



DAILY INFORMATION BULLETIN

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MOTION DEBATE ON CAPITAL GAINS TAX ON PROPERTY

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FOLLOWING IS THE SPEECH BY SECRETARY FOR THE TREASURY, MR DONALD TSANG, IN THE LEGISLATIVE COUNCIL MOTION DEBATE ON CAPITAL GAINS TAX ON PROPERTY TODAY (WEDNESDAY):

MR PRESIDENT,

I AM GRATEFUL FOR THE OPPORTUNITY OFFERED BY THIS DEBATE TO LISTEN TO THE DIVERSE VIEWS OF MEMBERS ON THE INTRODUCTION OF A CAPITAL GAINS TAX TO TACKLE HIGH PROPERTY PRICES.

I SHARE MEMBERS' CONCERN ABOUT THE SHARP RISE IN PROPERTY PRICES IN RECENT YEARS. THE ADMINISTRATION IS KEEN TO TAKE EFFECTIVE ACTION TO BRING DOWN PRICES TO A MORE AFFORDABLE LEVEL. THE GOVERNOR AND THE FINANCIAL SECRETARY HAVE ON VARIOUS OCCASIONS REPEATED OUR COMMITMENT TO THIS AIM. WE HAVE RECENTLY SET UP AN INTER-DEPARTMENTAL TASK FORCE, CHAIRED BY MR EASON, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, TO CONSIDER WAYS TO INCREASE THE SUPPLY OF SITES FOR HOUSING AND TO DISCOURAGE SPECULATION IN THE PROPERTY MARKET. THE TASK FORCE INTENDS TO COMPLETE ITS STUDY AND TO MAKE RECOMMENDATIONS ON POSSIBLE SOLUTIONS NEXT MONTH. ONE OF THE ISSUES WHICH THE TASK FORCE IS LOOKING AT IS WHETHER A CAPITAL GAINS TAX CAN PLAY A USEFUL ROLE IN COOLING THE OVER-HEATED PROPERTY MARKET.

SOME MEMBERS HAVE SPOKEN OF THE INTRODUCTION OF A CAPITAL GAINS TAX AS A PANACEA CAPABLE OF BRINGING PROPERTY PRICES DOWN QUICKLY. I WOULD LIKE TO RESPOND TO THIS VIEW BY SHARING WITH MEMBERS THE THINKING OF THE ADMINISTRATION ON A CAPITAL GAINS TAX.

MEMBERS WILL RECALL THAT ON 9 MARCH THIS YEAR, I DEALT WITH THIS SUBJECT IN SOME DETAIL IN THIS COUNCIL IN MY REPLY TO A QUESTION RAISED BY DR THE HON YEUNG SUM. IN HIS SPEECH CONCLUDING THE SECOND READING DEBATE ON THE APPROPRIATION BILL HELD ON 30 MARCH THIS YEAR, THE FINANCIAL SECRETARY AGAIN TOUCHED UPON THIS ISSUE.

PARAMETERS OF A CAPITAL GAINS TAX

WHETHER A CAPITAL GAINS TAX ON PROPERTY TRANSACTIONS WILL ACTUALLY BRING PRICES DOWN HINGES ON A NUMBER OF FACTORS, IN PARTICULAR THE PARAMETERS OF THE TAX AND THE REACTION OF THE MARKET.

MEMBERS ARE FAMILIAR WITH THE FACT THAT SPECULATIVE PROPERTY PROFITS ARE NOT TAX-FREE. AT PRESENT, PROFITS FROM PROPERTY TRANSACTIONS ARE ALREADY CHARGEABLE TO PROFITS TAX IF THEY ARISE FROM A BUSINESS OF PROPERTY TRADING OR PROPERTY DEALING. THIS COVERS TRANSACTIONS CARRIED OUT BY PROPERTY DEALERS, PROPERTY DEVELOPERS AS WELL AS THOSE PERSONS WHO RE-SELL A PROPERTY BEFORE ASSIGNMENT FOR QUICK PROFITS. LAST JULY, THE INLAND REVENUE DEPARTMENT INTRODUCED NEW SELECTION CRITERIA FOR OPENING PROPERTY DEALING FILES TO HELP IDENTIFY THOSE PROPERTY TRANSACTIONS CONCLUDED AS PART OF A TRADE. THIS HAS BROUGHT MORE POTENTIAL TAXPAYERS TO SCRUTINY BY THE DEPARTMENT. I SHOULD ADD THAT THE ENACTMENT OF THE STAMP DUTY (AMENDMENT) ORDINANCE 1992 ALSO ENABLED THE DEPARTMENT TO OBTAIN A MORE EXTENSIVE DATABASE ON PROPERTY TRANSACTIONS, THUS ENHANCING ITS ABILITY TO IDENTIFY CASES WHICH MIGHT HAVE A TAX LIABILITY.

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AGAINST THIS BACKGROUND, ANY CAPITAL GAINS TAX WOULD HAVE TO BE SUFFICIENTLY PUNITIVE IN ORDER TO PROVIDE AN EFFECTIVE ADDITIONAL DETERRENT AGAINST PROPERTY SPECULATION. BUT A PUNITIVE CAPITAL GAINS TAX WOULD SEND A STRONG NEGATIVE SIGNAL TO BOTH LOCAL AND OVERSEAS INVESTORS ACROSS THE BOARD. THE PROSPECT OF HAVING THE TAX AS A BAND-AID SOLUTION TO ADDRESS A TEMPORARY PROBLEM WOULD SERIOUSLY UNDERMINE TWO MUCH-VAUNTED PRINCIPLES OF OUR TAXATION SYSTEM - ITS STABILITY AND ITS PREDICTABILITY. INVESTORS WOULD THINK TWICE ABOUT COMMITTING CAPITAL TO HONG KONG ONCE WE GOT A REPUTATION FOR INTRODUCING STOP-GAP FISCAL MEASURES TO TACKLE SOCIAL PROBLEMS, AND ABOLISHING THEM WHEN THE NEED FOR THEM WENT AWAY OR POLITICAL WHIMS TURNED AGAINST THEM.

DR HUANG COMMENTED THAT A FEW DEVELOPED COUNTRIES HAVE INTRODUCED CAPITAL GAINS TAX TO CURB A SHARP RISE IN PROPERTY PRICES. HE MENTIONED JAPAN, IN PARTICULAR. ACCORDING TO MY INFORMATION THE CAPITAL GAINS TAX HAS CAUSED DEVASTATING EFFECT. IN AN ARTICLE WRITTEN BY PROFESSOR KEITH MCKINNELL, THE HEAD OF THE DEPARTMENT OF THE DEPARTMENT OF SURVEYING IN THE UNIVERSITY OF HONG KONG AND PROFESSOR TAKAHIRO MIYAU, PROFESSOR OF ECONOMICS, UNIVERSITY OF CHUBUKA IN JAPAN, THEY WROTE AN ARTICLE EXACTLY A MONTH AGO, AND I QUOTE "IN 1991, CAPITAL GAINS TAX WAS RAISED SHARPLY TO DISCOURAGE PROPERTY TRANSACTION, CUMULATING IN 1992 WITH A NEW NATIONAL LAND HOLDING TAX, THE SO CALLED LAND VALUE TAX IN JAPAN. THESE MEASURES WERE SUFFICIENTLY STRONG TO STIFLE JAPAN'S ONCE BOOMING PROPERTY MARKET. BUT THEY DID MUCH MORE THAN THAT IN THAT THE WORSE DAMAGE WAS FELT ON A BALANCED SHEET OF MOST FINANCIAL INSTITUTIONS AND BUSINESS CORPORATIONS. THIS POLICY INDUCED COLLAPSE OF THE PROPERTY MARKET HAS THEREFORE SEVERELY AFFECTED THE OVERALL ECONOMY, LEADING TO THE WORSE RECESSION IN JAPAN'S POST-WAR HISTORY."

REACTION OF THE MARKET

MUCH AS WE WISH, IT IS NOT POSSIBLE TO GAUGE IN ADVANCE THE REACTION OF THE MARKET TO THE TAX. IN A FREE MARKET ECONOMY LIKE OURS, THE STEEP RISE IN PROPERTY PRICES REFLECTS AN IMBALANCE IN SUPPLY AND DEMAND. IN ADDITION TO INVESTMENT DEMAND WHICH HAS BEEN BUOYED UP IN RECENT MONTHS BY LOCAL INVESTMENT CAPITAL AND THE INFLUX OF FOREIGN FUNDS, THERE IS A SUSTAINED DEMAND FROM ASPIRING HOME-OWNERS LOCALLY. THIS END-USER DEMAND HAS EMERGED FROM A COMBINATION OF FACTORS, INCLUDING A STEADY GROWTH IN HOUSEHOLD NUMBERS AND HOUSEHOLD INCOME, ASPIRATIONS FOR HOME OWNERSHIP AND A LOW INTEREST RATE RELATIVE TO INFLATION.

AN EARLIER STUDY REVEALS THAT THE DEMAND FOR NEW PRIVATE RESIDENTIAL FLATS IS MORE SENSITIVE TO THE HOUSEHOLD INCOME THAN, FOR INSTANCE, THE MORTGAGE RATE OR FLAT PRICES. SO IF WE DID NOT GET THE TAX RATE RIGHT AND ASSUMING THAT SUPPLY REMAINED TIGHT BEFORE WE HAD AN EXPANDED HOUSING SUPPLY, WE MIGHT END UP PUSHING PRICES UP AS THE BURDEN OF THE NEW TAX WAS PASSED ONTO END-USERS.

FURTHERMORE, A TAX WHICH MANAGED TO KEEP SPECULATORS AT BAY WOULD PROBABLY ALSO DAMPEN DEMAND AMONG THOSE WHO WANTED TO MAKE A LONG-TERM INVESTMENT IN THE PROPERTY MARKET. THIS WOULD INEVITABLY REDUCE THE AVAILABILITY OF PREMISES FOR THOSE END-USERS WHO OPTED TO LEASE RATHER THAN TO OWN PROPERTY. THERE IS ALSO THE DANGER THAT PROPERTY DEVELOPERS WOULD RESPOND BY CUTTING BACK THEIR PRODUCTION. END-USERS WOULD EVENTUALLY FEEL THE PINCH OF THE REDUCED OUTPUT. THE POINT I WISH TO MAKE HERE IS THAT IT IS NOT AT ALL EASY TO WORK OUT A CAPITAL GAINS TAX THAT WOULD SOLVE THE PROBLEM OF PROPERTY SPECULATION WITHOUT CREATING OTHER PROBLEMS IN ITS TRAIN : THERE IS A RISK THAT THE PROPOSED TAX MIGHT HURT THE VERY PEOPLE WE WISH TO HELP.

