



DAILY INFORMATION BULLETIN

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WEDNESDAY, JULY 8, 1992

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STI'S SPEECH ON MFN STATUS FOR CHINA DEBATE

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THE FOLLOWING IS THE FULL TEXT OF THE SPEECH BY THE SECRETARY FOR TRADE AND INDUSTRY, MR T.H. CHAU, IN THE MOTION DEBATE ON MOST FAVOURED NATION STATUS FOR CHINA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR DEPUTY PRESIDENT,

MEMBERS WHO HAVE SPOKEN IN THIS DEBATE HAVE ALL RECOGNISED THAT THE RENEWAL OF MOST FAVOURED NATION TRADING STATUS FOR CHINA BY THE UNITED STATES IS OF CRUCIAL IMPORTANCE TO HONG KONG. THE DAMAGE THAT WOULD BE DONE TO HONG KONG'S ECONOMY AS A RESULT OF THE LOSS OF CHINA'S MFN STATUS HAS BEEN SPELT OUT IN DETAIL BY MANY MEMBERS. SEVERAL MEMBERS HAVE QUOTED VERY PRECISE FIGURES. SO THERE IS NO NEED FOR ME TO REPEAT THEM.

BUT I WOULD LIKE TO EMPHASISE A FEW POINTS. IF, AS A RESULT OF LOSS OF MFN STATUS, CHINA WAS TO CUT BACK ON ITS IMPORTS FROM THE US EITHER IN RETALIATION OR BECAUSE OF A REDUCED ABILITY TO EARN FOREIGN EXCHANGE, THERE WOULD BE FURTHER TRADE CONTRACTION, WHICH WOULD RESULT IN FURTHER LOSS IN JOBS AND INCOME FOR HONG KONG. IN ADDITION, THERE WOULD BE A SIGNIFICANT ADVERSE EFFECT ON MANUFACTURING INVESTMENT VENTURES AND OTHER PRODUCTION ARRANGEMENTS BY HONG KONG AND FOREIGN COMPANIES IN CHINA. HONG KONG'S ROLE AS THE GATEWAY TO CHINA WOULD LIKELY BE UNDERMINED CONSIDERABLY, THUS AFFECTING LONGER-TERM GROWTH POTENTIAL AND BUSINESS CONFIDENCE IN HONG KONG. ALL THESE WOULD DAMAGE HONG KONG AT AN IMPORTANT TIME IN OUR HISTORY.

IN SPITE OF THE CONSENSUS THAT HAS EMERGED FROM THIS DEBATE ON THE IMPORTANCE OF MFN RENEWAL, SOME MEMBERS HAVE QUESTIONED OUR SUPPORT FOR UNCONDITIONAL RENEWAL. IN ORDER TO AVOID REPETITION, I WILL DEAL WITH THIS POINT LATER ON WHEN I ADDRESS THE AMENDMENT THAT HAS BEEN PROPOSED TO THE MOTION.

ALTHOUGH PRESIDENT BUSH HAS APPROVED THE EXTENSION OF UNCONDITIONAL RENEWAL OF MFN TRADING STATUS FOR CHINA FOR THE CURRENT YEAR ENDING 3 JULY 1993, THIS HAS NOT GONE UNCHALLENGED. A JOINT RESOLUTION OF DISAPPROVAL, INTRODUCED IN THE HOUSE OF REPRESENTATIVES TO REVOKE THE PRESIDENT'S DECISION, IS NOW WAITING TO BE PUT TO THE HOUSE FOR A VOTE. IF APPROVED BY BOTH THE HOUSE AND THE SENATE, CHINA WOULD BE DENIED MFN STATUS WITHIN 60 DAYS OF PASSAGE OF THE JOINT RESOLUTION UNLESS THE PRESIDENT EXERCISES HIS VETO AND IS ABLE TO SUSTAIN IT IN ANY VETO-OVERRIDE ATTEMPT.

IN ADDITION TO THE ATTEMPT TO DENY MFN TRADING STATUS FOR CHINA THIS YEAR, TWO BILLS ATTACHING CONDITIONS TO MFN RENEWAL FOR NEXT YEAR HAVE BEEN INTRODUCED RESPECTIVELY IN THE SENATE AND THE HOUSE OF REPRESENTATIVES. IN BRIEF, BOTH BILLS WOULD DENY MFN TREATMENT FOR EXPORTS FROM PREDOMINATELY STATE-OWNED ENTERPRISES SHOULD CHINA FAIL TO MEET A NUMBER OF CONDITIONS RELATING TO IMPROVEMENTS IN HUMAN RIGHTS, TRADE PRACTICES, WEAPONS NON-PROLIFERATION AND OTHERS.

/THIS APPROACH

THIS APPROACH, ALTHOUGH MORE SELECTIVE THAN WITHDRAWAL OF MFN STATUS ALTOGETHER, WOULD NOT INSULATE HONG KONG FROM THE ENSUING ADVERSE ECONOMIC CONSEQUENCES. LEAVING ASIDE THE CHINESE RESPONSE TO CONDITIONALITY, THE US ADMINISTRATION HAVE STATED VERY CLEARLY THAT THE TWO BILLS ARE UNWORKABLE BECAUSE IT WOULD BE VERY DIFFICULT TO DETERMINE WHICH EXPORTS ARE PRODUCED BY STATE-OWNED ENTERPRISES. CONFUSION ABOUT THE APPLICABILITY OF THE LEGISLATION WOULD NOT ONLY GIVE RISE TO CHAOS AND BE DETRIMENTAL TO TRADE, IT WOULD ALSO CREATE UNCERTAINTY AMONG INVESTORS IN HONG KONG AND CHINA. WHILE THE IMPACT ON HONG KONG COULD NOT BE QUANTIFIED IN VIEW OF THE LACK OF DATA ON EXPORTS BY CHINESE STATE-OWNED ENTERPRISES, ONE THING FOR CERTAIN IS THAT HONG KONG WILL SUFFER BECAUSE OF ITS CLOSE ECONOMIC TIES WITH CHINA.

IN RECOGNITION OF THE IMPORTANCE OF THE MATTER, MEMBERS OF THIS COUNCIL HAVE HELPFULLY ISSUED A LETTER EARLIER ON TO KEY SENATORS TO URGE SUPPORT FOR UNCONDITIONAL RENEWAL OF CHINA'S MFN STATUS IN 1992/93. THE PRIVATE SECTOR HAS ALSO BEEN WORKING VIGOROUSLY ON THIS FRONT. IN MAY, TWO MISSIONS OF BUSINESSMEN VISITED WASHINGTON DC TO LOBBY THE SUPPORT OF BOTH THE BUSINESS SECTOR AND THE POLITICIANS IN THE US. ON THE PART OF THE GOVERNMENT, OUR WASHINGTON OFFICE HAVE WORKED WITH GROUPS IN THE US HAVING BUSINESS OR EXPORTING INTERESTS IN CHINA, URGING THEM - SUCCESSFULLY - TO IMPRESS UPON THEIR CONGRESSIONAL REPRESENTATIVES THE DAMAGE THAT NON-RENEWAL OR CONDITIONAL RENEWAL WOULD DO TO THE US ECONOMY.

IN ADDITION, THROUGH THE SUSTAINED EFFORTS OF MY COLLEAGUES IN OUR WASHINGTON OFFICE AND THROUGH MY OWN VISIT THERE IN MAY, WE HAVE ENSURED THAT CONGRESSIONAL LEADERS AND SENIOR US ADMINISTRATION OFFICIALS ARE FULLY AWARE OF THE IMPORTANCE TO HONG KONG OF UNCONDITIONAL MFN RENEWAL. FURTHERMORE, TO ENSURE THAT A COHERENT HONG KONG MESSAGE IS CONVEYED IN THE MULTIPLE LOBBYING EFFORTS BY THE GOVERNMENT AS WELL AS THE PRIVATE SECTOR, WE HAVE MET WITH CHAMBERS OF COMMERCE AND OTHER TRADE AND INDUSTRIAL GROUPS REGULARLY IN BOTH FORMAL AND INFORMAL SETTINGS, UPDATING THEM ON THE LATEST DEVELOPMENTS. THIS PROCESS IS CONTINUING.

THE KEY TO THE MFN BATTLE, IF I MAY USE SUCH A WORD, LIES IN PRESIDENT BUSH'S VERY FIRM STAND THAT WITHDRAWAL OR CONDITIONAL RENEWAL OF MFN STATUS FOR CHINA WOULD NOT ACHIEVE THE US'S OTHER POLICY OBJECTIVES. HOWEVER, WE IN HONG KONG CANNOT AFFORD TO BE COMPLACENT GIVEN THAT THE PRESIDENT WAS ONLY ABLE TO SUSTAIN HIS VETO AGAINST THE BILL INTRODUCED LAST YEAR ATTACHING CONDITIONS TO MFN RENEWAL BY A NARROW MARGIN OF 5 VOTES IN THE SENATE IN MARCH THIS YEAR. THE POSITION THIS YEAR IS MADE MORE DIFFICULT BECAUSE OF DOMESTIC ELECTION POLITICS IN THE UNITED STATES.

MR DEPUTY PRESIDENT, I WOULD LIKE TO STATE FOR THE RECORD THAT WHILE HONG KONG POSSESSES FULL AUTONOMY IN THE CONDUCT OF ITS EXTERNAL COMMERCIAL RELATIONS, THE UK GOVERNMENT HAS ALL ALONG BEEN VERY SUPPORTIVE OF HONG KONG IN RESPECT OF THE MFN ISSUE AND, WHEN NECESSARY, HAS ON PREVIOUS OCCASIONS APPROACHED THE US ADMINISTRATION AS WELL AS MEMBERS OF THE US CONGRESS TO EXPRESS CONCERN AT THE DAMAGING IMPACT ON HONG KONG IF CHINA WERE TO LOSE ITS MFN TRADING STATUS IN THE US. SOME OF THESE CONTACTS WERE AT THE HIGHEST LEVELS OF THE UK AND US GOVERNMENTS. WE ARE MOST GRATEFUL FOR THE UK GOVERNMENT'S SUPPORT AND HAVE NO DOUBT THAT, IF NECESSARY, THE UK GOVERNMENT WILL AGAIN OFFER US EVERY ASSISTANCE IN THIS MATTER IN THE FUTURE.

ON A RELATED POINT, MEMBERS MAY WISH TO NOTE THAT, AT AN OPEN MEETING OF THE TRADE SUB-COMMITTEE OF THE WAYS AND MEANS COMMITTEE OF THE HOUSE OF REPRESENTATIVES, WHICH TOOK PLACE ON 23 JUNE 1992 IN WASHINGTON, WHEN CHINA'S MFN STATUS WAS BEING DISCUSSED, A CERTAIN CONGRESSMAN DID SAY THAT, AT A RECENT MEETING WITH SOME MEMBERS OF PARLIAMENT IN LONDON, HE HAD BEEN TOLD THAT MFN REVOCATION WOULD DEAL A DEVASTATING BLOW TO HONG KONG'S ECONOMY AND BUSINESS CONFIDENCE.

IN CONCLUDING MY COMMENTS ON THE MOTION, I WOULD LIKE TO ASSURE MEMBERS THAT THE ADMINISTRATION WILL CONTINUE TO DO ITS UTMOST TO WORK FOR THE UNCONDITIONAL RENEWAL OF MFN TRADING STATUS FOR CHINA WHICH IS SO IMPORTANT FOR THE WELL-BEING OF HONG KONG. WE WILL CONCENTRATE OUR EFFORTS ON SECURING ENOUGH SUPPORT IN THE CONGRESS TO SUSTAIN ANY PRESIDENTIAL VETO OF A JOINT RESOLUTION OF DISAPPROVAL OR CONDITIONALITY BILL. THE OFFICIAL MEMBERS OF THIS COUNCIL WILL VOTE FOR THE MOTION.

AS REGARDS THE AMENDMENT PROPOSED BY DR HUANG CHEN-YA, THE OFFICIAL MEMBERS WILL VOTE AGAINST IT. I MUST EMPHASISE THAT THIS VOTE HAS NOTHING TO DO WITH THE HUMAN RIGHTS SITUATION IN CHINA.

THE REASONS FOR VOTING AGAINST THE AMENDMENT ARE, FIRST, THAT IT DOES NOT CONTAIN THE MOST IMPORTANT REQUIREMENT, FROM OUR POINT OF VIEW, THAT THE EXTENSION OF CHINA'S MFN TRADING STATUS SHOULD BE UNCONDITIONAL. A CONDITIONAL RENEWAL OF CHINA'S MFN STATUS WOULD BE TAKEN BY BUSINESSMEN AND INVESTORS AS AN ADVANCE NOTICE TO WIND DOWN OPERATIONS AND INVESTMENTS IN CHINA. THE HONG KONG GOVERNMENT HAVE, THEREFORE, CONSISTENTLY SUPPORTED UNCONDITIONAL RENEWAL ON THE GROUNDS THAT CONDITIONAL EXTENSION WILL BE VERY DAMAGING TO HONG KONG.

MY SECOND POINT IS THAT WE HAVE ALL ALONG BELIEVED THAT MFN IS A TRADE ISSUE WHICH SHOULD NOT BE LINKED TO OTHER ISSUES, SUCH AS THOSE INCLUDED IN THE TWO CONDITIONALITY BILLS. OUR POSITION HAS NOTHING TO DO WITH THE MERIT OR OTHERWISE OF THESE OTHER ISSUES. IN THIS RESPECT, I WOULD LIKE TO NOTE, ONCE AGAIN, THAT THE US ADMINISTRATION'S POSITION IS ALSO THAT MFN IS NOT THE RIGHT TOOL TO ACHIEVE OTHER POLICY OBJECTIVES.

FINALLY, CALLING FOR EXTENSION OF MFN WITHOUT SPECIFYING THAT IT SHOULD BE UNCONDITIONAL AND LINKING MFN EXTENSION WITH A NON-MFN ISSUE MAY WELL BE PERCEIVED ELSEWHERE AS A WEAKENING IN OUR SUPPORT FOR UNCONDITIONAL RENEWAL AND RISK PLAYING INTO THE HANDS OF THOSE WHO ARE TRYING TO DEFEAT THE US ADMINISTRATION IN ORDER TO ACHIEVE THEIR OWN DOMESTIC POLITICAL ENDS.

A FEW MEMBERS SPEAKING IN FAVOUR OF THE AMENDMENT HAVE SAID THAT OUR SUPPORT OF UNCONDITIONAL RENEWAL IS UNREALISTIC. I DO NOT AGREE WITH THIS VIEW. OUR POSITION IS A REALISTIC ONE. IN TERMS OF US DOMESTIC POLITICS, HONG KONG IS BUT ONE FACTOR IN THE MFN EQUATION. IN OUR EFFORTS TO HELP MAINTAIN CHINA'S MFN STATUS, OUR BEST COURSE OF ACTION LIES IN SUPPORTING THE US ADMINISTRATION'S FIRM STANCE THAT CHINA'S MFN STATUS SHOULD BE RENEWED WITHOUT CONDITIONS. THANK YOU, SIR.

WEDNESDAY, JULY 8, 1992

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SHW'S SPEECH IN PATIENT'S RIGHTS DEBATE

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IN ADJOURNMENT DEBATE ON PATIENTS' RIGHTS IN TONIGHT
(WEDNESDAY):

MR DEPUTY PRESIDENT,

MAY I THANK PROFESSOR THE HONOURABLE FELICE LIEH MAK AND OTHER MEMBERS OF THIS COUNCIL FOR THEIR VIEWS. I AM PARTICULARLY GRATEFUL FOR THIS DEBATE WHICH ENHANCES PATIENTS' RIGHTS AND PROFESSIONALS' OBLIGATIONS. THERE IS NOTHING LIKE A DEBATE OF THIS SORT TO CONCENTRATE ONE'S MIND ON AN IMPORTANT SUBJECT. HERE I WOULD ALSO LIKE TO TAKE THE OPPORTUNITY TO SAY HOW MUCH I APPRECIATE THE WORK OF THE STUDENTS AND TEACHERS FROM THE BAPTIST COLLEGE WHO HAVE TAKEN THE TROUBLE AND THE INITIATIVE TO DO RESEARCH AND SURVEY TO PROMOTE AWARENESS OF THE PATIENTS' RIGHTS. I REFER TO THIS BOOKLET WHICH IS VERY WELL DONE. IT'S AN ADMIRABLE PIECE OF WORK AND ADMIRABLE EFFORT. I CONGRATULATE THEM AND I THANK THEM.

