



## DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES  
BEACONSFIELD HOUSE, HONG KONG. TEL: 5-233191

WEDNESDAY, MARCH 23, 1983

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CALL FOR INCREASE OF HOME OWNERSHIP  
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THE GOVERNMENT SHOULD GIVE SERIOUS THOUGHT TO INCREASING HOME OWNERSHIP BY ENCOURAGING THOSE IN PUBLIC HOUSING ESTATES TO BUY THE UNITS THEY ARE NOW LIVING IN, DR THE HON HARRY FANG SAID.

HE TOLD THE LEGISLATIVE COUNCIL DURING THE FIRST DAY OF THE RESUMED BUDGET DEBATE THAT ALTHOUGH HOME OWNERSHIP MADE SOUND SOCIAL POLICY, IT WAS CLEAR THAT ONLY LIMITED INROADS COULD BE MADE IF PRESENT STRATEGY WAS CONTINUED.

HE SAID ONLY 6 400 UNITS OUT OF A TOTAL ESTIMATED STOCK OF 36 600 UNITS IN THE 1983-84 HOUSING PROGRAMMES WOULD BE FOR SALE.

+GREATER IMPACT COULD BE ACHIEVED AND MUCH NEEDED REVENUE RAISED IF WE WERE TO IMPOSE A MEANS-TEST ON THOSE WHO HAVE RESIDED IN PUBLIC HOUSING ESTATES FOR TEN YEARS OR OVER, AND GIVE THEM AN OPTION TO BUY THEIR LIVING UNITS IF THEY ARE FOUND TO BE NOT ELIGIBLE TO RETAIN THEM ON A RENTAL BASIS,+ HE SAID.

+AS A START, THE CHOICE OF UNITS FOR SALE MIGHT BE LIMITED TO THOSE ESTATES THAT HAVE ALREADY ACHIEVED MAXIMUM DEVELOPMENT.

+IF THE TERMS OF PURCHASE CAN BE MADE REASONABLY ATTRACTIVE, AND WITH THE ASSISTANCE OF 20-YEAR BANK MORTGAGES, I BELIEVE THAT THE CAPITAL OUTLAY AND MONTHLY INSTALMENT PAYMENTS WOULD BE WITHIN THE REACH OF A SIZEABLE NUMBER OF SITTING TENANTS,+ HE SAID.

DR FANG NOTED THAT SOME LONG-TERM RESIDENTS IN PUBLIC HOUSING ESTATES EARNED INCOMES WELL IN EXCESS OF THE ELIGIBILITY LIMIT FOR THEIR HIGHLY SUBSIDISED RENTAL ACCOMMODATION.

BY BUYING, SUCH FAMILIES COULD ESCAPE THE MEANS-TEST AND FREE THEMSELVES FROM THE EXISTING RESTRICTIVE TENANCY REGULATIONS, HE SAID.

+I ESTIMATE THAT THIS FORM OF HOME OWNERSHIP WILL BRING IN SOME \$3.5 BILLION EVEN ON A CONSERVATIVE RECKONING,+ HE SAID.

+THIS IS CALCULATED ON THE BASIS THAT AT LEAST SEVEN PER CENT OF THE EXISTING HOUSEHOLDS IN PUBLIC HOUSING, OR 35 000 UNITS OUT OF A TOTAL STOCK OF HALF A MILLION, WILL HAVE THE CAPACITY TO BUY AT AN AVERAGE COST OF \$100 000 PER UNIT.

+I DO NOT UNDERESTIMATE THE ADMINISTRATIVE COMPLEXITIES OF MOUNTING SUCH A SCHEME BUT I BELIEVE THAT IF THERE IS THE WILL, A WAY WILL BE FOUND.+

EARLIER, DR FANG SOUGHT AN ASSURANCE FROM THE GOVERNMENT THAT LONG-TERM PLANNING IN THE SOCIAL SERVICES FIELD WOULD CONTINUE.

HE URGED THAT PROJECTS IN THE MEDICAL, REHABILITATION AND SOCIAL WELFARE FIELD SHOULD PROCEED AS PLANNED +FOR THESE NOT ONLY AFFECT THE WELL BEING OF LARGE SECTORS OF THE COMMUNITY BUT ARE THE STUFF THAT DEMONSTRATES A CARING AND COMPASSIONATE GOVERNMENT+.

+I DO NOT ADVOCATE RECKLESS SPENDING BUT I DO ASK THAT IN THE ALLOCATION OF FUNDS, WE GET OUR PRIORITIES RIGHT, OR AS NEARLY RIGHT AS POSSIBLE, AND THAT WE AVOID A 'STOP-GO' APPROACH IN PLANNING FOR PURPOSE BUILT FACILITIES.+

DR FANG ALSO TOUCHED ON THE PROPOSED SEPARATE TAXATION FOR MARRIED WOMEN.

WHILE WELCOMING THE MOVE TO GRANT MARRIED WOMEN THEIR OWN LEGAL IDENTITY, HE DOUBTED WHETHER THEY WOULD OPT VOLUNTARILY FOR JOINT TAX RETURNS AND ACCEPT A LIABILITY TO PAY TAX WHERE THERE WAS NO SUCH LIABILITY AT PRESENT.

+NOTWITHSTANDING THE FINANCIAL SECRETARY'S STATEMENT THAT HE CANNOT SEE SEPARATE TAXATION AS RIGHT FOR THIS COMMUNITY, IT SEEMS TO ME THAT HAVING CONCEDED THE SOCIAL PRINCIPLE, THIS MUST COME SOONER OR LATER.

+PERHAPS THE FINANCIAL SECRETARY WOULD BE PREPARED TO TAKE ANOTHER LOOK AT THIS POSSIBILITY WHEN THE ECONOMY IMPROVES.+

ON THE TRAINING OF CIVIL SERVANTS, DR FANG SAID A NATURAL DEVELOPMENT TOWARDS MEETING THIS END WOULD BE THE ESTABLISHMENT OF A +COMMAND AND MANAGEMENT COURSE+ LOCALLY, AS REVEALED BY THE CHIEF SECRETARY DURING THE LAST BUDGET DEBATE.

HOWEVER, HE THOUGHT THAT HONG KONG SHOULD ESTABLISH AN ASIAN MANAGEMENT DEVELOPMENT CENTRE, AIMED AT FULFILLING THE SAME FUNCTIONS OF THE HENLEY MANAGEMENT COLLEGE IN EUROPE AND HARVARD BUSINESS SCHOOL IN AMERICA.

DOMESTICALLY, HE EXPLAINED, THE MANAGEMENT DEVELOPMENT CENTRE SHOULD BE ABLE TO CATER FOR THE TRAINING NEEDS OF THE CIVIL SERVICE AS WELL AS TO PROVIDE MANAGEMENT TRAINING TO THE PRIVATE SECTOR.

EXTERNALLY, AN INTERNATIONALLY RECOGNISED TRAINING INSTITUTION WOULD ENHANCE HONG KONG'S STATUS AS AN EDUCATIONAL CENTRE, BALANCING NICELY WITH OUR OTHER IMAGE PROJECTED BY OUR COMMERCIAL AND FINANCIAL SUCCESS, HE SAID.