IMPACT ON THE OVERALL ECONOMY

APART FROM THE IMPACT ON END-USERS, WE ALSO NEED TO CONSIDER THE IMPLICATIONS OF A CAPITAL GAINS TAX FOR THE ECONOMY AS A WHOLE. DURING THE PERIOD 1989 TO 1993, PRIVATE SECTOR BUILDING EXPENDITURE TOOK UP 50-60% OF THE OVERALL EXPENDITURE ON BUILDING AND CONSTRUCTION IN THE ECONOMY. THIS EXPENDITURE, TOGETHER WITH THE REAL DEVELOPERS' MARGIN, ACCOUNTED FOR 30-40% OF THE OVERALL INVESTMENT EXPENDITURE IN OUR GDP. A CAPITAL GAINS TAX ON PROPERTY TRANSACTIONS AS SUGGESTED WOULD THUS IMPACT ON A LARGE SEGMENT OF INVESTMENT IN THE ECONOMY. IN TURN, THIS WOULD HAVE A MULTIPLIER EFFECT ON THE REST OF THE ECONOMY, RESULTING IN CURTAILMENT IN THE OVERALL GDP. ON THE BASIS OF THE RATABLE VALUES OF PROPERTIES IN HONG KONG, WE HAVE CALCULATED THAT THE TOTAL VALUE OF ALL PROPERTIES IN HONG KONG COULD EXCEED \$2.3 TRILLION (\$2,300 BILLION). NO-ONE SHOULD SPEAK LIGHTLY OF INTRODUCING A CAPITAL GAINS TAX WHEN IT COULD LEAD TO AN UNPREDICTABLE DIMINUTION OF THAT ENORMOUS PART OF HONG KONG'S TOTAL WEALTH.

PRACTICAL ISSUES

AS I POINTED OUT WHEN I LAST SPOKE IN THIS COUNCIL ON THIS SUBJECT, THERE ARE PRACTICAL ISSUES WE SHOULD HAVE TO ADDRESS IF WE WERE TO INTRODUCE A CAPITAL GAINS TAX, FOR INSTANCE -

- THE APPROPRIATE TREATMENT OF GAINS ATTRIBUTABLE TO INFLATION;
- WHETHER LOSSES SHOULD BE DEDUCTIBLE AND, IF SO, WHETHER THEY SHOULD ONLY BE OFFSET AGAINST CAPITAL GAINS;
- WHETHER GAINS SHOULD BE AVERAGED AND BROUGHT TO CHARGE OVER A NUMBER OF YEARS; AND
- WHETHER THE TAX SHOULD APPLY TO TRANSACTIONS IN STOCKS AND SHARES IN PROPERTY-RELATED BUSINESSES.

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IN AN ATTEMPT TO ALLEVIATE THE PLIGHT OF THOSE LOOKING FOR AN AFFORDABLE HOME, MANY PEOPLE HAVE DEMANDED THAT THE ADMINISTRATION TAKES CONCRETE ACTION TO TACKLE PROPERTY SPECULATORS. YET IT IS EXTREMELY DIFFICULT TO DEFINE IN CLEAR LEGAL TERMS A "SPECULATIVE" TRANSACTION. ONE MAN'S SPECULATION IS ANOTHER MAN'S INVESTMENT. IT IS A CHALLENGE TO THE LAW DRAFTSMAN TO WORK OUT A LEGAL DEFINITION OF SPECULATORS WHICH WILL NOT UNINTENTIONALLY PENALISE GENUINE END-USERS OR THOSE FOR WHOM PROPERTY TRANSACTIONS ARE THE MAINSTAY OF A REGULAR DAY-TO-DAY BUSINESS. THIS COULD BE A SOURCE OF CONTROVERSY AND WE WOULD HAVE TO PROVIDE AVENUES FOR APPEAL. MOREOVER, ALMOST BY DEFINITION, A PUNITIVE TAX WOULD INVITE WIDESPREAD ATTEMPTS TO AVOID OR EVADE TAX. THIS POINTS TO AN EXPENSIVE SCHEME WITH DOUBTFUL COST-EFFECTIVENESS.

IN SHORT, THE ESTABLISHMENT OF THE TASK FORCE ON LAND SUPPLY AND PROPERTY SPECULATION DEMONSTRATES THE ADMINISTRATION'S RESOLVE IN TACKLING THE SPIRALLING PROPERTY PRICES. ON THE QUESTION OF A CAPITAL GAINS TAX, WE NEED TO GIVE VERY CAREFUL CONSIDERATION TO ITS POSSIBLE RAMIFICATIONS IN HONG KONG. WE ARE PARTICULARLY MINDFUL THAT WE SHOULD NOT ADOPT A MEASURE WHICH WOULD LIKELY LAND US WITH A BIGGER PROBLEM THAN WE ORIGINALLY HAVE.

THE ADMINISTRATION WILL TAKE CAREFUL NOTE OF THE VIEWS EXPRESSED BY MEMBERS IN THE COURSE OF THIS DEBATE. THE OFFICIAL MEMBERS WILL ABSTAIN FROM VOTING ON THE MOTION.

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GOVERNMENT SHARES DEEP CONCERN OVER XI YANG'S CASE: SHA

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THE BRITISH AND HONG KONG GOVERNMENTS UNDERSTAND THE ANXIETY AND DISMAY FELT IN HONG KONG OVER THE TREATMENT OF XI YANG, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"EVER SINCE HE WAS ARRESTED WE HAVE BEEN IN CLOSE CONTACT WITH THE BRITISH GOVERNMENT AND MR XI'S EMPLOYER CONCERNING MR XI'S SITUATION," MR SUEN SAID.

SPEAKING AT A MOTION DEBATE URGING FOR THE RELEASE OF THE MING PAO REPORTER, MR SUEN SAID GOVERNMENT'S CONCERN HAD ALSO BEEN MADE CLEAR TO THE CHINESE AUTHORITIES, AS HAD THE NEED FOR CLEARER GUIDELINES FOR FOREIGN JOURNALISTS WORKING IN CHINA.

ELABORATING, MR SUEN SAID THAT EVERY YEAR JOURNALISTS FOR WHOM, LIKE XI YANG, HONG KONG IS HOME MAKE HUNDREDS, IF NOT THOUSANDS, OF TRIPS TO CHINA.

AND THEIR COVERAGE OF CHINA'S OPENING UP AND ITS ASTONISHING ECONOMIC TRANSFORMATION IS ADVANTAGEOUS TO CHINA, HONG KONG AND ALL THOSE WHO HAVE, OR WISH TO HAVE, LINKS WITH CHINA.

FOR THIS REASON, MR SUEN SAID THESE DEDICATED MEN AND WOMEN NEED AND DESERVE ABOVE ALL ELSE, CLEAR GUIDELINES FOR REPORTING IN CHINA.

/MR XI'S

MR XI'S CASE, HE SAID, HAD RESULTED IN GREAT UNCERTAINTY ABOUT THESE MATTERS AMONGST JOURNALISTS.

"THE HONG KONG GOVERNMENT FULLY APPRECIATES THE DEPTH OF THIS ANXIETY AND HAS FORCEFULLY CONVEYED IT TO THE UK GOVERNMENT.

"AS A RESULT, CLARIFICATION OF THE LAW ON STATE SECRETS AND THE PROMULGATION OF CLEAR RULES AND GUIDELINES ON NEWS GATHERING HAS BEEN A KEY REQUEST MADE BY THE BRITISH GOVERNMENT IN ITS EXCHANGES WITH CHINA ON XI'S CASE."

ON PRESS FREEDOM IN HONG KONG, MR SUEN SAID THERE IS NO QUESTION ABOUT THE GOVERNMENT'S COMMITMENT TO PRESERVING FREEDOM OF THE PRESS AND THE ELECTRONIC MEDIA.

THIS COMMITMENT, HE SAID, IS WELL DEMONSTRATED BY THE CURRENT REVIEW OF LEGISLATION TO IDENTIFY PROVISIONS THAT COULD HAVE AN ADVERSE IMPACT ON THE OPERATIONS OF THE MEDIA.

MR SUEN POINTED OUT THAT TO DATE, 27 ORDINANCES HAVE BEEN REVIEWED, INCLUDING 17 CITED BY THE HONG KONG JOURNALISTS' ASSOCIATION AS CONTAINING PROVISIONS THAT GIVE RISE TO SUCH A CONCERN.

AMENDMENTS HAVE ALREADY BEEN MADE TO NINE PROVISIONS IN THREE OF THESE ORDINANCES TO REMEDY THE POTENTIAL ADVERSE IMPACT ON THE MEDIA.

WORK IS IN HAND TO AMEND A FURTHER 19 PROVISIONS IN SEVEN ORDINANCES AND FURTHER CONSIDERATION IS BEING GIVEN TO SEVEN OTHER ORDINANCES, HE ADDED.

REGARDING THE REMAINING PROVISIONS THAT MAY CAUSE POSSIBLE CONCERN, MR SUEN SAID THAT THE GOVERNMENT WAS SATISFIED THAT THERE WAS NO INCOMPATIBILITY BETWEEN THEM AND THE BILL OF RIGHTS.

"INDEED, A PROMINENT FEATURE AMONG THEM IS THE PROTECTION OF PRIVACY, WHICH IS A PROTECTED RIGHT UNDER THE BILL OF RIGHTS," HE SAID.

MR SUEN REITERATED THAT FREEDOM OF THE PRESS IS AN INTEGRAL PART OF THE HONG KONG SYSTEM NOW AND WILL REMAIN SO IN THE FUTURE.

HE ALSO POINTED OUT THAT THE JOINT DECLARATION AND THE BASIC LAW BOTH EXPLICITLY PROVIDED FOR THE MAINTENANCE OF FREEDOM OF PRESS AFTER 1997.