I WOULD ALSO LIKE TO THANK THE MANY HEALTH PROFESSIONALS IN THIS COUNCIL WHO HAVE INDIVIDUALLY AND COLLECTIVELY PLEDGE SUPPORT FOR THE RIGHTS OF PATIENTS WITH SUCH CLARITY AND VISION. ALTHOUGH I THINK, MR DEPUTY PRESIDENT, ITS EARLY HOURS YET IT WOULD BE ARROGANT AND DISCOURTEOUS OF ME TO REPEAT OR ATTEMPT TO SAY WHAT HAS ALREADY BEEN SAID AND SAID SO ELOQUENTLY. HOWEVER I WOULD LIKE TO ADD JUST A FEW POINTS WHICH I DON'T THINK HAVE BEEN MENTIONED.

EVERYBODY HAS AN OBLIGATION TO HIMSELF, HIS FAMILY AND THE COMMUNITY TO MAINTAIN A HEALTHY LIFESTYLE. THE DEPARTMENT OF HEALTH WHICH IS SOMETIMES FORGOTTEN IS ACTIVELY INVOLVED IN PROMOTING THIS MESSAGE. ALL THE RIGHTS AND MEDICAL CARE IN THE WORLD CANNOT PROTECT A PERSON FROM HIMSELF IF HE CHOOSES TO NEGLECT THE BENEFITS OF PREVENTIVE MEDICINE.

IN THE FAMOUS WORDS OF A LEADING SCRIBE IN THE HEALTH AND WELFARE BRANCH, MR DEREK GOULD, THAT PATIENTS NEED TO REMEMBER THAT WHAT IS GOOD FOR THEIR BODY IS ALSO GOOD FOR THEIR RIGHTS. EACH NEEDS TO BE EXERCISED IN MODERATION OR IT WILL WASTE AWAY. AND IF A PATIENT ALLOWS HIS RIGHTS TO WASTE AWAY, HE HAS BUT HIMSELF TO BLAME.

IN BRIEF, THE BEST PROTECTOR OF A CONSUMER'S RIGHTS IS STILL THE CONSUMER HIMSELF. NATURALLY WE MUST ALL ENDEAVOUR TO HELP THE CONSUMER TO ENHANCE AN AWARENESS OF CONSUMERS' RIGHTS, THE PATIENTS' RIGHTS. IT WILL DESERVE AN CONCERTED EFFORT. HERE MR DEPUTY PRESIDENT WE IN THE GOVERNMENT WILL BEAR IN MIND MEMBERS' ADVICE, PARTICULARLY IN THE CONTEXT OF OUR FREQUENT DISCUSSIONS WITH MEMBERS OF THE HOSPITAL AUTHORITY, AND IN PARTICULAR IN THE GREEN PAPER THAT WE ARE DRAFTING.

THANK YOU, MR DEPUTY PRESIDENT.

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ACP ESTIMATES EXPLAINED

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THE ESTIMATED COST OF THE AIRPORT CORE PROGRAMME (ACP) EXPRESSED IN MONEY OF THE DAY (MOD) IS \$163,730 MILLION AS AGAINST \$112,220 MILLION AT MARCH 1991 PRICES.

THIS WAS STATED BY THE SECRETARY FOR THE TREASURY, MR K.Y. YEUNG, IN A WRITTEN REPLY TO A QUESTION BY THE HON SAMUEL WONG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR YEUNG SAID THE ESTIMATE AT MARCH 1991 PRICES AND THAT IN MOD APPLIED TO THE SAME SCOPE OF WORKS UNDER THE ACP AS WAS ANNOUNCED ON APRIL 2 THIS YEAR.

HE SAID EXPRESSING PROJECT ESTIMATES IN CONSTANT MARCH 1991 PRICES ENABLED REAL INCREASES IN COST TO BE READILY IDENTIFIED.

EXPRESSING PROJECT ESTIMATES IN MOD, ON THE OTHER HAND, GAVE AN IDEA AS TO THEIR LIKELY OUTTURN, MR YEUNG SAID.

HE POINTED OUT THAT THE BASIS UPON WHICH MOD ESTIMATES FOR GOVERNMENT ACP PROJECTS WAS CALCULATED WAS EXPLAINED IN AN INFORMATION NOTE ENTITLED "GOVERNMENT EXPENDITURE ON THE AIRPORT CORE PROGRAMME: ADJUSTMENT FROM 1991 DOLLARS TO MONEY OF THE DAY" WHICH WAS ISSUED ON JUNE 3 THIS YEAR.

THE MOD EQUIVALENTS FOR THE OTHER ACP PROJECTS WERE RELEASED TO THE PUBLIC ON JUNE 12, HE ADDED.

A BREAKDOWN OF THE ACP ESTIMATED COST IS AS FOLLOWS:

PROJECT -----	ESTIMATE AT MARCH 1991 PRICES	ESTIMATE AT MOD PRICES
	----- \$ MILLION	----- \$ MILLION
CHEK LAP KOK AIRPORT	46,300	68,500
NORTH LANTAU EXPRESSWAY	5,790	8,102
TUNG CHUNG DEVELOPMENT PHASE I	2,210	3,027
LANTAU FIXED CROSSING	11,960	17,155
ROUTE 3 (PART)	6,050	8,918
WEST KOWLOON RECLAMATION	10,010	12,587
WEST KOWLOON EXPRESSWAY	2,230	3,383
WESTERN HARBOUR CROSSING	4,150	6,500

/AIRPORT RAILWAY

AIRPORT RAILWAY	22,160	33,500
CENTRAL AND WAN CHAI RECLAMATION	1,900	2,827
UTILITIES AND OTHERS	2,360	3,260
LESS: AIRPORT RAILWAY WORKS TO BE UNDERTAKEN AS PART OF THE LANTAU FIXED CROSSING, TUNG CHUNG DEVELOPMENT, NORTH LANTAU EXPRESSWAY, ROUTE 3, AND "UTILITIES" PROJECTS	(2,900)	(4,029)
TOTAL	----- 112,220 =====	----- 163,730 =====

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GOVT WORKING ALL OUT IN ENVIRONMENTAL CONSERVATION

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THE GOVERNMENT WILL CARRY OUT VARIOUS PLANS TO INCREASE THE NUMBER AND SPECIES OF TREES TO BE PLANTED THROUGHOUT THE TERRITORY IN THE NEXT 10 YEARS, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR EASON SAID THE URBAN COUNCIL WAS PLANNING TO ACCELERATE ITS TREE PLANTING PROGRAMME, BEYOND THE 900,000 TREES ALREADY PLANTED ANNUALLY ALL ROUND, AND WAS EXPLORING THE POSSIBILITY OF JOINT VENTURE PLANTING PROGRAMMES WITH DISTRICT BOARDS TO INCREASE COMMUNITY INVOLVEMENT.

THE TERRITORY DEVELOPMENT DEPARTMENT WAS ALSO PLANNING AN URBAN-FRIDGE PLANTING PROGRAMME WHICH WOULD COVER SOME 55 HECTARES OF ERODED SLOPES AND OTHER AREAS, MR EASON SAID IN A REPLY TO A QUESTION BY THE HON MAN SAI-CHEONG.

IN ADDITION, MR EASON SAID OVER 150,000 TREES WOULD BE PLANTED ON NORTH LANTAU STARTING IN 1994 AND THE NUMBER OF SPECIES FROM WHICH TREES FOR PLANTING WERE DRAWN ALREADY EXCEEDS 100.

THERE WERE ALSO PLANS TO ADD MORE NATIVE AND EXOTIC SPECIES.

HE SAID IN THE PAST 10 YEARS, ABOUT 9 MILLION TREES, IN ADDITION TO MILLIONS MORE SHRUBS AND CLIMBING PLANTS, HAD BEEN PLANTED THROUGHOUT THE TERRITORY BY THE TWO MUNICIPAL COUNCILS AND VARIOUS GOVERNMENT DEPARTMENTS.

ABOUT 1.8 MILLION WERE PLANTED IN THE URBAN AREAS.

/MR EASON

MR EASON SAID SINCE THE EARLY 1980S, A LANDSCAPE SECTION HAD BEEN PART OF EACH DEVELOPMENT OFFICE IN THE TERRITORY DEVELOPMENT DEPARTMENT.

THIS WAS TO ENSURE THAT LANDSCAPE MEASURES, INCLUDING TREE PLANTING, WERE AN INTEGRAL PART OF ANY DEVELOPMENT PROPOSAL, WHETHER PRIVATE OR PUBLIC.

IT WAS NOW STANDARD PRACTICE FOR COMPREHENSIVE LANDSCAPE REQUIREMENTS TO BE INCLUDED IN DEVELOPMENT CONDITIONS, HE ADDED.

MR EASON SAID A LONG-TERM, COMPREHENSIVE LANDSCAPE PLAN HAD BEEN OUTLINED AS PART OF THE METROPLAN SELECTED STRATEGY RELEASED LAST YEAR.

THIS PROVIDED AN URBAN DESIGN AND LANDSCAPE FRAMEWORK, INCLUDING AN EXTENSIVE NETWORK OF OPEN SPACES.

FIFTEEN AREAS WERE EARMARKED FOR DEVELOPMENT AS URBAN-FRINGE PARKS.

"UPON FULL IMPLEMENTATION OF THIS STRATEGY, WE WILL HAVE ABOUT 1,000 HECTARES OF LANDSCAPED AREAS AND OPEN SPACES IN THE METRO REGION FOR PUBLIC ENJOYMENT.

"IN ADDITION, WE ARE IN THE PROCESS OF FORMULATING A TERRITORIAL LANDSCAPE STRATEGY AS PART OF THE ONGOING TERRITORIAL DEVELOPMENT STRATEGY STUDIES," MR EASON SAID.

THE SECRETARY POINTED OUT THAT THE OVERALL CO-ORDINATION OF ENVIRONMENTAL CONSERVATION POLICY WAS THE RESPONSIBILITY OF THE PLANNING, ENVIRONMENT AND LANDS BRANCH.

"IT WILL BE CLEAR THAT THE ETHIC IS ALREADY BECOMING INCREASINGLY ENTRENCHED IN THE NUMEROUS DEPARTMENTS INVOLVED; AND THIS, RATHER THAN AN INTRICATE GREENING MASTERPLAN, IS THE KEY TO SUCCESS," MR EASON SAID.

HE SAID BODIES WITH RESPONSIBILITIES IN THE PLANNING AND DEVELOPMENT FIELD, SUCH AS THE TOWN PLANNING BOARD, DEVELOPMENT PROGRESS COMMITTEE, THE DISTRICT PLANNING AND LAND CONFERENCES, AND SO ON, WERE ALSO ACUTELY CONSCIOUS OF THE ENVIRONMENTAL CONSERVATION ASPECTS OF THEIR BUSINESS.

AGAIN, SPECIFICALLY ON TREES, AN INTER-DEPARTMENTAL WORKING GROUP ON URBAN TREES WAS SET UP IN MARCH 1991 TO CO-ORDINATE EFFORTS IN TREE PLANTING AND TO DRAW UP GUIDELINES FOR STREET TREE PLANTING.

ON THE GENERAL QUESTION OF ENVIRONMENTAL CONSERVATION, MR EASON MENTIONED THAT AN INFORMATION PAPER ON THE SUBJECT WAS PRESENTED TO THE OMELCO PANEL ON ENVIRONMENTAL AFFAIRS AT ITS APRIL MEETING.

THE PAPER DESCRIBED THE POSITION AS REGARDS COUNTRY PARKS AND SPECIAL AREAS, MARINE PARKS AND RESERVES, FLORA AND FAUNA, LAND USE PLANNING AND CONTROL AT STRATEGIC, SUB-REGIONAL AND LOCAL LEVELS, AND POLLUTION PREVENTION AND CONTROL.

PUBLIC ORDER AND SUMMARY OFFENCES ORDINANCES UNDER REVIEW
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THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, SAID TODAY (WEDNESDAY) THAT THE GOVERNMENT WAS REVIEWING BOTH THE PUBLIC ORDER ORDINANCE AND THE SUMMARY OFFENCES ORDINANCE.

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON CONRAD LAM KUI-SHING, MR ASPREY SAID THE PROVISIONS OF THE BILL OF RIGHTS ORDINANCE WOULD BE TAKEN INTO ACCOUNT IN THE REVIEW.

THE GOVERNMENT HAD NOT YET COME TO ANY CONCLUSIONS, HE SAID.

"WHETHER A PARTICULAR PROVISION IN A LAW CONTRAVENES THE BILL OF RIGHTS ORDINANCE IS ULTIMATELY A MATTER FOR THE COURTS TO DETERMINE."

TURNING TO A TEMPORARY CORDONING-OFF OF AN AREA OUTSIDE THE NEW CHINA NEWS AGENCY, MR ASPREY SAID THE MOVE WAS NOT IN CONFLICT WITH ARTICLE 17 OF THE BILL OF RIGHTS ORDINANCE.

"IN RECOGNISING THE RIGHT OF PEACEFUL ASSEMBLY, ARTICLE 17 PERMITS RESTRICTIONS ON THE EXERCISE OF THAT RIGHT WHICH ARE IMPOSED IN CONFORMITY WITH THE LAW AND WHICH ARE NECESSARY IN THE INTERESTS OF, AMONG OTHER THINGS, PUBLIC SAFETY, PUBLIC ORDER AND THE PROTECTION OF THE RIGHTS OF OTHERS," HE SAID.

UNDER THE POLICE FORCE ORDINANCE, THE POLICE HAVE A DUTY TO TAKE LAWFUL MEASURES TO PRESERVE ORDER IN PUBLIC PLACES, AT PUBLIC MEETINGS AND ASSEMBLIES.

"FULFILMENT OF THIS DUTY MAY NEED TO INCLUDE THE TEMPORARY CORDONING-OFF OF AN AREA, DEPENDING ON THE CIRCUMSTANCES AT THE TIME," HE ADDED.

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BLOCKADE DECISION MADE FOR PUBLIC SAFETY
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THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, TOLD THE LEGISLATIVE COUNCIL THAT THE DECISION TO CORDON OFF A PUBLIC AREA WAS TAKEN BY POLICE COMMANDERS AT THE SCENE IN THE INTERESTS OF PUBLIC ORDER AND PUBLIC SAFETY.

IN A WRITTEN REPLY TO A QUESTION BY THE HON ERIC LI TODAY (WEDNESDAY), MR ASPREY SAID SECTION 10 OF THE POLICE FORCE ORDINANCE EMPOWERED THE POLICE TO TAKE LAWFUL MEASURES TO PRESERVE PUBLIC PEACE AND TO PROTECT LIFE AND PROPERTY.

"IN DISCHARGING THESE DUTIES, IT IS SOMETIMES NECESSARY FOR THE POLICE TO CORDON OFF TEMPORARILY CERTAIN AREAS," HE SAID.

HE POINTED OUT THAT THE AREA OUTSIDE THE NEW CHINA NEWS AGENCY WAS A CASE IN POINT.

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WEDNESDAY, JULY 8, 1992

APPROPRIATE REPRESENTATIONS MADE FOR DETAINED HK RESIDENTS

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THE GOVERNMENT WILL MAKE APPROPRIATE REPRESENTATIONS TO THE CHINESE AUTHORITIES FOR HONG KONG RESIDENTS BEING DETAINED OR JAILED IN CHINA WHERE THERE ARE GROUNDS FOR DOING SO.

THIS WAS STATED BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON CONRAD LAM KUI-SHING, MR ASPREY SAID THE GOVERNMENT WAS AWARE OF SOME CASES OF HONG KONG RESIDENTS HAVING BEEN DETAINED OR JAILED IN CHINA, BUT IT HAD NO WAY OF KNOWING FOR CERTAIN HOW MANY HONG KONG RESIDENTS WERE STILL DETAINED.

"AS FAR AS WE ARE AWARE, ALL HONG KONG RESIDENTS DETAINED IN CHINA FOR POLITICAL OFFENCES RELATED TO THE EVENTS OF JUNE 1989 HAVE NOW BEEN RELEASED."

HE SAID IN EACH OF THEIR CASES, THE HONG KONG AND BRITISH GOVERNMENTS MADE REPEATED REPRESENTATIONS TO THE CHINESE AUTHORITIES.

"WE WILL CONTINUE TO TAKE UP DESERVING CASES IN FUTURE," HE SAID.

ON MR LAU SAN-CHING'S DETENTION IN CHINA IN DECEMBER 1981, MR ASPREY SAID THE BRITISH AND HONG KONG GOVERNMENTS RAISED HIS CASE WITH THE CHINESE AUTHORITIES ON MANY OCCASIONS, BOTH IN HONG KONG AND BEIJING.