+WITH OUR COSMOPOLITAN OUTLOOK AND ADVANCE SUPPORT FACILITIES, WE SHOULD BE ABLE TO ATTRACT TRAINEES FROM MANY COUNTRIES IN THE REGION, INCLUDING CHINA WHICH SHOULD REQUIRE A LARGE CADRE OF TRAINED MANAGERS FOR THE MODERNISATION PROGRAMMES.

+THE BENEFITS TO OUR ECONOMY FROM THIS CONSTANT FLOW OF TRAINEES FROM OTHER COUNTRIES ARE OBVIOUS.

+THEY ARE WHAT WE NORMALLY CALL 'INVISIBLE' GAINS,+ HE SAID.

+SWINGEING TAX+ ON BRANDY BACKED  
\* \* \* \*

THE PUBLIC WAS URGED TO FIND SOME SUBSTITUTE FOR BRANDY-DRINKING, AND THE SOONER THE BETTER.

THE SUGGESTION CAME FROM DR THE HON FRANCIS TIEN WHEN HE SPOKE IN SUPPORT OF THE +SWINGEING+ TAX ON BRANDY DURING THE RESUMED BUDGET DEBATE TODAY.

DR TIEN NOTED THAT HONG KONG HAD THE WORLD'S HIGHEST PER CAPITA CONSUMPTION, WITH ONE-THIRD OF THE GROWN-UPS CONSUMING BRANDY IN ANY GIVEN MONTH.

IN VIEW OF HONG KONG'S LESS-THAN-PERFECT RELATIONS WITH THE FRENCH, HE SAID, IT WOULD +DO NO HARM IF THE HONG KONG PUBLIC RESTRICT ITS CONSUMPTION TO BRANDY AS USEFUL OR USELESS TO MANKIND AS FRENCH EXOCET MISSILES FOR WHATEVER REASON AND WHATEVER PRETEXT+.

BRANDY IN FRENCH IS TRANSLATED AS WATER OF LIFE, BUT DR TIEN SAID, HE DID NOT SEE MUCH LIFE IN FRENCH BRANDY PRODUCTION FOR HONG KONG PEOPLE.

THE FRENCH BRANDY INDUSTRY, HE POINTED OUT, REQUIRED A CONSTANT REMINDER OF ITS DISCRIMINATORY POLICIES VIS-A-VIS THE HONG KONG PRODUCERS.

+THE FRENCH INVENTED THE GUILLOTINE BUT THEY USE IT AGAINST US, DROWNING US IN A SEA OF LETHAL BRANDY BUT SEVERELY LIMITING THEIR IMPORTS OF OUR TIME-PIECES AND GARMENTS IN RETURN.

+LET US HOPE THAT THE FINANCIAL SECRETARY HAS SUCCEEDED IN REDUCING OUR DISADVANTAGE BUT IT WILL NOT BE EASY.+

STRESSING THAT FRENCH DID NOT CAUSE PROBLEMS TO US ALONE WITH THEIR +PERNICIOUS+ DRINK, DR TIEN RECALLED AN INCIDENT INVOLVING A BRITISH HIGH OFFICIAL WHO CAME TO HONG KONG 16 YEARS AGO TO NEGOTIATE RESTRICTIONS ON TEXTILE IMPORTS.

THE OFFICIAL CONSUMED A FAIR AMOUNT OF BRANDY SO MUCH SO THAT SHORTLY AFTER ARRIVAL AT THE DEPARTURE LOUNGE AT THE AIRPORT HE INADVERTENTLY LOCKED HIMSELF IN THE TOILET.

HE WAS LATER RESCUED FROM HIS PREDICAMENT BUT HONG KONG HAD A BAD TEXTILE AGREEMENT WITH THE UK THAT YEAR.

+MAY BE BRANDY WAS TO BLAME,+ DR TIEN SAID.

IN HIS OPINION, DR TIEN SAID, NEITHER THE BRITISH WHO INVENTED THE SHIRT AND THE FRENCH WHO INVENTED THE RUFFLE WERE KEEN ON HONG KONG'S SHIRTS OR ITS RUFFLES.

+LET THEM REMEMBER THAT WE TOO WISH TO HAVE A PLACE UNDER THE SUN AND TO A RIGHT TO FAIR TRADE AND DIGNITY.

+I TRUST THE NEW SECRETARY FOR TRADE AND INDUSTRY AND THE NEW HEAD OF THE TRADE DEVELOPMENT COUNCIL WILL BOTH LEND THEIR FULL SUPPORT TO THE WORTHY CAUSE OF FAIR TRADE AND FAIR PLAY,+ HE SAID.

DIAGNOSTIC CENTRE ON DELINQUENCY PROPOSED

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AN UNOFFICIAL MEMBER OF THE LEGISLATIVE COUNCIL CALLED TODAY FOR A CENTRALISED DIAGNOSTIC CENTRE TO CLASSIFY THE TRUE DELINQUENT ELEMENTS FROM THE YOUNG PEOPLE IN NEED OF CARE AND PROTECTION.

THE CENTRE SHOULD INCLUDE THE EXPERTISE OF THE EDUCATIONAL PSYCHOLOGISTS IN THE EDUCATION DEPARTMENT AND THE CLINICAL PSYCHOLOGISTS IN THE SOCIAL WELFARE AND THE CORRECTIONAL SERVICES DEPARTMENTS, SAID THE REV. THE HON. JOYCE BENNETT.

MISS BENNETT WAS COMMENTING ON THE IMPORTANCE OF +USING THE EXISTING RESOURCES WISELY AND BEING SENSITIVE TO THE WASTAGE THAT OCCURS WHEN TWO INSTITUTIONS OR DEPARTMENTS OVERLAP IN THEIR SERVICES+.

MISS BENNETT SAID BOTH THE CORRECTIONAL SERVICES AND THE SOCIAL WELFARE DEPARTMENTS RUN INSTITUTIONS FOR OFFENDERS UNDER THE AGE OF 18.

HOWEVER, SHE FELT THAT THERE WAS NEED FOR FAR CLOSER CO-OPERATION BETWEEN THESE TWO DEPARTMENTS AND THE EDUCATION DEPARTMENT TO ENSURE THE PROPER USE OF MANPOWER AND THE OPTIMUM USE OF EXISTING RESOURCES IN THE REHABILITATION OF JUVENILE OFFENDERS.

EACH OF THESE DEPARTMENTS HAD THEIR OWN SPECIALIST STAFF WHICH INCLUDED PSYCHOLOGISTS WHO HAD SPECIAL AIMS IN ASSESSING THE YOUNG PEOPLE REFERRED TO THEM, SHE SAID.

BUT THE DEVELOPMENT OF THEIR WORK IN BOTH THE EDUCATION DEPARTMENT AND THE SOCIAL WELFARE DEPARTMENT WAS STILL IN FAIRLY EARLY STAGES.

FOR EXAMPLE, SHE SAID, VERY LITTLE WAS BEING DONE TO ASSESS THE REASONS FOR CHILDREN BEING SLOW IN LEARNING AND BACKWARD AT THEIR LESSONS.