IN CONCLUSION, HE ASSURED MEMBERS THAT THE HONG KONG GOVERNMENT WILL CONTINUE TO WORK CLOSELY WITH THE BRITISH GOVERNMENT ON XI YANG'S CASE AND THE ISSUES IT RAISES.

GOVT ATTACHES GREAT IMPORTANCE TO LEGCO MOTIONS

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THE GOVERNMENT ATTACHES GREAT IMPORTANCE TO MOTIONS CARRIED BY THE LEGISLATIVE COUNCIL AND TAKES THEM INTO ACCOUNT IN THE FORMULATION OR DEVELOPMENT OF ITS POLICIES.

THIS WAS STATED BY THE CHIEF SECRETARY, THE HON MRS ANSON CHAN, IN REPLYING TO A QUESTION BY THE HON JAMES TIEN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"BEFORE DECIDING WHETHER OR NOT TO TAKE ACTION ACCORDING TO A MOTION CARRIED BY THIS COUNCIL, THE GOVERNMENT WILL CAREFULLY CONSIDER THE PROPOSALS CONTAINED IN THE MOTION CARRIED IN THE LIGHT OF OTHER POLICY AND RESOURCE CONSIDERATIONS.

"WHERE IT IS NOT POSSIBLE TO TAKE THE ACTION SUGGESTED IN THE MOTION, THE GOVERNMENT WILL STATE THE REASONS FOR THIS AND WHY IT CONSIDERS THAT AN ALTERNATIVE APPROACH IS PREFERABLE," MRS CHAN SAID.

SHE ADDED THAT CONSTITUTIONALLY A MOTION CARRIED BY THE COUNCIL DID NOT CREATE OR IMPOSE ANY LEGAL OBLIGATION ON THE GOVERNMENT.

IN PARTICULAR, IT DOES NOT OBLIGE THE GOVERNMENT TO INTRODUCE LEGISLATION OR TO TAKE ANY SPECIFIC ADMINISTRATIVE ACTION.

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SCS EXPLAINS INTEGRITY CHECKING FOR CIVIL SERVANTS

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THE PURPOSE OF INTEGRITY CHECKING FOR CIVIL SERVANTS WAS TO ENSURE THAT THE CIVIL SERVICE WAS STAFFED BY PERSONS OF HIGH INTEGRITY, THE SECRETARY FOR THE CIVIL SERVICE, MR MICHAEL SZE, SAID TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

"INDEED THE COMMUNITY AND THE LEGISLATIVE COUNCIL WOULD DEMAND NO LESS."

IN REPLY TO A QUESTION BY THE HON MRS SELINA CHOW, MR SZE SAID ALL CIVIL SERVANTS HAD BEEN AND WOULD CONTINUE TO BE SUBJECT TO SOME KIND OF CHECKING.

"THE LEVEL OF CHECKING APPLICABLE IN A CASE WILL DEPEND ON THE NATURE OF THE POST," HE SAID, ADDING THAT CHECKING WAS AND HAD TO BE CONDUCTED WITH THE FULL CO-OPERATION AND CONSENT OF THE CIVIL SERVANTS.

"SUBJECT TO THE DELIBERATIONS OF THE ICAC REVIEW COMMITTEE, WE HOPE TO BE ABLE TO ASK THE ICAC TO CO-ORDINATE SOME RECORD CHECKS AND TO CONDUCT INTERVIEWS FOR THE HIGHEST LEVEL OF CHECKING, THAT IS, EXTENDED CHECKING, WHICH WILL BE APPLIED TO TOP CIVIL SERVANTS," MR SZE SAID.

HE STRESSED THAT NONE OF THE CHECKS WOULD BE USED AS A FORM OF POLITICAL VETTING AND NO INVESTIGATION WOULD BE CONDUCTED ON A CANDIDATE'S POLITICAL BELIEFS AND AFFILIATIONS.

MR SZE SAID IF THE ICAC DID ASSUME THE TASK OF INTEGRITY CHECKING, HE DID NOT SEE ANY OBJECTION TO LETTING THE OPERATIONS REVIEW COMMITTEE OR ANY OTHER APPROPRIATE BODY MONITOR AND ADVISE ON THE PROCEDURES OF INTEGRITY CHECKING.

HOWEVER, GIVEN THE PERSONNEL MANAGEMENT FUNCTION OF THE CHECKS, IT WOULD BE INAPPROPRIATE TO ASK ANY OUTSIDE BODY TO LOOK AT INDIVIDUAL CASES.

"THE RESULTS OF INDIVIDUAL CHECKING WILL BE PASSED TO THE ADMINISTRATION FOR APPOINTMENT AND PROMOTION PURPOSES," HE SAID.

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BILL TO IMPROVE ADMINISTRATION OF JUSTICE INTRODUCED

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A BILL AIMING TO MAKE IMPROVEMENTS AND CORRECTIONS TO LEGISLATION RELATING TO THE ADMINISTRATION OF JUSTICE AND TO REPEAL CERTAIN OBSOLETE PROVISIONS WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE ADMINISTRATION OF JUSTICE (MISCELLANEOUS PROVISIONS) BILL 1994, THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, SAID THE BILL WAS PART OF AN ONGOING PROCESS IN THE LEGAL DEPARTMENT OF KEEPING THE LAW RELATING TO THE ADMINISTRATION OF JUSTICE UNDER CONSTANT REVIEW, IN ORDER TO ENSURE THAT IT WAS EFFICIENT AND EFFECTIVE.

MR MATHEWS SAID THE IMPROVEMENTS CONTAINED IN THE BILL INCLUDED PROVISIONS RELATING TO THE RIGHT OF INTERESTED PARTIES TO OBTAIN A COURT RECORD; THE POSSIBLE JOINT SUMMARY TRIAL OF ADULTS AND JUVENILES; AND THE SETTING UP OF A CRIMINAL PROCEDURE RULES COMMITTEE.

"IT IS ALSO PROPOSED THAT A COURT SHOULD IN SOME CIRCUMSTANCES BE ABLE TO GIVE AN ALIBI WARNING TO A DEFENDANT IN WRITING, AND TO DISPOSE OF PROPERTY OF NO VALUE," HE SAID.

MR MATHEWS SAID SOME OF THE REFORMS PROPOSED RELATED TO MAGISTRATES.

"THE BILL SEEKS TO GIVE THEM THE POWER TO IMPOSE PARTLY CONSECUTIVE IMPRISONMENT SENTENCES, AND GREATER POWERS TO IMPOSE FINES AND TO AWARD COSTS AND COMPENSATION," HE SAID.

"THE PROVISION EMPOWERING A MAGISTRATE TO IMPRISON A PERSON FOR NON-PAYMENT OF FINES OR COSTS IS BROUGHT UP TO DATE, AND THE PROCEDURE FOR REVIEWING A MAGISTRATE'S DECISION IS REVISED SO THAT AN APPLICATION CAN BE MADE IN WRITING," MR MATHEWS ADDED.

HE SAID THE LEGISLATIVE PROVISIONS WHICH WERE CONSIDERED TO BE OBSOLETE AND WHICH WERE TO BE REPEALED BY THE BILL INCLUDED PROVISIONS FOR SPECIAL JURIES, MARINE MAGISTRATES, ASSESSORS IN THE MAGISTRACY, SUMMARY PUNISHMENT FOR FALSE TESTIMONY, AND RECOGNISANCES FOR APPEALS.

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IN ADDITION, THE BILL PROPOSED THE REPEAL OF EXISTING REQUIREMENTS FOR THE LICENSING OF AUCTIONEERS, MARINE STORE DEALERS, MARINE HAWKERS AND TALLYCLERKS, AND THE REPEAL OF THE VENEREAL DISEASE ORDINANCE AND THE SCHOOL MEDICAL SERVICE BOARD INCORPORATION ORDINANCE, HE NOTED.

MR MATHEWS SAID ANOTHER PART OF THE BILL DEALT WITH THE REPEAL OF SIX PROVISIONS WHICH WERE CONSIDERED TO BE INCONSISTENT WITH THE BILL OF RIGHTS.

THESE RELATED TO THE POWER OF THE POLICE TO SEARCH CERTAIN PREMISES FOR STOLEN GOODS; PRESUMPTIONS OF DISHONESTY AGAINST THE DRAWERS OF DISHONOURED CHEQUES; THE AWARD OF COSTS TO AN APPELLANT WHEN AN APPEAL COURT ORDERED A RETRIAL; OFFENCES OF UNLAWFUL POSSESSION AND ASSEMBLY AT NIGHT-TIME; AND THE POWER TO IMPOSE AN ENHANCED PENALTY ON AN OFFENDER CONVICTED OF OPERATING OR MANAGING AN UNLICENSED MASSAGE ESTABLISHMENT.

THE ATTORNEY GENERAL ADDED THAT THIS BILL WAS PART OF A CONTINUOUS PROCESS OF REVIEW.

"I WILL, FROM TIME TO TIME, BE BRINGING FORWARD BILLS OF A SIMILAR NATURE IN ORDER TO IMPROVE OUR LEGAL SYSTEM AND TO REPEAL OBSOLETE PROVISIONS," HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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BILL MAKING A PROHIBITION ORDER A JUDICIAL FUNCTION

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A BILL SEEKING TO STRIKE A BALANCE BETWEEN THE PROTECTION OF OUTBOUND TRAVELLERS AND THE NEED FOR THE TRAVEL AGENTS ORDINANCE TO BE COMPATIBLE WITH THE BILL OF RIGHTS ORDINANCE WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE TRAVEL AGENTS (AMENDMENT) BILL 1994, THE ACTING SECRETARY FOR TRADE AND INDUSTRY, MRS REGINA IP, TOLD THE COUNCIL THE AMENDMENT BILL SOUGHT TO ACHIEVE SO BY TRANSFERRING THE POWER TO PROHIBIT A TRAVEL AGENT FROM LEAVING HONG KONG FROM THE REGISTRAR OF TRAVEL AGENTS TO THE MAGISTRATE.

