUST NOT GET EXCITED ABOUT ONE OR POSSIBLY TWO DIFFICULT YEARS,+ HE STATED.

HE SAID THAT THE LAND SALES COMPONENT OF REVENUE WOULD LIKELY IN FUTURE BE A LESS SIGNIFICANT PART OF TOTAL REVENUE THAN IT HAD BEEN FOR THE PAST SEVEN YEARS.

HE REPORTED THAT HONG KONG'S FISCAL RESERVES NOW TOTAL OVER \$22 BILLION WHICH, AFTER ALLOWING CONSERVATIVELY FOR CONTINGENT LIABILITIES, LEAVES FREE RESERVES OF OVER \$16 BILLION.

MR BREMRIDGE SAID ALSO THAT THE GOVERNMENT'S TARGET GROWTH IN PUBLIC SECTOR EXPENDITURE FOR FISCAL 1983-84 WILL BE ABOUT 10 PER CENT IN MONETARY TERMS.

HE SAID THAT HE HOPED TO ARRANGE THAT REAL GROWTH IN PUBLIC SPENDING IN THE NEXT FISCAL YEAR WOULD NOT EXCEED WHATEVER MIGHT BE THE EXPECTED GDP GROWTH.

HE ADDED THAT NEVERTHELESS, THERE WOULD BE +NO STRINGENT CUTBACKS, NO STOP AND GO, NO FAILURE TO CONTINUE WITH EXISTING MAJOR PROGRAMMES, NO PETTY MEANNESS+.

SUBJECT TO THE COUNCIL'S APPROVAL, MR BREMRIDGE SAID THAT AT THE BEGINNING OF FISCAL 1983-84, THE GOVERNMENT SHOULD HAVE COMMITMENTS OF ABOUT \$25 BILLION IN THE PUBLIC WORKS PROGRAMME FUNDED VIA THE CAPITAL WORKS RESERVE FUND.

THE FIGURE WOULD TAKE INTO ACCOUNT NEW WORKS, INCLUDING LAND ACQUISITION WHOSE COSTS TO COMPLETION IN TODAY'S MONEY WOULD BE AT LEAST \$5 BILLION, HE SAID.

AS BEFORE, THE PUBLIC WORKS PROGRAMME, HE SAID, WOULD NOT INCLUDE THE LOW COST PUBLIC HOUSING PROGRAMME.

HE POINTED TO TWO +PRESSING REASONS+ FOR FIRM CONTROL OF THE GROWTH RATE OF PUBLIC SECTOR EXPENDITURE IN RELATION TO THE GDP:

- * THE NEED TO ENSURE THAT THE GOVERNMENT DOES NOT PREEMPT RESOURCES WHICH MIGHT BETTER BE USED BY THE PRIVATE SECTOR, INCLUDING THE PRODUCTION OF ALL-IMPORTANT EXPORTS.
- * BUDGETARY EXIGENCE WHICH HE DESCRIBED AS +THE NEED TO CUT OUR COAT TO SUIT OUR CLOTH+.

/+WHILE WE

+WHILE WE INTEND TO PROCEED WITH OUR COMMITMENTS STEADILY AND CAREFULLY, MANY MEMBERS MAY AGREE WITH ME THAT THE DISCIPLINE OF A RATHER MORE AUSTERE APPROACH TO PUBLIC SPENDING IS OVERDUE. IN BRIEF A LITTLE BELT TIGHTENING IS INDICATED,+ MR BREMRIDGE SAID.

HE REGARDED PRESENT PUBLIC SECTOR EXPENDITURE, WHICH IS EQUIVALENT TO 25 PER CENT OF THE GDP, AS BEING TOO HIGH.

HE CAUTIONED THAT FAILURE TO CONTROL THIS EXPENDITURE +IS A RECIPE FOR INFLATION AND UNEMPLOYMENT+.

+THUS DECISIONS ON REALLY LARGE PROJECTS SUCH AS A REPLACEMENT AIRPORT CAN ONLY BE APPROACHED AFTER THE MAJOR SUB-REGIONAL STUDIES HAVE BEEN COMPLETED AND WE KNOW WHAT CASH COMMITMENTS ARE LIKELY TO BE.

+INITIAL EXCITEMENT OVER NEW PROJECTS COULD SO EASILY GIVE WAY TO LONG-TERM DESPAIR IF EXPENDITURE EXCEEDS WHAT WE CAN PROPERLY AFFORD. I CANNOT EMPHASISE TOO STRONGLY THAT PRUDENCE IS MORE IMPORTANT THAN SHORT-TERM POPULARITY,+ MR BREMRIDGE SAID.

MR BREMRIDGE SAID THAT WHILE THE IMPORTANCE OF LARGE-SCALE EMPLOYMENT OFFERED BY THE MANUFACTURING INDUSTRY WAS CLEAR, IT WAS NEVERTHELESS WISE ALSO TO RECOGNISE THE GROWING CONTRIBUTION OF THE FINANCIAL, HOTELS AND EXPORT-BASED SERVICES SECTORS WHERE GROWTH IS AT PRESENT CONCENTRATED.

EXPRESSING HIS PROFOUND BELIEF IN THE CONTINUED PROSPERITY AND STABILITY OF HONG KONG, HE SAID, +THE PRESENT PROBLEMS THAT WE FACE APPEAR TO ME TO BE CLEARLY EPHEMERAL.+

+OF COURSE, THEY EXIST; OF COURSE THEY ARE CREATING CONCERN, OF COURSE INTELLIGENCE, COURAGE, CONFIDENCE AND HARD WORK WILL PREVAIL AS THEY HAVE BEFORE,+ HE STRESSED.

HE REITERATED THAT IT IS THE GOVERNMENT'S POLICY AND FIRM INTENTION TO INVEST VIGOROUSLY IN THE FUTURE OF HONG KONG AND ITS PEOPLE.

MR BREMRIDGE SAID, +THE WORLD AT PRESENT IS SUFFERING FROM WHAT IS HOPEFULLY THE TAIL END OF THE WORST RECESSION SINCE THE 1930'S. IT CANNOT BE TOO OFTEN REPEATED THAT HONG KONG IS RELIANT ON EXPORT TRADE.+

+HONG KONG IS HOWEVER SPECIAL IN THAT IN THIS DIFFICULT YEAR WE STILL EXPECT FOUR PER CENT GROWTH IN GDP, DO NOT FACE SERIOUS UNEMPLOYMENT PROBLEMS -- THOUGH THEY ARE INCREASING -- AND HAVE EXPERIENCED A NOTICEABLE DROP IN INFLATION WHICH PRESENTLY IS RUNNING AT ABOUT 10 PER CENT.+

MR BREMRIDGE ASSUMED THAT THERE WOULD BE +THE SHADOWY BEGINNINGS+ OF A RECOVERY IN THE U.S. ECONOMY IN THE LAST QUARTER OF THIS YEAR AND A CONSERVATIVE TWO-AND-A-HALF PER CENT GROWTH IN THE U.S. GDP NEXT YEAR.

+I BELIEVE THAT THE U.S. RETAIL TRADE WILL FIRST REFLECT THIS CHANGE OF TIDE, AND THAT HONG KONG WILL THUS BENEFIT WITH OUR CONCENTRATION ON FLEXIBLE LIGHT INDUSTRY DESIGNED FOR EXPORT,+ HE SAID.

/+WHILE THEREFORE

+WHILE THEREFORE REMAINING PRUDENTLY ON OUR GUARD, WE SHALL CONTINUE CALMLY WITH OUR TESTED ECONOMIC POLICIES. THERE IS NO NEED FOR CHANGE IN OUR BASIC BELIEF IN NON-INTERVENTIONISM AND IN OUR RELIANCE ON FREE MARKETS. THE GOVERNMENT WILL CARRY ON STEADILY ON THE COURSE THAT HAS LONG BEEN SET,+ MR BREMRIDGE STATED.

HE ALSO SAID THAT A PROPOSAL BY AN UNOFFICIAL MEMBER TO ABOLISH THE INTEREST TAX ON HONG KONG DOLLAR DEPOSITS +WILL CERTAINLY NOT BE OVERLOOKED+.

SUMMING UP HIS SPEECH, MR BREMRIDGE STATED, +LET ME END BY SAYING THAT DESPITE OUR PRESENT LOCAL DIFFICULTIES, THE FUTURE LOOKS PROSPEROUS AND STABLE PROVIDED THAT GOVERNMENT'S ECONOMIC, FINANCIAL AND FISCAL POLICIES CONTINUE TO REFLECT PRAGMATIC PRUDENCE AND THE LESSONS WE HAVE LEARNED THE HARD WAY.

+SIR, OUR POLICIES WILL DO SO.+

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INFRASTRUCTURE SUPPORT FOR INDUSTRY OUTLINED
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THE SECRETARY FOR TRADE AND INDUSTRY, MR BILL DORWARD SAID TODAY THAT THE GOVERNMENT'S INDUSTRIAL DEVELOPMENT POLICY ACTIVITIES AND PLANS SHOWED THAT SUSTAINED EFFORTS WERE BEING MADE TO PROVIDE ADEQUATE GOVERNMENT OR GOVERNMENT-RELATED INFRASTRUCTURE TO ASSIST INDUSTRY.

HE WAS RESPONDING TO REMARKS REGARDING SUPPORT TO INDUSTRY RAISED BY UNOFFICIAL LEGISLATIVE COUNCILLORS AT THE RESUMED DEBATE ON THE GOVERNOR'S POLICY SPEECH.

REFERRING TO COMMENTS BY THE HON FRANCIS TIEN AND THE HON ALLEN LEE THAT THERE WAS A PRESSING NEED TO IMPROVE ACCESS TO MODERN TECHNOLOGY FROM ABROAD, MR DORWARD DISCLOSED THAT FUNDS HAD JUST BEEN PROVIDED FOR A TECHNOLOGY TRANSFER STUDY TO BE CONDUCTED BY THE HONG KONG PRODUCTIVITY COUNCIL.

+ITS PURPOSE IS TO ASSESS THE REQUIREMENTS OF INDUSTRY IN THIS RESPECT BY MEANS OF INTENSIVE STUDY OF SELECTED SEGMENTS. IT WILL SEEK TO IDENTIFY THE SERVICES AND FACILITIES CURRENTLY AVAILABLE AND CONSIDER HOW AND TO WHAT EXTENT THEY SHOULD BE INCREASED.

+A CONSEQUENCE OF THE STUDY MAY BE THE ESTABLISHMENT OF A TECHNOLOGY TRANSFER AGENCY,+ HE ADDED.

THE HONG KONG PRODUCTIVITY COUNCIL IS EXPANDING ITS SERVICES TO INDUSTRY IN OTHER WAYS. A MICRO-PROCESSOR DEVELOPMENT LABORATORY HAS BEEN ESTABLISHED AND IS PROVIDING FACILITIES FOR PRODUCT DEVELOPMENT AS WELL AS CONSULTANCY SERVICES TO THE INDUSTRY.

A TECHNO-ECONOMIC STUDY ON THE ELECTRONICS INDUSTRY IS EXPECTED TO BE COMPLETED BY THE HONG KONG PRODUCTIVITY COUNCIL IN JANUARY 1983 TO PROVIDE GUIDANCE ON FUTURE DEVELOPMENT NEEDS AND RESOURCES. A SIMILAR STUDY BY THE CENTRE HAS JUST BEEN COMPLETED ON THE METAL AND LIGHT ENGINEERING INDUSTRIES AND IS UNDER CONSIDERATION BY THE INDUSTRIAL DEVELOPMENT BOARD.