+TOO OFTEN THOSE CHILDREN CONSIDERED TO BE SLOW LEARNERS DEVELOP CRIMINAL TENDENCIES AND GET BROUGHT BEFORE THE JUVENILE COURTS,+ SHE SAID.

+IN FACT THEIR INTELLIGENCE IS NOT BELOW AVERAGE AND THEY FAIL TO DEVOTE THEIR ENERGY TO THEIR SCHOOL WORK AND INSTEAD GET INTO MISCHIEF, SOMETIMES OF A VERY SERIOUS NATURE.

+WE SEEM INDEED TO BE BREEDING CRIMINALS BY FAILING TO ASSESS ADEQUATELY THESE YOUNGSTERS AND THOSE ALREADY IN THE CORRECTIONAL INSTITUTIONS OF THE SOCIAL WELFARE DEPARTMENT.+

IN CALLING FOR A BETTER ASSESSMENT SYSTEM, MISS BENNETT SUGGESTED THAT THE PSYCHOLOGISTS IN THESE THREE DEPARTMENTS SHOULD LIAISE TOGETHER SO AS TO ASSESS THOSE YOUNGSTERS REFERRED BY THE COURTS, THE SCHOOLS AND WELFARE AGENCIES.

+ONCE ASSESSED EFFECTIVELY THE YOUNG PEOPLE SHOULD BE FITTED INTO THE CORRECT SPECIAL PROGRAMMES WHICH WILL BRING ABOUT THEIR DEVELOPMENT TO FULL MATURITY AND REHABILITATION.+

MISS BENNETT POINTED OUT THAT THE DIAGNOSTIC CENTRE, IF ESTABLISHED, WOULD MAKE FURTHER FINANCIAL SAVING BY COORDINATING THE COMPILING OF REPORTS ON SUITABILITY FOR THE DIFFERENT FORMS OF TRAINING AND TREATMENT.

+IT COULD WELL BE USEFUL TO CALL UPON THE VOLUNTARY SECTOR TO PROVIDE SOME UNOFFICIAL INPUT, PERHAPS AT THE CHAIRMAN LEVEL, FOR THE DIAGNOSTIC CENTRE,+ SHE ADDED.

+THEN SCHOOLS RUNNING CLASSES FOR SLOW LEARNERS AND MALADJUSTED CHILDREN COULD BE ASSURED THAT THE BEST PSYCHOLOGICAL SERVICES WERE AVAILABLE TO THEM IN THE ASSESSING OF THEIR CHILDREN.+

MISS BENNETT ALSO CRITICISED THE GOVERNMENT FOR NOT TACKLING SERIOUSLY THE EDUCATION OF CHILDREN ON PROBATION AND UNDER CARE AND PROTECTION ORDERS WHO WERE CONFINED IN CORRECTIONAL INSTITUTIONS RUN BY THE SOCIAL WELFARE DEPARTMENT.

FOLLOWING THE JARMAN REPORT, SHE NOTED, UNOFFICIAL MEMBERS OF THE LEGISLATIVE COUNCIL WERE TOLD THAT AN EDUCATION ADVISER FROM THE EDUCATION DEPARTMENT WOULD BE SECONDED TO THE SOCIAL WELFARE DEPARTMENT TO ADVISE ON THE SCHOOLING OF THE INMATES IN THEIR INSTITUTIONS.

HOWEVER, SHE WAS DISTRESSED TO FIND THAT THE ADVISER WAS ONLY ADVISING ON ADMINISTRATIVE MATTERS AND WAS IN FACT NOT AN EXPERT IN SPECIAL EDUCATION.

SHE WONDERED WHY THE CLASSES IN THESE SOCIAL WELFARE DEPARTMENT-RUN HOMES WERE NOT INSPECTED BY THE INSPECTORS FROM THE SPECIAL EDUCATION SECTION OF THE EDUCATION DEPARTMENT WHO HAD A CERTAIN EXPERTISE TO DEAL WITH THE NEEDS OF SOCIALLY DEPRIVED AND EMOTIONALLY DISTURBED CHILDREN.

ON THE SUBJECT OF UNIVERSITY EDUCATION, MISS BENNETT URGED THE GOVERNMENT TO REDUCE THE EXAMINATION PRESSURE FOR STUDENTS BY ABOLISHING THE HIGHER LEVEL EXAMINATION AND BY CUTTING DOWN THE CHINESE UNIVERSITY COURSE BY ONE YEAR SO AS +TO HAVE A COMMON UNIVERSITY ENTRANCE POLICY+.

SHE POINTED OUT THAT IN THE 1950'S, ANGLO-CHINESE SECONDARY SCHOOLS HAD RELUCTANTLY AND VERY RAPIDLY TO ADD A SEVENTH YEAR TO THEIR SCHOOL COURSE AND TO DEVELOP TWO-YEAR ADVANCED LEVEL PREPARATORY COURSES OF THE HONG KONG UNIVERSITY ENTRANCE.

THE 1980'S SHOULD SEE A SIMILAR REVISION OF THE ENTRANCE TO AND LENGTH OF THE CHINESE UNIVERSITY COURSE, SHE SAID, ADDING THAT BOTH UNIVERSITIES SHOULD HAVE IN THE MAJORITY OF SUBJECTS A THREE-YEAR BACHELOR'S DEGREE COURSE.

+AN ADDED ADVANTAGE IS THAT MORE STUDENTS CAN HAVE A MEANINGFUL TWO YEARS' SIXTH FORM COURSE, INSTEAD OF TRYING TO CRAM A YEAR'S EXAMINATION COURSE INTO THE FEW MONTHS FROM SEPTEMBER TO APRIL.

+SO MANY OVER THE YEARS HAVE NOT VALUED THAT COURSE, OPTING TO START THE TWO YEARS COURSE AND TAKE AND PASS THE HIGHER LEVEL EXAMINATION ON THE SIDE.

+IN THIS WAY THEY HAVE DEPRIVED A STUDENT OF A TWO YEARS' PLACE AND SHOWN THEIR SCORN OF AN EXAMINATION THAT CAN BE PASSED SATISFACTORILY WITHOUT ANY SPECIFIC COURSE OF STUDY BEING PURSUED.+

TURNING TO THE CONDITIONS OF SCHOOLS WITH +BOUGHT PLACES+, MISS BENNETT SAID THAT THE EDUCATION DEPARTMENT HAD THREE GRADES OF INDEPENDENT PRIVATE SCHOOLS IN WHICH IT BOUGHT PLACES TO ENABLE CHILDREN TO RECEIVE THEIR THREE YEARS FREE JUNIOR SECONDARY EDUCATION.

+UNFORTUNATELY WE ARE STILL HAVING TO BUY PLACES IN MANY OF THESE SCHOOLS WHICH ARE SUB-STANDARD IN QUALITY,+ SHE DEPLORED.

+THE MAJORITY OF THESE WORSE SCHOOLS ARE IN KOWLOON AND THE NEW TERRITORIES.