THE EXISTING TRAVEL AGENTS ORDINANCE EMPOWERS THE REGISTRAR TO CONDUCT AN INVESTIGATION INTO THE BUSINESS OF A TRAVEL AGENT IF HE SUSPECTS THE BUSINESS OF THE TRAVEL AGENT IS BEING CARRIED AGAINST THE PUBLIC INTEREST.

HAVING DECIDED TO CONDUCT AN INVESTIGATION, THE REGISTRAR MAY REQUIRE THE MAGISTRATE TO ISSUE A PROHIBITION ORDER TO THE TRAVEL AGENT TO PROHIBIT HIM FROM LEAVING HONG KONG.

HOWEVER, MRS IP SAID THE LEGAL ADVICE HAD INDICATED THAT THE PRESENT ORDINANCE COULD BE HELD TO CONTRAVENE THE RIGHT TO LEAVE HONG KONG AND THE RIGHT TO A FAIR HEARING LAID DOWN IN THE BILL OF RIGHTS ORDINANCE.

"THE BILL SEEKS TO MAKE THE ISSUE OF A PROHIBITION ORDER A JUDICIAL FUNCTION.

"THE DISCRETION TO ISSUE SUCH AN ORDER WILL BE EXERCISED BY A MAGISTRATE IF HE IS SATISFIED THAT THE TRAVEL AGENT UNDER INVESTIGATION IS LIKELY TO BE ABLE TO ASSIST THE REGISTRAR IN CONNECTION WITH THE INVESTIGATION; IF THERE ARE REASONABLE GROUNDS FOR BELIEVING THAT THE TRAVEL AGENT INTENDS TO LEAVE HONG KONG; AND IF IT IS IN THE PUBLIC INTEREST TO STOP THE AGENT FROM LEAVING HONG KONG SO THAT HE CAN ASSIST IN THE INVESTIGATION," MRS IP SAID.

THE BILL ALSO PROVIDES FOR AN APPEAL TO THE HIGH COURT AGAINST THE DECISION OF THE MAGISTRATE TO MAKE THE PROHIBITION ORDER.

"THE PROPOSED PROCEDURE FOLLOWS CLOSELY A SIMILAR PRECEDENT IN THE INLAND REVENUE (AMENDMENT) ORDINANCE WHICH WAS PASSED BY THIS COUNCIL LAST JULY," SHE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

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ROAD TRAFFIC ORDINANCE TO BE STREAMLINED AND UPDATED

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A BILL AIMED AT STREAMLINING AND UPDATING THE ROAD TRAFFIC ORDINANCE WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING AT THE SECOND READING OF THE ROAD TRAFFIC (AMENDMENT) BILL 1994, THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, SAID THE BILL SOUGHT TO DELEGATE CERTAIN MINOR POWERS UNDER THE ORDINANCE FROM THE GOVERNOR-IN-COUNCIL TO THE SECRETARY FOR TRANSPORT.

HE SAID THE BILL ALSO PROVIDED FOR THE TRANSFER TO THE SECRETARY FOR TRANSPORT OF SOME OF THE GOVERNOR'S POWERS NOW CONTAINED IN THE REGULATIONS.

"AS PART OF AN ON GOING PROCESS TO SIMPLIFY PROCEDURES AND SPEED-UP ACTION, THE ADMINISTRATION HAS BEEN EXAMINING EXISTING LEGISLATION TO IDENTIFY POWERS, FOR EXAMPLE THOSE RELATING TO TECHNICAL, OPERATIONAL OR OTHER ROUTINE MATTERS, TO BE DELEGATED FROM THE GOVERNOR-IN-COUNCIL TO THE RELEVANT BRANCH SECRETARY.

"IN THE ROAD TRAFFIC ORDINANCE, POWERS TO AMEND THE ROAD USERS' CODE AND MOST SUBSIDIARY ROAD TRAFFIC LEGISLATION FALL WITHIN THIS CATEGORY," MR BARMA SAID.

"NOTWITHSTANDING THESE DELEGATIONS, I SHOULD EMPHASISE THAT SUBSIDIARY LEGISLATION MADE BY THE SECRETARY FOR TRANSPORT WILL CONTINUE, AS AT PRESENT, TO BE SUBJECT TO CONSIDERATION BY THE LEGISLATIVE COUNCIL," HE SAID.

THE BILL ALSO SEEKS TO ENHANCE THE IMPARTIALITY AND INDEPENDENCE OF THE TRANSPORT TRIBUNAL, WHICH HAS BEEN ESTABLISHED TO HEAR APPEALS, FOR EXAMPLE, AGAINST LICENSING DECISIONS.

IT WILL REMOVE THE REQUIREMENT TO APPOINT A PUBLIC OFFICER AS A MEMBER AND THE RESTRICTION THAT THE TRIBUNAL'S LEGAL ADVISERS SHOULD BE SELECTED FROM A PANEL APPOINTED BY THE ATTORNEY GENERAL.

DEBATE ON THE BILL WAS ADJOURNED.

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INDEPENDENT LEGAL ADVICE TO COMAC

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A PANEL OF LEGAL ADVISERS CONSISTING OF LAWYERS IN PRIVATE PRACTICE WOULD BE ESTABLISHED BY THE COMMISSIONER FOR ADMINISTRATIVE COMPLAINTS (COMAC) TO ENSURE HIS READY ACCESS TO INDEPENDENT LEGAL ADVICE.

THIS WAS STATED BY THE CHIEF SECRETARY, THE HON MRS ANSON CHAN, IN HER WRITTEN REPLY TO A QUESTION BY THE HON SIMON IP IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SHE SAID: "THE LAW SOCIETY HAS BEEN APPROACHED TO ASSIST IN THIS, AND THEIR RESPONSE HAS BEEN ENCOURAGING."

ON THE ESTABLISHMENT OF A FULL-TIME POST OF LEGAL COUNSEL, MRS CHAN SAID IT WAS NOT CONSIDERED JUSTIFIED AS CASES BROUGHT BEFORE COMAC REQUIRING LEGAL ADVICE WERE RELATIVELY FEW IN NUMBER.

THE ROLE OF THE COMAC WAS TO INVESTIGATE INTO COMPLAINTS OF MALADMINISTRATION, SHE NOTED.

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NEW ICAC HQ COMPLEX UNDER PLANNING

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THE GOVERNMENT IS CONSIDERING THE NEED FOR A SPECIALLY-DESIGNED BUILDING FOR THE INDEPENDENT COMMISSION AGAINST CORRUPTION (ICAC), WHICH IS NOW ACCOMMODATED MAINLY IN FAIRMONT HOUSE AND THE ADJOINING MURRAY ROAD CAR PARK BUILDING.

THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, TODAY (WEDNESDAY) TOLD THE LEGISLATIVE COUNCIL THE GOVERNMENT PROPERTY ADMINISTRATOR WAS REVIEWING THE FEASIBILITY OF MAKING AVAILABLE A SITE WHICH WOULD MEET THE ICAC'S SPECIFIC OPERATIONAL AND LOCATION REQUIREMENTS.

REPLYING TO A QUESTION BY THE HON ERIC LI, MR TSANG SAID: "TO BUILD A NEW ICAC HEADQUARTERS COMPLEX WOULD COST ABOUT \$400 MILLION AT 1994 PRICES.

"UNTIL WE CAN IDENTIFY A SITE AND AGREE IT WITH THE ICAC, WE CANNOT COMMIT TO A CONSTRUCTION TIMETABLE."

IN THE MEANTIME, THE COMMISSION'S EXISTING ACCOMMODATION IN MURRAY ROAD CAR PARK BUILDING WOULD BE REFURBISHED TO PROVIDE ADDITIONAL SPACE, HE SAID.

"BY THE END OF 1995 THE COMMISSION, EXCLUDING REGIONAL OFFICES AND THE ICAC TRAINING SCHOOL, WILL BE HOUSED IN OWNED ACCOMMODATION IN EITHER MURRAY ROAD CAR PARK BUILDING OR FAIRMONT HOUSE NEARBY.

"THIS CENTRALISATION OF ACCOMMODATION AND MANPOWER RESOURCES WILL GREATLY ENHANCE MANAGEMENT AND OPERATIONAL EFFICIENCY," HE SAID.

ON SECURITY ISSUE OF THE ICAC'S PREMISES, MR TSANG SAID SECURITY ARRANGEMENTS AT MURRAY ROAD CAR PARK BUILDING HAD RECENTLY BEEN STRENGTHENED AND THE PROPOSED REFURBISHMENT WOULD FURTHER UPGRADE SECURITY.

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HOME MORTGAGE LOAN POLICY

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THE GOVERNMENT WAS AWARE THAT, GENERALLY, BANKS WERE TAKING A MORE CAUTIOUS APPROACH TOWARDS MORTGAGE LENDING ON OLDER PROPERTIES, THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID TODAY (WEDNESDAY).

NORMALLY THE AGE OF THE PROPERTY AND THE TERM OF THE MORTGAGE TOGETHER WOULD NOT EXCEED 30 YEARS. FOR SOME BANKS, THE LENDING RATIO MAY BE LOWER FOR OLDER PROPERTIES.

MR CARTLAND SAID MAJOR REASONS INCLUDED THE POORER MARKETABILITY, HIGHER COST OF MAINTENANCE AND DETERIORATING QUALITY OF THESE PROPERTIES RELATIVE TO NEWER PROPERTIES.

REPLYING TO A QUESTION BY THE HON LEE WING-TAT IN THE LEGISLATIVE COUNCIL, HE SAID: "IT IS NOT THE POLICY OF THE GOVERNMENT TO INTERFERE WITH COMMERCIAL DECISIONS ON THE PART OF BANKS UNLESS THERE ARE GOOD PRUDENTIAL REASONS TO DO SO.

"IN PARTICULAR, WE NEED TO BE CAUTIOUS ABOUT TRYING TO INFLUENCE BANKS TO ASSUME HIGHER RISKS THAN THEY MIGHT OTHERWISE WISH TO TAKE," HE ADDED.

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LOCAL BREWERIES ENJOY DROP IN DUTY

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LATEST INDICATIONS SHOWED THAT LOCAL BREWERIES WOULD ENJOY A SUBSTANTIAL REDUCTION IN DUTY PAYMENT UNDER THE NEW DUTY SYSTEM, THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE CUSTOMS AND EXCISE DEPARTMENT IS ASCERTAINING THE PRECISE TAXABLE VALUES OF THEIR PRODUCTS.