"HIS CASE WAS TAKEN UP BY BOTH THE SECRETARY OF STATE AND THE PRIME MINISTER DURING THEIR VISITS TO CHINA IN APRIL AND SEPTEMBER 1991," HE SAID.

MR LAU WAS FINALLY RELEASED AT THE END OF HIS SENTENCE IN DECEMBER 1991.

USA HAS KEY ROLE IN IMPROVING VIETNAMESE ECONOMY

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THE USA CLEARLY HAS A KEY ROLE TO PLAY IN IMPROVING THE ECONOMIC CONDITIONS IN VIETNAM BECAUSE OF ITS PRESENT TRADE EMBARGO AND ITS BLOCK ON VIETNAMESE ACCESS TO THE INTERNATIONAL FINANCIAL INSTITUTIONS.

IT WAS STATED BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN A WRITTEN REPLY TO A QUESTION BY THE HON MARTIN BARROW IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

/THE SECRETARY

THE SECRETARY SAID THE BRITISH GOVERNMENT SHARED THIS VIEW, AND HAD MADE THIS CLEAR TO THE U.S. GOVERNMENT BOTH IN BILATERAL DISCUSSIONS, AND IN THE DELIBERATIONS OF THE RELEVANT INTERNATIONAL ORGANISATIONS.

"WE HAVE ALWAYS MADE CLEAR THAT IN OUR VIEW THE ROOT CAUSE OF THE VIETNAMESE MIGRANT PROBLEM LIES IN VIETNAM, AND ESPECIALLY IN ECONOMIC CONDITIONS THERE," HE SAID.

"WE HAVE ALSO MADE CLEAR THAT, IN OUR VIEW, PARTIES TO THE COMPREHENSIVE PLAN OF ACTION SHOULD WORK TO IMPROVE THOSE CONDITIONS."

HA CONSULTANCY STUDIES CLOSELY MONITORED

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ALL CONSULTANCY STUDIES COMMISSIONED BY THE HOSPITAL AUTHORITY (HA) ARE CLOSELY MONITORED AND EVALUATED BY A STEERING COMMITTEE ESTABLISHED BY THE AUTHORITY, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, SAID.

IN A WRITTEN REPLY TO A QUESTION BY THE HON MICHAEL HO MUN-KA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MRS WONG SAID CONSULTANTS WERE ENGAGED TO PROVIDE EXPERT ADVICE ON VARIOUS ASPECTS OF REFORM.

"WHEN DETERMINING THE ALLOCATION OF FUNDS FOR CONSULTANCY STUDIES, DUE CONSIDERATION IS GIVEN TO THE FEASIBILITY OF CONDUCTING THEM IN-HOUSE, THE URGENCY FOR INTRODUCING IMPROVEMENTS IN STEP WITH THE HOSPITAL MANAGEMENT REFORM PROGRAMME, THE NEED FOR INPUT FROM EXPERTS WITH INTERNATIONAL REPUTE AND RELEVANT EXPERIENCE TO SET THE DIRECTION FOR FUTURE PLANNING AND PROVISION OF SERVICES OR INFRASTRUCTURAL SYSTEMS.

"THE PROCEDURES FOR ENGAGEMENT OF CONSULTANTS ARE SET OUT IN THE CIRCULAR ON 'INTERIM TENDERING PROCEDURES IN RELATION TO SERVICES'," SHE SAID.

THE HA HAD COMMISSIONED FIVE CONSULTANCY STUDIES IN 1991-92 AT A TOTAL COST OF SOME \$10 MILLION.

ALL OF THEM, EXCEPT THE CONSULTANCY ON INTERIM MANAGEMENT INFORMATION SYSTEM (PART III) WHICH IS DUE FOR COMPLETION NEXT MONTH, HAD BEEN COMPLETED AND THEIR RECOMMENDATIONS ADOPTED.

THE HA IS IN THE COURSE OF IMPLEMENTING VARIOUS RECOMMENDATIONS MADE BY THE CONSULTANTS. DETAILS ARE AS FOLLOWS:

- * DIAGNOSTIC REVIEW OF HOSPITAL SUPPORTING SERVICE - ENVIRONMENTAL AND PHYSICAL IMPROVEMENTS ARE BEING IMPLEMENTED AT VARIOUS HOSPITALS WHILE OTHER RECOMMENDATIONS ARE ACCORDED WITH PRIORITY FOR IMPLEMENTATION;

- * COMMUNICATION - RECOMMENDATIONS TO IMPROVE EXISTING COMMUNICATION CHANNELS AND PUBLICITY ARRANGEMENTS HAVE BEEN IMPLEMENTED;
- * INTERIM MANAGEMENT INFORMATION SYSTEM STUDIES (PARTS I & II) - AN INTERIM MANAGEMENT INFORMATION SYSTEM HAS BEEN DESIGNED AND INSTALLED FOR USER TESTING;
- * DIAGNOSTIC REVIEW OF CLINICAL SERVICES IN HOSPITALS - A STRATEGY IS BEING MAPPED OUT FOR IMPLEMENTATION OF THE RELEVANT RECOMMENDATIONS; AND
- * MEDICAL RECORD MANAGEMENT SYSTEM - A PILOT HOSPITAL HAS BEEN SELECTED TO IMPLEMENT THE MODEL MEDICAL RECORD MANAGEMENT SYSTEM AND TO ASSESS THE FEASIBILITY OF EXTENDING THE SYSTEM TO OTHER HOSPITALS.

AUTOMATIC VOTER REGISTRATION UNDER STUDY

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THE ADMINISTRATION IS EXPLORING THE FEASIBILITY OF INTRODUCING AUTOMATIC VOTER REGISTRATION, THE SECRETARY FOR CONSTITUTIONAL AFFAIRS, MR MICHAEL SZE, SAID TODAY (WEDNESDAY).

HOWEVER, MR SZE SAID THERE WERE A NUMBER OF TECHNICAL LIMITATIONS WHICH MUST FIRST BE OVERCOME IF THE PROPOSAL WAS TO BE PURSUED.

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON LEONG CHE-HUNG, MR SZE SAID NOT ALL RECORDS KEPT BY THE REGISTRATION OF PERSONS OFFICE WERE COMPUTERISED.

ADDRESSES AND SOME OTHER PARTICULARS ARE SEPARATELY STORED IN MICROFILM AND IT WOULD BE A MAJOR EXERCISE TO MANUALLY EXTRACT SUCH DETAILS TO IDENTIFY THE ESTIMATED 1.7 MILLION ELIGIBLE RESIDENTS NOT YET ON THE ELECTORAL ROLL.

FURTHERMORE, THE SECRETARY SAID THE RECORDS WOULD NOT ESTABLISH WHETHER A PERSON WAS QUALIFIED OR DISQUALIFIED TO REGISTER AS AN ELECTOR.

"IT IS ALSO LIKELY THAT SOME OF THE ADDRESSES WOULD NOT BE UP-TO-DATE, GIVEN THE HIGH MOBILITY OF THE POPULATION WITHIN HONG KONG AND THE GENERAL RELUCTANCE ON THE PART OF THE PUBLIC TO REPORT CHANGES OF ADDRESS EVEN THOUGH THEY ARE LEGALLY OBLIGED TO DO SO," MR SZE SAID.

HE SAID EVEN IF THEY WERE CORRECT AT THE TIME OF REGISTRATION, A SYSTEM WOULD HAVE TO BE DEvised TO CONSTANTLY UPDATE THEM BECAUSE OF THE POPULATION'S HIGH MOBILITY.

HE ALSO SAID THE ADMINISTRATION WOULD NEED TO CAREFULLY ASSESS THE FINANCIAL IMPLICATIONS OF THE PROPOSAL AND ITS COST-EFFECTIVENESS.

MR SZE ALSO SAID THERE WAS A CONTINUOUS TREND IN THE MOVEMENT OF REGISTERED ELECTORS FROM THE URBAN AREA TO THE NEW TERRITORIES, IN PARTICULAR TO THE NEW TOWNS IN SAI KUNG, SHA TIN, TUEN MUN AND TAI PO.

THERE WAS ALSO SOME THINNING OUT OF ELECTORS IN SUCH URBAN DISTRICTS AS WONG TAI SIN AND KWUN TONG WHERE MAJOR PUBLIC HOUSING REDEVELOPMENT PROJECTS WERE TAKING PLACE.

SIMILAR SIGNS WERE ALSO EMERGING IN THE OLDER TOWNS IN THE NEW TERRITORIES LIKE YUEN LONG AND KWAI TSING.

HE SAID THE ADMINISTRATION RECOGNISED THE IMPORTANCE OF KEEPING THE ELECTORS' RESIDENTIAL ADDRESSES ACCURATE.

HOWEVER, HE SAID NOT MANY REGISTERED VOTERS TAKE THE INITIATIVE TO INFORM THE REGISTRATION AND ELECTORAL OFFICE (REO) OF ANY CHANGES IN THEIR RESIDENTIAL ADDRESSES.

HE SAID ACTIVE MEASURES WERE TAKEN BY THE REO TO KEEP TRACK OF THOSE ELECTORS WHO HAD CHANGED ADDRESSES AFTER THEIR REGISTRATION AS ELECTORS.

THESE MEASURES INCLUDED PUBLICITY, MATCHING WITH GOVERNMENT RECORDS, AND SOME NEW AND IMPROVEMENT MEASURES SUCH AS MATCHING WITH REGISTRATION OF PERSONS OFFICE RECORDS AND INCLUSION OF APPEAL LETTER AND A VOTER REGISTRATION FORM TO BE DISTRIBUTED TO PUBLIC HOUSING TENANTS WHEN THEY MOVE TO THEIR NEW ACCOMMODATION.

HE SAID THE ADMINISTRATION HAD NOT CONSIDERED PROVIDING ANY "INCENTIVE" TO ENCOURAGE REGISTERED ELECTORS TO REPORT ADDRESS CHANGES.

"IT IS VERY MUCH THEIR RESPONSIBILITY TO REPORT ANY SUCH CHANGES," HE SAID.

THE SECRETARY SAID THE LEVELS OF EXPENDITURE IN VOTER REGISTRATION AND ELECTIONS VARIED FROM YEAR TO YEAR TO TIE IN WITH THE ELECTION CYCLE.

GENERALLY, MORE RESOURCES WERE SPENT DURING AN ELECTION YEAR AND THE YEAR PRECEDING IT.

EFFORTS TO PROMOTE HUMAN RIGHTS

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THE GOVERNMENT HAS ALLOCATED \$2.5 MILLION FOR THE WORK OF THE COMMITTEE ON THE PROMOTION OF CIVIC EDUCATION IN 1992-93, PART OF WHICH HAS BEEN EARMARKED FOR HUMAN RIGHTS EDUCATION AND PUBLICITY.

THIS WAS STATED BY THE SECRETARY FOR CONSTITUTIONAL AFFAIRS, MR MICHAEL SZE, IN A WRITTEN REPLY TO A QUESTION BY THE HON JAMES TO IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR SZE SAID THE COMMITTEE ALSO RECEIVED A DONATION OF \$1 MILLION FROM THE ROYAL HONG KONG JOCKEY CLUB FOR ORGANISING HUMAN RIGHTS EDUCATION PROJECTS.

IN ADDITION, THE ADMINISTRATION HAS PUBLISHED EDUCATIONAL MATERIALS TO HELP MEMBERS OF THE PUBLIC TO UNDERSTAND THE BILL OF RIGHTS ORDINANCE.

A TOTAL OF 10,000 COPIES OF THE ORDINANCE AND 20,000 COPIES OF AN INTRODUCTORY BOOKLET ON THE ORDINANCE HAVE BEEN DISTRIBUTED THROUGH THE INFORMATION SERVICES DEPARTMENT AND THE DISTRICT OFFICES.

NOTING THAT THE COMMITTEE HAS SET UP A SUB-COMMITTEE IN MAY THIS YEAR TO FOSTER PUBLIC UNDERSTANDING OF AND RESPECT FOR HUMAN RIGHTS, HE SAID HUMAN RIGHTS EDUCATION WAS ONE OF THE COMMITTEE'S WORK PRIORITIES IN 1992-93.

THE PROJECTS SO FAR PLANNED FOR THIS YEAR INCLUDE A SPECIAL COMMUNITY PARTICIPATION SCHEME, PRODUCTION OF INFORMATION KITS AND PAMPHLETS, A CIVIC EDUCATION DAY, SEMINARS AND A RADIO PROGRAMME.

BESIDES, THE COMMITTEE HAS SPONSORED ABOUT \$374,000 FOR 12 HUMAN RIGHTS-RELATED CIVIC EDUCATION PROJECTS FROM 1990/91 TO 1992/93.

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LEGAL SYSTEM AND JUDICIAL PROCESS OF OTHER JURISDICTIONS
SHOULD BE RESPECTED

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THE ADMINISTRATION TAKES AN ACTIVE INTEREST IN ATTEMPTS BY FOREIGN GOVERNMENTS TO IMPOSE THEIR ADMINISTRATIVE ACTS OR JUDICIAL ORDERS EXTRATERRITORIALLY IN HONG KONG.

IT WAS ALSO OF THE VIEW THAT INTERNATIONAL COMITY REQUIRED THAT THE LEGAL SYSTEM AND JUDICIAL PROCESS OF OTHER JURISDICTIONS BE RESPECTED.

THIS WAS STATED BY THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, IN A WRITTEN REPLY TO A QUESTION BY DR THE HON HUANG CHEN-YA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SECRET

"CLEARLY, SUCH MATTERS ARE HIGHLY SENSITIVE IN NATURE AND THERE CAN BE NO HARD AND FAST RULES AS TO HOW THESE SHOULD BE HANDLED," MR NENDICK SAID.

FREQUENTLY, DIPLOMATIC EXCHANGES WERE REQUIRED TO RESOLVE SUCH MATTERS AMICABLY, HE ADDED.

THE SECRETARY SAID SOMETIMES THE HONG KONG GOVERNMENT MIGHT NEED TO SEEK REPRESENTATION IN FOREIGN COURT PROCEEDINGS TO EXPRESS ITS INTEREST.

IN CASES WHERE HONG KONG'S TRADING INTERESTS WERE ADVERSELY AFFECTED, THE GOVERNOR MIGHT ALSO, AS A LAST RESORT, CONSIDER FRUSTRATING SUCH ATTEMPTS UNDER THE PROTECTION OF TRADING INTEREST ACT 1980 (HONG KONG) ORDER 1990.

IN THIS CONNECTION, THE HONG KONG ASSOCIATION OF BANKS HAD BEEN ASKED TO REMIND ITS MEMBERS THAT ANY EXTRATERRITORIAL CASES SHOULD BE BROUGHT TO THE NOTICE OF THE GOVERNMENT AS SOON AS POSSIBLE.

GENERALLY, MR NENDICK SAID, A DEPOSIT HELD WITH A HONG KONG BRANCH OF A FOREIGN BANK WOULD BE GOVERNED BY HONG KONG LAW.

IF THIS WAS THE CASE, SUCH PAYMENT OBLIGATIONS COULD ONLY BE SET ASIDE UNDER HONG KONG LAW.

"NOTWITHSTANDING THIS, A FOREIGN GOVERNMENT MAY, ON OCCASIONS, BY MEANS OF INJUNCTIONS IN ITS OWN COURTS OR BY ITS OWN ADMINISTRATIVE ACTION, ATTEMPT TO FREEZE ASSETS HELD IN THE HONG KONG BRANCH OF A BANK WHICH IS WITHIN ITS TERRITORY AND SUBJECT TO THE JURISDICTION OF ITS COURTS," HE SAID.

SHOULD SUCH CASES AROSE, A CUSTOMER WOULD HAVE ACCESS TO THE HONG KONG COURTS TO ENFORCE HIS CONTRACTUAL RIGHTS, HE SAID.

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ENVIRONMENT A FACTOR IN CHOICE OF DREDGING SITES

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THE GOVERNMENT SELECTS SITES FOR SEA-SAND DREDGING WHERE SAND CAN BE RECOVERED ECONOMICALLY AND WHERE THE ENVIRONMENTAL IMPACT WILL BE ACCEPTABLE.

THIS WAS STATED BY THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, IN A WRITTEN REPLY TO A QUESTION BY REV THE HON FUNG CHI-WOOD.

HE SAID PRELIMINARY ENVIRONMENTAL ASSESSMENTS WERE CARRIED OUT AS PART OF THE FEASIBILITY STUDIES FOR IDENTIFYING THE SITES.

THE FINDINGS ARE CONSIDERED BY THE FILL MANAGEMENT COMMITTEE WHICH IS CHAIRED BY THE DIRECTOR OF CIVIL ENGINEERING.