+THEY DO NOT HAVE PROPER SCHOOL BUILDINGS= THEY HAVE LITTLE OR NO PLAY AREAS AND THEY DO NOT HAVE MANY TRAINED TEACHERS.+

SHE SAID SHE REALISED THAT THE LACK OF SCHOOL BUILDINGS WOULD EXIST FOR A FEW MORE YEARS, AND PLEADED THAT EVERY CONSIDERATION BE GIVEN TO OVERCOME THIS PROBLEM AS SOON AS POSSIBLE.

WHILE ON THE SUBJECT OF EDUCATION, MISS BENNETT REVEALED, AS A MATTER OF RECORD, THAT THE EXTRA TEACHERS GRANTED TO SECONDARY SCHOOLS FOR REMEDIAL TEACHING IN ENGLISH AND CHINESE WERE ALREADY PROVING BENEFICIAL.

SHE EXPRESSED CONFIDENCE THAT THE EXTRA GRADUATE TEACHER TO BE GRANTED IN SEPTEMBER THIS YEAR AND THE TWO NON-GRADUATE TEACHERS TO BE PROVIDED IN 1984 WOULD CONSIDERABLY RAISE THE STANDARD OF EDUCATION.

SHE ALSO CALLED FOR THE EARLY PUBLICATION OF THE REPORT ON THE OVERALL REVIEW OF THE EDUCATION SYSTEM IN HONG KONG.

+THE SLOWNESS OF ITS PUBLICATION WOULD AROUSE SUSPICIONS THAT THE GOVERNMENT INTENDS TO PIGEON-HOLE IT AWAY AND NOT MAKE PUBLIC ITS RECOMMENDATIONS.+

ANOTHER AREA OF CONCERN WAS THE +INSUFFICIENT BACK-UP+ VOLUNTARY AGENCIES RECEIVED FROM GOVERNMENT DEPARTMENTS.

THE UNOFFICIALS, WHEN EXAMINING THE ESTIMATES, WERE PARTICULARLY STRUCK BY THE LARGE AMOUNT OF APPROVED COMMITMENTS FOR NEW PROJECTS IN THE CAPITAL ACCOUNT FOR SPECIAL EDUCATION SUBVENTIONS.

OVER \$140 MILLION APPROVED FOR SOME WORTHWHILE PROJECTS HAD, FOR ONE REASON OR ANOTHER, BEEN DELAYED, SHE SAID.

SHE NOTED THAT SCHOOLS, SUCH AS THE HONG KONG SCHOOL FOR THE DEAF, WHERE SQUATTERS HAD ENCROACHED ON THEIR PRIVATE LAND, WERE NOT GIVEN SUFFICIENT BACKUP BY THE GOVERNMENT.

/+CONSEQUENTLY .....

+CONSEQUENTLY SCHOOL BUILDINGS CAN BE DELAYED AND CHILDREN DEPRIVED OF THEIR RIGHTFUL EDUCATION.

+UNFORTUNATELY IT SEEMS THAT THE GOVERNMENT HAS NOT PAID SUFFICIENT HEED TO THOSE IN THE SPECIAL EDUCATION SECTION OF THE EDUCATION DEPARTMENT WHO WOULD LIKE TO SEE THESE CAPITAL PROJECTS BROUGHT RAPIDLY TO CONCLUSION.

+THERE ARE SIMILAR DELAYS IN OTHER PROJECTS IN THE FIELD OF MEDICAL AND HEALTH,+ SHE SAID.

AT THE END OF THESE DELAYS, MISS BENNETT CAUTIONED, IT WAS THE PUBLIC PURSE THAT SUFFERED +AS IT HAS TO MEET THE HIGHER COSTS CAUSED BY THE DELAYS+.

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VITAL ROLE OF HEALTHY MANUFACTURING INDUSTRY STRESSED  
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A SOUND AND HEALTHY INDUSTRY WAS THE ONLY THING THAT WOULD GUARANTEE HONG KONG'S ECONOMIC SURVIVAL AND INDEED ITS STABILITY AND PROSPERITY, THE HON S.L. CHEN SAID TODAY AT THE LEGISLATIVE COUNCIL.

HE SAID HONG KONG'S MAIN EXPORT MARKETS WERE EXPECTING A MILD BUT GROWING RECOVERY THIS YEAR AND, IF THIS MATERIALISED, HONG KONG SHOULD SEE A GROWTH IN ITS EXPORTS AGAIN.

HOWEVER, HE WARNED, THAT UNLESS HONG KONG'S PRODUCTS WERE COMPETITIVE AND MAINTAINED THEIR COMPETITIVENESS, HONG KONG WOULD NOT BE ABLE TO BENEFIT FROM AN UPTURN OF THE WORLD'S ECONOMY.

+IT IS THEREFORE VITALLY IMPORTANT THAT OUR INDUSTRIALISTS MUST BE ENCOURAGED TO CONTINUE WITH CONFIDENCE THEIR INVESTMENTS IN UPDATING THEIR PLANT AND EQUIPMENT AND IN IMPROVING THEIR PRODUCTION PROCESSES, WHILST AT THE SAME TIME THE GOVERNMENT MUST BE SEEN DOING ALL IT CAN WITHIN ESTABLISHED POLICY GUIDELINES TO ASSIST MAINTAINING INDUSTRY'S COMPETITIVE POSITION,+ HE SAID.

TO THIS END, MR CHEN NOTED THAT A NOTIONAL SUM OF \$125 MILLION HAD BEEN SET ASIDE IN THE 1983-84 BUDGET FOR VOCATIONAL EDUCATION AND TRAINING. IN ADDITION THERE WAS ALSO \$1 300 MILLION EARMARKED FOR THE TWO UNIVERSITIES, THE BAPTIST COLLEGE, THE POLYTECHNIC AND THE ESTABLISHMENT OF A SECOND POLYTECHNIC. VAST SUMS OF MONEY WOULD ALSO BE SPENT ON OTHER INDUSTRIAL SUPPORT INFRASTRUCTURE SUCH AS DEVELOPMENT OF ROAD, RAIL AND PORT FACILITIES, SPONSORSHIPS OF INDUSTRIAL RESEARCH PROJECTS, INDUSTRIAL INVESTMENT PROMOTION AND TRADE DEVELOPMENT ACTIVITIES.

+ALL OF THESE MUST BE VIEWED AS EVIDENCE OF GOVERNMENT'S DETERMINATION TO MAINTAIN HONG KONG'S POSITION IN THE INTERNATIONAL MARKET.

/+MOREOVER, .....

+MOREOVER, THE RECENT OFFER FROM BANKS FOR SPECIAL LOAN AND CREDIT FACILITIES TO SMALL MANUFACTURERS, WHICH CONSTITUTE THE BACKBONE OF HONG KONG'S INDUSTRY, IS ALSO A TANGIBLE EXPRESSION OF CONFIDENCE IN THE FUTURE OF HONG KONG'S INDUSTRY,+ HE ADDED.

REFERRING TO THE SIZE OF THE CIVIL SERVICE, MR CHEN CALLED FOR AN INCREASE IN ITS EFFICIENCY AND PRODUCTIVITY INSTEAD OF FURTHER GROWTH IN ESTABLISHMENT.