IN A WRITTEN REPLY TO A QUESTION BY THE HON HENRY TANG, MR TSANG SAID COMPLAINTS ABOUT LOCAL BEER BEING SUBJECTED TO A HIGHER TAX BASE THAN IMPORTED BEER WERE DUE TO A MISUNDERSTANDING OF THE WAY IN DETERMINING THE TAXABLE VALUE OF BEER UNDER THE NEW SYSTEM.

MR TSANG SAID IT WAS NOT POSSIBLE TO ENSURE THAT THE TRADE WOULD PASS ON THE FULL BENEFIT OF THE NEW SYSTEM TO CONSUMERS AS THE GOVERNMENT COULD NOT AND WOULD NOT WISH TO REGULATE PRICES IN THE RETAIL TRADE OR THE CATERING INDUSTRY.

"HOWEVER, WE HAVE SEEN EVIDENCE THAT SOME WINE MERCHANTS AND RETAILERS HAVE ALREADY CUT THE PRICES OF PRODUCTS WHICH ENJOY A DUTY REDUCTION UNDER THE NEW SYSTEM.

"I UNDERSTAND THAT THE CONSUMER COUNCIL WILL ALSO MONITOR THE SITUATION THROUGH THEIR MARKET PRICE SURVEY," HE ADDED.

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GOOD MANUFACTURING PRACTICE GUIDELINES IN THE PIPELINE

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THE PHARMACY AND POISONS BOARD HAS SET UP A WORKING PARTY EARLIER THIS YEAR TO DRAW UP A SET OF GOOD MANUFACTURING PRACTICE GUIDELINES FOR LOCAL PHARMACEUTICAL MANUFACTURERS AND TO PROPOSE A SCHEDULE FOR THE IMPLEMENTATION OF THE GUIDELINES.

THIS WAS STATED BY THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, IN REPLY TO A QUESTION BY THE HON MICHAEL HO MUN-KA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"IT IS EXPECTED THAT THE WORKING PARTY WILL SUBMIT ITS RECOMMENDATIONS TO THE BOARD BY EARLY NEXT YEAR," MRS WONG SAID.

SHE SAID THE LEGISLATION CURRENTLY IN FORCE TO CONTROL THE MANUFACTURE OF PHARMACEUTICAL PRODUCTS WAS THE PHARMACY AND POISONS ORDINANCE AND ITS REGULATIONS.

UNDER THE PHARMACY AND POISONS REGULATIONS, THE CRITERIA FOR EVALUATING A PHARMACEUTICAL PRODUCT FOR THE PURPOSE OF REGISTRATION WERE ITS SAFETY, EFFICACY AND QUALITY, MRS WONG SAID.

"THE SAME SET OF CRITERIA AND STANDARDS APPLY WHETHER THE PRODUCT TO BE REGISTERED IS A PATENT MEDICINE OR A GENERIC ONE.

"THIS IS IN LINE WITH INTERNATIONALLY RECOMMENDED PRACTICES," MRS WONG ADDED.

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FEEDBACK TO ENVIRONMENT WHITE PAPER POSITIVE

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THE COMMUNITY FEEDBACK TO THE SECOND REVIEW OF THE 1989 WHITE PAPER ON POLLUTION IN HONG KONG IS GENERALLY POSITIVE, THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON PETER WONG, MR MAK SAID: "THE SECOND REVIEW OF THE 1989 WHITE PAPER ON POLLUTION IN HONG KONG, PUBLISHED IN DECEMBER LAST YEAR, IS A DOCUMENT WHICH SETS OUT IN DETAIL WHAT WE HAVE ACHIEVED, WHAT WE ARE STILL WORKING ON AND WHAT WE HOPE TO DO IN FUTURE."

ALTHOUGH THE FEEDBACK WAS DIVERSIFIED, HE SAID, THERE WERE ITEMS COMMON TO MANY RESPONSES, AND THESE ITEMS INCLUDED THE NEEDS FOR MORE ENVIRONMENTAL EDUCATION, TO PROMOTE RECYCLING, TO TACKLE AIR POLLUTION AND TO PROMOTE SUSTAINABLE DEVELOPMENT.

MR MAK SAID THE GOVERNMENT HAD BEEN FORMULATING ACTION PLANS IN RESPONSE TO THESE COMMON ITEMS.

"FOR EXAMPLE, WE ARE PLANNING TO TAKE VARIOUS ACTIONS TO BUILD ON THE CONTROLS ALREADY PROVIDED FOR UNDER THE AIR POLLUTION CONTROL ORDINANCE, AND FOREMOST AMONG THESE PLANS ARE REGULATIONS TO CONTROL OPEN BURNING AND EXAMINATION OF THE FEASIBILITY OF CONVERTING DIESEL POWERED TAXIS AND PUBLIC LIGHT BUSES TO UNLEADED PETROL POWERED ENGINES," HE SAID.

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\$123M SPENT ON AIRPORT SECURITY

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THE GOVERNMENT SPENT \$123.03 MILLION ON AIRPORT SECURITY IN THE YEAR 1993/94.

THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, SAID TODAY (WEDNESDAY) THE TOTAL CAPITAL AND RECURRENT COST FOR RESPONSIBILITIES DISCHARGED BY THE CIVIL AVIATION DEPARTMENT AND THE POLICE LAST YEAR IN RESPECT OF SECURITY MEASURES IMPLEMENTED AT THE AIRPORT IN THE LAST FINANCIAL YEAR WERE \$6.03 MILLION AND \$117 MILLION RESPECTIVELY.

IN A WRITTEN REPLY TO A QUESTION BY THE HON HOWARD YOUNG IN THE LEGISLATIVE COUNCIL, MR WOODHOUSE SAID AIRLINES OPERATING AT THE AIRPORT WERE ALSO RESPONSIBLE FOR PROVIDING A NUMBER OF SECURITY SERVICES TO MEET THE STANDARDS REQUIRED BY THE DIRECTOR OF CIVIL AVIATION.

THESE MEASURES INCLUDED THE SECURITY SCREENING OF PASSENGERS, HAND LUGGAGE, HOLD-STOWED AND INTERLINE TRANSFER BAGGAGE, HE SAID.

MR WOODHOUSE SAID THE COST OF PROVIDING THESE SERVICES WAS RECOVERED BY THE AIRLINES THROUGH A \$20 SECURITY SERVICE CHARGE WHICH WAS LEVIED ON ALL DEPARTING PASSENGERS.

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COMPENSATION AVAILABLE FOR AIR PASSENGERS

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THE BOARD OF AIRLINE REPRESENTATIVES IN HONG KONG OVERSEES A VOLUNTARY SCHEME UNDER WHICH PARTICIPATING AIRLINES OFFER COMPENSATION TO ELIGIBLE PASSENGERS WITH CONFIRMED FLIGHT RESERVATIONS WHO ARE DENIED BOARDING IN HONG KONG.

THE BOARD IS MADE UP OF THE MAJOR AIRLINES OPERATING AT KAI TAK AIRPORT.

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON HUANG CHEN-YA IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, SAID THE GOVERNMENT DID NOT ASK AIRLINES TO PROVIDE STATISTICS ON SUCH CASES EACH YEAR.

"THE ADEQUACY OF THE CURRENT ARRANGEMENTS IS UNDER REVIEW," HE SAID.

THE GOVERNMENT IS CONSIDERING WHETHER IT WOULD BE DESIRABLE FOR IT TO HAVE LEGISLATIVE POWERS TO REQUIRE AIRLINES TO COMPENSATE SUCH PASSENGERS AND TO SUPPLY STATISTICS ON THE CASES REGULARLY, HE ADDED.

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NO SURPLUS QUOTAS FOR PARTICULAR OCCUPATIONAL GROUP

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THE GOVERNMENT DID NOT YET KNOW WHETHER THERE WOULD BE ANY SURPLUS PLACES AVAILABLE IN ANY OF THE CLASSES OF THE BRITISH NATIONALITY SCHEME, THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, INFORMED THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON JIMMY MCGREGOR, MR WOODHOUSE SAID NO DECISION ON RE-ALLOCATION HAD BEEN MADE SO FAR.

UNDER THE BRITISH NATIONALITY (HONG KONG) (SELECTION SCHEME) (AMENDMENT) ORDER 1993, THE GOVERNOR HAS THE POWER TO TRANSFER ANY UNALLOCATED PLACES BETWEEN CLASSES.

"HOWEVER, SINCE DEMAND IS STRONG AMONG ALL OCCUPATIONAL GROUPS, AND GIVEN THAT THEY ALL PLAY AN IMPORTANT ROLE IN HONG KONG, IT WOULD BE DIFFICULT TO SINGLE OUT ANY ONE OCCUPATIONAL GROUP FOR SPECIAL TREATMENT," MR WOODHOUSE ADDED.

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UK PUBLIC SERVICE JOB POLICY

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SERVICE WITH THE SPECIAL ADMINISTRATIVE REGION GOVERNMENT AFTER 1997 WILL NOT DEBAR ANY OFFICER OR HIS RELATIVES FROM UK CROWN SERVICE OR IN ITSELF HAVE ANY BEARING ON SECURITY CLEARANCE OR SUITABILITY FOR A PARTICULAR POST.

IN A WRITTEN REPLY TO A QUESTION BY THE HON EMILY LAU IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, SAID THE ASSURANCE WAS GIVEN BY THE BRITISH GOVERNMENT.

ANY QUERIES RELATING TO UK PUBLIC SERVICE EMPLOYMENT POLICY, INCLUDING SECURITY CLEARANCE, WERE MATTERS FOR THE BRITISH GOVERNMENT, MR WOODHOUSE ADDED.

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INDUSTRIAL SAFETY LEGISLATION COMPREHENSIVE

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THE ADMINISTRATION CONSIDERED THAT THE EXISTING INDUSTRIAL SAFETY LEGISLATION WAS ALREADY COMPREHENSIVE, THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, SAID TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY THE HON SIMON IP, MR LEUNG SAID AS AN ON GOING PROGRAMME, THE ADMINISTRATION REGULARLY REVIEWED THE PROVISIONS OF THE LAW AND, WHERE NECESSARY, PROPOSED AMENDMENTS OR INTRODUCED NEW LEGISLATION.