ON INDUSTRIAL LAND, MR DORWARD POINTED OUT THAT FOR SOME YEARS GOVERNMENT HAD BEEN EXHORTED TO INTERFERE WITH THE MARKET MECHANISM SO AS TO PROVIDE CHEAP, OR LESS EXPENSIVE, LAND FOR INDUSTRY.

MR DORWARD EMPHASISED THAT IT WAS IMPORTANT TO CONSIDER THE EFFECTIVENESS OF THE GOVERNMENT'S LAND POLICY IN CONSIDERING INDUSTRIAL LAND VALUES TODAY. +THERE ARE, OF COURSE, OTHER FACTORS AT PLAY - ECONOMIC AND POLITICAL - BUT THE REDUCTION IN THESE VALUES IS TO A SUBSTANTIAL DEGREE THE CONSEQUENCE OF A DELIBERATE GOVERNMENT POLICY TO ASSIST INDUSTRY BY PROVIDING MORE, AND THEREFORE LESS EXPENSIVE, LAND.

+THE OPERATION OF THE LAW OF SUPPLY AND DEMAND CAN BE SLOWED DOWN, BUT IT CANNOT, IN THE END, BE STOPPED.

+IT IS DIFFICULT TO MAKE EXACT COMPARISONS, FOR THERE ARE A NUMBER OF VARIABLE FACTORS, BUT IT IS FAIR TO SAY THAT THE SELLING PRICES FOR COMPLETED INDUSTRIAL SPACE IN SINGAPORE TODAY ARE PROBABLY BETWEEN TWO AND THREE TIMES HIGHER THAN THEY ARE IN THE NEW TERRITORIES,+ MR DORWARD SAID.

OUTLINING ACTIVITIES UNDERTAKEN BY THE INDUSTRY DEPARTMENT TO PROMOTE INDUSTRIAL INVESTMENT, SUCH AS THE SETTING UP OF OFFICES IN TOKYO, LONDON, STUTTGART AND SAN FRANCISCO, MR DORWARD SAID: +THIS MAY SEEM LIKE A STRANGE TIME TO BE EXPANDING THESE ACTIVITIES, GIVEN THE GENERAL ECONOMIC CLIMATE.

+I BELIEVE, HOWEVER, THAT THIS IS IN FACT THE RIGHT TIME TO ESTABLISH AND EXPAND PROMOTIONAL FACILITIES SO THAT WHEN THE EXPANSIONIST SPRING FOLLOWS THE WINTER OF RECESSION, WE SHALL BE POISED TO TAKE MAXIMUM ADVANTAGE.

+IT IS, I THINK, A SUSTAINABLE ARGUMENT IN ANY CASE THAT PROMOTIONAL ACTIVITIES ARE MORE IMPORTANT IN BAD TIMES THAN IN GOOD.+

IN REPLY TO THE HON MARIA TAM'S SUGGESTION THAT THE GOVERNMENT SHOULD ADVISE WOULD-BE MANUFACTURERS WHICH FIELD OF PRODUCTION WAS REACHING SATURATION POINT, AND TO PROVIDE INFORMATION ON OVERSEAS MARKET TRENDS, MR DORWARD SAID: +I BELIEVE THAT THE SAME ENDS COULD BE, AND INDEED ARE BEING, ACHIEVED - AND MORE EFFECTIVELY - BY USING THE FACILITIES OF THE TRADE DEVELOPMENT COUNCIL.

+IT IS, I SUPPOSE, INEVITABLE THAT THE BEST KNOWN ACTIVITIES OF THE COUNCIL ARE THE MORE PUBLICISED ONES, FASHION SHOWS AND MISSIONS AND THE LIKE. BUT DAY BY DAY THE TRADE DEVELOPMENT COUNCIL IS PROVIDING AN UNSPECTACULAR BUT VERY VALUABLE SERVICE IN BRINGING TOGETHER LOCAL AND OVERSEAS BUSINESSMEN TO SATISFY THEIR MUTUAL NEEDS,+ HE SAID.

REFERRING TO MR TIEN'S CALL FOR THE SPEEDY ESTABLISHMENT OF THE GOVERNMENT'S STANDARDS AND CALIBRATION LABORATORY, MR DORWARD TOLD THE COUNCIL THAT PREPARATIONS WERE WELL ADVANCED AND THE LABORATORY WAS EXPECTED TO BE OPERATIONAL BY MID-1983.

/+INITIALLY IT

+INITIALLY IT WILL SERVE INDUSTRY'S NEEDS IN RESPECT OF ELECTRONIC AND ELECTRICAL STANDARDS AND CALIBRATION. CONSIDERATION IS, HOWEVER, BEING GIVEN TO EXPANSION OF ACTIVITIES INTO OTHER FIELDS OF MEASUREMENT.

HE NOTED THAT ELECTRICITY CONSUMPTION BY INDUSTRY - A FAIR MEASURE OF ACTIVITY - WAS SLIGHTLY DOWN IN THE YEAR ENDING SEPTEMBER 1982 WHEN COMPARED WITH THE SAME PERIOD A YEAR EARLIER.

+BUT THE DECLINE IS ALMOST ENTIRELY IN THE TROUBLED TEXTILE MILL SECTOR, THE HEAVIEST ELECTRICITY USER, WHERE PRODUCTION HAS DECLINED TO ABOUT 75 PER CENT OF WHAT IT WAS A DECADE AGO. MOST OTHER KEY INDUSTRIES HAVE RECORDED REAL GROWTH IN CONSUMPTION THIS YEAR.

+IN THE SIGNIFICANT GARMENT SECTOR, QUOTA UTILISATION FOR THE FIRST NINE MONTHS OF 1982 IN THE US MARKET WAS 72.1 PER CENT COMPARED WITH 73.3 PER CENT FOR THE SAME PERIOD IN 1981. FOR THE EUROPEAN ECONOMIC COMMUNITY, IT WAS 49.8 PER CENT COMPARED WITH 52.6 PER CENT FOR THE FIRST THREE QUARTERS OF 1981.

+EXPORT PROSPECTS ARE HARD TO PREDICT, BUT IT WAS ENCOURAGING TO HEAR MR STEPHEN CHEONG'S VIEW THAT THE WORST IS BEHIND US. ORDER BOOKS ARE PRESENTLY SHORT BUT FAIRLY FULL AND I WOULD HAZARD A GUESS THAT WE SHALL BE ABLE TO LOOK BACK NEXT YEAR AND SEE THAT THE THIRD QUARTER OF 1982 WAS WHERE WE TOUCHED BOTTOM,+ MR DORWARD ADDED.

REFERRING TO THE CRITICAL TEXTILE NEGOTIATIONS WITH THE EEC WHICH ARE TO RESUME IN BRUSSELS NEXT WEEK, MR DORWARD SAID THE COMMUNITY'S DEMAND FOR CUTBACKS FROM HONG KONG AND OTHER SO-CALLED DOMINANT SUPPLIERS ON FIVE CATEGORIES REPRESENTED NEARLY 60 PER CENT OF OUR TOTAL TEXTILE AND CLOTHING EXPORTS TO THAT MARKET.

+IN OUR VIEW THE COMMUNITY'S DEMANDS ARE INCONSISTENT WITH THE PROVISIONS OF THE MULTI-FIBRE ARRANGEMENT WHICH GOVERN THESE NEGOTIATIONS. ACCEPTANCE OF THESE DEMANDS WOULD NOT ONLY RESULT IN A SIZEABLE REDUCTION OF OUR EXPORT EARNINGS FROM THE COMMUNITY MARKET, BUT WOULD SET A DAMAGING PRECEDENT FOR OTHERS TO FOLLOW AND, BY CONDONING THIS DISREGARD FOR A FREELY NEGOTIATED CODE OF DISCIPLINE, WOULD PUT THE FABRIC OF INTERNATIONAL TRADE LAW UNDER GREAT STRAIN.

+IRONICALLY, THIS HARSH ATTITUDE TO THIS, THE FREEST OF MARKETS, IS COINCIDING WITH GREAT EMPHASIS BEING PLACED IN COMMUNITY COUNTRIES ON THE NEED FOR RECIPROCAL MARKET ACCESS IF THEY ARE TO MAINTAIN THEIR LIBERAL TRADE POLICIES.

+I HOPE IT WILL BE RECOGNISED THAT THEIR INTERNATIONAL CREDIBILITY IS UNDER STRAIN UNLESS THEY SHOW SOME RECOGNITION OF THE FREE AND SUBSTANTIAL MARKET WHICH HONG KONG PROVIDES,+ MR DORWARD CONCLUDED.

EFFORT TO 'REMOVE AIR OF MYSTERY' OVER UTILITIES
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THE HOPE THAT THE PUBLICATION OF THE SCHEMES OF CONTROL FOR PUBLIC UTILITIES WILL HAVE GONE SOME WAY TOWARDS REMOVING THE AIR OF MYSTERY PREVIOUSLY SURROUNDING THEM, WAS EXPRESSED TODAY BY THE SECRETARY FOR ECONOMIC SERVICES, THE HON PIERS JACOBS.

THE GOVERNMENT'S ROLE IN RELATION TO THE PUBLIC UTILITIES WAS ESSENTIALLY TO PROVIDE A MONITORING SERVICE, NOT SUPERVISION, HE TOLD THE LEGISLATIVE COUNCIL.

MR JACOBS SAID THE SCHEMES OF CONTROL CONSTITUTED BINDING CONTRACTS BETWEEN THE GOVERNMENT AND THE COMPANIES WHICH COULD NOT BE ALTERED UNILATERALLY, AND IT WAS ON THE BASIS OF THE SCHEMES OF CONTROL THAT THE COMPANIES FINANCED THEIR OPERATIONS.

+THE SCHEMES PROVIDE FOR A REASONABLE RETURN FOR INVESTORS, AND DETAIL THE MANNER IN WHICH THE COMPANIES' FINANCIAL AFFAIRS SHOULD BE ACCOUNTED FOR,+ HE SAID.

+IT IS ON THESE BASES, THE RETURN TO INVESTORS ON THE ONE HAND AND THE CONSISTENT APPROACH TO VARIOUS MATTERS PROVIDED BY THE SCHEMES ON THE OTHER, THAT THE COMPANIES ARE ABLE TO APPROACH THE FINANCIAL MARKETS IN ORDER TO ARRANGE THE FINANCING OF THEIR OPERATIONS.

+MOST OF THE UTILITIES ARE CAPITAL INTENSIVE AND HAVE TO MEET A GROWING DEMAND FOR THEIR SERVICES. IN THESE CIRCUMSTANCES, FINANCING PLANS HAVE TO BE PROJECTED INTO THE FUTURE.+

MR JACOBS SAID WE WERE ALREADY BEGINNING TO ENJOY THE BENEFITS OF THE POWER COMPANIES' EXPANSION INTO COAL FUEL GENERATION.

+IF THE STABILITY PROVIDED BY THE SCHEMES OF CONTROL WERE REMOVED, THE COMPANIES' ABILITY TO OBTAIN THE FINANCE FOR THEIR FUTURE OPERATIONS OF THIS KIND WOULD BE SEVERELY IMPAIRED TO THE DETRIMENT OF THE CONSUMER,+ HE ADDED.