HE CITED STATISTICS TO SHOW THAT PERSONAL EMOLUMENTS FOR 1983-84, AT \$8 200 MILLION, ACCOUNTED FOR ABOUT 37 PER CENT OF TOTAL RECURRENT EXPENDITURE, COMPARED WITH THE AVERAGE OF 38 PER CENT OVER THE PAST FIVE YEARS.

+BUT IT DOES NOT NECESSARILY MEAN THAT BECAUSE OF A LARGE GROWING BASE FIGURE, WE ARE ACHIEVING THE DESIRED ECONOMY IN THE UTILISATION OF MANPOWER RESOURCES, FOR DURING THE PAST FIVE YEARS THERE MIGHT HAVE BEEN EXTRAVAGANCE.

+THE IMPORTANCE OF IMPROVED PRODUCTIVITY IS VERY OBVIOUS FROM THE FACT THAT A ONE PER CENT SAVING IN MANPOWER RESOURCES BUDGETED FOR 1983-84 WOULD MEAN A SAVING OF \$82 MILLION FOR THE COMING YEAR.+

ALTHOUGH HE WAS PLEASED TO NOTE THAT THE GOVERNMENT WAS TRYING TO KEEP THE CIVIL SERVICE GROWTH TO BELOW FIVE PER CENT, HE WONDERED WHETHER THIS WAS ENOUGH.

ON THE SUBJECT OF CONTROL AND UTILISATION OF FINANCIAL RESOURCES, MR CHEN EXPRESSED MISGIVINGS THAT IN THE PAST VAST SUMS OF MONEY FROM THE PUBLIC PURSE HAD BEEN MIS-SPENT AS A RESULT OF BAD MANAGEMENT, INADEQUATE CONTROL, LACK OF SUPERVISION, OR SHEER CARELESSNESS ON THE PART OF THE CONTROLLING OFFICERS.

HE POINTED OUT THAT IT WAS NOT UNCOMMON TO HEAR CRITICISMS THAT WHEN GOVERNMENT DID A JOB, IT WAS ALMOST ALWAYS MORE COSTLY AND TOOK LONGER TO COMPLETE.

+I AM AFRAID THAT THE CRITICISMS ARE NOT WITHOUT JUSTIFICATION BECAUSE THERE INDEED HAVE BEEN NUMEROUS WORKS UNDERTAKEN BY GOVERNMENT WHICH SUFFERED FROM DELAYS OR OVER-SPENDING OR BOTH.+

HE SAID MANAGERS IN THE GOVERNMENT SHOULD BE URGED TO HAVE A GREATER SENSE OF THE NEED FOR THRIFT AND BE CONSCIOUS OF THE FACT THAT +IT IS THEIR RESPONSIBILITY TO ENSURE THAT FINANCIAL AND MATERIAL RESOURCES UNDER THEIR CONTROL ARE USED TO THE BEST EFFECT PARTICULARLY IN FINANCIALLY LEAN TIMES+.

GOVERNMENT URGED TO CUT TAX ON HK DOLLAR DEPOSITS

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DR THE HON HENRY HU CALLED ON THE GOVERNMENT TO RAISE INTEREST TAX ON FOREIGN CURRENCY DEPOSITS TO FIVE PER CENT AND REDUCE THAT ON HONG KONG DOLLAR DEPOSITS FROM TEN TO FIVE PER CENT IN THE HOPE OF BOOSTING THE VALUE OF THE LOCAL CURRENCY.

HE MAINTAINED THAT THIS CHANGE WOULD NOT CAUSE GREAT LOSS OF REVENUE OR OUTFLOW OF FOREIGN CURRENCY DEPOSITS FROM HONG KONG.

+I SHOULD THINK THE MOVE WOULD BRING MORE REVENUE TO THE GOVERNMENT AND MORE BENEFIT TO OUR INDUSTRIES,+ HE SAID.

DR HU NOTED THAT SINCE THE ABOLITION OF INTEREST TAX ON FOREIGN CURRENCY DEPOSITS IN HONG KONG, THE TOTAL AMOUNT OF SUCH DEPOSITS MORE THAN DOUBLED LAST YEAR.

BUT THE VALUE OF HONG KONG DOLLAR DENOMINATED TIME, CALL AND NOTICE DEPOSITS WITH BANKS AND DEPOSIT-TAKING COMPANIES DECLINED FROM ABOUT \$73 BILLION AT THE END OF FEBRUARY 1982 TO \$59 BILLION AT THE END OF DECEMBER 1982.

SAVING DEPOSITS WHICH ARE NOT SUBJECT TO TAX, HOWEVER, HAVE INCREASED FROM \$48.3 BILLION TO \$61.9 BILLION.

+IT WOULD BE REASONABLE TO ASSUME THAT THE GROWTH OF FOREIGN CURRENCY DEPOSITS IN HONG KONG HAS BEEN PARTLY AT THE EXPENSE OF HONG KONG CURRENCY DEPOSITS WHICH ARE BEING UNEQUALLY TREATED,+ DR HU SAID.

+THE UNEQUAL TREATMENT IS NOT WITHOUT SIDE EFFECTS.

+IT LEADS TO A WEAKENED LOCAL CURRENCY WHICH WILL JEOPARDISE HONG KONG DOLLAR'S POSITION AS A MEANS OF INTERNATIONAL PAYMENT AND, MORE IMPORTANTLY, IT WILL REACTIVATE THE ONLY NEWLY HARNESSSED INFLATION.+

TURNING TO THE MANUFACTURING AND EXPORT SECTOR, DR HU FELT THAT ONE OF THE KEYS TO HELP HONG KONG'S INDUSTRIES IS TO INCREASE THE COMPETITIVENESS OF THEIR PRODUCTS IN THE WORLD MARKET, BOTH IN TERMS OF QUALITY AND PRICES.

HE ACKNOWLEDGED THAT THE INCREASE IN INITIAL DEPRECIATION ALLOWANCE AND THE DEDUCTION OF THE ACQUISITION COST OF PATENT RIGHTS TAX THIS YEAR SHOULD GO SOME WAY TOWARD ALLEVIATING THE FINANCIAL BURDEN OF THOSE ENTERPRISING INDUSTRIALISTS.

HOWEVER, HE SAID, THIS IS NOT SUFFICIENT.

+I HOPE THAT SOME MORE POSITIVE MEASURES SUCH AS RESEARCH CENTRES, GUIDANCE SERVICE AND INFORMATION FACILITIES, ETC. CAN BE PROVIDED TO THEM.

+IT WOULD ALSO BE OF GREAT HELP IF GOVERNMENT COULD ENCOURAGE THE BANKING SECTOR TO PROVIDE LOANS OF LOW INTEREST RATE TO SMALL AND MEDIUM SIZE FACTORIES.+

ON THE TERTIARY SERVICE AND RE-EXPORT TRADE, DR HU SAID THAT THIS SECTOR DEPENDS MAINLY ON HONG KONG'S ECONOMIC CO-OPERATION WITH CHINA, IN PARTICULAR WITH GUANGDONG PROVINCE.