/DREDGING FOR

DREDGING FOR SEA SAND IS TAKING PLACE AT SOUTH OF TSING YI, THE TATHONG CHANNEL, EAST OF TUNG LUNG CHAU (THE NINEPINS), WEST OF SOKO ISLANDS AND NORTH OF LANTAU.

IN FUTURE, DREDGING IS LIKELY AT OUTER DEEP BAY, URMSTON ROAD, THE BROTHERS, EAST OF SHA CHAU, EAST AND WEST OF PO TOI AND EAST LAMMA CHANNEL.

THE COMMITTEE FOUND THAT BECAUSE THE ENVIRONMENTAL IMPACT OF DREDGING AT EAST LAMMA CHANNEL AND SOUTH TATHONG MIGHT BE SIGNIFICANT, FURTHER ENVIRONMENTAL IMPACT ASSESSMENTS WERE BEING CARRIED OUT.

HOWEVER, IT FOUND THAT THE ENVIRONMENTAL IMPACT AT THE OTHER LOCATIONS SHOULD BE LIMITED PROVIDED THE CONTRACTOR EXERCISED PROPER CONTROL OVER THE WORK.

ON THE NINEPINS, MR EASON SAID ENVIRONMENTAL MONITORING REVEALED THAT DREDGING CAUSED SOME TURBIDITY BUT THAT THIS WAS TRANSIENT IN NATURE.

HE SAID THE ADMINISTRATION WAS AWARE THAT THERE WERE FISHERMEN WHO CLAIMED THE DREDGING OPERATIONS AFFECTED THEIR LIVELIHOOD, ADDING THAT THEIR CLAIMS WOULD BE INVESTIGATED.

"MEETINGS WITH THE FISHERMEN'S REPRESENTATIVES HAVE BEEN ARRANGED TO HEAR THEIR VIEWS AND SEEK INFORMATION ON THEIR CLAIMS. CLAIMS WHICH CAN BE SUBSTANTIATED WILL BE CONSIDERED EXPEDITIOUSLY," HE SAID.

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FUTURES EXCHANGE'S OPERATION UNDERGOES IMPROVEMENTS

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THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, TOLD THE LEGISLATIVE COUNCIL THAT A NUMBER OF IMPORTANT STEPS HAD ALREADY BEEN TAKEN TO IMPROVE THE OPERATION OF THE HONG KONG FUTURES EXCHANGE (HKFE).

IN A WRITTEN REPLY TO A QUESTION BY THE HON CHIM PUI-CHUNG, MR NENDICK SAID A WHOLLY OWNED CLEARING HOUSE - HKFE CLEARING CORPORATION LTD - WAS FORMED AND A NEW RISK MANAGEMENT SYSTEM, INCLUDING A RESERVE FUND OF \$200 MILLION, WAS INTRODUCED.

HE SAID ANY MEASURES THAT MIGHT BE REQUIRED TO IMPROVE THE OPERATION OF THE HKFE WERE ESSENTIALLY A MATTER FOR THE EXCHANGE TO CONSIDER THOUGH THE SECURITIES AND FUTURES COMMISSION (SFC) WOULD BE PREPARED TO HELP AND OFFER GUIDANCE SHOULD THIS BE REQUIRED.

REGARDING THE EXISTING SPECIAL LEVY ON SECURITIES TRANSACTIONS, MR NENDICK SAID STEPS WOULD BE TAKEN TO WITHDRAW THE SPECIAL LEVY WHEN PRINCIPAL AND INTEREST ON THE OUTSTANDING REVOLVING CREDIT FACILITIES WERE REPAYED.

/THE FACILITIES

THE FACILITIES WERE EXTENDED BY THE GOVERNMENT AND MAJOR BROKERS AND SHAREHOLDERS OF THE HONG KONG FUTURES GUARANTEE CORPORATION LTD (THE LIFEBOAT) TO RESCUE THE HKFE AFTER THE 1987 STOCK MARKET CRASH.

"AT THE CURRENT RATE OF REPAYMENT, IT IS ESTIMATED THAT REPAYMENT MAY BE COMPLETED IN THE COURSE OF 1994," MR NENDICK SAID.

MEANWHILE, THE EXCHANGE IS CURRENTLY DEVELOPING NEW PRODUCTS, INCLUDING AN OPTION ON THE HANG SENG INDEX, WHICH ARE DESIGNED TO ENHANCE THE MARKET'S INTERNATIONAL ATTRACTION BY BROADENING THE RANGE OF CONTRACTS AVAILABLE AND ENHANCE TURNOVER.

IF IT PROVES SUCCESSFUL IT MAY GENERATE ADDITIONAL REVENUE TOWARDS REPAYMENT OF THE LIFEBOAT.

ON TRADING IN EXISTING CONTRACTS, MR NENDICK SAID IT MUST BE FOR HKFE IN CONSULTATION WITH THE SFC TO DECIDE WHETHER OR NOT TO CEASE TRADING IN ANY OF ITS EXISTING CONTRACTS IN THE LIGHT OF ALL THE CIRCUMSTANCES.

THE SOYBEAN FUTURES CONTRACT WAS DISCONTINUED IN MARCH THIS YEAR BECAUSE OF A LACK OF PARTICIPATION AND TRADING INTEREST.

COTTON FUTURES CONTRACTS WERE DISCONTINUED IN THE EARLY 1980'S.

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GAMES CENTRE BILL READY FOR LEGCO LATER THIS YEAR

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AN AMUSEMENT GAMES CENTRE BILL HAS BEEN DRAFTED AND WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL LATER THIS YEAR, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, TOLD THE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON ALBERT CHAN WAI-YIP, MR SUEN SAID THE BILL WAS DESIGNED TO ESTABLISH A NEW AND STRICTER LICENSING SCHEME TO CONTROL THE OPERATION OF AMUSEMENT GAMES CENTRES.

TO SUPPORT THIS, APPROVAL HAD ALREADY BEEN GRANTED FOR THE CREATION OF A LICENSING TEAM WITHIN THE TELEVISION AND ENTERTAINMENT LICENSING AUTHORITY TO MONITOR THE PERFORMANCE OF LICENCES AND HANDLE ALL LICENCE APPLICATIONS, HE SAID.

AMUSEMENT GAMES CENTRES ARE CURRENTLY LICENSED IN ACCORDANCE WITH PROVISIONS IN THE MISCELLANEOUS LICENCES ORDINANCE.

MR SUEN SAID SINCE THE MISCELLANEOUS LICENCES ORDINANCE WAS LAST AMENDED IN 1988 TO INTRODUCE THE CURRENT LICENSING SYSTEM FOR AMUSEMENT GAMES CENTRE, THERE HAD BEEN RAPID DEVELOPMENT IN THE TRADE.

"NEW TYPES OF MACHINE AND NEW TECHNOLOGY HAS BEEN DEVELOPED WHICH HAS RESULTED IN A NEED FOR THE LICENSING REGIME TO BE UPDATED," HE SAID.

AT THE END OF LAST MONTH, THERE WERE 646 LICENSED CENTRES, OF THESE ABOUT 600 WERE IN NON-COMMERCIAL BUILDINGS.

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USAGE OF EASTERN HARBOUR CROSSING

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INCREASED USAGE OF THE EASTERN HARBOUR CROSSING IS UNLIKELY TO HAVE A MAJOR IMPACT ON TRAFFIC CONDITIONS IN KWUN TONG.

THIS WAS STATED BY THE SECRETARY FOR TRANSPORT, MR MICHAEL LEUNG, IN A WRITTEN REPLY TO A QUESTION BY THE HON LI WAH-MING, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR LEUNG SAID THIS WAS BECAUSE MOST TRAFFIC ENTERED OR LEFT THE EASTERN HARBOUR CROSSING VIA THE KWUN TONG BYPASS AND KWUN TONG ROAD.

THE CAPACITY OF EACH OF THESE ROADS IS ABOUT 8,400 VEHICLES PER HOUR IN BOTH DIRECTIONS, AGAINST A CURRENT PEAK TRAFFIC FLOW OF 5,000 - 6,000 VEHICLES PER HOUR.

MR LEUNG SAID AT PRESENT THE AVERAGE DAILY THROUGHPUT OF THE EASTERN HARBOUR CROSSING WAS 65,000 VEHICLES AND WAS WELL BELOW THE CAPACITY OF 100,000 VEHICLES.

"DURING THE DAYTIME, THE AVERAGE HOURLY TRAFFIC FLOW THROUGH THE EASTERN HARBOUR CROSSING IN BOTH DIRECTIONS VARIES BETWEEN 3,600 VEHICLES OFF PEAK AND ABOUT 5,000 VEHICLES AT THE BUSIEST TIMES."

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SCHEDULE OF FEES FOR PUBLIC HOSPITALS PUBLISHED

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THE GOVERNMENT PUBLISHES A SCHEDULE OF FEES FOR PUBLIC HOSPITALS AND CLINICS WHILE THE HONG KONG MEDICAL ASSOCIATION HAS ALSO PUBLISHED THE RESULTS OF ITS SURVEY ON DOCTORS' FEES IN THE PRIVATE SECTOR, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, SAID TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON EMILY LAU WAI-HING IN THE LEGISLATIVE COUNCIL, MRS WONG SAID CONSUMERS HAVE A RIGHT TO KNOW THE LEVEL OF FEES AND TO HAD ACCESS TO THE INFORMATION WHICH WOULD ENABLE THEM TO MAKE AN INFORMED CHOICE.

"IT IS FOR PROVIDERS OF PROFESSIONAL SERVICES TO RESPOND APPROPRIATELY IN AS OPEN A MANNER AS POSSIBLE.

"ANY PATIENT IS FREE TO ASK FOR INFORMATION ABOUT FEES AND TO GO TO THE DOCTOR OF HIS CHOICE," SHE SAID.

MRS WONG STRESSED THAT IT WAS GOVERNMENT'S POLICY THAT NO ONE WAS DENIED ADEQUATE MEDICAL TREATMENT FOR WANT OF MEANS, ADDING THAT THIS WAS COVERED BY SECTION 4(D) OF THE HOSPITAL AUTHORITY ORDINANCE.

"WHERE A PATIENT CANNOT AFFORD PRIVATE TREATMENT, GOVERNMENT PROVIDES PUBLIC CLINICS AND HOSPITALS, WHERE THE SUBSIDY TOWARDS THE COST OF TREATMENT IS HIGH AND THE CHARGES ARE LOW AND IN EXCEPTIONAL CIRCUMSTANCES MAY EVEN BE WAIVED."

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MORE STUDENTS WILL STUDY IN THEIR OWN DISTRICTS

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MORE CHILDREN LIVING IN NORTH AND TAI PO DISTRICTS WILL FIND SECONDARY SCHOOL PLACES IN THEIR OWN DISTRICTS THIS YEAR, THE SECRETARY FOR EDUCATION AND MANPOWER, MR JOHN CHAN, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

PENDING THE COMPLETION OF TWO NEW SCHOOLS - ONE IN FANLING AND THE OTHER IN TAI PO - IN DECEMBER THIS YEAR, 320 AND 54 NEW SECONDARY 1 PLACES WILL BE PROVIDED IN TEMPORARY PREMISES IN THESE TWO DISTRICTS RESPECTIVELY.

IN A WRITTEN REPLY TO A QUESTION BY REV THE HON FUNG CHI-WOOD, MR CHAN SAID: "IT IS GOVERNMENT POLICY TO ALLOCATE SECONDARY 1 SCHOOL PLACES ON A TERRITORY-WIDE RATHER THAN ON A DISTRICT BASIS.

"HOWEVER, IN ACTUAL PRACTICE, EFFORTS ARE MADE TO AVOID CROSS-NET ALLOCATIONS AS FAR AS POSSIBLE."

HE ADDED THAT THE COMPLETION OF A NEW SCHOOL IN TAI PO AND TWO IN FANLING IN JULY NEXT YEAR WILL IMPROVE FURTHER THE PROSPECTS OF THE STUDENTS OF THE NORTH AND TAI PO DISTRICTS BEING ALLOCATED TO SCHOOLS IN THEIR OWN DISTRICTS IN THE SCHOOL YEAR 1993-94.

UNDER THE 1991 ALLOCATION EXERCISE, 2,220 STUDENTS OF THOSE LIVING IN THE NORTH DISTRICT ATTENDED SCHOOLS IN THE DISTRICT WHILE 595 ATTENDED SCHOOLS IN TAI PO.

OF THE STUDENTS LIVING IN TAI PO, 3,372 ATTENDED SCHOOLS IN THE DISTRICT WHILE 97 ATTENDED SCHOOLS IN THE NORTH AND 56 IN THE SHA TIN DISTRICTS.

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TRADERS' PRIVACY WELL PROTECTED

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THE GOVERNMENT HAS NO PLANS TO LIFT THE LEGISLATIVE AND ADMINISTRATIVE RESTRICTIONS ON THE DIVULGENCE OF INFORMATION CONTAINED IN IMPORT/EXPORT DECLARATIONS AND CERTIFICATES OF ORIGIN, THE SECRETARY FOR TRADE AND INDUSTRY, MR T.H. CHAU, SAID TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON JIMMY MCGREGOR IN THE LEGISLATIVE COUNCIL, MR CHAU SAID THE ADMINISTRATION HAD THE DUTY TO SAFEGUARD THE PRIVACY OF TRADERS AND MANUFACTURERS AND TO PRESERVE THE SECURITY OF COMMERCIALY CONFIDENTIAL DATA SUPPLIED BY THEM.

AT PRESENT, THE EXPORT (CERTIFICATES OF ORIGIN) REGULATIONS PROVIDE THAT CERTAIN INFORMATION SUPPLIED BY FACTORIES FOR CERTIFICATE OF ORIGIN REGISTRATION MAY BE MADE AVAILABLE TO TRADE PROMOTION ORGANISATIONS AND MAY BE PUBLISHED FOR THE PURPOSE OF REPLYING TO TRADE ENQUIRIES.

"SUCH INFORMATION IS, HOWEVER, LIMITED TO THE NAMES AND ADDRESSES OF MANUFACTURERS AND THE NATURE OF THEIR PRODUCTS.

"WE BELIEVE THAT THIS SHOULD BE SUFFICIENT TO ENABLE TRADE PROMOTION ORGANISATIONS TO DEVELOP A USEFUL DATA BASE FOR THE PURPOSE OF PROMOTING TRADE AND INDUSTRY," HE ADDED.

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DEPARTMENTAL QUARTERS ALLOCATION ON OPERATIONAL NEED

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ALL CIVIL SERVANTS RESIDING IN DEPARTMENTAL QUARTERS BEFORE THE HOSPITAL AUTHORITY (HA) TOOK OVER THE MANAGEMENT OF PUBLIC HOSPITALS ON DECEMBER 1, 1991 ARE ABLE TO RETAIN THEIR ELIGIBILITY.

THEIR ELIGIBILITY WILL LAST UNTIL THEIR THREE-YEAR OPTION PERIOD FOR TRANSFER TO HA EXPIRES OR UNTIL THEY LEAVE THE CIVIL SERVICE, WHICHEVER IS THE EARLIER.

"A FIRM ASSURANCE IN THIS REGARD HAS BEEN CONVEYED TO THE STAFF THROUGH ESTABLISHED COMMUNICATION CHANNELS," THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, SAID.

REPLYING TO A QUESTION BY THE HON MICHAEL HO MUN-KA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MRS WONG SAID BEFORE DECEMBER 1, 1991, 7.9 PER CENT OF THE MEDICAL, NURSING AND PARAMEDICAL STAFF WORKING IN THE HOSPITAL SERVICES DEPARTMENT RESIDED IN DEPARTMENTAL QUARTERS.

THE COMPARATIVE FIGURE FOR THOSE WHO RETAIN THEIR CIVIL SERVANT STATUS WHILE WORKING UNDER HA IS 7.4 PER CENT AS AT MAY 31 THIS YEAR.

"DEPARTMENTAL QUARTERS ARE JUSTIFIED ON GROUNDS OF OPERATIONAL NEED," MRS WONG SAID.

"THE HOSPITAL AUTHORITY SEES NO SUCH NEED, AND THEREFORE THESE QUARTERS MAY BE MADE AVAILABLE FOR ALTERNATIVE USE."

MRS WONG ALSO NOTED THAT SINCE THE TRANSFER OF MANAGEMENT RESPONSIBILITY TO HA, THE HOSPITAL SERVICES DEPARTMENT HAD NOT ALLOCATED ANY MORE SUCH QUARTERS.