MR JACOBS SAID THAT WHEN THE COMPANIES' FINANCING PLANS WERE PRESENTED FOR APPROVAL, THEY WERE SUBJECTED TO VIGOROUS PROFESSIONAL EXAMINATION BY THE FINANCIAL MONITORING UNIT OF THE ECONOMIC SERVICES BRANCH AND OTHER BRANCHES AND DEPARTMENTS OF THE GOVERNMENT.

WHERE NECESSARY, HE SAID, OUTSIDE CONSULTANTS WERE ALSO ENGAGED ON THE TECHNICAL ASPECTS.

+AND LASTLY, THE FINANCING PLANS, INCLUDING THE PROJECTED REVISIONS TO TARIFFS ARE SUBMITTED FOR THE APPROVAL OF THE EXECUTIVE COUNCIL,+ HE SAID.

AS FAR AS THE TARIFFS WERE CONCERNED, MR JACOBS SAID, THE COMPANIES THEMSELVES WOULD EXPLAIN THESE TO THE PUBLIC. +THE RESPONSIBILITY FOR PROVIDING A RELIABLE SERVICE AT A REASONABLE PRICE RESTS PRIMARILY WITH THE COMPANIES CONCERNED,+ HE SAID.

ON CONSUMER PROTECTION, MR JACOBS SAID A DRAFT BILL HAD BEEN PRODUCED TO REGULATE THE LEGAL RELATIONSHIP BETWEEN PARTIES TO A HIRE-PURCHASE AGREEMENT.

HE SAID IN EXAMINING THE BILL IT HAD BECOME APPARENT THAT THERE WERE SOME DIFFICULTIES BUT ADDED THAT THE GOVERNMENT WAS DOING ITS BEST TO OVERCOME THESE DIFFICULTIES.

WITH REGARD TO TRAVEL AGENTS, HE SAID, A WORKING PARTY HAD BEEN APPOINTED TO ADVISE ON WHAT MEASURES MIGHT BE APPROPRIATE FOR THE GOVERNMENT TO INTRODUCE IN ORDER TO AFFORD A REASONABLE DEGREE OF PROTECTION FOR THE TRAVELLING PUBLIC, PARTICULARLY IN RELATION TO ANY FRAUD ON THE PART OF A TRAVEL AGENT.

THE WORKING PARTY COMPRISED REPRESENTATIVES FROM THE TRAVEL INDUSTRY, THE CONSUMER COUNCIL AND THE GOVERNMENT.

HE SAID THE WORKING PARTY HAD COMPLETED ITS DELIBERATIONS, AND WOULD BE IN A POSITION TO MAKE ITS PROPOSALS BEFORE THE EXECUTIVE COUNCIL IN THE NEAR FUTURE.

HOWEVER, HE EMPHASISED THAT THE GOVERNMENT WAS STILL NOT YET CONVINCED THAT IT WAS EITHER NECESSARY, DESIRABLE OR PRACTICABLE FOR MEMBERS OF THE TRAVELLING PUBLIC TO BE AFFORDED PROTECTION IN RESPECT OF QUALITY OF SERVICES ACTUALLY RENDERED BY TRAVEL AGENTS.

+WHAT WE ARE CONCERNED WITH IS FAILURE BY TRAVEL AGENTS, WHETHER BY REASON OF FRAUD OR OTHERWISE, TO PRODUCE THE SERVICES PAID FOR BY THEIR CUSTOMERS,+ HE SAID.

ON CONSUMER PRODUCT SAFETY, MR JACOBS SAID HITHERTO THE GOVERNMENT'S CONCERN HAD BEEN TO SUPPORT MANUFACTURERS IN THEIR EFFORTS TO MEET THE MANY AND VARIED OVERSEAS SPECIFICATIONS AND STANDARDS SET BY THEIR EXPORT MARKETS. THIS SUPPORT WAS BACKED BY AN EXPORT LICENSING SYSTEM OPERATED BY THE TRADE DEPARTMENT.

+IT IS NOW BECOMING APPARENT THAT QUALITY ASSURANCE, OF WHICH PRODUCT SAFETY IS AN IMPORTANT COMPONENT, WOULD BE BETTER VIEWED IN FUTURE AS A MATTER OF COMMON CONCERN FOR THE WHOLE HONG KONG ECONOMY SO THAT LOCAL EXPECTATIONS IN THIS AREA, AS WELL AS THE EXPECTATIONS OF OUR EXPORT MARKETS, ARE ALSO MET.+

MR JACOBS SAID THE GOVERNMENT SCIENCE ADVISER'S REPORT ON THIS TOPIC SHOULD BE AVAILABLE VERY SHORTLY. AND IN KEEPING WITH THIS GENERAL AWARENESS, THE GOVERNMENT WAS ALREADY RECEIVING AND ACTING ON REPORTS FROM CONSULTANTS WHO HAD BEEN ASKED TO ADVISE ON A TESTING LABORATORIES ACCREDITATION SYSTEM FOR HONG KONG.

+SUCH A SYSTEM WOULD BE AN ESSENTIAL PRE-REQUISITE FOR A PROPERLY DEVELOPED PRODUCT QUALITY AUDIT SYSTEM. BUT IT WILL TAKE TIME,+ HE SAID.

MR JACOBS ALSO SPOKE ON THE INSURANCE COMPANIES BILL 1982, AIMED AT PROTECTING POLICY-HOLDERS WITHOUT IMPEDING THE INSURANCE INDUSTRY.

HE SAID HE WAS CONFIDENT THAT, WITH THE IMPROVEMENTS WHICH FOLLOWED UPON DISCUSSIONS WITH THE UMELCO GROUP AND WHICH THE GOVERNMENT HOPED TO INTRODUCE, THE RIGHT FRAMEWORK OF INSURANCE LEGISLATION FOR HONG KONG WOULD BE ACHIEVED.

ADEQUATE ROAD SYSTEM PLANNED FOR NT
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THE GOVERNMENT HAS CAREFULLY PLANNED FOR AN ADEQUATE ROAD SYSTEM TO CATER FOR THE NEEDS OF THE INCREASING POPULATION IN THE NEW TERRITORIES, THE SECRETARY FOR LANDS AND WORKS, THE HON DAVID MCDONALD, SAID AT THE LEGISLATIVE COUNCIL TODAY.

HOWEVER, BECAUSE OF THE IMMENSE SCALE OF THE WORKS INVOLVED IN THE NEW TERRITORIES CIRCULAR ROAD AND ITS LINKS TO PRESENT AND FUTURE BORDER CROSSINGS INTO CHINA, IT IS NOT POSSIBLE TO UNDERTAKE ITS CONSTRUCTION ALL AT ONCE, HE ADDED.

HE WAS REPLYING TO POINTS RAISED BY THE HON WONG PO-YAN CONCERNING HIGHWAY DEVELOPMENT IN THE NEW TERRITORIES.

MR MCDONALD POINTED OUT FOR EXAMPLE THAT IN THE SECTION FROM YUEN LONG TO SHA TIN VIA FANLING ABOUT 30 KILOMETRES OF HIGH-SPEED DUAL CARRIAGEWAY WERE INVOLVED, TOGETHER WITH INTERCHANGES AND SERVICE ROADS.

+IT IS THEREFORE NECESSARY TO PROCEED IN STAGES AND ACCORD PRIORITY TO THOSE SECTIONS OF THE ROUTE WHERE THE NEED IS GREATEST.

+WORK ON THE SECTION MOST URGENTLY NEEDED, THE COASTAL ROAD FROM SHA TIN TO THE SOUTHERN EDGE OF TAI PO, IS PROCEEDING SATISFACTORILY AND IS EXPECTED TO BE COMPLETED BY THE END OF 1984 AT A COST OF SOME \$680 MILLION,+ HE SAID.

THE CONTINUATION TO NORTH TAI PO WAS ALSO UNDER WAY AND SHOULD BE COMPLETED BY MID-1985. WORK ON OTHER SECTIONS OF THE ROUTE AND ITS INTERCHANGES HAD EITHER ALREADY STARTED OR WOULD START NEXT YEAR, SO THAT BY THE END OF 1985 MOST OF IT, INCLUDING ALL THE SECTIONS FROM SHA TIN TO FANLING AND AN EXTENSION TO THE BORDER AT LOK MA CHAU, WILL BE COMPLETED, HE SAID.

THE FINAL SECTION OF THE ROUTE, FROM LOK MA CHAU TO AU TAU, WOULD BE BUILT AND BROUGHT INTO USE IN STAGES BETWEEN 1985 AND 1987, HE ADDED.

MR MCDONALD REFERRED TO THE PROPOSAL BY THE HON CHAN KAM-CHUEN THAT STUDIES BE UNDERTAKEN TO IMPROVE THE INFRASTRUCTURE OF HONG KONG.

ON THE PROPOSAL TO BUILD A RESERVOIR AT TAI TAM BAY, HE SAID IT HAD TO BE SEEN IN THE CONTEXT OF CURRENT THINKING ON FUTURE WATER SUPPLIES.

+BASICALLY, THE POSITION IS THAT BY FAR THE CHEAPEST SOURCE OF ADDITIONAL WATER AVAILABLE TO US IS CHINA, AND WE HAVE AN ON-GOING AGREEMENT WITH THE CHINESE AUTHORITIES TO MEET PREDICTED ADDITIONAL DEMANDS.

+WE ALSO HAVE ADEQUATE STORAGE FACILITIES. ANY CAPITAL WORKS AIMED AT TAPPING NEW SOURCES OR PROVIDING ADDITIONAL STORAGE CAPACITY COULD NOT THEREFORE BE JUSTIFIED EITHER IN TERMS OF NEED OR HAVING REGARD TO OTHER COMPETING DEMANDS ON AVAILABLE FUNDS,+ HE SAID.

ON THE PROPOSAL TO USE SOLAR ENERGY TO TRANSFORM SEA WATER INTO FRESH WATER, MR MCDONALD SAID THAT THE MOST RECENT INFORMATION AVAILABLE FROM WORKS AND STUDIES CARRIED OUT IN OTHER PARTS OF THE WORLD IN THE FIELD OF DESALINATION USING SOLAR ENERGY INDICATED THAT IT WAS ONLY FEASIBLE WHERE THE QUANTITIES REQUIRED WERE SMALL, UP TO ABOUT 200 CUBIC METRES PER DAY.

+AS WELL AS REQUIRING A SUNNY CLIMATE THROUGHOUT THE YEAR, LARGE AREAS OF LAND ARE REQUIRED TO ACCOMMODATE ENERGY COLLECTORS,+ HE SAID.

+THE LOK ON PAI DESALTER OCCUPIES A SITE OF ABOUT 10 HECTARES AND CAN PRODUCE 180 000 CUBIC METRES OF WATER PER DAY, BUT TO PRODUCE THE SAME AMOUNT BY SOLAR CONVERSION A LAND AREA OF ABOUT 10 000 HECTARES WOULD BE NEEDED. IT CAN THEREFORE BE SEEN THAT FOR LARGE SCALE DESALTING THE USE OF SOLAR ENERGY IS BOTH IMPRACTICABLE AND UNECONOMICAL.+

REGARDING THE NEED FOR ADDITIONAL CONTAINER TERMINAL FACILITIES, MR MCDONALD SAID THAT PROPOSALS AIMED AT BRINGING ABOUT SPEEDY EXPANSION OF THE FACILITIES AT KWAI CHUNG TO MEET CURRENT FORESEEABLE PRESSURES WERE ALREADY AT AN ADVANCED STAGE OF DISCUSSION WITH PRIVATE INTERESTS. LONGER TERM PORT REQUIREMENTS WERE BEING CONSIDERED IN THE WIDER CONTEXT OF DEVELOPMENT STUDIES.