DESPITE WORLD RECESSION, THEY PROVIDED A TOTAL OF 583 000 JOB OPPORTUNITIES IN 1982.

HE EXPRESSED THE HOPE THAT THE GOVERNMENT WOULD INITIATE MORE ECONOMIC AND COMMERCIAL CONTACTS AND JOINT ENTERPRISES WITH THE GUANGDONG PROVINCIAL AUTHORITIES, INCLUDING THE SPECIAL ECONOMIC ZONES, SO AS TO ENHANCE THE ECONOMIC ACTIVITIES ON BOTH SIDES OF THE BORDER.

REFERRING TO SOCIAL SERVICES, DR HU SAID HE WAS PARTICULARLY CONCERNED ABOUT THE INSTITUTIONS FOR SEVERELY HANDICAPPED PERSONS.

HE NOTED THAT HE HAD VISITED SEVERAL SUCH INSTITUTIONS DURING THE PAST YEARS.

+BOTH THE PEOPLE WHO WERE SERVING AND THE PEOPLE WHO WERE SERVED THEREIN DESERVE OUR GREAT SYMPATHY.

+IT NEEDS A GREAT DEAL OF PERSEVERANCE AND PATIENCE TO SERVE THOSE SEVERELY HANDICAPPED PERSONS WHO ARE ENTIRELY HELPLESS.

+I SHOULD THINK THE MANNING RATIO OF SUCH INSTITUTIONS SHOULD BE 1 TO 1 AND THE STAFF THERE SHOULD NOT BE WORKING LONG HOURS,+ HE SAID.

HE URGED THE GOVERNMENT TO BE GENEROUS IN DEALING WITH THOSE PEOPLE WHO CANNOT LOOK AFTER THEMSELVES BECAUSE OF OLD AGE, IMMATUREITY, MENTAL OR PHYSICAL DISABILITY, AND OTHER SIMILAR FACTORS.

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ONE PER CENT PROFITS TAX INCREASE SUGGESTED  
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A SUGGESTION THAT PROFITS TAX BE INCREASED BY A +MODEST ONE PER CENT+ NEXT YEAR WAS MADE BY THE REV THE HON PATRICK MCGOVERN.

SPEAKING AT THE LEGISLATIVE COUNCIL, HE SAID HIS SUGGESTION COULD RAISE AN ADDITIONAL \$417 MILLION BY ONE CALCULATION OR \$466 MILLION BY ANOTHER.

FR MCGOVERN STRESSED THAT HIS SUGGESTION SERVED AS +AN ALTERNATIVE TO THE FURTHER PERSECUTION OF THE PRIVATE MOTORISTS+ IF ADDITIONAL REVENUE WAS STILL NEEDED NEXT FINANCIAL YEAR.

EXPLAINING HIS REASON FOR OFFERING THIS SUGGESTION, HE SAID HE HAD NOTED ONE PECULIAR FEATURE IN ALL THE RECENT TALK ABOUT TIGHTENING BELTS.

BOTH THE GOVERNMENT AND THE PRIVATE SECTOR HAD BEEN LOUD AND CLEAR FOR QUITE SOME TIME THAT BELT TIGHTENING WAS NECESSARY.

+THE ODD THING I HAVE NOTED IS THAT THEY ALSO SEEM TO AGREE THAT THE BELT TIGHTENING SHOULD BE BY THEIR EMPLOYEES.

+NOT A WORD ABOUT BELT TIGHTENING IN THE BOARD ROOM.

+LET ME MAKE UP FOR THEIR SILENCE THIS YEAR, AND THEIR ANTICIPATED SILENCE NEXT YEAR, IF ADDITIONAL REVENUE IS STILL NEEDED THEN.

+PERHAPS WE COULD ALL HOPE TO ANTICIPATE THAT BY THEN THERE WOULD BE AN UPTURN IN THE ECONOMY, A HOPE THAT MIGHT MAKE SUCH A TAX MORE PALATABLE TO THE TAX PAYER, AND MORE PROFITABLE TO REVENUE,+ HE SAID.

FR MCGOVERN ALSO OFFERED ANOTHER SUGGESTION AS TO A POSSIBLE SAVING OF WASTE.

HE NOTED THAT MANY OF THE VIETNAMESE REFUGEES IN THE CLOSED CAMPS WERE FROM FARMING DISTRICTS OF THEIR COUNTRY.

ON THE OTHER HAND, HONG KONG HAS HECTARES OF FALLOW LAND LYING IN MANY ALMOST DESERTED PARTS OF THE NEW TERRITORIES.

+IT SHOULD NOT BE BEYOND THE INGENUITY OF HONG KONG'S FERTILE BRAINS TO PUT THE TWO FACTS TOGETHER AND DEVISE A METHOD BY WHICH THE LAND OWNERS COULD BE OFFERED A VERY MODEST RENT,+ HE SAID.

+AND VOLUNTEER REFUGEES COULD GET A MODEST PROPORTION OF WHAT THEY COULD EARN BY PRODUCTIVE WORK, WORK WHICH WOULD ALSO SAVE SOME OF THEIR DIGNITY.

+WE WOULD ALL BENEFIT FROM AN INCREASE IN, FOR EXAMPLE, THE 40 OR SO PERCENTAGE OF HOME GROWN VEGETABLES, WITH THE CONSEQUENT SIDE EFFECT OF HELPING OUR BALANCE OF PAYMENTS.+

FR MCGOVERN SAID HE BELIEVED THAT IT WOULD TAKE QUITE A LONG TIME TO DEVISE AND IMPLEMENT SOME SUCH SCHEME.

BUT HE ADDED: +TO BEGIN THINKING ABOUT IT NOW, ESPECIALLY IF IN GOVERNMENT STANDARD TIME, WOULD NOT IN ANY WAY DETRACT FROM THE HOPED FOR DETERRENT EFFECT OF THE PRESENT CLOSED CAMP POLICY.+

HE ALSO COMMENTED ON A PARAGRAPH IN THE FINANCIAL SECRETARY'S BUDGET SPEECH WHICH STATED THAT +POOR PLANNING BY SPECULATORS HAD LED TO A CONSIDERABLE OVERSUPPLY OF ALL TYPES OF PROPERTY+.

IN THE STRICT CONTEXT OF SUPPLY AND DEMAND AND PROFIT, HE NOTED, THERE WAS A MEANING IN THAT SENTENCE.

HOWEVER, IN THE MORE REAL CONTEXT OF SUPPLY AND NEED, AS DISTINCT FROM DEMAND, HE THOUGHT THAT IT DID NOT MAKE SENSE.

SAID FR MCGOVERN: +WE STILL HAVE THOUSANDS OF SQUATTERS ON OUR HILLSIDES, OTHER THOUSANDS IN TEMPORARY HOUSING, STILL OTHER THOUSANDS IN ROOFTOP HUTS, NOT TO MENTION THE OLDER SLUMS AND THE NOT VERY HABITABLE MARK I AND II ESTATES.