NURSES TRAINEES AND INTERNS WOULD CONTINUE TO BE ENTITLED TO OCCUPY QUARTERS IN RECOGNITION OF THE NEED FOR THEM TO RESIDE IN HOSPITALS AS PART OF THEIR OVERALL TRAINING PROGRAMME.

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GOVT'S POLICY ON FIFTH FREEDOM RIGHTS

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IT IS THE GOVERNMENT'S POLICY TO GRANT FIFTH FREEDOM RIGHTS ONLY IF TO DO SO WILL PROVIDE OPPORTUNITIES OF EQUAL VALUE TO HONG KONG AND TO HONG KONG AIRLINES.

THIS WAS STATED BY THE SECRETARY FOR ECONOMIC SERVICES, MRS ANSON CHAN, WHEN REPLYING TO A QUESTION BY DR THE HON HUANG CHEN-YA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MRS CHAN SAID FIFTH FREEDOM SERVICES INVOLVED THE CARRIAGE OF TRAFFIC BETWEEN THE AREA OF ONE OF THE CONTRACTING PARTIES AND THAT OF A THIRD PARTY.

SHE SAID THE AGREEMENT OF THAT THIRD PARTY WAS REQUIRED BEFORE SUCH SERVICES COULD BE OPERATED.

THE AGREEMENT OF ALL THREE GOVERNMENTS WAS REQUIRED FOR SUCH A SERVICE TO OPERATE.

IN VIEW OF HONG KONG'S GEOGRAPHIC LOCATION IN A PART OF THE WORLD WHICH WAS CURRENTLY ENJOYING RAPID GROWTH IN AIR TRAVEL, MRS CHAN SAID MANY OF HONG KONG'S PARTNERS SOUGHT FIFTH FREEDOM TRAFFIC RIGHTS FROM THE TERRITORY.

MOST AIR SERVICES AGREEMENTS GOVERNING HONG KONG'S AIR SERVICES PROVIDE FOR SUCH RIGHTS, SHE ADDED.

"THE WILLINGNESS OF ANY GOVERNMENT TO GRANT FIFTH FREEDOM TRAFFIC RIGHTS VARIES DEPENDING ON THEIR AIMS AND PERSPECTIVES.

"FOR THIS REASON THERE WOULD BE LITTLE VALUE IN ATTEMPTING TO COMPARE OUR WILLINGNESS TO GRANT FIFTH FREEDOM RIGHTS WITH THE WILLINGNESS OF OTHER GOVERNMENTS TO DO SO," SHE SAID.

MRS CHAN ASSURED MEMBERS OF THE COUNCIL THAT AS FAR AS THE GOVERNMENT WAS CONCERNED, EACH REQUEST FOR FIFTH FREEDOM RIGHTS WAS JUDGED ON ITS MERITS.

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COSTS FOR OVERSEAS RECRUITMENT OF AOS JUSTIFIED
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THE GOVERNMENT WILL CONTINUE TO RECRUIT A PROPORTION OF ADMINISTRATIVE OFFICERS FROM AMONG HONG KONG PEOPLE LIVING OR STUDYING ABROAD, THE SECRETARY FOR THE CIVIL SERVICE, MR BARRIE WIGGHAM, SAID.

REPLYING TO A QUESTION BY DR THE HON LEONG CHE-HUNG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MR WIGGHAM SAID: "THE JUSTIFICATION FOR RECRUITING ADMINISTRATIVE OFFICERS OVERSEAS IS THAT WE WISH TO TAP THE POOL OF TALENT FORMED BY THE CONSIDERABLE NUMBER OF HONG KONG PEOPLE WHO ARE LIVING OR STUDYING ABROAD.

"ON THE WHOLE, THE RESULTS OBTAINED HAVE BEEN VERY WORTHWHILE."

TEN ADMINISTRATIVE OFFICERS WERE RECRUITED FROM OVERSEAS IN 1989/90, ONLY THREE IN 1990/91, AND NINE WILL BE RECRUITED IN 1991/92.

ALTHOUGH THE COSTS MAY APPEAR HIGH ON A PER CAPITA BASIS IN A YEAR OF LOW RECRUITMENT, THERE ARE SUBSEQUENT SAVINGS TO BE TAKEN INTO ACCOUNT.

MR WIGGHAM EXPLAINED: "OFFICERS EDUCATED ABROAD, UNLIKE THEIR LOCALLY RECRUITED COUNTERPARTS, ARE NOT ELIGIBLE FOR OVERSEAS TRAINING IN THEIR FIRST FEW YEARS OF SERVICE.

"A FURTHER POINT IS THAT WE ARE RECRUITING PEOPLE WITH THE INTENTION THAT THEY SHOULD SPEND A FULL CAREER WITH US.

"THIS APPROACH WARRANTS A HIGHER INITIAL INVESTMENT IN RECRUITMENT."

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ELIGIBILITY TO SEVERANCE PAYMENT DETERMINED BY EXTENT OF HARDSHIP
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THE SECRETARY FOR EDUCATION AND MANPOWER, MR JOHN CHAN, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT THE SEVERANCE PAYMENT ENTITLEMENT TO A WORKER IS NOT SOLELY DEPENDENT UPON WHETHER THE CHANGE OF WORKPLACE INVOLVES CROSSING THE HARBOUR OR WHETHER THERE IS DISMISSAL.

"IT IS THE EXTENT OF HARDSHIP CAUSED THAT WILL DETERMINE ELIGIBILITY TO SEVERANCE PAYMENT," HE EXPLAINED.

MR CHAN WAS SPEAKING AT THE RESUMED DEBATE ON THE EMPLOYMENT (AMENDMENT) (NO. 4) BILL 1992 WHICH, AMONG OTHER THINGS, SEEKS TO REMOVE THE "CROSS-HARBOUR" PROVISION UNDER THE PRINCIPAL ORDINANCE THAT ENTITLES AN EMPLOYEE TO CLAIM SEVERANCE PAYMENT IF HIS EMPLOYMENT IS TERMINATED AS A RESULT OF HIS EMPLOYER MOVING THE WORKPLACE ACROSS THE HARBOUR.

/HE SAID

HE SAID AN AD HOC GROUP CHAIRED BY THE HON HENRY TANG HAD EXAMINED THE BILL IN DETAIL AND HE BELIEVED THAT THERE WAS NO DISAGREEMENT THAT THE "CROSS-HARBOUR" PROVISION WAS ANACHRONISTIC AND SHOULD BE REMOVED.

"THE ADMINISTRATION HAS CONSIDERED VERY CAREFULLY WHETHER ANY OTHER SIMPLE AND OBJECTIVE CRITERIA OR GUIDELINES COULD BE DRAWN UP BUT HAS CONCLUDED THAT IT WOULD BE QUITE IMPOSSIBLE TO DO SO IN A WAY WHICH WOULD COVER ALL EVENTUALITIES OR EVEN A CRITERION SUCH AS THE CHANGE OF DISTANCE MAY ACTUALLY INVOLVE NO MORE THAN CROSSING THE STREET FROM ONE DISTRICT TO ANOTHER," HE SAID.

"WE BELIEVE THAT EACH CASE WOULD BEST BE DEALT WITH INDIVIDUALLY HAVING REGARD TO ALL THE CIRCUMSTANCES.

"IN CASES OF DISPUTE, A RULING CAN BE SOUGHT FROM THE COURT AS TO WHETHER A CHANGE OF WORKPLACE CAUSES HARDSHIP TO AN EMPLOYEE TO AN EXTENT SUFFICIENTLY SERIOUS TO ESTABLISH A CONSTRUCTIVE DISMISSAL UNDER COMMON LAW.

"IF THE COURT SO DECIDES, THE EMPLOYEE WILL HAVE A CLAIM TO SEVERANCE PAYMENT," HE ADDED.

TO PREVENT EMPLOYERS AND EMPLOYEES FROM BEING MISLED BY THE DELETION OF THE "CROSS-HARBOUR" PROVISION UPON THE ENACTMENT OF THE AMENDMENT BILL, MR CHAN SAID THE LABOUR DEPARTMENT WOULD PUBLISH A LEAFLET, IN ENGLISH AND CHINESE, AND WOULD DISTRIBUTE TO THEM FREE OF CHARGE.

"THE LABOUR DEPARTMENT WILL CLOSELY MONITOR THE IMPLEMENTATION OF THE NEW PROVISION," MR CHAN ADDED.

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RULES APPROVED UNDER BANKRUPTCY AND COMPANIES ORDINANCES

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THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) APPROVED RULES UNDER THE BANKRUPTCY ORDINANCE AND THE COMPANIES ORDINANCE TO REMOVE THE GENERAL REQUIREMENT FOR PROOF OF DEBTS TO BE SWORN, EXCEPT IN APPROPRIATE CASES WHERE THE OFFICIAL RECEIVER OR THE LIQUIDATOR MAY REQUIRE THE CREDITOR CONCERNED TO VERIFY HIS CLAIM BY AFFIDAVIT.

THE RULES ARE THE PROOF OF DEBTS (AMENDMENT) RULE 1992 AND THE COMPANIES (WINDING-UP) (AMENDMENT) RULES 1992.

MOVING THE RESOLUTION UNDER THE BANKRUPTCY ORDINANCE, THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, SAID THIS WOULD SIMPLIFY PROCEDURES FOR THE PUBLIC AND BE MORE COST-EFFECTIVE FOR STAFF OF THE TRUSTEE TO ADMINISTER.

"IT IS ALSO IN LINE WITH THE PRACTICE IN THE UK, AUSTRALIA AND OTHER COMPARABLE JURISDICTIONS," HE SAID.

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MR NENDICK SAID THE PROPOSED RULE ENABLED A CREDITOR TO ESTABLISH HIS CLAIM BY FILING A PROOF OF DEBT IN THE PRESCRIBED FORM AND PAYING THE PRESCRIBED FEE.

THE PROOF OF DEBT NEED NOT BE SWORN BUT THE CREDITOR HAS TO DECLARE AS TO THE TRUTH OF THE PARTICULARS THEREOF, AND HAS TO SUBMIT THE ORIGINALS OR COPIES OF DOCUMENTS BY REFERENCE TO WHICH HIS DEBT CAN BE SUBSTANTIATED, HE SAID.

THE OFFICIAL RECEIVER OR THE TRUSTEE MAY CALL FOR ANY OTHER DOCUMENTS AS MAY BE NECESSARY.

THEY ARE ALSO GIVEN THE DISCRETION TO REQUIRE A CREDITOR TO VERIFY HIS CLAIM BY AFFIDAVIT IN APPROPRIATE CASES.

A SECURED CREDITOR IS REQUIRED TO STATE HIS STATUS AS SUCH, OR HE WILL SURRENDER HIS SECURITY TO THE OFFICIAL RECEIVER OR THE TRUSTEE FOR THE GENERAL BENEFIT OF CREDITORS.

ALSO APPROVED BY THE COUNCIL ARE THE BANKRUPTCY (AMENDMENT) RULES 1992 AND BANKRUPTCY (FORMS) (AMENDMENT) RULE 1992.

THE BANKRUPTCY (AMENDMENT) RULES 1992 SEEK TO OBTAIN THE REQUIREMENT FOR SWORN PROOFS, WHILE RETAINING THE FLEXIBILITY TO REQUIRE THEM WHEN NECESSARY.

IN ACCORDANCE WITH THE NEW PROCEDURES, THE BANKRUPTCY (FORMS) (AMENDMENT) RULE 1992 INTRODUCES TWO NEW FORMS FOR USE BY CREDITORS TO ESTABLISH THEIR CLAIMS IN BANKRUPTCY PROCEEDINGS AND REPEALS THE EXISTING PROOF OF DEBT FORM.

THE ACTING CHIEF JUSTICE MADE THE RULES UNDER THE RESPECTIVE ORDINANCES ON JUNE 10.

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MOTION ON CHINA'S MFN STATUS PASSED

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A MOTION PROPOSED BY THE HON VINCENT CHENG ON MOST FAVOURED NATION STATUS FOR CHINA WAS PASSED IN THE LEGISLATIVE COUNCIL AFTER A THREE-HOUR DEBATE TODAY (WEDNESDAY).

THE AMENDED MOTION MOVED BY DR THE HON HUANG CHEN-YA WAS DEFEATED.

ALSO PASSED WERE A MOTION MOVED BY REV THE HON FUNG CHI-WOOD ON ENERGY POLICY AND A MOTION MOVED BY THE HON MRS ELSIE TU ON THE STANDING ORDERS OF THE COUNCIL.

IN ADDITION, 10 MEMBERS SPOKE IN THE ADJOURNMENT DEBATE ON PATIENTS' RIGHTS RAISED BY PROF THE HON FELICE LIEH MAK.

/THE COUNCIL

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THE COUNCIL ALSO PASSED FOUR MOTIONS - ONE WAS MOVED BY THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, UNDER THE OFFICIAL LANGUAGES ORDINANCE; THREE WERE MOVED BY THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, UNDER THE BANKRUPTCY ORDINANCE AND THE COMPANIES ORDINANCE.

AT THE MEETING, SEVEN BILLS WERE PASSED.

OF THEM, ADMINISTRATION OF JUSTICE (MISCELLANEOUS AMENDMENTS) BILL 1992, INTELLECTUAL PROPERTY DEPARTMENT (CONSEQUENTIAL AMENDMENTS) BILL 1992, LEGAL PRACTITIONERS (AMENDMENT) (NO. 2) BILL 1992, EMPLOYMENT (AMENDMENT) (NO. 4) BILL 1992 AND EMPLOYEES' COMPENSATION (AMENDMENT) (NO. 2) BILL 1992 WERE PASSED WITHOUT AMENDMENTS.

EMPLOYEES' COMPENSATION (AMENDMENT) BILL 1992 AND A PRIVATE BILL - MIDDLE EAST FINANCE INTERNATIONAL LIMITED (TRANSFER OF UNDERTAKING) BILL - WERE PASSED WITH AMENDMENTS.

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FS SEEKS LEGCO VIEWS ON EXPENDITURE PRIORITIES

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THE FINANCIAL SECRETARY, MR HAMISH MACLEOD, TODAY (WEDNESDAY) CONTINUED HIS CONSULTATION WITH MEMBERS OF THE LEGISLATIVE COUNCIL ON NEXT YEAR'S BUDGET AND BRIEFED THEM ON THE MAIN FACTORS THAT NEED TO BE TAKEN INTO ACCOUNT.

FOLLOWING THIS BRIEFING, WHICH FOCUSED ON RECURRENT EXPENDITURE FOR 1993-94, MR MACLEOD WILL MEET MEMBERS IN GROUPS NEXT WEEK TO HEAR THEIR VIEWS ON PRIORITIES FOR SPENDING IN TERMS OF BROAD POLICY AREAS.

"THIS WILL HELP US SET BLOCK ALLOCATIONS FOR BRANCH SECRETARIES WHO WILL, UNDER THE REVISED ARRANGEMENTS, BE GIVEN GREATER FLEXIBILITY TO DEPLOY RESOURCES WITHIN AND BETWEEN THEIR PROGRAMME AREAS," MR MACLEOD SAID.

THE MAIN BUDGETARY GUIDELINE THAT EXPENDITURE GROWTH MUST BE KEPT WITHIN THE TREND GROWTH RATE OF GDP WOULD MEAN THAT PUBLIC EXPENDITURE (RECURRENT AND CAPITAL) WOULD BE ALLOWED TO INCREASE BY ABOUT \$5 BILLION IN REAL TERMS OVER THE 1992-93 ESTIMATES.

"FOR RECURRENT EXPENDITURE, THE ADDITIONAL FUNDS AVAILABLE NEXT YEAR, OVER AND ABOVE WHAT WILL BE PROVIDED TO OFFSET INFLATION, ARE EXPECTED TO BE IN THE REGION OF \$4 BILLION," HE SAID.

HE POINTED OUT THAT PART OF THIS EXTRA SUM HAS BEEN EARMARKED TO MEET IMPROVEMENTS COMING ON STREAM NEXT YEAR IN VARIOUS PROGRAMME AREAS, SUCH AS EDUCATION, HEALTH, SOCIAL WELFARE, LAW AND ORDER AND ENVIRONMENT.

"TRANSLATED INTO SERVICE TERMS, THESE WOULD MEAN SIGNIFICANT EXPANSION IN TERTIARY EDUCATION, STAFFING OF NEW SCHOOLS, HOSPITALS AND CLINICS, MORE CHILD-CARE PLACES, AND OTHER IMPROVEMENTS," HE SAID.