IN A GENERAL SENSE, MR MCDONALD SAID, HE AGREED WITH MR CHAN THAT +WHILE WE MAY NOT BE ABLE TO ACCELERATE CURRENT DEVELOPMENT PROGRAMMES AT THIS STAGE, WE MUST STUDY FUTURE NEEDS AND LAY THE PLANNING FOUNDATION TO MEET THEM+.

THE BROAD AIMS OF THE STUDIES WHICH ARE ALREADY WELL UNDERWAY AS MENTIONED BY THE GOVERNOR IN HIS ADDRESS WERE TO IDENTIFY DEVELOPMENT OPTIONS FOR THE FUTURE AND TO RECONCILE COMPETING AND INTER-RELATED DEMANDS IN THE FORMULATION OF A DEVELOPMENT STRATEGY WHICH WOULD PRODUCE THE BEST ENVIRONMENT POSSIBLE WITHIN THE LIMITS OF AVAILABLE RESOURCES.

+THE COMPLEX TASK OF CO-ORDINATING THESE EFFORTS BEGAN IN 1980 WITH THE SETTING UP OF A SMALL TECHNICAL UNIT IN THE GOVERNMENT SECRETARIAT ESPECIALLY FOR THE PURPOSE. BY MID-1983 SUB-REGIONAL STUDIES AIMED AT IDENTIFYING URBAN GROWTH POTENTIAL WILL HAVE BEEN COMPLETED FOR THE NORTH-WEST NEW TERRITORIES, NORTH-EAST NEW TERRITORIES, JUNK BAY, SAI KUNG, NORTH-EAST LANTAU AND THE HARBOUR AREA,+ MR MCDONALD SAID.

BY THAT TIME RESULTS OF OTHER MORE PARTICULAR STUDIES RELATING TO SUCH MATTERS AS POPULATION AND EMPLOYMENT, LAND REQUIREMENTS FOR HOUSING, INDUSTRY AND OTHER PURPOSES, MAJOR INFRASTRUCTURAL ITEMS INCLUDING THE AIRPORT, CONTAINER PORT, INTERNAL TRANSPORT AND SO ON WILL ALSO BE AVAILABLE.

+FULL ASSESSMENT OF THE LONG-TERM OPTIONS, USING COMPUTER TECHNIQUES TO COMPARE LAND AND TRANSPORT COSTS AND REVENUES, WILL THEN BE POSSIBLE. BY THE END OF 1983 WE SHOULD BE ABLE TO FORMULATE A LONG-TERM DEVELOPMENT STRATEGY FOR THE TERRITORY EXTENDING UP TO AND BEYOND THE END OF THE CENTURY,+ MR MCDONALD SAID.

/REPLYING TO

REPLYING TO THE HON STEPHEN CHEONG ON MATTERS RELATING TO LAND POLICY AND ADMINISTRATION, MR MCDONALD SAID THAT WHILE HE AGREED IT WOULD BE WRONG TO CHANGE THE LAND SALES PROGRAMME AND TO HOLD BACK LAND AVAILABLE FOR SALE, IT WOULD ALSO BE WRONG FOR GOVERNMENT TO SELL LAND AT UNREALISTICALLY LOW PRICES.

+TO DO SO WOULD BE TO GIVE AWAY LAND WHICH IS THE COMMUNITY'S BIRTHRIGHT AND TO TRANSFER FUNDS WHICH RIGHTLY BELONG TO THE COMMUNITY INTO DEVELOPERS' POCKETS. GOVERNMENT WILL THEREFORE CONTINUE TO SELL LAND SO LONG AS DEVELOPERS ARE PREPARED TO BUY IT AT A PRICE WHICH FAIRLY REFLECTS ITS LONG-TERM POTENTIAL,+ HE ADDED.

MR MCDONALD SAID GOVERNMENT WAS AWARE OF THE PROBLEMS BEING FACED BY DEVELOPERS IN THE PRESENT MARKET AND ACCEPTED THAT A SYMPATHETIC RESPONSE TO THOSE WITH A REASONABLE CASE COULD BE JUSTIFIED TO ENSURE THE SUCCESSFUL COMPLETION OF DESIRABLE DEVELOPMENTS.

+WE INTEND TO BE FLEXIBLE, FOR EXAMPLE, IN DEALING WITH MATTERS SUCH AS BUILDING COVENANTS. AT THE SAME TIME WE MUST BE CAREFUL NOT TO TURN LOSSES WHICH ARE THE RESULT OF INJUDICIOUS INVESTMENT OR SPECULATION INTO UNEARNED GAINS, PARTICULARLY IF THIS IS AT THE EXPENSE OF THE TAX-PAYERS,+ HE SAID.

+WE INTEND THEREFORE TO AVOID THE INTRODUCTION OF BLANKET MEASURES, SUCH AS MORATORIA ON PAYMENTS NORMALLY DUE, WHICH FAIL TO DISCRIMINATE BETWEEN THE DESERVING AND THE UNDESERVING.

+GIVEN THE EXCEPTIONALLY HIGH LEVELS REACHED, A FALL IN THE PROPERTY MARKET, BUT PERHAPS NOT ITS FULL EXTENT AND SPEED, WAS PREDICTABLE. TO SOME DEGREE IT MIGHT BE REGARDED AS A BLESSING IN THAT IT SHOULD HELP PAVE THE WAY TO ESTABLISHING MORE REALISTIC MARKET CONDITIONS.+

REFERRING TO REMARKS MADE BY THE HON CHEUNG YAN-LUNG ABOUT THE LAND EXCHANGE ENTITLEMENT SYSTEM, MR MCDONALD SAID THE IMPLICATIONS OF CEASING TO ISSUE LETTERS B WERE UNDER DISCUSSION WITH THE HEUNG YEE KUK BUT THERE COULD BE NO DOUBT THAT IT WAS A STEP WHICH MUST BE TAKEN IF GOVERNMENT WAS TO MEET ITS COMMITMENTS TOWARDS THOSE ALREADY HOLDING LETTERS B.

TURNING TO FEES FOR SHORT-TERM WAIVERS IN THE NEW TERRITORIES, MR MCDONALD SAID GOVERNMENT RATES FOR TEMPORARY TENURE IN THE NEW TERRITORIES HAD LONG BEEN CONSIDERABLY BELOW OPEN MARKET RATES AND IT HAD BEEN THE POLICY SINCE DECEMBER 1978 TO GRADUALLY INCREASE GOVERNMENT RATES TO CLOSE THE GAP.

+THE RECENT INCREASE CONTINUED THIS POLICY AND A REVIEW OF CURRENT RATES SHOWS THAT THERE IS STILL SOME WAY TO GO BEFORE THE RATES BEING CHARGED BY GOVERNMENT FAIRLY REFLECT MARKET RATES,+ HE ADDED.

PUBLIC HOUSING RENTS AMONG WORLD'S LOWEST
IN RELATION TO INCOMES, LEGCO TOLD

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HONG KONG'S PUBLIC HOUSING RENTS ARE AMONG THE WORLD'S LOWEST IN RELATION TO TENANTS' INCOMES, THE SECRETARY FOR HOUSING, THE HON DONALD LIAO, TOLD THE LEGISLATIVE COUNCIL TODAY.

HE SAID BRINGING THE PRESENT RENTS TO A LEVEL AROUND 20 PER CENT OF THE TENANT'S INCOME AS SUGGESTED BY THE HON F.K. HU WOULD REQUIRE A SUBSTANTIAL INCREASE WHICH WOULD NOT BE ACCEPTABLE IN OUR SITUATION, ALTHOUGH THIS IS A PERCENTAGE GENERALLY ACCEPTED INTERNATIONALLY.

IT IS THE HOUSING AUTHORITY'S POLICY THAT DOMESTIC RENTS SHOULD AT LEAST COVER THE RECURRENT EXPENDITURE, AND THIS IS BEING ACHIEVED THROUGH REGULAR AND GRADUAL INCREASES.

AND RENT ASSISTANCE WAS ALREADY BEING GIVEN TO NEEDY FAMILIES UNDER THE PUBLIC ASSISTANCE SCHEME, HE ADDED.

ON THE PUBLIC HOUSING PROGRAMME, MR LIAO SAID THE CURRENT CAPITAL EXPENDITURE FOR MAINTAINING THE PRODUCTION OF 35 000 RENTAL AND HOME OWNERSHIP FLATS AND RELATED FACILITIES AMOUNTED TO ONE-THIRD OF THE TOTAL GOVERNMENT EXPENDITURE ON CAPITAL WORKS.

THIS REPRESENTS A MORE THAN 10-FOLD INCREASE OVER A PERIOD OF SIX YEARS, AND WE ARE CONFIDENT THAT THIS HIGH LEVEL OF HOUSING PRODUCTION CAN AT LEAST BE MAINTAINED IN THE REMAINDER OF THE DECADE.

HE SAID THE LARGEST QUOTA OF NEW RENTAL FLATS HAD BEEN CONSISTENTLY ALLOCATED TO WAITING LIST APPLICANTS, AND MANY FAMILIES ON THE WAITING LIST WERE NOW MOVING TO NEW ESTATES IN SHEUNG SHUI AND TUEN MUN AFTER A WAIT OF THREE TO FOUR YEARS.

ON INCOME ELIGIBILITY LIMITS, MR LIAO SAID THESE HAD JUST BEEN RAISED TO A LEVEL WHICH INCLUDED ALL FAMILIES WHO COULD NOT AFFORD TO RENT ADEQUATE PRIVATE HOUSING OR TO BUY HOS FLATS.

IN THIS WAY, IT IS HOPED THAT ALL THOSE WHO REQUIRE HOUSING ASSISTANCE WILL BE COVERED BY DIFFERENT PROGRAMMES, HE ADDED.

REFERRING TO THE SUGGESTION BY DR THE HON HENRY HU TO RE-EXAMINE THE POSSIBILITY OF A MEANS TEST FOR PUBLIC HOUSING TENANTS, THE SECRETARY SAID SUCH A SCHEME WOULD BE DIFFICULT TO IMPLEMENT, WOULD NOT BE COST-EFFECTIVE AND COULD BE SEEN AS DISCOURAGING TENANTS FROM BETTERING THEIR LOT.

AS TO HOUSING FOR THE ELDERLY, MR LIAO SAID THAT APART FROM HOSTEL ACCOMMODATION AND A SPECIAL WAITING LIST QUOTA, THE AUTHORITY HAD RECENTLY TAKEN ANOTHER INITIATIVE BY GIVING PRIORITY TO THOSE FAMILIES ON THE WAITING LIST WHOSE APPLICATION INCLUDED AN ELDERLY RELATIVE.

ON SQUATTERS, HE SAID THAT CONTROL HAD BEEN REGAINED, AND A NUMBER OF PILOT SCHEMES FOR IMPROVEMENTS TO SQUATTER AREAS HAD BEEN SUCCESSFULLY COMPLETED.

A LONG-TERM PROGRAMME WAS BEING DRAWN UP TO INSTALL, IMPROVE AND MAINTAIN BASIC SERVICES AND AMENITIES IN SQUATTER AREAS, WITH PRIORITY FOR THOSE MAJOR URBAN ONES NOT SCHEDULED FOR CLEARANCE IN THE NEXT FEW YEARS, HE ADDED.

AS REGARDS REHOUSING OF THOSE MADE HOMELESS FROM SQUATTER HUTS AND BOATS, MR LIAO SAID A NEW BASELINE HAD BEEN ADOPTED TO GIVE GREATER PRIORITY TO LONG-TERM RESIDENTS.