"IN THE LAST TWO YEARS, EIGHT PIECES OF SAFETY AND HEALTH AT WORK LEGISLATION WERE ENACTED," HE SAID.

NOTING THAT LEGISLATION ALONE WAS NOT ENOUGH, MR LEUNG SAID PUBLICITY, TRAINING AND RESEARCH IN OCCUPATIONAL SAFETY AND HEALTH MATTERS WERE EQUALLY IMPORTANT IN BRINGING ABOUT A HIGHER STANDARD OF WORK PLACE SAFETY.

"IN THIS CONNECTION, THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL (OSHC) HAS A STATUTORY DUTY UNDER THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL ORDINANCE TO ENHANCE THE STANDARDS OF SAFETY AND HEALTH AT WORK THROUGH PROMOTION, TRAINING AND RESEARCH."

MR LEUNG SAID THE ADMINISTRATION HAD NOT RECEIVED ANY ADVICE FROM THE OSHC THAT IT WAS NOT SATISFIED WITH EXISTING LEGISLATION ON SAFETY AND HEALTH AT WORK.

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EMPLOYERS ENCOURAGED TO PROVIDE
FAIR EMPLOYMENT OPPORTUNITIES

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THE ADMINISTRATION BELIEVES THAT PERSUASION AND ENCOURAGEMENT WOULD BE BETTER THAN INTERVENTION BY LEGISLATION IN PROMOTING FAIR EMPLOYMENT OPPORTUNITIES FOR ALL.

THIS WAS STATED TODAY (WEDNESDAY) BY THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, IN REPLY TO A QUESTION BY THE HON TAM YIU-CHUNG.

MR LEUNG SAID STAFF OF THE LOCAL EMPLOYMENT SERVICE OF THE LABOUR DEPARTMENT WOULD, AS A MATTER OF PRACTICE, ADVISE EMPLOYERS TO RELAX AGE REQUIREMENT IN THEIR RECRUITMENT.

"THIS MESSAGE IS CONVEYED TO EMPLOYERS WHENEVER PROMOTIONAL VISITS ARE MADE TO ESTABLISHMENTS OR WHEN EMPLOYERS REGISTER THEIR JOB VACANCIES WITH THE DEPARTMENT," HE SAID.

MR LEUNG SAID AS FOR RETRAINEES UNDER THE EMPLOYEES RETRAINING SCHEME, THE BEST PREPARATION FOR THEM WAS TO IMPROVE THEIR COMPETITIVE EDGE, SUCH AS THROUGH TRAINING IN SOCIAL, LANGUAGE AND PRACTICAL SKILLS.

"EMPLOYERS ARE CLOSELY INVOLVED IN DESIGNING AND MONITORING SUCH PROGRAMMES TO ENSURE THAT THE RETRAINEES POSSESS SKILLS THAT MEET MARKET NEEDS," HE SAID.

HE SAID THE RESPONSE FROM EMPLOYERS TO A RECENTLY INTRODUCED SPECIAL RETRAINING PROGRAMME FOR RETRAINEES AGED 50 OR OVER HAD BEEN MOST ENCOURAGING.

"FURTHER RETRAINING PROGRAMMES FOR THIS AGE GROUP WILL BE DESIGNED AND LAUNCHED IN THE NEAR FUTURE," HE ADDED.

TO ENCOURAGE EMPLOYERS PARTICIPATING IN THE ON-THE-JOB TRAINING SCHEME TO TAKE ON OLDER JOB APPLICANTS, MR LEUNG SAID THE EMPLOYEES RETRAINING BOARD HAD RECENTLY REVISED THE CRITERIA FOR REIMBURSING TRAINING EXPENSES SO THAT EMPLOYERS COULD CLAIM REIMBURSEMENT ONLY FOR EMPLOYING RETRAINEES AGED 40 OR ABOVE.

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PSYCHOLOGICAL COUNSELLING FOR CHILDREN INCREASING

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THE NUMBER OF SCHOOL CHILDREN RECEIVING PSYCHOLOGICAL COUNSELLING OR ASSESSMENT PROVIDED BY THE GOVERNMENT IN RECENT YEARS HAD INCREASED, THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON HUANG CHEN-YA, MR LEUNG GAVE THE FOLLOWING FIGURES FOR THE PAST FIVE YEARS:

/SCHOOL YEAR

SCHOOL YEAR	NO. OF CHILDREN
1988/89	5,574
1989/90	5,997
1990/91	7,119
1991/92	8,157
1992/93	8,634

HE POINTED OUT THAT PSYCHOLOGICAL COUNSELLING AND ASSESSMENT WERE PROVIDED BY SPECIAL EDUCATION TEAMS COMPRISING EDUCATIONAL PSYCHOLOGISTS, EDUCATIONAL COUNSELLORS AND PSYCHOLOGIST ASSISTANTS.

THE EDUCATION DEPARTMENT HAS A TOTAL ESTABLISHMENT OF 59 POSTS FOR THESE TEAMS, COMPRISING 31 EDUCATIONAL PSYCHOLOGISTS, 15 EDUCATIONAL COUNSELLORS AND 13 PSYCHOLOGIST ASSISTANTS.

HE SAID THE AVERAGE WAITING TIME FOR SERVICE TO NEW CASES WAS ABOUT SIX WEEKS.

"HOWEVER, IMMEDIATE ASSISTANCE IS PROVIDED IF THE CIRCUMSTANCES WARRANT EXCEPTIONAL TREATMENT," MR LEUNG ADDED.

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GRADUATE TEACHER POSTS FOR PRIMARY SCHOOLS

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A TOTAL OF 180 GRADUATE TEACHER POSTS IN PRIMARY SCHOOLS WILL BE PROVIDED IN SEPTEMBER AND THE NUMBER WILL BE INCREASED TO 860 POSTS BY SEPTEMBER 1997.

THIS WAS STATED BY THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG IN A WRITTEN REPLY TO A QUESTION BY THE HON CHEUNG MAN-KWONG IN THE LEGISLATIVE COUNCIL.

THE BREAKDOWNS ARE AS FOLLOWS:

	1994/95	1995/96	1996/97	1997/98	
GRADUATE CUMULATIVE	180	216	360	860	POSTS

MR LEUNG SAID A DEGREE IN PRIMARY EDUCATION OR EQUIVALENT FROM AN APPROVED UNIVERSITY WOULD NORMALLY BE THE REQUIRED QUALIFICATION OF GRADUATE TEACHERS IN PRIMARY SCHOOLS.

"A DEGREE IN A SPECIFIC SUBJECT RELEVANT TO THE PRIMARY SCHOOL CURRICULUM MAY ALSO BE CONSIDERED," HE SAID.

THE GRADUATE TEACHER POSTS, SAID MR LEUNG, WOULD BE DISTRIBUTED AMONG GOVERNMENT AND AIDED PRIMARY SCHOOLS ON THE BASIS OF SCHOOL SIZE AND MODE OF OPERATION.

"THESE POSTS WILL BE OFFSET BY THE DELETION OF AN EQUIVALENT NUMBER OF NON-GRADUATE POSTS AND THE ARRANGEMENTS WILL BE ANNOUNCED LATER," MR LEUNG SAID.

HE SAID ACCEPTABLE DEGREE QUALIFICATIONS ACQUIRED PRIOR TO THE CREATION OF PRIMARY GRADUATE POSTS WOULD BE RECOGNISED.

HE SAID THE QUESTION OF POST-DEGREE EXPERIENCE FOR INCREMENTAL CREDIT PURPOSES IN THOSE CASES WOULD BE EXAMINED IN CONSULTATION WITH CIVIL SERVICE BRANCH HAVING REGARD TO THE RELEVANCE OF SUCH EXPERIENCE TO THE ENHANCED RESPONSIBILITIES OF THE GRADUATE TEACHERS.

HE SAID THE STANDING COMMISSION ON CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE WOULD SHORTLY BE CONSULTED ON THE RANKING STRUCTURE AND SALARY SCALES OF A NEW GRADUATE GRADE IN PRIMARY SCHOOLS.

"DETAILS OF THE SALARY SCALES AND PROMOTION PROSPECTS FOR THE NEW GRADUATE TEACHING GRADE WILL BE ANNOUNCED IN THE NEAR FUTURE," HE SAID.

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GENERIC APPROACH IN SERVICE DELIVERY

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THE GOVERNMENT HAD ADOPTED A GENERIC APPROACH IN THE DELIVERY OF SOCIAL WELFARE SERVICES, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THIS MEANS ONE SINGLE CASEWORKER, BE HE/SHE A FAMILY SERVICE WORKER, A MEDICAL SOCIAL WORKER OR A PROBATION OFFICER, HANDLES AND CO-ORDINATES ASSISTANCE TO ALL THE WELFARE NEEDS OF THE CLIENT AND HIS/HER FAMILY INCLUDING HOUSING, FINANCIAL OR MATERIAL ASSISTANCE, COUNSELLING AND OTHER SUPPORT SERVICES.

THIS WAS STATED BY MRS WONG IN A WRITTEN REPLY TO A QUESTION BY THE HON ELSIE TU.

MRS WONG SAID THE MAJORITY OF THE SOCIAL WELFARE DEPARTMENT'S 30 FAMILY SERVICES CENTRES AND 32 SOCIAL SECURITY FIELD UNITS WERE LOCATED IN THE SAME BUILDING OR WITHIN CLOSE PROXIMITY.

"ONLY ONE QUARTER OF THEM ARE NOT LOCATED IN CLOSE PROXIMITY DUE TO A LACK OF SPACE OR SUITABLE PREMISES," SHE SAID.

"WHERE SUITABLE PREMISES ARE AVAILABLE, EFFORTS WILL BE MADE TO RELOCATE THEM WITHIN CLOSER DISTANCE," SHE ADDED.