MR MACLEOD SAID ON TOP OF THESE IMPROVEMENTS, FURTHER NEW SERVICES COULD BE FUNDED FROM THE BALANCE OF THE EXTRA MONEY AND REDEPLOYMENT OF RESOURCES.

"I HOPE OUR CONSULTATION WITH MEMBERS, COUPLED WITH THE ABILITY OF SECRETARIES TO REDEPLOY WITHIN AND BETWEEN THE PROGRAMME AREAS UNDER THEIR CONTROL, WILL TAKE US A SIGNIFICANT STEP FORWARD IN DIRECTING OUR RESOURCES TO BEST SERVE THE CHANGING NEEDS OF THE COMMUNITY," HE SAID.

MR MACLEOD SAID TOTAL RECURRENT EXPENDITURE HAD GROWN BY MORE THAN 32 PER CENT IN REAL TERMS OVER THE PAST FIVE YEARS, FROM 1987-88 TO 1992-93.

"THE CAKE HAS THEREFORE GOT MUCH BIGGER, THOUGH THE SHARE HAS CHANGED IN SOME CASES, REFLECTING THE SHIFT IN PRIORITIES."

"DESPITE THE CONSIDERABLE GROWTH ALLOWED, SPENDING ASPIRATIONS INEVITABLY EXCEED THE ADDITIONAL RESOURCES AVAILABLE. WE MUST SET PRIORITIES AND MAKE THE OPTIMAL USE OF OUR RESOURCES," HE ADDED.

/MR MACLEOD

MR MACLEOD ALSO BRIEFED MEMBERS ON THE POSITION OF THE FISCAL RESERVES, NOTING THAT THE EFFECT OF THE ADDITIONAL SURPLUS FOR 1991-92 WOULD BE LARGELY OFFSET BY HIS DECISION NOT TO PROCEED WITH THE PROPOSAL TO INCREASE RATES.

BRIEFING MEMBERS ON THE BUDGETARY SYSTEM, MR MACLEOD SAID IT WAS BASED ON TRIED AND TESTED METHODS WHICH HAVE SERVED HONG KONG WELL.

"THIS HAS ENABLED US TO ACHIEVE A BALANCED BUDGET OVER THE YEARS WITH ADEQUATE RESERVES AND HAS ENSURED THAT WE LIVE WITHIN OUR MEANS," HE SAID.

AFTER SEEKING MEMBERS' VIEWS ON EXPENDITURE PRIORITIES, THE FINANCIAL SECRETARY WILL HAVE ANOTHER ROUND OF CONSULTATION WITH MEMBERS ON REVENUE OPTIONS. THIS IS EXPECTED TO TAKE PLACE IN AUTUMN.

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FS ON BUDGET EXPENDITURE

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FOLLOWING IS THE TRANSCRIPT OF REMARKS BY THE FINANCIAL SECRETARY, MR HAMISH MACLEOD, AFTER BRIEFING MEMBERS OF THE LEGISLATIVE COUNCIL ON EXPENDITURE ASPECTS OF THE 1993/94 BUDGET TODAY (WEDNESDAY):

FS: WELL, WHAT I'VE BEEN DOING OF COURSE IS FOLLOWING UP THE PROMISE I MADE IN THE BUDGET DEBATE THAT I WOULD THIS YEAR START QUITE A NEW PROCESS AND GO THROUGH A DIALOGUE WITH LEGCO MEMBERS ABOUT THE BUDGET. AND WE'VE JUST BEGUN THAT BY GIVING MEMBERS SOME BACKGROUND PARTICULARLY RELATED TO EXPENDITURE AND TO RECURRENT EXPENDITURE AND WE HAD I THINK A GOOD DISCUSSION. I GAVE SOME INDICATIONS OF OUR MAIN ASSUMPTIONS ABOUT ECONOMIC GROWTH, ABOUT THE SORTS OF ACTUAL MONEY LIKELY TO BE AVAILABLE, AND WE ARE MEETING MEMBERS IN GROUPS WHERE THEY ARE ORGANISED INTO GROUPS, AND THEN THE INDEPENDENT MEMBERS WILL MEET SEPARATELY AS ANOTHER GROUP NEXT WEEK, ON TUESDAY AND WEDNESDAY OF NEXT WEEK TO GET THEIR VIEWS ON BASICALLY RECURRENT EXPENDITURE PRIORITIES. I'VE SAID THAT THAT IS NOT THE END OF THE PROCESS, THAT WE WILL MEET AGAIN PROBABLY IN SEPTEMBER TO TALK ABOUT REVENUE AND PROBABLY ALSO IF THERE ARE SOME CAPITAL EXPENDITURE ASPECTS WHICH WE SHOULD DISCUSS. SO THAT WILL HELP US IN THE QUITE LONG PROCESS WHICH WE ARE GOING THROUGH, WHICH HAS ALREADY BEGUN, OF DECIDING ON EXPENDITURE AND REVENUE MEASURES WHICH EVENTUALLY OF COURSE APPEAR IN THE ESTIMATES IN THE NEXT BUDGET. BUT THAT PROCESS HAS ALREADY BEGUN. WE NEED TO REACH SOME PRETTY BROAD CONCLUSIONS ACTUALLY QUITE SOON AND THEN WE'LL GO ON WITH FURTHER DETAIL. THERE IS A PRESS RELEASE, WHICH YOU HAVE, WHICH HOPEFULLY SAID SOMETHING SIMILAR TO WHAT I'VE JUST SAID. SOME OF YOU HAVEN'T GOT IT, I SEE FROM YOUR HANDS, THERE'S SOME MORE COPIES AT THE DOOR.

REPORTER: SOME PEOPLE WERE TALKING ABOUT SOME FIGURES, CAN YOU TELL US WHAT FIGURES YOU'VE GOT SO FAR AND WHERE THEY CAME FROM?

/FS: YES,

FS: YES, I'M DELIBERATELY AT THIS STAGE, WHICH IS AFTERALL QUITE EARLY IN THE YEAR, BEING VERY APPROXIMATE IN FIGURES. THEY WILL BE REFINED AS WE GO ALONG. BUT VERY ROUGHLY, IF YOU APPLY OUR BASIC BUDGET GUIDELINE THAT WE SHOULD KEEP PUBLIC EXPENDITURE GROWTH WITHIN GROWTH IN THE ECONOMY, THEN YOU'RE ROUGHLY SPEAKING LOOKING AT AN INCREASE OF 5 PER CENT IN REAL TERMS IN OUR PUBLIC EXPENDITURE, TRANSLATED INTO DOLLARS, WE ARE TALKING ABOUT VERY ROUND FIGURES, AROUND \$5 BILLION. AND IF YOU SPLIT THAT UP BETWEEN CAPITAL AND RECURRENT, AGAIN VERY ROUGHLY, WE ARE TALKING ABOUT \$4 BILLION RECURRENT AND \$1 BILLION CAPITAL. AS I'VE SAID, THOSE FIGURES WILL BE REFINED, BUT I THOUGHT IT HELPFUL TO GIVE AT LEAST A ROUGH FIGURE AGAINST WHICH WE ALSO DISCUSSED FOR EXAMPLE KNOWN EXPENDITURE ITEMS WHICH WE WILL HAVE TO FUND NEXT YEAR BECAUSE WE HAVE NEW FACILITIES COMING ON STREAM, YOU KNOW AS A NEW CLINIC BEING COMPLETED OR SOMETHING LIKE THAT. I'VE ALSO PROVIDED A SUMMARY, WHICH IS NOT A COMPREHENSIVE ONE, BUT WE DID OUR BEST TO SUMMARISE THE MAIN KNOWN ASPIRATIONS -- SPENDING ASPIRATIONS -- I MEAN BY THAT ITEMS WHICH ARE NOT FUNDED, ON WHICH NO DECISION HAS BEEN TAKEN, BUT FOR INSTANCE, WHICH ARE IN A GREEN PAPER, SAY ON REHABILITATION, OR IN A WHITE PAPER, SAY ON SOCIAL WELFARE, OR IN AN EDUCATION COMMISSION REPORT. SO THESE ARE IN A SENSE BIDS FOR FUNDS AND THAT HELPS TO PROVIDE SOME SORT OF A CONTEXT WITHIN WHICH MEMBERS CAN TAKE A VIEW ON PRIORITIES. SO WE'VE DONE THAT.

REPORTER: WITHIN THE \$5 BILLION (INDISTINCT) HOW WOULD YOU SELECT THE GROWTH AREAS AND THE MAIN SPENDING (INDISTINCT)?

FS: WELL, I MEAN THAT'S PRECISELY WHAT IN A SENSE WE ARE CONSULTING ABOUT. THE LEVEL OF DETAIL WHICH WE'LL GET BACK I'M NOT AT ALL SURE, BUT I WOULDN'T EXPECT ENORMOUS DETAIL BECAUSE IT BECOMES EXTREMELY DIFFICULT. BUT AT LEAST AN ORDERING OF PRIORITIES, FOR INSTANCE, AND IT'S TRUE IN HONG KONG AS ANYWHERE ELSE, THAT THE NUMBER OF DESERVING IDEAS WILL ALWAYS EXCEED THE AMOUNT OF MONEY AVAILABLE. SO WE NEED AN INDICATION OF PRIORITIES, LET'S SAY FOR INSTANCE, DO PEOPLE PLACE REHABILITATION VERY HIGH, PERHAPS WITHIN REHABILITATION WHICH PARTICULAR AREA DO THEY WANT TO GIVE PRIORITY TO. THERE'S A WHOLE BACKGROUND THERE, THEY CAN READ THE GREEN PAPER, SO IT ISN'T JUST A DISCUSSION IN THE VACUUM. I ALSO BROUGHT OUT THAT WE MUSTN'T GET OVER-FIXATED ON THE AMOUNT OF MONEY AVAILABLE. THAT IS A LIMIT OF COURSE, BUT WE HAVE THE OPTION OF REDEPLOYMENT OF RESOURCES TO HIGHER PRIORITY AREAS. I THINK IT IS VERY IMPORTANT THAT WE LOOK VERY SERIOUSLY AT THOSE OPTIONS AND THAT'S WHY WE'VE GIVEN SECRETARIES MUCH MORE FREEDOM TO SHIFT RESOURCES BETWEEN DIFFERENT AREAS. WE'VE JUDGED THAT TO BE HELPFUL. I ALSO BROUGHT OUT THE FACT THAT THERE WERE SOME OTHER DEVELOPMENTS WHICH WILL HELP TO RELEASE SOME RESOURCES. ONE IS OF COURSE THE DECLINE IN VIETNAMESE BOAT PEOPLE POPULATION AS THE NUMBER LEAVING CONTINUES AND THE NET, THE NUMBER LEFT CONTINUES TO DECLINE. THAT'S ONE HELPFUL AREA FOR THE POLICE AND THE CORRECTIONAL SERVICES. ANOTHER ONE IS THE MORE UPDATED CENSUS FORECASTS SHOW DECLINES IN SOME AGE GROUPS IN THE FUTURE AND HENCE LESS NEED FOR INSTANCE IN SOME AREAS FOR FACILITIES FOR CHILDREN AND YOUNG PERSONS. THAT'S PARTLY OFFSET OF COURSE IF YOU GET AN INCREASE IN REQUIREMENT FOR THE AGED. BUT ALL HAS TO BE TAKEN INTO ACCOUNT AND PROVIDE SOME SCOPE FOR REDEPLOYMENT.

/REPORTER: COULD

REPORTER: COULD YOU ESTIMATE THE DECLINE IN THE BOAT PEOPLE COST?

FS: I HAVEN'T DETERMINED MYSELF TO PUT A FIGURE ON THAT BECAUSE THE KEY THING IS WHEN YOU CAN ACTUALLY CLOSE DOWN A PARTICULAR CAMP. THEN THAT PRODUCES AN IMMEDIATE NUMBER OF PEOPLE WHO CAN BE PUT BACK ON THE BEAT OR WHATEVER. BUT WE ARE HOPEFUL THAT THERE SHOULD BE SOME RELEASE OF STAFF WITHIN THIS FINANCIAL YEAR AS A RESULT OF THAT.

REPORTER: SOME OF THE BANKS HAVE UPPED THEIR ESTIMATE FOR GDP GROWTH FOR THE YEAR FROM 5 TO MORE THAN 5, LIKE 5.5 AND 5.7, I THINK THOSE ARE THE TWO FIGURES. ARE YOU CONSIDERING UPPING YOUR FIGURES AND WOULD THAT ALLOW YOU TO INCREASE YOUR SPENDING?

FS: NO, AT THE MOMENT WE'VE DECIDED TO KEEP OUR PRESENT 5 PER CENT FIGURE. REMEMBER THERE'S TWO ASSUMPTIONS BUILT IN HERE -- ONE WAS THE ASSUMPTION ABOUT THE CURRENT YEAR, BUT IN THE CONTEXT OF THE BUDGET, WE ARE REALLY TALKING ABOUT THE GROWTH ASSUMPTION OVER THE NEXT FOUR OR FIVE YEARS, SO WE DON'T READILY CHANGE THAT. AT THE MOMENT WE ARE STILL USING 5 PER CENT AS A SORT OF AVERAGE FOR THE NEXT FOUR OR FIVE YEARS. I'M DELIGHTED OF COURSE THAT SOME BANKS ARE FEELING MORE CONFIDENT ABOUT GROWTH, I THINK THAT IS GOOD NEWS. BUT AT THE MOMENT, I'M NOT REFLECTING THAT IN ANYTHING.

REPORTER: (INDISTINCT) ABOUT THAT \$5 BILLION, WHAT ARE YOU GOING TO SPEND THE MONEY ON?

FS: WELL, I WOULD BE VERY UNWISE IF I EXPRESS ANY VIEW ON SPENDING PRIORITIES BECAUSE I'M PRECISELY GOING THROUGH A CONSULTATION EXERCISE TO GATHER OTHER PEOPLE'S VIEWS, IN PARTICULAR IN THIS CASE LEGCO MEMBERS' VIEWS, ON PRIORITIES AND THAT WILL BE ONE OF THE FACTORS WHICH WE TAKE INTO ACCOUNT WHEN WE ARRIVE AT SOME CONCLUSIONS. SO I HAVE AN OPEN MIND AT THE MOMENT.

REPORTER: DO YOU HAVE AN INITIAL IDEA WHAT THE LEGCO MEMBERS WANT YOU TO SPEND MORE MONEY ON?

FS: NO, I WASN'T ASKING THEM THAT TODAY. I WAS GIVING THEM, I HOPE, SOME CONTEXT AND SOME BACKGROUND SO THAT WHEN I MEET THEM BY GROUPS NEXT WEEK, THEY CAN GIVE ME SOME INDICATIONS. I ALSO SAID THAT IF THEY HAVE FURTHER THOUGHTS LATER IN THE WEEK, IF THEY SEND TO ME FURTHER THOUGHTS IN WRITING, OBVIOUSLY I WILL TAKE THOSE INTO ACCOUNT TOO.

REPORTER: DO YOU HAVE YOUR OWN PRIORITY ON YOUR MIND? FOR EXAMPLE, DO YOU WANT TO GIVE TOP PRIORITY ON HEALTH AND WELFARE?

FS: NO, WE DON'T. WE REALLY HAVE NOT MADE THAT DECISION AT ALL.

REPORTER: SOME MEMBERS FELT THE CONSULTATION PERIOD IS TOO SHORT. DO YOU THINK (INDISTINCT)?

/FS: WELL,

FS: WELL, I HAVE SOME SYMPATHY FOR MEMBERS. I MEAN IT IS OBVIOUSLY DIFFICULT TO FIT EVERYTHING IN. AND WE HAVE THE WHOLE AFTERNOON FOR EXAMPLE COMING UP TODAY DEVOTED TO LEGCO MEETING, SO I HAVE SOME SYMPATHIES FOR THE TIME PRESSURE ON THEM. ON THE OTHER HAND, YOU KNOW WE ARE MOVING FROM A SITUATION WHERE WE DIDN'T HAVE SUCH MEETINGS IN THE PAST, WE SIMPLY GOT RATHER TOO LATE UNFORTUNATELY LAST YEAR, A LETTER OR A FEW PAGES AND THAT WAS THE INDICATION. SO I MEAN THIS IS A MAJOR STEP FORWARD IN HAVING A DIALOGUE. AND WE HAD BEEN SIGNALLING THAT WE WOULD HAVE THIS DIALOGUE FOR QUITE A WHILE. IT WAS KNOWN THAT IT WOULD TAKE PLACE THIS MONTH. SO IT'S NOT COME COMPLETELY OUT OF THE BLUE. AS I'VE SAID WE WOULD TRY AND BE FLEXIBLE ABOUT READING ANY FURTHER THOUGHTS WHICH PEOPLE HAVE EVEN AFTER THE MEETINGS. AND THIS IS AFTERALL FOCUSED PRIMARILY ON RECURRENT EXPENDITURE, SO THERE WILL BE FURTHER MEETINGS ON REVENUE AND CAPITAL.