+THE NEW BASELINE DOES NOT AFFECT THE ELIGIBILITY OF RECENT IMMIGRANTS, NOR OF NEW SQUATTERS: THEY WILL HAVE TO AWAIT THEIR TURN.+

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RENT CONTROLS BEING REVIEWED

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THE GOVERNMENT IS CONSIDERING THE FUTURE FORM OF EXISTING RENT CONTROLS AND APPROPRIATE LEGISLATION WILL BE INTRODUCED DURING THE CURRENT LEGISLATIVE COUNCIL SESSION.

ANNOUNCING THIS IN THE LEGISLATIVE COUNCIL TODAY, THE SECRETARY FOR HOUSING, THE HON DONALD LIAO SAID HE EXPECTED DETAILED PROPOSALS TO BE READY BY EARLY 1983.

+ALTHOUGH A NUMBER OF SIGNIFICANT STEPS WERE TAKEN WHEN EXTENDING THE LEGISLATION LAST DECEMBER,+ HE SAID, +CIRCUMSTANCES HAVE SINCE CHANGED AND THERE APPEARS TO BE ROOM FOR FURTHER RELAXATION OF RENT CONTROLS.+

MR LIAO RECALLED THAT IN ITS REPORT OF FEBRUARY 1981, THE COMMITTEE OF REVIEW HAD CONCLUDED THAT RENT CONTROL SHOULD BE RESORTED TO ONLY AS AN EXPEDIENT MEASURE IN THE PUBLIC INTEREST AND THAT AS SOON AS CIRCUMSTANCES PERMIT, EVERY EFFORT CONSISTENT WITH THE NEED TO AVOID ADVERSE SOCIAL CONSEQUENCES SHOULD BE MADE TO ACCELERATE THE PHASING OUT OF RENT CONTROL.

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DECLINE SEEN IN TRADE DISPUTES

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THE COMMISSIONER FOR LABOUR, THE HON J.N. HENDERSON, TOLD THE LEGISLATIVE COUNCIL THIS (WEDNESDAY) AFTERNOON, THAT DESPITE A FEW TENSE AND PROTRACTED DISPUTES AND A SIGNIFICANT INCREASE IN REDUNDANCY CASES, THE NUMBER OF TRADE DISPUTES HAD BEEN DECLINING IN THE LAST THREE QUARTERS OF THIS YEAR.

HE URGED EMPLOYERS AND EMPLOYEES TO REACT WITH GREATER SENSITIVITY AND CONSIDERATION DURING THESE MORE DIFFICULT ECONOMIC CIRCUMSTANCES, SO THAT THE GOODWILL, TRUST AND HARMONIOUS RELATIONS BUILT UP BETWEEN THEM OVER THE YEARS WOULD NOT BE DISSIPATED.

/MR HENDERSON

MR HENDERSON SAID, +I AM SURE THIS WILL BE THE CASE AND I AM SURE WE ALL STRONGLY ECHO THE HON CHAN KAM-CHUEN'S ADVICE TO EMPLOYERS AND WORKERS TO KEEP WORKFORCES TOGETHER AS MUCH AS POSSIBLE IN LEANER TIMES TO TAKE ADVANTAGE OF FUTURE IMPROVEMENT IN ECONOMIC CONDITIONS.+

MR HENDERSON SAID THAT HE DETECTED IN A NUMBER OF SPEECHES, NOTABLY THOSE OF THE HON ALLEN LEE, THE HON CHAN KAM-CHUEN AND THE HON STEPHEN CHEONG, SOME UNEASE ABOUT THE EFFECT OF THE PRESENT ECONOMIC SITUATION ON RELATIONS BETWEEN EMPLOYERS AND EMPLOYEES, AND OF UNEMPLOYMENT SPECIFICALLY REFERRED TO BY THE HON MARIA TAM.

HE DISCLOSED THAT THE SEASONALLY ADJUSTED UNEMPLOYMENT FIGURE FOR JUNE THIS YEAR WAS 3.4 PER CENT, WHICH WAS NOT ONLY VERY LOW BY WORLD STANDARDS BUT BELOW THE 1981 FIGURES.

MR HENDERSON SAID, +I AM VERY CONSCIOUS, OF COURSE, THAT THIS FIGURE IS PRECISELY WHAT IT SAYS IT IS, THAT IT IS AN UNEMPLOYMENT FIGURE, IT IS NOT AND CANNOT BE A MEASURE OF UNDER-EMPLOYMENT WHICH IS PROBABLY ON THE INCREASE, WITH LESS HOURS AND OVERTIME BEING WORKED IN MANY FACTORIES, BUT THE INDICATIONS ARE THAT MANY EMPLOYERS ARE TRYING TO KEEP THEIR WORKFORCES TOGETHER.+

HE SAID THAT INDICATIONS WERE THAT THE UNEMPLOYMENT RATE HAD BEEN ON THE INCREASE.

BUT HE ADDED THAT EVEN IF THE SEPTEMBER FIGURE WAS AROUND FOUR PER CENT THIS WOULD BE ABOUT THE SAME AS THE FIGURE IN MARCH 1981 AND CERTAINLY NOT OF THE SAME ORDER AS THE WORST FIGURE OF THE 1974-75 RECESSION OF AROUND NINE PER CENT.

HE SAID THAT IT WAS STILL THE EXPERIENCE OF THE LOCAL EMPLOYMENT SERVICES OFFICES THAT THEY HAD BEEN ABLE TO MAINTAIN THEIR PLACEMENT RATE AT A HIGH LEVEL.

MR HENDERSON SAID THAT THE LABOUR DEPARTMENT HAD ENACTED 159 ITEMS OF LABOUR LEGISLATION IN THE LAST TEN YEARS.

HE POINTED OUT THAT ALTHOUGH THESE WERE OF VARYING IMPORTANCE, THEY REPRESENTED A STEADY LONG-TERM SOCIAL REFORM AND IMPROVEMENT IN THE FIELD OF LABOUR LEGISLATION.

HE PROPOSED THAT THIS MEASURED PROGRESS SHOULD CONTINUE AND THAT THE GOVERNMENT SHOULD PROCEED IN A MANNER ADAPTED TO THE CIRCUMSTANCES OF HONG KONG AND COMMENSURATE WITH ITS ECONOMIC CONDITION AND DEVELOPMENT.

HE WAS DEEPLY CONSCIOUS THAT IN PURSUING THIS COURSE NOW, AS IN THE PAST THE PACE WOULD PLEASE NEITHER EMPLOYERS NOR EMPLOYEES, HE SAID.

REFERRING TO PAID HOLIDAYS, HE SAID THAT DESPITE THE URGINGS OF THE REV. THE HON MCGOVERN, IT WOULD SEEM RATHER PREMATURE TO REVIEW THE HOLIDAY POSITION AGAIN AT THIS STAGE.

HE SAID THAT THE CHANGES DEBATED AND ENACTED EARLIER THIS YEAR, BOTH FOR GENERAL HOLIDAYS AND STATUTORY HOLIDAYS, DO NOT COME INTO FORCE UNTIL THE FIRST OF JANUARY NEXT YEAR.

WEDNESDAY, NOVEMBER 10, 1982

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SLOWER GROWTH PLANNED FOR CIVIL SERVICE
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HONG KONG IS A DEVELOPING AND GROWING SOCIETY AND THE CIVIL SERVICE MUST IN CONSEQUENCE GROW IN ORDER TO MEET DEMANDS FOR NEW, EXPANDED AND IMPROVED SERVICES, THE SECRETARY FOR THE CIVIL SERVICE, THE HON MARTIN ROWLANDS SAID TODAY (WEDNESDAY).

HOWEVER, THE RATE OF GROWTH OF THE CIVIL SERVICE IN RECENT YEARS HAD BECOME A CAUSE OF CONCERN AND IT WAS NOW APPROPRIATE TO APPLY A TOUCH OF THE BRAKE, HE ADDED.

MR ROWLANDS SAID THE PROPOSED SLOW DOWN OF GROWTH, AT FOUR TO FIVE PER CENT THIS FINANCIAL YEAR, WOULD STILL PERMIT THE CREATION OF SEVERAL THOUSAND NEW POSTS, WITH PRIORITY GIVEN TO THOSE REQUIRED TO MEET THE GOVERNMENT'S PROGRAMME OBJECTIVES.

+THERE IS NO INTENTION THAT EITHER THE EXTENT OR QUALITY OF SERVICES TO THE PUBLIC SHOULD SUFFER,+ HE SAID.

MR ROWLANDS SAID HE FULLY ENDORSED THE REMARK MADE BY THE HON LO TAK-SHING THAT IN SLOWING DOWN THE GROWTH OF THE CIVIL SERVICE WE SHOULD NOT +STIFLE THE DIRECTORATE AND PREVENT IT FROM HAVING AN APPROPRIATE SENSE OF BEING ACCOUNTABLE FOR THE PLANNING AND EXECUTION OF ITS PART IN THE VARIOUS PROGRAMME AREA+.

+CERTAINLY, ANY ADJUSTMENT TO GROWTH RATES MUST NOT BE AN EXCUSE FOR FAILING TO PLAN AND IMPLEMENT AGREED PROGRAMMES.

+RATHER WOULD I HOPE THAT IT WILL PROVIDE A STIMULUS FOR DEPARTMENTS TO SEARCH VIGOROUSLY FOR WAYS OF CARRYING OUT THEIR PROGRAMMES WITHIN EXISTING STAFF RESOURCES,+ HE SAID.

ON THE HON WONG PO YAN'S REFERENCE TO THE NEED TO ENHANCE THE PERFORMANCE OF CIVIL SERVANTS THROUGH IMPROVED STAFF MANAGEMENT, MR ROWLANDS SAID HE WAS CERTAIN THAT MR WONG WAS REFERRING TO THE PERFORMANCE OF THE CIVIL SERVICE AT THE INTERFACE WITH THE PUBLIC, AT THE POINT OF DELIVERY.

+REFLECTING ON HIS REMARK OVER THE PAST FORTNIGHT I FIND MYSELF WONDERING WHETHER PERHAPS WE HAVE DEVOTED TOO MUCH EFFORT, IN RELATIVE TERM, TO PERFECTING OUR INTERNAL CIVIL SERVICE PROCEDURES AND NOT ENOUGH TO MONITORING OUR PERFORMANCE AT THE POINT WHERE WE DELIVER SERVICES TO THE PUBLIC.

+IF FURTHER STUDIES CONFIRM ME IN THIS VIEW, IT COULD HAVE QUITE CONSIDERABLE IMPLICATIONS FOR THE WAY WE MANAGE THE CIVIL SERVICE AND MONITOR ITS ACTIVITIES+.

TURNING TO THE SHORTAGE OF TRAINED SOCIAL WORKERS, MR ROWLANDS SAID A WORKING PARTY APPOINTED BY THE SECRETARY FOR SOCIAL SERVICES TO LOOK INTO THE PROBLEM HAD FOUND THAT THE UNDERLYING CAUSE WAS THAT THE DEMAND FOR TRAINED SOCIAL WORKERS IN OUR RAPIDLY DEVELOPING SOCIETY HAD OUTSTRIPPED THE SUPPLY FROM THE UNIVERSITIES AND OTHER TERTIARY INSTITUTIONS.