ON APPLICATIONS FOR COMPASSIONATE REHOUSING FROM SOCIAL SECURITY RECIPIENTS AGED 60 OR OVER, MRS WONG SAID THEY WERE PROCESSED BY THE SOCIAL SECURITY FIELD UNITS AS THEY WERE MAINLY BASED ON OLD AGE AND FINANCIAL GROUNDS.

OTHER SOCIAL SECURITY RECIPIENTS WHO REQUIRE HOUSING ASSISTANCE ON SOCIAL GROUNDS WERE PROMPTLY REFERRED TO AN APPROPRIATE SERVICE UNIT OF THE DEPARTMENT FOR ACTION.

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POOR RECEPTION DUE TO PHYSICAL ENVIRONMENT

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ANY LOCALISED PROBLEMS OF RECEPTION CAUSED BY THE PHYSICAL ENVIRONMENT FALL OUTSIDE THE OBLIGATIONS OF THE TWO COMMERCIAL TELEVISION STATIONS.

THIS WAS STATED BY THE SECRETARY FOR RECREATION AND CULTURE, MR JAMES SO, IN A WRITTEN REPLY TO A QUESTION BY THE HON TAM YIU-CHUNG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR SO SAID UNDER EXISTING LAW AND IN ACCORDANCE WITH THEIR LICENSING CONDITIONS, THE TWO STATIONS HAD FULFILLED THEIR OBLIGATIONS BY PROVIDING THE TERRITORY-WIDE NETWORK.

"POOR RECEPTION IN THE AREA IN QUESTION IS THE RESULT OF RAPID HIGH-RISE BUILDING DEVELOPMENT OVER THE PAST SEVERAL DECADES CREATING ARTIFICIAL OBSTACLES TO THE UHF SIGNALS," MR SO EXPLAINED.

HE POINTED OUT THAT THE SOLUTION TO PROVIDING BETTER RECEPTION TO SUCH SHADOW AREAS WAS TO PROVIDE LOCALISED MICROWAVE OR CABLE RELAY SYSTEMS, BUT THE TWO COMMERCIAL TELEVISION STATIONS WERE NOT LICENSED TO PROVIDE THEM.

"THESE SYSTEMS ARE AND CAN BE PROVIDED BY PRIVATE OPERATORS, OFTEN AT EXTRA COST TO SUBSCRIBERS, OR BY GROUPS OF INDIVIDUALS ON THEIR OWN INITIATIVE," HE SAID.

THE TELECOMMUNICATIONS AUTHORITY WOULD HOLD DISCUSSIONS WITH SUCH OPERATORS TO FIND WAYS TO IMPROVE THE RECEPTION PROBLEM IN THE TSUEN WAN AREA, AND COULD OFFER ADVICE TO GROUPS OF INDIVIDUALS UPON REQUEST, MR SO SAID.

"IN THE LONGER TERM RECEPTION IN ALL SHADOW AREAS WILL BE IMPROVED BY EXTENSION OF WHARF CABLE'S SUBSCRIPTION TELEVISION NETWORK, THOUGH THIS WILL BENEFIT ONLY SUBSCRIBERS," HE ADDED.

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HOSPITAL FUND-RAISING CONCERT
FOSTERS CLOSER COMMUNITY LINK

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THE FUND-RAISING CONCERT BY THE PRINCE OF WALES HOSPITAL IS IN LINE WITH THE HOSPITAL AUTHORITY'S MISSION TO FOSTER A CLOSE PARTNERSHIP WITH THE LOCAL COMMUNITY, AND IS IN KEEPING WITH THE TRADITION ESTABLISHED BY MANY FORMER SUBVENTED HOSPITALS.

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON TANG SIU-TONG, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, SAID THE CONCERT WAS ORGANISED BY FRIENDS OF THE PRINCE OF WALES HOSPITAL AS THE CLIMAX OF ACTIVITIES TO CELEBRATE 10TH ANNIVERSARY OF THE HOSPITAL.

/SHE SAID

SHE SAID ALL PROPOSED FUND-RAISING ACTIVITIES WERE CONSIDERED BY THE HOSPITAL GOVERNING COMMITTEES COMPRISING MAINLY OF NON-OFFICIALS AND LOCAL REPRESENTATIVES.

"GUIDELINES HAVE BEEN PROMULGATED TO ENSURE THAT THE ACCEPTANCE OF ANY DONATIONS OR SPONSORSHIP WILL NOT ADVERSELY AFFECT THE REPUTATION OF INDIVIDUAL HOSPITALS OR THE HOSPITAL AUTHORITY," SHE SAID.

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29 ANNUAL REPORTS PUBLISHED IN 1993

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A TOTAL OF 29 DEPARTMENTS AND STATUTORY BODIES PUBLISHED ANNUAL REPORTS IN 1993, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION FROM THE HON MARTIN BARROW, MR SUEN POINTED OUT THAT 71,690 COPIES WERE PRINTED AT A TOTAL PRODUCTION COST OF \$1.02 MILLION.

HE EXPLAINED THAT OUT OF THE TOTAL NUMBER OF COPIES PRINTED, 48,590 WERE FOR THE ORIGINATING DEPARTMENTS' OWN USE WHILE 23,100 WERE FOR GENERAL DISTRIBUTION BY THE INFORMATION SERVICES DEPARTMENT.

THIS LEFT 4,859 COPIES VALUED AT \$63,155 UNDISTRIBUTED, HE SAID.

MR SUEN POINTED OUT THAT ANNUAL REPORTS FORMED A USEFUL TOOL FOR EXPLAINING THE DEPARTMENTS' AREAS OF RESPONSIBILITIES AND WORKING PROCEDURES.

THEY ALSO PROVIDED READY REFERENCE ON THE DEPARTMENTS STATISTICS, HE ADDED.

TURNING TO READERSHIP REQUIREMENTS, MR SUEN SAID THEY WERE ASSESSED AND REVIEWED REGULARLY ON THE BASIS OF THE EXTENT OF INTEREST IN THE REPORTS AS REFLECTED IN PAST DEMANDS AND TAKE-UP RATES; AS WELL AS THE NEED TO PROMOTE PUBLIC UNDERSTANDING OF THE WORK OF THE DEPARTMENTS.

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MOTION ON RELEASE OF XI YANG PASSED

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THE LEGISLATIVE COUNCIL PASSED A MOTION ON THE RELEASE OF MING PAO REPORTER, XI YANG FOLLOWING A TWO-HOUR DEBATE DURING ITS SITTING TODAY (WEDNESDAY).

AFTER COUNCIL MEMBERS HAD SPOKEN ON THE MOTION WHICH WAS PROPOSED BY DR THE HON YEUNG SUM, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, REPLIED FOR THE GOVERNMENT.

ANOTHER MOTION PROPOSED BY DR THE HON HUANG CHEN-YA ON CAPITAL GAINS TAX ON REAL PROPERTY WAS, AFTER A DEBATE BY MEMBERS AND A REPLY GIVEN BY THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, VETOED.

DURING THE SITTING THE CHINESE PERMANENT CEMETERIES (AMENDMENT) BILL 1994 WAS PASSED WITHOUT AMENDMENT AND THE CIVIL AVIATION BILL WAS ALSO PASSED WITH AMENDMENTS.

IN ADDITION, THREE BILLS WERE INTRODUCED FOR FIRST AND SECOND READINGS. DEBATES ON THEM WERE ADJOURNED. THESE BILLS WERE THE ADMINISTRATION OF JUSTICE (MISCELLANEOUS PROVISIONS) BILL, THE TRAVEL AGENTS (AMENDMENT) BILL 1994 AND THE ROAD TRAFFIC (AMENDMENT) BILL 1994.

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INTEGRITY CHECKING OF CIVIL SERVANTS FURTHER EXPLAINED

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THE INDEPENDENT COMMISSION AGAINST CORRUPTION (ICAC) IS BEING ASKED TO CARRY OUT INTEGRITY CHECKING OF CIVIL SERVANTS BECAUSE THE COMMISSION HAS FOR MANY YEARS BEEN INVOLVED IN SOME OF THE CHECKS UNDER THE EXISTING SYSTEM AND IT HAS THE RELEVANT EXPERTISE AND MACHINERY TO TAKE UP THE WORK.

"THE ICAC ALSO HAS A ROLE TO PLAY IN ENSURING A 'CLEAN' GOVERNMENT INTEGRITY CHECKING IS NO MORE THAN AN EXTENSION OF THEIR CORRUPTION PREVENTION FUNCTION," A GOVERNMENT SPOKESMAN SAID TODAY (WEDNESDAY) IN REPLY TO FOLLOW-UP QUESTIONS FROM THE MEDIA ON SECRETARY FOR THE CIVIL SERVICE'S REPLY TO A LEGCO QUESTION.

THE SPOKESMAN EXPLAINED THAT IF THE ICAC DID TAKE ON THE TASK OF INTEGRITY CHECKING, IT WOULD ACT ON THE REQUEST OF THE GOVERNMENT DEPARTMENTS AND GRADES AND CO-ORDINATE SOME RECORD CHECKS WITH THE POLICE FOR THE HIGHER LEVELS OF INTEGRITY CHECKING.

"IT WILL ALSO UNDERTAKE, AT THE REQUEST OF THE SECRETARY FOR THE CIVIL SERVICE, INTERVIEWS WITH THE SUBJECT, HIS REFEREES AND SUPERVISING OFFICERS FOR THE EXTENDED CHECKING OF TOP CIVIL SERVANTS.

"THE ICAC WILL REPORT ITS FINDINGS TO THE REQUESTING AUTHORITY," THE SPOKESMAN SAID.

ON THE QUESTION WHY IT IS CONSIDERED INAPPROPRIATE FOR THE OPERATIONS REVIEW COMMITTEE TO LOOK AT INDIVIDUAL FILES, THE SPOKESMAN SAID: "INTEGRITY CHECKING HAS TO BE CONDUCTED WITH THE FULL CO-OPERATION AND CONSENT OF THE CIVIL SERVANTS.

"DISCLOSING PRIVATE INFORMATION ON INDIVIDUAL CASES TO AN OUTSIDE BODY WOULD DISCOURAGE CIVIL SERVANTS FROM PROVIDING THE NECESSARY INFORMATION FOR CHECKING.

"THIS WOULD UNDERMINE THE EFFICIENCY AND EFFECTIVENESS OF THE SYSTEM," HE SAID.