REPORTER: (INDISTINCT) YOU SAID THERE WILL BE SOME NEW AREAS WHICH YOU'LL PUT UP MONEY. SO WHEN WE SUBTRACT THE NEW AREA WHERE YOU'LL PUT UP MONEY FROM THE \$5 BILLION, WHAT'S GOING TO BE YOUR PRIORITIES?

FS: I WILL MORE OR LESS ANSWER THAT QUESTION BECAUSE IT IS QUITE IMPORTANT NOT TO EXAGGERATE THE AMOUNT OF MONEY AVAILABLE. \$5 BILLION IS A LOT OF EXTRA MONEY. IT WILL BUY A LOT OF NEW SERVICES AND NEW INSTITUTION FACILITIES AND SO ON. BUT IT'S STILL TRUE, AS YOU SAY, THAT QUITE A LARGE PROPORTION IN FACT IS NEEDED TO REFLECT PAST DECISIONS, TO DEAL WITH THE RESULTS OF PAST DECISIONS, YOU KNOW WE'VE GOT A NEW HOSPITAL BEING COMPLETED OR WHATEVER WE NEED TO STAFF IT, AND THAT HAS TO BE GIVEN SOME PRIORITY. SO THE AMOUNT FOR OTHER ITEMS IS NECESSARILY A SMALLER PART OF THAT MONEY. BUT IT IS STILL REAL EXTRA MONEY, AND WE CAN INCREASE THE EFFECT OF THAT, INCREASE THE NUMBER OF NEW SERVICES WE CAN INTRODUCE, BY REDEPLOYMENT. SO I WANT TO KEEP COUPLING THE TWO. WE'RE NOT LIMITED ONLY BY THE AMOUNT OF NEW MONEY AVAILABLE WHICH IS SIGNIFICANT, BUT WE ALSO HAVE THAT OPTION.

REPORTER: CAN YOU GIVE A BALL-PARK FIGURE?

FS: I'M AVOIDING BALL-PARK FIGURE. THANK YOU VERY MUCH.

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REGULATORY REFORMS FOR OUTBOUND TRAVEL INDUSTRY

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THE SECRETARY FOR TRADE AND INDUSTRY, MR T.H. CHAU, ANNOUNCED TODAY (WEDNESDAY) THAT THE GOVERNMENT HAD REACHED AGREEMENT WITH THE TRAVEL INDUSTRY COUNCIL (TIC) AND THE TIC RESERVE FUND (TICRF) ON A PACKAGE OF REGULATORY REFORMS FOR THE OUTBOUND TRAVEL INDUSTRY.

ON THE ADVICE OF THE EXECUTIVE COUNCIL, THE REFORMS WILL BE IMPLEMENTED BY AMENDING THE TRAVEL AGENTS ORDINANCE.

"THE AGREED REFORM PACKAGE IS A RESULT OF EXTENSIVE NEGOTIATIONS WITH THE TRAVEL INDUSTRY AND CONSULTATION WITH THE ADVISORY COMMITTEE ON TRAVEL AGENTS (ACTA) AND THE CONSUMER COUNCIL," MR CHAU SAID.

/"THE PACKAGE

"THE PACKAGE IS BASED ON PROPOSALS PRESENTED TO TIC LAST DECEMBER, FOLLOWING A REVIEW OF THE REGULATORY SYSTEM FOR THE OUTBOUND TRAVEL INDUSTRY CONDUCTED BY GOVERNMENT IN EARLY 1991," HE ADDED.

THE REVIEW CONCLUDES THAT THE SELF-REGULATORY SCHEME WHICH WAS INTRODUCED IN 1988 HAS SO FAR WORKED WELL, AND SHOULD THEREFORE CONTINUE.

THERE ARE, HOWEVER, AREAS FOR FURTHER IMPROVEMENTS TO PROMOTE MORE EFFECTIVE REGULATION OF THE INDUSTRY.

THE REFORM PACKAGE SEEKS TO ENHANCE PROTECTION FOR OUTBOUND TRAVELLERS AND TO PROVIDE A SECURE SOURCE OF FINANCE FOR THE OPERATION OF TIC WHICH IS THE SELF-REGULATORY ORGANISATION FOR THE TRAVEL INDUSTRY.

THE SALIENT FEATURES OF THE PACKAGE INCLUDE RE-CONSTITUTING TICRF INTO AN INDEPENDENT COMPENSATION FUND FOR OUTBOUND TRAVELLERS, TO BE CALLED THE TRAVEL INDUSTRY COMPENSATION FUND UNDER THE TRAVEL AGENTS ORDINANCE; SPLITTING THE EXISTING 1 PER CENT LEVY INTO A 0.15 PER CENT LEVY FOR TIC (THE COUNCIL LEVY) AND A 0.85 PER CENT LEVY FOR TICRF (OR ITS SUCCESSOR) (THE FUND LEVY); AND SETTING A TARGET AMOUNT OF \$100 MILLION FOR TICRF (OR ITS SUCCESSOR) AT WHICH LEVEL THE RATE OF THE FUND LEVY WILL BE REDUCED TO 0.35 PER CENT AND THE RATE OF EX-GRATIA COMPENSATION FOR TRAVELLERS WILL BE INCREASED FROM 70 PER CENT TO 80 PER CENT OF THE OUTBOUND PACKAGE TOUR FARES.

IN RETURN FOR THE DEDICATED LEVIES, BOTH TIC AND TICRF (OR ITS SUCCESSOR) WILL HAVE TO BE SUBJECT TO APPROPRIATE CHECKS AND BALANCES IN THE INTERESTS OF SOUND FINANCIAL MANAGEMENT, MR CHAU SAID.

"THESE WILL BE ENSHRINED IN THE TRAVEL AGENTS (AMENDMENT) BILL TO BE INTRODUCED TO THE LEGISLATIVE COUNCIL EARLY NEXT SESSION.

"WE HAVE TAKEN INTO ACCOUNT THE VIEWS OF TRAVEL AGENTS AND FURTHER INFORMATION SUPPLIED BY TIC IN REFINING THE ORIGINAL REFORM PROPOSALS," HE SAID.

"WE CONSIDER THAT THE PRESENT PACKAGE IS ABLE TO ADDRESS THE CONCERNS OF RELEVANT PARTIES WITHOUT UPSETTING THE BALANCE BETWEEN PROVIDING REASONABLE PROTECTION TO OUTBOUND TRAVELLERS AND SECURING AN INDEPENDENT AND RELIABLE SOURCE OF FINANCE FOR TIC TO CONTINUE ITS MANAGEMENT OF THE SELF-REGULATORY SCHEME," HE SAID.

THE REFORM PACKAGE WILL FURTHER CONSOLIDATE THE EXISTING TWO-TIER SYSTEM OF REGULATION FOR THE TRAVEL INDUSTRY, WITH TIC UNDERTAKING THE DAY-TO-DAY FRONT-LINE REGULATION OF ITS MEMBERS AND THE REGISTRAR OF TRAVEL AGENTS KEEPING A REGULATORY OVERVIEW OF THE SELF-REGULATOR AND THE LICENSED TRAVEL AGENTS.

THE TRAVEL AGENTS (AMENDMENT) BILL 1992 WILL BE GAZETTED ON JULY 17.

WEDNESDAY, JULY 8, 1992

Package of Reforms for the
Regulatory Scheme of the Outbound Travel Industry

Annex

Original proposals referred
to TIC in December 1991

Present Package

Remarks

Financial Arrangements
for TIC

1. Introduction of
split levies

To split the existing 1% levy into two levies: a 0.15% Council Levy for TIC to help finance its self-regulatory efforts and a 0.85% Fund Levy to TICRF (or its successor) for the compensation of aggrieved outbound travellers. Rates of levies to be specified by the Financial Secretary from time to time.

No change.

The split levies seek to delineate clearly the dual purposes of the present 1% levy i.e. to finance self-regulation and to compensate travellers. The 0.15% Council Levy proposed for TIC is roughly equivalent to what it has been receiving from TICRF. The Council Levy will be subject to review, in the light of items 5 and 7 below.

2. Target amount of
compensation fund

\$200 million before the Fund Levy is reduced.

\$100 million as the trigger point for reduction in the rate of the Fund Levy.

Business turnover of the top five outbound travel agents provided by TIC shows that \$100 million would be sufficient for compensating travellers if a principal outbound travel agent fails at peak season. It is

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also noted that the total ex-gratia compensation paid out from TICRF since its inception in 1988 amounts to less than \$13 million.

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3. Reduction of Fund Levy

The Fund Levy to be reduced when TICRF (or its successor) reaches a target amount. Exact level of reduction left open.

Fund Levy to be reduced from 0.85% to 0.35% once TICRF accumulates \$100 million.

4. TIC's non-levy income

At least 20% of TIC's expenditure to be financed by non-levy income, such as membership fees.

TIC will comply with this requirement in 2 years. The Financial Secretary may vary the percentage, having regard to the financial position of TIC.

This will encourage TIC to exercise budgetary controls and allow those TIC members who are non-levy contributors (i.e. non outbound tour operators) to contribute their due share towards TIC which also undertakes activities besides regulation of outbound travel agents. The proposed 20% roughly reflects the present situation.

5. Keeping of reserves by TIC

TIC to be allowed to retain reserves of up to an equivalent of half of its recurrent expenditure actually incurred in the same financial year. Surplus to be transferred to TICRF (or its successor).

Agreed.

This arrangement allows TIC to accumulate sufficient reserves to meet emergency needs and finance special projects.

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6. Independent management audits on TIC

Management Audit reports to be submitted to ACTA.

Management Audits to be conducted once every few years on FS' direction. TICRF (or its successor) to appoint auditor, subject to Financial Secretary's approval; to bear the audit costs; and to submit the audit report to the Financial Secretary.

This seeks to enhance the transparency of TIC operations and promote proper use of levy funds.

7. Comments on TIC budgets

ACTA to comment on TIC budgets.

TIC to submit its annual budgets to the Financial Secretary, who may consult ACTA as appropriate.

This helps the Financial Secretary to determine the rate of the Council Levy.

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WEDNESDAY, JULY 8, 1992

8. Mechanism to replenish TICRF (or its successor)

Not mentioned in original proposals.

The Fund Levy for TICRF (or its successor) to be restored to 0.85% if the Fund drops below \$70 million.

On the basis of present business turnover, it will take about one year to restore the Fund from \$70 million to \$100 million at a levy rate of 0.85%.

9. Rate of compensation for outbound travellers

To increase from 70% to 85% of tour fares paid.

To increase rate from 70% to 80%.

This is a compromise recommended by ACTA. TIC has initially proposed to increase to only 75%, while Consumer Council advocates 100% compensation.

10. Re-constituting TICRF

To re-constitute TICRF into a statutory fund, to be managed by a board of trustees.

To establish an independent fund to be called the Travel Industry Compensation Fund, under the Travel Agents Ordinance to take over the assets and liabilities of TICRF and TARF. The new Fund will be managed by a management board to be appointed by the Governor.

This will help resolve problems arising from the awkward relationship between TIC and TICRF, which itself is presently a subsidiary of TIC but approves funds for TIC. The new arrangement will give a separate identity to the Fund.

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11 Permanent office accommodation for TIC

TICRF to purchase office premises for use by TIC. (At present, TIC uses the levy funds from TICRF to rent office premises.)

TIC to purchase office premises with the 0.15% Council Levy and, if necessary, an interest-bearing loan from TIERF (or its successor).

Provision of permanent office premises is recognised as beneficial to the role of TIC as a self-regulator of the outbound travel industry.

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Legend

- ACTA - Advisory Committee on Travel Agents
- TARF - Travel Agents' Reserve Fund
- TIC - Travel Industry Council
- TRCRF - Travel Industry Council Reserve Fund

GOVERNMENT ANSWERS IATA'S VIEWS ON AIRPORT CHARGES

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THE SECRETARY FOR ECONOMIC SERVICES, MRS ANSON CHAN, TODAY (WEDNESDAY) REJECTED CRITICISMS MADE BY THE DIRECTOR-GENERAL OF THE INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) ABOUT THE GOVERNMENT'S APPROACH ON AIRPORT CHARGES AT KAI TAK AND CHEK LAP KOK.

MRS CHAN MET DR GUNTER O.ESER, THE DIRECTOR-GENERAL YESTERDAY AND EXPLAINED THE GOVERNMENT'S POLICY ON AIRPORT CHARGES.

SHE NOTED THAT THE FINANCIAL PLAN FOR THE AIRPORT DREW HEAVILY ON TAXPAYERS' FUNDS FOR EQUITY AND SAID AIRLINES SHOULD ALSO CONTRIBUTE THEIR FAIR SHARE.

IF AIRLINES WERE TO PAY LESS, THE TAXPAYER WOULD HAVE TO PAY MORE. SHE SAID SHE SAW "NO JUSTIFICATION TO ASK THE TAXPAYER IN EFFECT TO SUBSIDISE THE AIRLINES IN THIS WAY.

"IT IS ONLY FAIR THAT THOSE WHO BENEFIT SHOULD ALSO CONTRIBUTE WHICH MEANS THAT AIRLINES SHOULD CONTRIBUTE THROUGH THE PAYMENT OF AIRPORT CHARGES AT KAI TAK TOWARDS THE COSTS OF THE CHEK LAP KOK.

"CHARGES AT AN AIRPORT INEVITABLY INCREASE WHEN CAPACITY HAS TO BE EXPANDED AND CAPITAL HAS TO BE RAISED TO HELP FINANCE EXPANSION.

"WHENEVER AN AIRPORT ADDS A TERMINAL OR RUNWAY TO EXPAND CAPACITY - JUST LIKE AN ELECTRICITY COMPANY BUILDING A NEW POWER STATION - COSTS GO UP AND THIS IS TAKEN INTO ACCOUNT WHEN SETTING CHARGES.

"THIS IS BASICALLY ALL THAT IS HAPPENING IN THE CASE OF HONG KONG'S INTERNATIONAL AIRPORT," SAID MRS CHAN.

"THE ONLY WAY WE CAN EXPAND CAPACITY AT HONG KONG INTERNATIONAL AIRPORT IS TO RELOCATE IT FROM KAI TAK TO CHEK LAP KOK.

"FOR ACCOUNTING PURPOSES - AND THIS IS WHAT DR ESER SHOULD BE FOCUSING ON - THERE ARE NOT TWO HONG KONG INTERNATIONAL AIRPORTS: ONE IS REPLACING THE OTHER."

MRS CHAN REFUTED AS "MISLEADING" A NUMBER OF STATEMENTS WHICH HAD BEEN MADE PUBLICLY BY DR ESER.

"THE INCREASED CHARGES WE ARE MAKING AT KAI TAK ARE FULLY JUSTIFIED AND ARE IN ACCORDANCE WITH ALL THE RELEVANT GUIDELINES SET BY THE WORLD BODY GOVERNING SUCH ISSUES - THE INTERNATIONAL CIVIL AVIATION ORGANISATION (ICAO).

"IT SHOULD ALSO BE BORNE IN MIND THAT SUCH CHARGES CONTRIBUTE ONLY A VERY SMALL PART OF OVERALL AIRLINE COSTS - ICAO HAS ESTIMATED THAT, ON AVERAGE, LANDING AND ASSOCIATED AIRPORT CHARGES REPRESENT LESS THAN 4 PER CENT OF AIRLINE COSTS.

"THE INCREASE IN CHARGES IN HONG KONG IS THUS UNLIKELY TO AFFECT ADVERSELY THE COMPETITIVE POSITION OF THE AIRPORT, OR TO HAVE ANY IMPACT ON THE COMMERCIAL VIABILITY OF THE AIRLINES CONCERNED.

"THE LEVEL OF AIRPORT CHARGES AT CHEK LAP KOK WILL, IN FACT, BE LOWER THAN MANY OTHER INTERNATIONAL AIRPORTS.

"OUR FORECASTS FOR GROWTH IN AIR PASSENGER TRAFFIC ARE BASED ON THE BEST JUDGEMENTS WE CAN MAKE OF WHAT IS NECESSARY IN ORDER TO ATTRACT BANKING FINANCE. IT IS WRONG TO SUGGEST - AS IATA HAS DONE - THAT THE FORECASTS ARE TOO LOW.