AS A FIRST STEP, HE SAID, THE UNIVERSITIES AND POLYTECHNIC GRANTS COMMITTEE HAD BEEN ASKED TO INVITE THE UNIVERSITIES TO EXPAND THEIR INTAKES OF SOCIAL WORK STUDENTS; THE POLYTECHNIC HAD ALREADY RESPONDED BY INCREASING ITS INTAKE OF STUDENTS AT DIPLOMA LEVEL THIS YEAR.

+BUT LARGER STUDENT INTAKES INTO TERTIARY INSTITUTIONS CANNOT PRODUCE MORE TRAINED SOCIAL WORKERS ON THE GROUND FOR SEVERAL YEARS; WE ARE THEREFORE ACTIVELY PURSUING OTHER SHORT AND MEDIUM TERM MEASURES RECOMMENDED BY THE WORKING PARTY,+ MR ROWLANDS ADDED.

ONE OF THESE WAS THAT THE DEGREE GRADE OF SOCIAL WORK OFFICER SHOULD BE OPENED UP TO NON-SOCIAL WORK DEGREE HOLDERS WHO WOULD THEN BE GIVEN PROFESSIONAL SOCIAL WORK TRAINING WHILE IN THE SERVICE.

SUCH AN ARRANGEMENT WOULD PERMIT THE RECRUITMENT OF MORE MATURE CANDIDATES WHO HAD DEVELOPED A SENSE OF VOCATION FOR SOCIAL WORK, BUT WHO FOR ONE REASON OR ANOTHER STUDIED OTHER SUBJECTS AT UNIVERSITY.

MR ROWLANDS SAID THE ADVICE OF THE STANDING COMMISSION ON CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICES WAS BEING SOUGHT ON APPROPRIATE ARRANGEMENTS.

ANOTHER KEY RECOMMENDATION OF THE WORKING PARTY WAS THAT WHETHER SOME JOBS IN THE SOCIAL WORK FIELD COULD IN PRACTICE BE DONE SATISFACTORILY BY STAFF HAVING NO FORMAL SOCIAL WORK QUALIFICATION.

MR ROWLANDS SAID GOOD PROGRESS HAD BEEN MADE IN THIS RESPECT AND HE WAS CONFIDENT THAT AS MANY AS 100 SUCH POSTS SHOULD BE FOUND IN THE SOCIAL WELFARE DEPARTMENT.

ON THE STANDING COMMISSION'S NO. 8 REPORT, THE SECRETARY FOR THE CIVIL SERVICE STRESSED THAT THE REPORT DID NOT DEAL ONLY WITH SOCIAL WORK STAFF BUT WAS IN FACT A COMPREHENSIVE REPORT COVERING MORE THAN 60 RELATED CIVIL SERVICE GRADES.

MR ROWLANDS SAID ALSO THAT THE SOCIAL WORK ASSISTANT GRADE HAD BEEN CLASSIFIED AS ONE OF THE POLYTECHNIC DIPLOMA GRADES, THE REVISED STARTING PAY FOR WHICH IS \$3 460, WELL ABOVE THE AVERAGE STARTING PAY REPORTED BY THE POLYTECHNIC FOR ITS DIPLOMA HOLDERS GENERALLY.

AND ALTHOUGH THE STANDING COMMISSION RECOMMENDED A LOWER STARTING POINT FOR SOCIAL WORK ASSISTANTS, IT RECOMMENDED AN INCREASE TO THE TOP OF THEIR PAY SCALE.

A FURTHER POINT WAS THAT THE INFORMATION AVAILABLE DID NOT SUGGEST THAT THE REVISED PAY SCALES FOR THE SOCIAL WORK ASSISTANT GRADE HAD HAD ANY EFFECT ON THE NUMBERS OF YOUNG MEN AND WOMEN EMBARKING ON A SOCIAL WORK CAREER. BUT THE SITUATION WOULD BE WATCHED CLOSELY, HE SAID.

/MR ROWLANDS

MR ROWLANDS SAID THAT, IN THE LIGHT OF WHAT HE SAID, HE TRUSTED THAT MEMBERS WOULD ACCEPT THE ADMINISTRATION'S VIEW THAT A CASE HAD NOT BEEN MADE OUT FOR REOPENING THE QUESTION AT THE PRESENT TIME.

ON THE SUPPLY OF QUALIFIED AND EXPERIENCED STAFF FOR COMMUNITY SERVICES, HE SAID THE GOVERNMENT WAS MAKING VERY STRENUOUS EFFORTS TO ENSURE THAT SUFFICIENT SKILLED STAFF WERE AVAILABLE TO ENABLE PROGRAMMES TO PROCEED AS PLANNED.

MR ROWLANDS POINTED OUT THAT AS AT TODAY, THERE WERE A TOTAL OF 5 994 MEN AND WOMEN TRAINING TO ENTER THE MEDICAL, NURSING AND PARA-MEDICAL PROFESSIONS AND THESE NUMBERS WOULD GROW MONTH BY MONTH AS NEW TEACHING AND TRAINING FACILITIES COME ON STREAM.

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HOPE OVER NATIONALITY DESCRIPTION
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THE GOVERNMENT IS HOPEFUL THAT THE ISSUE OF THE NATIONALITY DESCRIPTION OF HONG KONG BRITISH PASSPORT HOLDERS WILL BE SATISFACTORILY RESOLVED BEFORE LONG AND JUSTICE PREVAIL, THE ATTORNEY GENERAL, THE HON JOHN GRIFFITHS, SAID AT THE LEGISLATIVE COUNCIL TODAY.

MR GRIFFITHS TOLD THE COUNCIL THAT IN A PRESS INTERVIEW PRIME MINISTER MARGARET THATCHER HAD HINTED THAT GOOD NEWS ON THE ISSUE MIGHT BE FORTHCOMING.

HE SAID THE GOVERNMENT HAD CONTINUED TO PRESS THE MATTER AND HAD MADE +CRYSTAL CLEAR+ THE IMPORTANCE ATTACHED TO IT BY OFFICIAL AND UNOFFICIAL MEMBERS OF THE COUNCIL.

ON THE ISSUE OF THE GOVERNMENT-SUBVENTED LEGAL ADVICE AND ASSISTANCE SCHEME RAISED EARLIER BY THE HON PETER C. WONG, MR GRIFFITHS POINTED OUT THAT SINCE ITS INTRODUCTION IN 1978 IN TWO MAGISTRACIES, THE SCHEME HAS BEEN EXTENDED TO COVER SIX OF THE EIGHT MAGISTRACIES.

+APPROVAL IN PRINCIPLE FOR EXTENSION TO FANLING AND KWUN TONG MAGISTRACIES HAS BEEN GIVEN AND THE MATTER NOW DEPENDS ON THE FUNDS BEING MADE AVAILABLE,+ HE SAID.

HE ADDED THAT IF FUNDS WERE APPROVED, IT SHOULD BE POSSIBLE TO EXTEND THE SCHEME TO THE LAST TWO MAGISTRACIES IN APRIL OR MAY NEXT YEAR.

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POWER TO EXTEND TRIBUNAL APPEAL PERIOD SOUGHT

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TWO BILLS PROVIDING FOR AN EXTENSION OF THE PRESENT SEVEN DAYS ALLOWED FOR APPEAL AGAINST AN AWARD BY EITHER THE LABOUR TRIBUNAL OR THE SMALL CLAIMS TRIBUNAL WERE READ A SECOND TIME BY THE LAW DRAFTSMAN, THE HON G.P. NAZARETH, AT THE LEGISLATIVE COUNCIL TODAY.

THE BILLS ARE THE LABOUR TRIBUNAL (AMENDMENT) BILL 1982 AND SMALL CLAIMS (AMENDMENT) BILL 1982.

MR NAZARETH SAID THAT TWO TRIBUNALS PROVIDE INEXPENSIVE, EXPEDITIOUS AND INFORMAL THE MEANS OF SETTLING DISPUTES AND ENFORCING RIGHTS WITHIN THEIR JURISDICTION.

HOWEVER, THE LAW NOW ALLOWS SEVEN DAYS WITHIN WHICH TO APPLY FOR LEAVE TO APPEAL.

+IF SUCH APPLICATION IS NOT LODGED WITHIN THE SEVEN-DAY PERIOD, THE PROVISION FOR APPEAL IS LOST ALTOGETHER.

+THIS IS IN SHARP CONTRAST TO THE GENERAL POSITION ON APPEALS WHICH ENABLES THE COURTS TO EXTEND THE TIME WITHIN WHICH APPEALS MAY BE LODGED IF THERE IS GOOD CAUSE OR WHERE THAT WOULD BE JUST.

+IT IS ALSO OF RELEVANCE THAT SINCE BARRISTERS AND SOLICITORS HAVE NO RIGHT OF AUDIENCE IN THESE TRIBUNALS, THE PARTIES TO PROCEEDINGS ARE NOT ABLE TO RELY ON THEM TO ENSURE THAT APPLICATIONS ARE MADE IN TIME,+ HE SAID.

MR NAZARETH POINTED OUT, HOWEVER, THAT THERE HAD BEEN CASES WITH GOOD CAUSE WHERE ATTEMPTS HAVE BEEN MADE TO APPEAL AFTER THE SEVEN-DAY PERIOD HAD EXPIRED.

THE TWO BILLS BEFORE COUNCIL WILL ENABLE THE REGISTRAR OF THE SUPREME COURT TO EXTEND THE PERIOD OF SEVEN DAYS FOR +GOOD CAUSE+, AN EXPRESSION DERIVED FROM SIMILAR PROVISIONS IN THE MAGISTRATES ORDINANCE AND BANKRUPTCY LEGISLATION.

DEBATE ON THE BILLS WAS ADJOURNED.

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SUPPLEMENTARY PROVISIONS

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THE LEGISLATIVE COUNCIL TODAY APPROVED FINAL SUPPLEMENTARY PROVISIONS OF \$38 MILLION FOR THE FINANCIAL YEAR 1981-82 AND \$73 MILLION FOR THE FIRST QUARTER OF 1982-83.

IN MOVING THE TWO MOTIONS FOR APPROVAL, THE FINANCIAL SECRETARY, THE HON JOHN BREMRIDGE SAID THIS WAS TO SEEK THE COUNCIL'S COVERING AUTHORITY FOR SUCH EXPENDITURE WHICH HAD BEEN APPROVED BY THE FINANCE COMMITTEE.

/HE SAID

HE SAID THE FINAL SCHEDULE OF SUPPLEMENTARY PROVISION FOR THE LAST FINANCIAL YEAR 1981-82 TOTALLED \$38 MILLION. +IT INCLUDES SUPPLEMENTARY PROVISION WHICH HAS ALREADY BEEN APPROVED BUT FOR WHICH THE DOCUMENTATION WAS NOT COMPLETED IN TIME FOR IT TO BE INCLUDED IN PREVIOUS SCHEDULES.

+THIS SCHEDULE BRINGS THE TOTAL SUPPLEMENTARY PROVISION FOR 1981-82 TO \$6.6 BILLION. BECAUSE OF SAVINGS MADE IN OTHER SUBHEADS, HOWEVER, GROSS EXPENDITURE AT \$27.8 BILLION FOR THE FULL FINANCIAL YEAR 1981-82 WAS ACTUALLY \$2.7 BILLION MORE THAN THE ORIGINAL ESTIMATE.

MR BREMRIDGE SAID THE SCHEDULE OF SUPPLEMENTARY PROVISION FOR THE FIRST QUARTER OF THE FINANCIAL YEAR 1982-83 COVERED A TOTAL OF \$73 MILLION.