FURTHERMORE, THE SPOKESMAN POINTED OUT THAT DECISIONS ON WHETHER AN INDIVIDUAL SHOULD BE APPOINTED OR PROMOTED IS AN INTERNAL CIVIL SERVICE MATTER WHICH SHOULD BE HANDLED BY THE ADMINISTRATION.

"AS IT HAPPENS THIS ALSO COINCIDES WITH THE DISBANDMENT OF THE SPECIAL BRANCH WHICH HAS BEEN CONDUCTING THE VETTING PROCESS."

THE SPOKESMAN SAID WHILE THE ADMINISTRATION BELIEVED THAT THE ICAC WAS THE MOST SUITABLE ORGANISATION TO DO THE JOB, IN VIEW THAT ICAC REVIEW COMMITTEE WOULD SHORTLY DELIBERATE ON WHETHER THE COMMISSION SHOULD TAKE ON THE TASK, THE ADMINISTRATION WOULD CONSIDER THE REVIEW COMMITTEE'S VIEWS VERY CAREFULLY BEFORE MAKING A DECISION.

GOODS VEHICLE BORDER CROSSING RESUMES

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CONTAINER AND GOODS VEHICLE DRIVERS HAVE RESUMED THEIR NORMAL BORDER CROSSING AT LOK MA CHAU - HUANGGANG CHECKPOINT FOLLOWING A VERY PRODUCTIVE MEETING TODAY (WEDNESDAY) WITH SHENZHEN OFFICIALS TO RESOLVE ISSUES CONCERNING NEW BORDER CROSSING PROCEDURES IMPLEMENTED BY THE CHINESE SIDE.

PRINCIPAL ASSISTANT SECRETARY FOR TRANSPORT, MR AUGUSTINE CHENG, WHO ATTENDED THE MEETING, SAID: "BOTH YESTERDAY'S AND TODAY'S MEETINGS WERE SET UP THROUGH THE BORDER LIAISON CHANNELS OF THE TWO SIDES.

"AT TODAY'S MEETING, APART FROM DRIVERS' REPRESENTATIVES, OFFICIALS FROM TRANSPORT DEPARTMENT, POLICE, IMMIGRATION AND CUSTOMS AND EXCISE DEPARTMENTS WERE ALSO PRESENT. THE SHENZHEN AUTHORITIES WERE REPRESENTED BY OFFICIALS FROM ALL BORDER UNITS."

MR CHENG SAID: "THE MEETING TOOK PLACE IN A CORDIAL AND POSITIVE ATMOSPHERE, WITH ALL PARTIES WERE DETERMINED TO RESOLVE THE PROBLEM."

THE SHENZHEN AUTHORITIES HAVE AGREED TO IMPLEMENT THE DRIVERS' SUGGESTIONS PUT FORWARD TO IMPROVE THE BORDER CROSSING PROCEDURES.

"IN FACT SOME OF THE RECOMMENDATIONS HAVE BEEN IMPLEMENTED BY THE SHENZHEN AUTHORITIES SINCE YESTERDAY," HE SAID.

APART FROM THE EXISTING BORDER LIAISON CHANNELS, THE SHENZHEN AUTHORITIES HAVE ALSO AGREED AT TODAY'S MEETING TO MEET DRIVERS ON A BI-MONTHLY BASIS TO EXCHANGE VIEWS ON MATTERS OF MUTUAL INTEREST.

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SIMPLE PRECAUTIONS HELP REDUCE INDUSTRIAL ACCIDENTS

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AN ANALYSIS OF THE MOST COMMON CAUSES OF INDUSTRIAL ACCIDENTS IN HONG KONG SHOWED THAT MOST OF THE ACCIDENTS COULD HAVE BEEN PREVENTED BY TAKING SIMPLE PRECAUTIONS OR SIMPLY BY FOLLOWING PROPER WORK PROCEDURE.

AN ASSISTANT COMMISSIONER FOR LABOUR, MR MAK SAI-YIU, MADE THE REMARKS TODAY (WEDNESDAY) AT A LUNCHEON MEETING WITH THE INSURANCE COMMITTEE OF THE AMERICAN CHAMBER OF COMMERCE.

ALTHOUGH THE LABOUR DEPARTMENT WAS RESPONSIBLE FOR ENACTING AND ENFORCING LAWS ON SAFETY AND HEALTH OF WORKERS IN INDUSTRIAL UNDERTAKINGS, MR MAK SAID EMPLOYERS AND EMPLOYEES HAD A MORE IMPORTANT PART TO PLAY IN REDUCING INDUSTRIAL ACCIDENTS.

"BETTER HOUSEKEEPING AND PLANNING IN THE WORKPLACE AND SIMPLE COMMON SENSE WILL ALSO DO MAGIC IN REDUCING ACCIDENTS.

"IN THE LONGER TERM, ANY INVESTMENT THEY PUT INTO INDUSTRIAL SAFETY WILL BRING ABOUT A LOWER ACCIDENT RATE AND INDIRECTLY BETTER PROFITS FOR COMPANIES AND HAPPIER LIVES FOR THE WORKERS AND THEIR FAMILIES," MR MAK SAID.

TALKING ABOUT THE WORK OF THE LABOUR DEPARTMENT, HE SAID ENFORCEMENT ACTION ALONE WAS NOT ENOUGH.

"APART FROM INSPECTIONS, WE ALSO GIVE ADVICE, OFFER TRAINING COURSES AND ORGANISE PROMOTIONAL ACTIVITIES TO ENHANCE INDUSTRIAL SAFETY.

"TO IMPROVE THE STANDARD OF WORKPLACE SAFETY, WE MUST PROMOTE AND DEVELOP A PROPER SAFETY CULTURE AMONG THE MANAGEMENT, THE WORKFORCE AND THE GENERAL PUBLIC.

"THEY MUST REALISE IT IS THEIR PRIMARY RESPONSIBILITY AND IT IS TO THEIR ADVANTAGE TO PREVENT ACCIDENTS AND TO MAKE SAFETY AND HEALTH AT WORK PART OF THEIR DAILY LIFE."

IN REGARD TO SAFETY LEGISLATION, MR MAK NOTED THAT THE LABOUR DEPARTMENT REGULARLY REVIEWED THE PROVISIONS OF LAW, AND WHERE NECESSARY, PROPOSED AMENDMENTS OR INTRODUCED NEW LEGISLATION.

"IN THE PAST TWO YEARS, WE HAVE SECURED THE PASSAGE OF EIGHT LEGISLATIVE ENACTMENTS ON SAFETY AND HEALTH.

"WE HAVE PROPOSED THAT CONTRACTORS AND SHIPYARDS EMPLOYING MORE THAN 100 WORKERS SHOULD BE REQUIRED TO EMPLOY A FULL-TIME SAFETY OFFICER," MR MAK SAID.

HE SAID THE DEPARTMENT WAS PREPARING A NEW REGULATION TO TIGHTEN CONTROL ON THE OPERATION OF SUSPENDED WORKING PLATFORMS AND WAS ALSO CONSIDERING THE SETTING UP OF MANDATORY SAFETY COMMITTEES IN ESTABLISHMENTS EMPLOYING FULL-TIME SAFETY OFFICERS.

WORK IS ALSO IN HAND TO PREPARE A PIECE OF NEW LEGISLATION TO CONTROL THE USE OF BUILDERS' LIFTS ON CONSTRUCTION SITES.

NOTING THAT INDUSTRIAL SAFETY HAD BEEN CHOSEN AS ONE OF THE MAJOR GOVERNMENT PUBLICITY CAMPAIGNS IN 1994/95, MR MAK SAID IT WAS CLEAR THAT THE GOVERNMENT WAS COMMITTED TO DOING EVERYTHING IT COULD TO BRING DOWN THE NUMBER OF INDUSTRIAL ACCIDENTS.

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TUEN MUN LOT TO LET
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THE LANDS DEPARTMENT IS INVITING TENDERS FOR A SHORT-TERM TENANCY OF A 3,800-SQUARE-METRE GOVERNMENT LOT IN TUEN MUN.

AT WU HONG STREET, AREA 44, THE LOT IS TO BE USED AS A FEE-PAYING PUBLIC CAR PARK FOR PRIVATE CARS AND GOODS VEHICLES, EXCLUDING CONTAINER TRACTORS AND TRAILERS.

/THE TENANCY

THE TENANCY IS FOR TWO YEARS, AND IS RENEWABLE QUARTERLY THEREAFTER.

THE CLOSING DATE FOR SENDING IN TENDERS IS NOON, MAY 27.

TENDER FORMS, TENDER NOTICES AND CONDITIONS MAY BE OBTAINED FROM THE DISTRICT LANDS OFFICE, TUEN MUN; THE LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, AND THE DISTRICT LANDS OFFICE KOWLOON, 10TH FLOOR, YAU MA TEI CAR PARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

TENDER PLANS CAN ALSO BE INSPECTED AT THE OFFICES.

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HONG KONG MONETARY AUTHORITY
MONEY MARKET OPERATIONS

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	\$ MILLION	TIME (HOURS)	CUMULATIVE CHANGE (\$ MILLION)
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OPENING BALANCE IN THE ACCOUNT	1,324	0930	+1,237
CLOSING BALANCE IN THE ACCOUNT	1,740	1000	+1,227
CHANGE ATTRIBUTABLE TO :		1100	+1,414
MONEY MARKET ACTIVITY	+1,416	1200	+1,416
LAF TODAY	-1,000	1500	+1,416
		1600	+1,416

LAF RATE 2.00 BID/4.00 OFFER TWI 125.1 *+0.4* 11.5.94

HONG KONG MONETARY AUTHORITY

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.83	19 MONTHS	2511	4.15	97.36	6.07
1 MONTH	3.97	22 MONTHS	2602	4.40	96.95	6.34
3 MONTHS	4.47	30 MONTHS	3610	4.20	94.33	6.85
6 MONTHS	5.03	33 MONTHS	3701	4.60	94.37	7.03
12 MONTHS	5.51	36 MONTHS	3704	6.15	97.65	7.17

TOTAL TURNOVER OF BILLS AND BONDS - 50,949 MN

CLOSED 11 MAY 1994

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