+ALL THESE PEOPLE ARE LOOKING FOR JUST ONE THING, NAMELY, DECENT HOUSING AT A PRICE THEY CAN AFFORD.

+THERE IS STILL AN ACUTE UNDERSUPPLY OF SUCH PROPERTY.+

WEDNESDAY, MARCH 23, 1983

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CONCERN EXPRESSED ABOUT HOTEL AND DEPARTURE TAX PROPOSALS  
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THE HONG KONG TOURIST ASSOCIATION HAS CALLED ON THE GOVERNMENT TO DEFER THE EFFECTIVE DATE OF THE PROPOSED INCREASES IN HOTEL AND DEPARTURE TAXES, THE HON. PETER C. WONG TOLD THE LEGISLATIVE COUNCIL.

HE SAID THAT HE HAD RECEIVED REPRESENTATIONS FROM THE ASSOCIATION STATING THAT THE PROPOSALS WOULD HAVE ADVERSE EFFECTS ON THE TOURIST INDUSTRY.

THE ASSOCIATION ALSO SAID THAT, TOURISM HAD IN THE PAST 12 MONTHS CONTRIBUTED \$9 BILLION TO HK'S ECONOMY, WHICH WAS ROUGHLY 25 PER CENT OF THAT CONTRIBUTED BY THE CLOTHING AND TEXTILES INDUSTRY.

+WHILE IT DOES NOT OBJECT TO THE TAXES PER SE, IT HAS EXPRESSED CERTAIN RESERVATIONS,+ MR WONG SAID.

REGARDING THE \$100 DEPARTURE TAX, IT WAS ARGUED THAT MANY TOUR OPERATORS AND TRAVEL AGENTS HAD CONTRACTUAL COMMITMENTS BASED ON THE EXISTING SERVICE CHARGE OF \$20 AND THEY WOULD HAVE TO ACCEPT A LARGE PART OF THE BURDEN OF THE NEW TAX IN THE INITIAL PERIOD, HE SAID.

+THE HONG KONG TOURIST ASSOCIATION THEREFORE SUGGESTS THAT IN THESE CIRCUMSTANCES, IT WOULD BE REASONABLE TO DEFER THE EFFECTIVE DATE OF THE NEW TAX TO OCTOBER 1, 1983.+

AS FOR THE HOTEL TAX, THE HKTA SUGGESTED THAT THE PROPOSED INCREASE OF ONE PER CENT SHOULD BE INTRODUCED NOT EARLIER THAN OCTOBER 1, 1983, PREFERABLY ON APRIL 1, 1984.

+THE REASON ADVANCED IS THAT THE MAJORITY OF HOTELS IN HONG KONG HAVE CONTRACTUAL AGREEMENTS, IN SOME CASES PROBABLY TWELVE MONTHS IN ADVANCE, WHICH INCLUDE THE HOTEL TAX AT A FIXED SUM,+ HE SAID.

+ANY INCREASE WOULD THEREFORE HAVE TO BE ABSORBED BY THE HOTELS DURING THE PERIOD COVERED BY THE AGREEMENTS.+

MR WONG ALSO SAID THAT THE HKTA WAS JUSTIFIABLY CONCERNED ABOUT THE GOVERNMENT'S INTENTION TO ELIMINATE ITS CONTRIBUTION TO THE ASSOCIATION FROM GENERAL REVENUE OVER A PERIOD OF FOUR YEARS.

THE REDUCTION IN FUNDS WOULD NECESSARILY ENTAIL REDUCTION IN ACTIVITIES, HE ADDED.

/TURNING TO .....

TURNING TO THE \$6.2 BILLION DEFICIT ESTIMATED FOR THE COMING YEAR, MR WONG NOTED THAT THE FINANCIAL SECRETARY PROPOSED TO MEET THE DEFICIT BY RAISING \$3 BILLION IN INDIRECT TAXES, WITH THE BALANCE TO BE PAID OUT OF FISCAL RESERVES.

OF THE ELEVEN PROPOSALS FOR TAX INCREASES, THE FIRST THREE - INCREASES ON LIQUOR, TOBACCO AND HYDROCARBON OIL DUTIES, DRIVING LICENCE AND VEHICLE LICENCE FEES - AMOUNTED TO \$2 BILLION WHILE THE REMAINING EIGHT PROPOSALS MAKE UP ANOTHER \$1 BILLION.

+WHILE IN PRINCIPLE ENDORSING THE PROPOSED INCREASES, I CANNOT HELP FEELING THAT THE FINANCIAL SECRETARY MUST HAVE CONSIDERED AND REJECTED AN ALTERNATIVE MEANS OF MEETING THE \$6.2 BILLION DEFICIT BY RAISING \$2 BILLION IN INDIRECT TAXES AND THE BALANCE TO BE PAID OUT OF OUR FISCAL RESERVES,+ HE SAID.

+OBVIOUSLY, OUR RESERVES WOULD BE REDUCED BY A FURTHER \$1 BILLION - FROM \$15.5 BILLION TO \$14.5 BILLION.

+BUT WOULD THAT REALLY MATTER IN THE CONTEXT OF OUR ECONOMY AND IN VIEW OF THE RECORD OF OUR PAST PERFORMANCE?+ MR WONG ASKED.

HE THOUGHT THE BURDEN ON THE CONSUMER WOULD BE CONSIDERABLY LIGHTENED IF THE VERY HEAVY INCREASES IN REGARD TO THE FIRST THREE PROPOSALS WERE TO BE CUT BY 50 PER CENT.

SPEAKING ON THE TWO CONCESSIONS AND THE TAX REFORM, MR WONG OPINED THAT THEY WERE NOT COSMETIC BUT RATHER A GENUINE AND SINCERE CONCERN ON THE PART OF THE FINANCIAL SECRETARY TO LESSEN THE BURDEN OF THE TAXPAYER AND TO IMPROVE THE TAX SYSTEM.

HE ALSO COMMENTED BRIEFLY ON THE EXCHANGE FUND WHICH, HE SAID, WAS ENTIRELY MANAGED FROM HONG KONG.

+OUR FISCAL RESERVES ARE LENT TO THIS FUND AGAINST INTEREST BEARING CERTIFICATES.

+THERE IS THEREFORE NO QUESTION THAT OUR FISCAL RESERVES ARE NOT MANAGED BY OURSELVES AND THEREFORE NOT REALLY AT OUR OWN DISPOSAL.+

ON THE ESTIMATED EXPENDITURE FOR 1983-84, MR WONG AGREED WITH THE FINANCIAL SECRETARY'S GUIDELINE IN IMPOSING A CASH LIMIT OF TEN PER CENT TO THE GROWTH RATE IN PUBLIC SECTOR EXPENDITURE AND IN AIMING TO KEEP CIVIL SERVICE GROWTH OVERALL TO BELOW FIVE PER CENT.

HE SAID IT WAS REASSURING THAT DESPITE ADVERSE CIRCUMSTANCES, THE GOVERNMENT WILL NOT CUT BACK ON COMMITTED PROGRAMMES OR ESSENTIAL SERVICES.