+MAJOR ITEMS INCLUDE \$19 MILLION FOR IMPROVEMENTS TO SQUATTER AREAS; \$12 MILLION TO MEET THE COST OF RADIO EQUIPMENT FOR THE ROYAL HONG KONG REGIMENT; AND \$11 MILLION FOR LAND ACQUISITION AND ASSOCIATED COSTS FOR THE CONSTRUCTION OF NEW BARRACKS IN CLEARWATER BAY.

+THE SUPPLEMENTARY PROVISION COVERED BY THE SCHEDULE HAS NOT RESULTED IN A NET INCREASE IN EXPENDITURE. OFFSETTING SAVINGS HAVE BEEN FOUND EITHER UNDER OTHER HEADS OF EXPENDITURE, OR BY THE FREEZING OF FUNDS UNDER THE TWO ADDITIONAL COMMITMENTS VOTES,+ HE SAID.

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FOUR BILLS PASSED
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FOUR BILLS WERE PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THEY ARE: THE PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) (NO. 2) BILL 1982, THE PEAK TRAMWAY (AMENDMENT) BILL 1982, THE ROAD TRAFFIC (AMENDMENT) BILL 1982 AND THE GUARDIANSHIP OF MINORS (AMENDMENT) BILL 1982.

THE LABOUR TRIBUNAL (AMENDMENT) BILL 1982 AND THE SMALL CLAIMS TRIBUNAL (AMENDMENT) BILL 1982 WERE INTRODUCED AND READ A SECOND TIME AND DEBATE ON THEM WAS ADJOURNED.

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MANAGEMENT OF PUBLIC SECTOR

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ONE OF THE DIFFERENCES IN MANAGEMENT BETWEEN THE PUBLIC SECTOR AND THE PRIVATE SECTOR IS THAT THE OPERATIONS OF GOVERNMENT ARE OPEN TO CONSTANT PUBLIC SCRUTINY AND CRITICISM, THE GOVERNOR, SIR EDWARD YOUDE SAID TODAY.

THE SIZE ALONE ALSO GIVES MANAGEMENT IN THE PUBLIC SECTOR A DIMENSION OF ITS OWN, SIR EDWARD TOLD A DINNER GATHERING OF THE HONG KONG MANAGEMENT ASSOCIATION.

+IN A PRIVATE COMPANY IF SOMEONE GETS THE ANSWER WRONG - AND I MUST ADMIT TO A SUSPICION THAT EVEN IN THE PRIVATE SECTOR THAT OCCASIONALLY HAPPENS - YOU CAN USUALLY TREAT IT AS A PRIVATE MATTER OR AT LEAST AS A MATTER BETWEEN YOU AND YOUR SHAREHOLDERS,+ HE SAID.

+WITH THE WATCHDOGS OF THE FINANCE COMMITTEE AND THE PUBLIC ACCOUNTS COMMITTEE OF THE LEGISLATIVE COUNCIL, THE INVESTIGATIVE FUNCTIONS OF THE UMELCO COMPLAINTS SYSTEM AND CONSTANT EXPOSURE TO CRITICISM, WHETHER JUSTIFIED OR UNJUSTIFIED, IN THE PRESS, THOSE IN THE PUBLIC SECTOR WILL HEAR SOON ENOUGH WHEN THEY DO NOT DO A GOOD JOB.+

SIR EDWARD SAID IT WAS SOMETIMES ARGUED THERE WAS ANOTHER ESSENTIAL DIFFERENCE - THAT IN GOVERNMENT THERE WAS NO TEST OF PROFITABILITY AND THAT IN CONSEQUENCE THOSE WHO WORKED IN THE PUBLIC SECTOR HAD IT EASY.

+THIS DISTINCTION IS OVERDONE. VALUE FOR MONEY IS AS IMPORTANT A PRINCIPLE IN THE PUBLIC SECTOR AS IT IS IN THE PRIVATE,+ HE SAID, ADDING THAT IN BOTH THERE WERE USUALLY MEANS OF ESTABLISHING COSTS.

SIR EDWARD SAID THAT IN THE PRIVATE SECTOR, ONE COULD USUALLY QUANTIFY THE LIKELY BENEFITS. +BUT IN THE PUBLIC SECTOR THERE ARE MANY DECISIONS TO BE TAKEN WHERE THE BENEFITS CANNOT BE QUANTIFIED IN ANY MATHEMATICAL SENSE,+ HE SAID.

+I CAN TELL YOU WHAT IT COSTS TO BUILD A HOSPITAL, CONSTRUCT A ROAD OR PAY A HIGHER RATE OF SOCIAL SECURITY BENEFIT TO A SPECIFIED NUMBER OF PEOPLE- BUT THERE IS NO SIMPLE WAY OF QUANTIFYING THE COMPETING NEEDS OF THE INHABITANTS OF THE EASTERN DISTRICT, THE PRIVATE MOTORISTS OR THE DISADVANTAGED POOR IN ORDER TO ESTABLISH WHICH SHOULD TAKE PRECEDENCE.+

SIR EDWARD SAID THE SIMPLE TOOL OF PROFIT AND LOSS ACCOUNT COULD NOT BE BROUGHT INTO USE AND THE CHOICE REMAINED IN THE LAST RESORT A MATTER OF JUDGEMENT.

+BUT THE NEED TO GET VALUE FOR MONEY, WHICHEVER IS CHOSEN, IS AS VITAL IN THE PUBLIC SECTOR AS IT IS IN THE PRIVATE.+

SIR EDWARD HAD EARLIER IN HIS SPEECH STRESSED THAT THE FIRST PRINCIPLE OF MANAGEMENT WAS THAT PEOPLE WERE DIFFERENT FROM ALL OTHER RESOURCES AND THEY WOULD REMAIN THE KEY TO THE SUCCESS OF ANY ORGANISATION.

/HE SAID

HE SAID THE FEATURES OF THE ENVIRONMENT WHICH WERE PECULIAR TO THE PUBLIC SERVICE MUST BE TAKEN INTO ACCOUNT IN THE FIRST MOVE IN THE MANAGERIAL PROCESS WHICH WAS THE SELECTION OF STAFF.

+AS IN THE PRIVATE SECTOR, THE PUBLIC SECTOR SEEKS TO RECRUIT THOSE WHO WILL BE EFFICIENT IN THE PERFORMANCE OF THEIR TASK= BUT MANY OF THEM TOO MUST BE PEOPLE WHO CAN WORK WELL IN CLOSE CONTACT WITH THE COMMUNITY AND NOT TAKE IT TOO MUCH TO HEART THAT THEIR MINOR SINS WILL RECEIVE MORE PUBLIC NOTICE THAN THEIR MAJOR VIRTUES.+

ONCE THE SELECTION HAD BEEN MADE, HE SAID, THE NEXT ESSENTIAL WAS TO MOTIVATE THEM TO GIVE OF THEIR BEST.

+SINCE IN THE PUBLIC SECTOR THE STIMULUS IS NOT GOING TO BE THAT OF GETTING RICH IT MUST BE DONE BY GIVING FAIR TREATMENT, RESPECTING THE NEED FOR CONSULTATION AND OTHER GOOD STAFF PROCEDURES.

+BUT MUCH MORE IMPORTANT IT MUST BE DONE BY ESTABLISHING POLICIES IN WHICH PEOPLE CAN BELIEVE, AND IN WHICH THEY CAN FEEL A SENSE OF PERSONAL INVOLVEMENT; AND BY MAINTAINING AN ORGANISATION IN WHOSE EFFICIENCY AND REPUTATION THEY CAN LEGITIMATELY TAKE PRIDE.+

MANAGEMENT IN THE PUBLIC SECTOR ALSO MEANT ENCOURAGING A WILLINGNESS NOT ONLY TO ACCEPT, BUT TO INITIATE CHANGE. +WE LIVE IN A CHANGING WORLD AND PEOPLE IN THE PUBLIC SECTOR KEEP PACE WITH IT,+ SIR EDWARD SAID.

HE SAID THAT AS EACH NEW POLICY WAS ESTABLISHED IT MUST BE JUDGED AGAINST THE NEEDS OF THE FUTURE AS WELL AS THE EXPERIENCE OF THE PAST; THERE SHOULD BE REGULAR INTERVALS OF QUESTIONING OF WHAT WAS DONE, WHY IT WAS DONE THAT WAY AND WHETHER IT STILL NEEDED TO BE DONE.

+I BELIEVE THE PROCESS NOT ONLY IMPROVES THE EFFICIENCY OF THE PUBLIC SECTOR; IT GIVES GREAT SATISFACTION TO THOSE WHO ENGAGE IN IT,+ SIR EDWARD ADDED.

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REMINDER ON ANTI-SMOKING LAWS

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THE FIRST STAGE OF THE ANTI-SMOKING LAWS WILL COME INTO EFFECT ON NOVEMBER 15, WHEN IT WILL BE MANDATORY FOR ADVERTISEMENTS IN LOCAL NEWSPAPERS AND OTHER PRINTED MATTER PUBLISHED OR DISTRIBUTED IN HONG KONG TO CARRY THE GOVERNMENT HEALTH WARNING AND THE TAR GROUP DESIGNATION OF THE CIGARETTES ADVERTISED.

IN ISSUING THIS REMINDER TODAY, A GOVERNMENT SPOKESMAN POINTED OUT THAT DETAILS OF THE NEW STATUTORY REQUIREMENTS AND COMMENCEMENT DATES WERE PUBLISHED IN THE GOVERNMENT GAZETTE ON AUGUST 13.

THE REQUIREMENTS ARE CONTAINED IN THE SMOKING (PUBLIC HEALTH) REGULATIONS 1982, SMOKING (PUBLIC HEALTH) (NOTICES) ORDER 1982 AND THE SMOKING (PUBLIC HEALTH) ORDINANCE 1982 (COMMENCEMENT) NOTICE 1982.

THE SPOKESMAN EXPLAINED THAT THE WARNING THAT HAS TO BE CARRIED IN THE ADVERTISEMENTS WILL READ +HK GOVERNMENT HEALTH WARNING: CIGARETTE SMOKING IS HAZARDOUS TO YOUR HEALTH+.

THE TAR GROUP RATING OF THE DIFFERENT BRANDS OF CIGARETTES WILL BE DIVIDED INTO FIVE CATEGORIES, ACCORDING TO THE TAR CONTENT IN MILLIGRAMS IN EACH CIGARETTE, AS FOLLOWS:

0 - 10 MGS	LOW TAR
11 - 16 MGS	LOW TO MIDDLE TAR
17 - 22 MGS	MIDDLE TAR
23 - 28 MGS	MIDDLE TO HIGH TAR
29 AND OVER	HIGH TAR

THE LANGUAGE, TYPEFACE, SIZE, SHAPE, COLOUR AND LOCATION OF THE HEALTH WARNING AND TAR GROUP DESIGNATION BOTH ON CIGARETTE PACKAGING AND IN ADVERTISEMENTS WERE EXPLAINED IN DETAIL IN THE SMOKING (PUBLIC HEALTH) (NOTICES) ORDER 1982, HE SAID.