"WE WELCOME PRIVATE SECTOR PARTICIPATION IN FACILITIES AT CHEK LAP KOK AND ORGANISATIONS WHICH WISH TO MAKE OFFERS SHOULD CONTACT THE PAA (PROVISIONAL AIRPORT AUTHORITY)," SAID MRS CHAN.

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MASSIVE BUSINESS OPPORTUNITIES IN HK

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THE HUGE POTENTIAL AND OPPORTUNITIES FOR BRITISH BUSINESS IN HONG KONG WERE SPELT OUT BY THE HONG KONG COMMISSIONER IN LONDON, MR JOHN YAXLEY, AT A SEMINAR IN LONDON TODAY (WEDNESDAY).

SPEAKING TO BUSINESSMEN AND INDUSTRIALISTS AT THE SEMINAR ORGANISED BY THE BRITISH AIRPORT SERVICES AND EQUIPMENT ASSOCIATION AND THE UK DEPARTMENT OF TRADE AND INDUSTRY, MR YAXLEY POINTED OUT THAT THE TERRITORY HAD A MAJOR ROLE TO PLAY IN THE OPENING UP OF CHINA AND AS A FOCUS OF ACTIVITY IN THE EAST ASIA REGION.

THE SEMINAR WAS AIMED AT INFORMING BRITISH COMPANIES OF THE VAST RANGE OF PROJECTS AND BUSINESS OPPORTUNITIES ARISING FROM THE MASSIVE NEW AIRPORT PROJECT AND ITS ASSOCIATED INFRASTRUCTURE.

IN HIS SPEECH, MR YAXLEY CONCENTRATED ON THE GENERAL BACKGROUND TO HONG KONG, WHICH OUTLINED THE TRADING AND BUSINESS OPPORTUNITIES IN THE TERRITORY AND IN THE ASIA-PACIFIC REGION IN A BROADER CONTEXT.

HE HIGHLIGHTED THE DRAMATIC EXPANSION IN THE ECONOMIES OF SOUTH CHINA, INCLUDING HONG KONG AND ALSO THE EAST ASIA REGION GENERALLY, AND SAID HE FELT THE OPPORTUNITIES WHICH NOW PRESENTED THEMSELVES IN THESE TWO AREAS FOR THE UK HAD NOT YET BEEN FULLY RECOGNISED.

HONG KONG, HE SAID, WAS THE MAJOR GATEWAY TO CHINA FOR THE REST OF THE WORLD. THE TERRITORY WAS ALSO STRATEGICALLY SITUATED WITHIN THE FASTEST GROWING AREA OF THE WORLD - THE ASIA-PACIFIC REGION.

CITING FIGURES TO SUPPORT HIS OPTIMISM FOR HONG KONG'S EXPANDING ROLE VIS-A-VIS CHINA AND VIS-A-VIS THE REGION, HE SAID: "I BELIEVE THAT FOR THE NEXT DECADE AND PROBABLY WELL BEYOND, IT IS LIKELY THAT THE ECONOMIES OF THE ASIA-PACIFIC REGION WILL OFFER THE MOST EXCITING BUSINESS PROSPECTS IN THE WORLD.

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"HONG KONG IS WELL PLACED TO BENEFIT FROM WHAT 'THE ECONOMIST' RECENTLY CALLED THE MOST RAPID INDUSTRIAL REVOLUTION THE WORLD HAS EVER SEEN."

"AS A RECENT OECD'S REPORT PUTS IT, THE FOCUS OF WORLD ECONOMIC POWER WILL SHIFT INEXORABLY AWAY FROM WESTERN EUROPE AND NORTH AMERICA TOWARDS THE FAR EAST OVER THE NEXT HALF CENTURY.

"AT THE MOMENT THE ASIA-PACIFIC REGION ACCOUNTS FOR ABOUT ONE QUARTER OF WORLD OUTPUT. BY 2010 IT WILL BE ONE-THIRD AND ON ONE OECD PROJECTION WILL BE HALF BY 2040. THIS WOULD PUT EAST ASIA IN THE SAME DOMINANT POSITION AS THE USA AT THE END OF THE SECOND WORLD WAR," HE SAID.

AGAINST THIS BACKGROUND OF A RAPIDLY EXPANDING ASIA-PACIFIC ECONOMY, AN ECONOMY WHICH IN A DECADE OR SO WOULD BE LARGER THAN THAT OF EUROPE OR NORTH AMERICA.

MR YAXLEY SAID HE BELIEVED THAT THERE WERE GREAT OPPORTUNITIES FOR BRITISH BUSINESSMEN. HONG KONG WAS THE BEST BASE FROM WHICH TO GRASP THEM.

"AS I HAVE ALREADY SAID, WE BELIEVE THAT WE ARE ONLY JUST BEGINNING TO SEE THE FULL IMPLICATIONS OF THE FACT THAT THE ECONOMIES OF THE ASIA-PACIFIC REGION ARE LIKELY TO ACHIEVE GROWTH RATES DOUBLE THOSE OF EUROPE AND NORTH AMERICA, OR EVEN THOSE OF JAPAN OVER THE NEXT DECADE.

"IT IS BECAUSE WE HAVE THIS BELIEF THAT WE ARE PLANNING THIS MASSIVE INVESTMENT IN OUR NEW AIRPORT. HONG KONG'S PARTICIPATION IN THIS RAPID EXPANSION AND, INDEED, THAT OF CHINA'S WOULD BE ADVERSELY AFFECTED IF WE HAD NOT DECIDED TO PROCEED WITH 10 BILLION POUND STERLING WORTH OF NEW INVESTMENT IN OUR NEW AIRPORT," HE CONCLUDED.

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MARINE DEPT TO GO HI-TECH
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THE MARINE DEPARTMENT MUST INVEST IN INFORMATION TECHNOLOGY NOW IN ORDER TO COPE WITH RAPID GROWTH OF PORT TRAFFIC.

THIS WAS STATED BY THE DIRECTOR OF MARINE, MR TONY MILLER, TODAY (WEDNESDAY) WHEN ADDRESSING A LUNCHEON MEETING OF THE INSTITUTE OF CHARTERED SHIPBROKERS.

MR MILLER SAID CURRENT FORECASTS SHOWED TOTAL CARGO THROUGH HONG KONG WILL TREBLE BY 2006.

MR MILLER SAID: "AT THE MOMENT, PORT FORMALITIES ARE LABOUR AND PAPER INTENSIVE. EXISTING RESOURCES AND THE EXISTING SYSTEM CAN JUST ABOUT COPE WITH PRESENT DEMAND."

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IN THE LONGER TERM, HE SAID, THE DEPARTMENT WOULD NOT BE ABLE TO COPE IF IT RELIED ON LABOUR AND PAPER INTENSIVE PROCESSING.

"WE WILL ALSO, INCREASINGLY, NEED TO COMMUNICATE WITH OTHER PORT ADMINISTRATIONS. THE EXISTING VESSEL TRAFFIC SYSTEM TAKES US PART OF THE WAY TOWARDS A PAPERLESS REGIME, BUT REACHING THAT GOAL WILL NEED NEW INVESTMENT NOW IN INFORMATION TECHNOLOGY.

HE SAID THE MARINE DEPARTMENT HAD JUST COMPLETED, TOGETHER WITH INFORMATION TECHNOLOGY SERVICES DEPARTMENT, A STRATEGIC REVIEW OF INFORMATION TECHNOLOGY REQUIREMENTS.

"WE WILL BE BIDDING FOR RESOURCES TO COMMENCE IMPLEMENTATION NEXT YEAR."

MR MILLER SAID THE INFORMATION SYSTEMS STRATEGY WOULD NOT BE CHEAP AND WOULD NOT PRODUCE IMMEDIATE MANPOWER SAVINGS, BUT "HONG KONG CANNOT AFFORD THE ECONOMIC DISBENEFITS WHICH WOULD RESULT FROM BUREAUCRATIC DELAYS TO SHIPPING.

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IMPORTANT ARCHAEOLOGICAL FINDS MADE IN YUNG LONG, TUEN MUN
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ARCHAEOLOGICAL FINDS CONTAINING UNDISTURBED PREHISTORIC LAYERS AND LATE NEOLITHIC BURIALS WERE RECENTLY DISCOVERED IN YUNG LONG, BLACK POINT, TUEN MUN.

THE SITE WAS RATED IN A TERRITORY-WIDE SURVEY AS ONE OF THE FIVE MOST IMPORTANT ARCHAEOLOGICAL SITES IN HONG KONG.

AN EXCAVATION IN YUNG LONG, CONDUCTED BY THE ANTIQUITIES AND MONUMENTS OFFICE (AMO) OF THE RECREATION AND CULTURE BRANCH, STARTED IN EARLY APRIL THIS YEAR TO OBTAIN A DETAILED RECORD OF THE ARCHAEOLOGICAL EVIDENCE OF PAST HUMAN SETTLEMENT ON THE SITE.

THE WORK WAS ASSISTED BY THREE LOCAL ARCHAEOLOGICAL CONSULTANTS : DR S.M. BARD, MS PAMELA ROGERS AND MR AU KA FAT AS WELL AS THE AMO'S VOLUNTEERS.

IT IS EXPECTED TO BE COMPLETED BY THE END OF OCTOBER.

THE HONG KONG ARCHAEOLOGICAL SOCIETY WAS ALSO COMMISSIONED TO INVESTIGATE THE SOUTHERN PART OF THE SITE FROM MAY TO MID-JULY.

EARLIER EXCAVATIONS IN THE AREA HAVE CONFIRMED THE EXCEPTIONAL ARCHAEOLOGICAL POTENTIAL OF THE SITE.

IT IS NOT ONLY PARTICULARLY RICH IN TERMS OF ARCHAEOLOGICAL ARTIFACTS BUT IS CONSIDERED TO HAVE OUTSTANDING SIGNIFICANCE BECAUSE :

- * IT CONTAINS IN-SITU ARCHAEOLOGICAL DEPOSITS OF THE LATE NEOLITHIC PERIOD;

- * THE DISCOVERY OF AN OVEN OR KILN STRUCTURE WHICH MIGHT BE ASSOCIATED WITH THE FIRING OF COARSE WARE POTTERY INDICATES THAT THE SITE HAS THE POTENTIAL TO SHED MORE LIGHT ON THE LEVEL OF POTTERY TECHNOLOGY IN THE NEOLITHIC/BRONZE AGE PERIOD; AND
- * THE SITE HAS YIELDED A WIDE RANGE OF STONE IMPLEMENTS AND ORNAMENTS WHICH WOULD ENABLE A BETTER UNDERSTANDING OF THE TECHNOLOGY EMPLOYED IN THE MANUFACTURE OF STONE ARTIFACTS IN THE NEOLITHIC/BRONZE AGE PERIOD.

TOGETHER WITH THE LUNG KWU TAN AND LUN KWU SHEUNG TAN ARCHAEOLOGICAL SITES IN TUEN MUN, YUNG LONG REPRESENTS A MAJOR SOURCE OF INFORMATION ON THE PREHISTORY OF THE NORTHWEST NEW TERRITORIES.

INITIAL FINDINGS FROM TESTS REVEALED A THICK UNDISTURBED CULTURAL PREHISTORIC DEPOSIT.

THE TEAM HAS NOW OPENED UP TWO LARGE SQUARES WHICH YIELDED A WIDE RANGE OF LATE NEOLITHIC ARTIFACTS INCLUDING STAMPED AND INCISED POTTERY, STONE IMPLEMENTS SUCH AS ADZES, PROJECTILE POINTS, POLISHED RINGS AND SPINDLE WHORLS.

OVEN REMAINS ARE ABUNDANT AND A SERIES OF POSTHOLES HAVE BEEN DISCOVERED WHICH MAY RELATE TO SOME PREHISTORIC STRUCTURES.

THE MOST SPECTACULAR DISCOVERY IS A NUMBER OF BURIALS WHICH CONTAIN COMPLETE POTS AND SLOTTED POLISHED STONE RINGS. MORE IMPORTANT FINDINGS ARE EXPECTED IN THE NEXT FEW MONTHS.

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10 FERRY SERVICES TO BE SUSPENDED ON THURSDAY

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TEN DEPARTURES OF INNER-HARBOUR FERRY SERVICES WILL BE CANCELLED TOMORROW (THURSDAY) TO TIE IN WITH THE ARRIVAL OF THE NEW GOVERNOR, MR CHRISTOPHER PATTEN.

A TRANSPORT DEPARTMENT SPOKESMAN SAID TODAY (WEDNESDAY): "IN VIEW OF THE CLOSURE OF THE CENTRAL VICTORIA HARBOUR TO ALL MARINE TRAFFIC FOR 45 MINUTES FROM 3.45 PM TO 4.30 PM TOMORROW, THE FERRY SERVICES WILL HAVE TO BE TEMPORARILY SUSPENDED."

FOUR SAILINGS OF STAR FERRY AT 3.50 PM AND 4 PM DEPARTING FROM WAN CHAI AND TSIM SHA TSUI RESPECTIVELY WILL BE CANCELLED WHILE THE DEPARTURES FROM HUNG HOM AT 3.40 PM AND EDINBURGH PLACE AT 4 PM WILL ALSO BE SUSPENDED.

FOUR HOVERFERRY SAILINGS OF THE HONG KONG AND YAUMATI FERRY COMPANY PLYING BETWEEN EDINBURGH PLACE AND TSIM SHA TSUI EAST WILL ALSO BE AFFECTED. THEY WILL DEPART AT 4 PM AND 4.20 PM FROM EDINBURGH PLACE, AND 3.50 PM AND 4 PM FROM TSIM SHA TSUI EAST.

"COMMUTERS MAY USE ALTERNATIVE PUBLIC TRANSPORT MODES TO CROSS THE HARBOUR DURING THE CLOSURE," THE SPOKESMAN ADDED.

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WEDNESDAY, JULY 8, 1992

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GOVT LOT IN KOWLOON EAST TO LET BY TENDER

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THE BUILDINGS AND LANDS DEPARTMENT IS INVITING TENDERS FOR THE SHORT-TERM TENANCY ON A PIECE OF GOVERNMENT LAND IN KOWLOON EAST.

LOCATED AT TUNG LEI ROAD, THE SITE OCCUPIES AN AREA OF ABOUT 2,360 SQUARE METRES AND IS INTENDED FOR A FEE-PAYING PARKING AREA FOR MOTOR VEHICLES (EXCLUDING CONTAINER VEHICLES WITH THEIR TRAILERS/CHASSIS ATTACHED) LICENSED UNDER THE ROAD TRAFFIC ORDINANCE.

THE TENANCY IS FOR THREE YEARS AND QUARTERLY THEREAFTER.

TENDER OFFER WILL CLOSE AT NOON ON JULY 24.

FORMS OF TENDER, TENDER NOTICE AND CONDITIONS MAY BE OBTAINED FROM, AND TENDER PLAN INSPECTED AT THE BUILDINGS AND LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG OR THE DISTRICT LANDS OFFICE, KOWLOON EAST, 10TH FLOOR, YAU MA TEI CARPARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

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FINANCE COMMITTEE MEETING ON FRIDAY

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THE FINANCE COMMITTEE WILL HOLD A MEETING AT 2.30 PM ON FRIDAY (JULY 10) IN THE LEGISLATIVE COUNCIL CHAMBER.

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS FROM THE CHAMBER'S PUBLIC GALLERIES. THEY MAY MAKE RESERVATIONS BY CALLING 869 9492.

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ATTENTION NEWS EDITORS:

THE COMMITTEE'S PAPERS WILL BE AVAILABLE FOR ADVANCE READING FROM 4 PM TOMORROW (THURSDAY) AT THE OMELCO PRESS ROOM. PLEASE NOTE THAT THE CONTENTS OF THE PAPERS WILL BE EMBARGOED FOR USE UNTIL THE MEETING ENDS.

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WEDNESDAY, JULY 8, 1992

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HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS
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	\$ MILLION -----
OPENING BALANCE IN THE ACCOUNT	988
REVERSAL OF LAF	NIL
BALANCE AFTER REVERSAL OF LAF	988
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	+300
CLOSING BALANCE IN THE ACCOUNT	1,288

LAF RATE 2.00 BID/4.00 OFFER TWI 109.5 *-0.2* 8.7.92

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	1.86 PCT	16 MONTHS	2311	6.25	102.97	4.02
1 MONTH	2.04 PCT	19 MONTHS	2402	5.50	101.84	4.35
3 MONTHS	2.27 PCT	22 MONTHS	2405	5.50	101.74	4.56
6 MONTHS	2.66 PCT					
12 MONTHS	3.44 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 16,528 MN

CLOSED 8 JULY 1992

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