THE NEXT STAGES OF IMPLEMENTATION OF THE ANTI-SMOKING LAWS ARE AS FOLLOWS:

FROM FEBRUARY 15, 1983, MOST OTHER TYPES OF CIGARETTE ADVERTISEMENTS (NOT INCLUDING NEON SIGNS) WILL BE REQUIRED TO CARRY THE HEALTH WARNING ONLY. NO-SMOKING AREAS WILL HAVE TO BE DESIGNATED IN NOT LESS THAN 50 PER CENT OF EACH CLASS OF SEATING IN FERRIES, TRAINS AND CINEMAS, CONCERT HALLS AND THEATRES. SMOKING WILL ALSO BE PROHIBITED IN PUBLIC LIFTS, SINGLE-DECKER ROAD PUBLIC TRANSPORT (EXCEPT TAXIS AND HIRED VEHICLES) AND ON THE LOWER DECK OF DOUBLE-DECKER BUSES AND TRAMS. IN ALL CASES, LEGIBLE NO-SMOKING SIGNS IN ENGLISH AND CHINESE WILL BE REQUIRED TO BE DISPLAYED.

FROM MAY 15, 1983, THE REQUIREMENT FOR THE GOVERNMENT HEALTH WARNING TO BE INCLUDED IN CIGARETTE ADVERTISEMENTS WILL BE EXTENDED TO NEON SIGNS.

FROM AUGUST 15, 1983, IT WILL BE MANDATORY FOR ALL CIGARETTE PACKETS AND RETAIL CONTAINERS ON SALE IN HONG KONG TO CARRY THE HEALTH WARNING AND TAR GROUP RATING.

FAILURE TO COMPLY WITH THESE REQUIREMENTS COULD RESULT IN FINES OF UP TO \$5 000.

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BEWARE OF DOMESTIC ACCIDENTS

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IN HONG KONG, AS IN OTHER PARTS OF THE WORLD, ACCIDENTS ARE THE LEADING CAUSE OF DEATH IN CHILDREN BETWEEN THE AGE OF FIVE AND FOURTEEN, DR S.C. LEUNG, SENIOR MEDICAL AND HEALTH OFFICER OF THE MEDICAL AND HEALTH DEPARTMENT, DISCLOSED TODAY (WEDNESDAY).

ADDRESSING A LUNCHEON MEETING OF THE LIONS CLUB OF THE PEAK, DR LEUNG SAID ACCIDENTS NOT ONLY KILL, BUT ALSO ACCOUNT FOR NUMEROUS INJURIES AND DISABILITIES.

/ACCIDENTS MAY

ACCIDENTS MAY OCCUR IN THE HOME, ON THE ROAD OR IN ONE'S WORKING PLACE, AND THERE SEEMS TO BE NO SIMPLE OR SINGLE CURE FOR THEM, SHE POINTED OUT.

THEY COULD BE CAUSED BY PERSONAL AND MECHANICAL FAILURES, ENVIRONMENTAL HAZARDS, INADEQUATE KNOWLEDGE, INSUFFICIENT SKILLS, IMPROPER ATTITUDES AND BAD HABITS.

+HOWEVER, MOST ACCIDENTS ARE AVOIDABLE,+ SHE SAID, +AND ONE OF THE MOST IMPORTANT FACTORS IN THE AVOIDANCE OF ACCIDENT IS SAFETY EDUCATION.+

+THE FOCAL POINT FOR EDUCATION ON HOME ACCIDENTS IS TO INCREASE THE AWARENESS OF RISKS IN THE HOME AND TO DEVELOP SAFE BEHAVIOUR IN THE FACE OF THESE RISKS,+ DR LEUNG SAID.

THE COMMON TYPES OF HOME ACCIDENTS ARE FALLS, BURNS, POISONING, DROWNING AND SUFFOCATION.

SHE POINTED OUT THAT AS THE FIRST STEP, PARENTS MUST ACCEPT FULL RESPONSIBILITY FOR ENSURING THAT THEIR CHILDREN UNDERSTAND AND LEARN ABOUT THE DANGERS THAT SURROUND THEM.

SHE SAID, +FORTUNATELY, THERE IS A PATTERN OF SAFETY THAT FOLLOWS THE STAGES OF GROWING UP THROUGH WHICH EVERY CHILD PASSES, E.G., THE HELPLESS AGE NEEDS COMPLETE PROTECTION; THE CURIOUS TODDLER MUST BE CLOSELY SUPERVISED; AND THE INDEPENDENT PRE-SCHOOL EXPERIMENTER REQUIRES DISCIPLINE AND EXPLANATION ABOUT THE DANGERS.+

SHE WENT ON TO SAY THAT AS A CHILD GROWS UP, TRAINING BECOMES THE MOST IMPORTANT ELEMENT IN THE PATTERN OF SAFETY, E.G., SAFE CROSSINGS, SWIMMING, FIRST AID, CANOEING AND BICYCLE TRAINING.

+SAFETY BECOMES MORE AND MORE A MATTER OF EDUCATION, ENGENDERING IN EVERY CHILD THE DESIRE AND THE ABILITY TO SHIELD HIMSELF FROM POTENTIAL DANGERS IN ALL CIRCUMSTANCES, AND TO ACQUIRE JUDGEMENT FROM THE EXAMPLE SET BY ADULTS.+

DR LEUNG ADDED THAT THERE IS ANOTHER VULNERABLE GROUP IN OUR HOMES - THE ELDERLY PEOPLE.

+AS THE COMMONEST CAUSE OF INJURY IS FALLS, IT IS IMPORTANT TO MAKE SURE THAT THERE IS GOOD LIGHTING, AND THAT HANDRAILS ARE INSTALLED WHERE NECESSARY, E.G., IN THE BATHROOM AND LAVATORY. KEEP AWAY MATS OR CHILDREN'S TOYS OVER WHICH AN OLD PERSON MIGHT TRIP,+ SHE SAID.

IN CONCLUDING, DR LEUNG ADVISED THAT PARENTS, SCHOOLS AND EVERY MEMBER OF THE COMMUNITY MUST CO-OPERATE TO MAKE NOT ONLY THE HOME, BUT ALSO THE SCHOOL, THE COMMUNITY, THE FACTORY AND THE ROAD, SAFE PLACES FOR ALL.

WEDNESDAY, NOVEMBER 10, 1982

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CORRECTIONAL SERVICES AUTUMN FAIR ON SATURDAY
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THE CORRECTIONAL SERVICES DEPARTMENT'S 30TH AUTUMN FAIR WILL NOW TAKE PLACE ON SATURDAY (NOVEMBER 13). IT WAS POSTPONED FROM LAST SATURDAY DUE TO THE INCLEMENT WEATHER.

MRS GORDON WU, WIFE OF A LOCAL BUSINESSMAN HAS BEEN INVITED TO OFFICIATE AT THE OPENING OF THE FAIR WHICH WILL BE HELD ON THE FOOTBALL FIELD NEXT TO STANLEY PRISON BETWEEN 12 NOON AND 5 PM.

THERE WILL BE OVER 30 STALLS SELLING A WIDE SELECTION OF CORRECTIONAL SERVICES INDUSTRIAL AND HOBBY CLASS PRODUCTS INCLUDING STUFFED TOYS, TOY HOUSES, RATTAN FURNITURE, WOODEN FURNITURE AS WELL AS A FIBRE GLASS DINGHY. IN ADDITION, THERE WILL BE SNACK, REFRESHMENT AND GAMES STALLS.

A SERIES OF ENTERTAINMENT PROGRAMMES HAVE ALSO BEEN ARRANGED FOR VISITORS. THESE INCLUDE PERFORMANCES BY THE TAI TAM GIRL PIPERS AND PRECISION MARCHING TEAM, A MARCHING DISPLAY BY THE CAPE COLLINSON BAND, AND A MOTOR CYCLE DEMONSTRATION BY THE CIVIL AID SERVICES.

THE FAIR, A CHARITABLE EVENT, IS ORGANISED BY THE DEPARTMENT'S SPORTS ASSOCIATION, AND THE PROCEEDS WILL GO TO CHARITIES AND THE DEPARTMENT'S WELFARE FUNDS.

ADMISSION IS FREE AND MEMBERS OF THE PUBLIC ARE WELCOMED TO ATTEND.

AS PARKING SPACE IS LIMITED, VISITORS ARE ADVISED THAT BUS ROUTE NOS. 6 AND 260 (STARTING FROM CENTRAL), 73 (FROM ABERDEEN), 63 (FROM NORTH POINT) AND 14 (FROM SHAU KEI WAN) ARE CONVENIENT WAYS OF GETTING TO THE FAIR.

VISITORS ARE REMINDED THAT NO ONE WILL BE ALLOWED TO ENTER THE FAIR UNTIL AFTER IT HAS BEEN OFFICIALLY OPENED AT 12 NOON. ITEMS ON SALE ARE VERY REASONABLY PRICED AND DISCERNING BUYERS ARE ADVISED TO ARRIVE EARLY AS THE FAIR WILL CLOSE AT 5 PM.

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NOTE TO EDITORS:

THE CORRECTIONAL SERVICES DEPARTMENT'S AUTUMN FAIR WILL BE HELD ON THE FOOTBALL FIELD NEXT TO STANLEY PRISON ON SATURDAY (NOVEMBER 13) BETWEEN 12 NOON AND 5 PM.

YOU ARE INVITED TO COVER THE EVENT. PRESS TRANSPORT WILL LEAVE CORRECTIONAL SERVICES DEPARTMENT HEADQUARTERS, GUARDIAN HOUSE, 32 01 KWAN ROAD, WAN CHAI, AT 10.45 AM SHARP, AND WILL LEAVE THE FAIR GROUND FOR THE DEPARTMENT'S HEADQUARTERS AT ABOUT 12.30 PM.

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WEDNESDAY, NOVEMBER 10, 1982

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ELECTRIC TRAINS TO SHA TIN RACECOURSE

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THE KOWLOON-CANTON RAILWAY WILL ONCE AGAIN RUN ELECTRIC TRAINS TO THE SHA TIN RACECOURSE DURING THE NEXT TWO RACE MEETINGS TO BE HELD ON SATURDAY (NOVEMBER 13), AND ON WEDNESDAY (NOVEMBER 17).

A KCR SPOKESMAN SAID TODAY THAT ACCORDING TO EXPERIENCE GAINED DURING THE PAST FEW RACE MEETINGS HELD AT THE SHA TIN RACECOURSE, THE ELECTRIFIED SERVICE HAD PROVED ITS WORTH AS MOST RACEGOERS FOUND IT CONVENIENT, FAST AND COMFORTABLE.

+IN VIEW OF ITS POPULARITY, WE WILL CONTINUE TO EXTEND THE ELECTRIFIED SERVICE TO THE RACECOURSE STATION ON RACE DAYS,+ HE ADDED.

THE SPOKESMAN ALSO URGED RACING FANS TO BUY RETURN TICKETS IN ADVANCE STARTING FROM WEDNESDAY (NOVEMBER 10) FOR THE DAY MEETING ON SATURDAY (NOVEMBER 13) AND FROM NEXT MONDAY (NOVEMBER 15) FOR THE NIGHT RACING ON NOVEMBER 17.

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FIRE SERVICES DIRECTOR OFF TO JAPAN FOR CONFERENCE

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THE DIRECTOR OF FIRE SERVICES, MR F.M. WATSON, AND CHIEF FIRE OFFICER, MR LAM LOK-BUN, HAVE LEFT FOR JAPAN TO ATTEND THE 12TH GENERAL CONFERENCE OF THE INTERNATIONAL FIRE CHIEFS' ASSOCIATION OF ASIA. THE ANNUAL CONFERENCE WILL LAST UNTIL FRIDAY (NOVEMBER 12).

DURING THE ABSENCE OF MR WATSON, MR ROBERT HOLMES WILL ACT IN HIS PLACE AS DIRECTOR OF FIRE SERVICES.

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