HOWEVER, HE EXPRESSED CONCERN THAT AT A TIME WHEN SERIOUS CRIMES WERE ON THE INCREASE, THE EXPANSION OF THE POLICE FORCE IN 1983-84 WOULD BE LIMITED.

+THE NUMBER OF DISCIPLINED PERSONNEL IN THE REGULAR FORCE WILL INCREASE FROM 23 476 AT THE END OF 1982 TO ABOUT 24 420 AT THE END OF 1983, WHICH REPRESENTS ABOUT FOUR PER CENT.

+THIS IS BELOW THE FIVE PER CENT GROWTH RATE IMPOSED BY THE FINANCIAL SECRETARY.

+PERHAPS SOME RE-CONSIDERATION MAY BE IN ORDER.+

MR WONG ALSO SPOKE OF THE POSSIBLE SALARY ADJUSTMENT FOR THE PUBLIC SECTOR WHICH, IF REQUIRED, WOULD BE TRANSFERRED FROM THE ADDITIONAL COMMITMENTS VOTE OF \$1.3 BILLION.

BUT HE CAUTIONED THAT ANY SALARY ADJUSTMENT IN THE COMING FINANCIAL YEAR SHOULD NOT EXCEED FIVE PER CENT, WHICH WOULD AMOUNT TO SOME \$700 MILLION.

+THIS WOULD LEAVE SOME \$600 MILLION IN THE ADDITIONAL COMMITMENTS VOTE FOR UNFORESEEN COMMITMENTS NOT PROVIDED FOR IN THE DRAFT ESTIMATES,+ HE SAID.

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#### CALL FOR CONCESSION IN PROPERTY RATES

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THE GOVERNMENT SHOULD CONSIDER SOME CONCESSION OVER THE PERCENTAGE TO BE CHARGED FOR PROPERTY RATES AND MAKE UP THE LOSS THROUGH INCREASED PROFIT TAX, THE HON WONG LAM SAID IN THE LEGISLATIVE COUNCIL TODAY.

MANY OF THE FINANCIAL SECRETARY'S REVENUE-BOOSTING PROPOSALS REFLECTED THE SPIRIT OF HIS STATED TASK TO NARROW THE GAP BETWEEN THE SUCCESSFUL AND THE POOR BY IMPROVING THE LATTER'S LOT, MR WONG SAID.

BUT HE ADDED THAT THE PROPOSAL TO RAISE THE PERCENTAGE TO BE LEVIED FOR RATES TO 13-1/2 PER CENT +DEPARTS FROM THIS SPIRIT+ AND +DESERVES AN IN-DEPTH DISCUSSION+.

ACCORDING TO THE FINANCIAL SECRETARY'S ESTIMATE, THE CHANGE WOULD MEAN A 17.4 PER CENT INCREASE IN THE URBAN RATES, MR WONG NOTED.

ON THE SURFACE, THE RICH OWNERS ARE NOT LIKELY TO BE GREATLY AFFECTED BY THIS INCREASE, BUT NOT ALL THE OWNERS ARE RICH, HE SAID.

HE ADDED THAT WORSE STILL, RATE-PAYERS WERE OFTEN NOT EVEN QUALIFIED TO BE OWNERS BUT WERE ONLY TENANTS WITH AVERAGE INCOMES.

/MR WONG .....

MR WONG POINTED OUT THAT IN RECENT MONTHS, THE AVERAGE INCOME GROUP HAD FACED INCREASED CHARGES FOR WATER, TRANSPORT, ELECTRICITY, TELEPHONE AND OTHER SERVICES.

+VIEWED IN ISOLATION, THE INDIVIDUAL INCREASES MAY NOT BE GREAT, BUT TAKEN TOGETHER AS A WHOLE, THEY UNDOUBTEDLY DEAL A HEAVY BLOW TO THE LIVING STANDARD OF MANY SMALL OWNERS OR TENANTS,+ HE SAID.

MR WONG EXPRESSED THE HOPE THAT BEFORE DETERMINING THE NEW RATE PERCENTAGE, THE GOVERNMENT WOULD VIEW WITH SYMPATHY THE DIFFICULTIES CONFRONTING THESE PEOPLE AND TAKE APPROPRIATE MEASURES TO AVOID DEALING AN UNINTENDED BLOW AT THEM.

+ADMITTEDLY, THE GOVERNMENT SHOULD NOT 'SQUEEZE' THE RICH IN ORDER TO MAKE THEM SHOULDER THE RESPONSIBILITY COMPLETELY, BUT NEITHER SHOULD IT UNNECESSARILY REFRAIN FROM ASKING THE RICH TO MAKE A GREATER CONTRIBUTION THAN USUAL,+ HE SAID.

MR WONG RECALLED THAT THE GOVERNMENT HAD RAISED THE RATE OF PROFIT TAX IN THE MID-SEVENTIES AND SUBSEQUENTLY REDUCED IT WHEN THE ECONOMY IMPROVED.

AS THE REVENUE FROM PROFIT TAX FOR FISCAL 1983-84 IS ESTIMATED AT \$7.7 BILLION, MR WONG RECKONED THAT AN INCREASE OF ONE PER CENT IN THE RATE FOR THIS TAX WOULD BOOST GOVERNMENT REVENUE BY OVER \$460 MILLION.

HE DESCRIBED THE FINANCIAL SECRETARY'S PROPOSAL TO RAISE ALLOWANCES FOR DEPENDENT PARENTS AS +VERY APPROPRIATE AND WORTHY OF SUPPORT+.

BUT IN HIS VIEW, THE REQUIREMENT THAT TAXPAYERS MUST LIVE WITH THEIR PARENTS +IS OPEN TO QUESTION+.

+AS THE LOSS OF REVENUE IS NOT TOO GREAT, I AM OF THE OPINION THAT THE FINANCIAL SECRETARY MIGHT AS WELL CONSIDER CANCELLING THIS REQUIREMENT, SO THAT TAXPAYERS WHO REALLY SUPPORT THEIR PARENTS WILL BE BENEFITED,+ MR WONG SAID.

HE ALSO QUESTIONED WHETHER THE GOVERNMENT SHOULD CONTINUE TO OPERATE PRIMARY AND SECONDARY SCHOOLS.

IN EDUCATION AS WELL AS IN SOME OTHER AREAS, THE GOVERNMENT SHOULD ONLY DETERMINE POLICIES AND LEAVE THE ACTUAL IMPLEMENTATION TO PRIVATE OR VOLUNTARY AGENCIES, HE ADDED.

## INDIRECT TAX PROPOSALS CALLED 'DRASTIC'

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SOME OF THE INDIRECT TAX PROPOSALS INCORPORATED IN THE BUDGET WERE DESCRIBED AS +DRASTIC MEASURES+ BY DR THE HON RAYSON HUANG.

+INCREASES OF OVER 50 PER CENT AND IN SOME CASES AS HIGH AS 300 PER CENT DEFY THE DESCRIPTION OF MODERATE, PARTICULARLY WHEN THEIR MAIN IMPACT WILL BE ON THE SANDWICH CLASS,+ HE SAID, AT THE LEGISLATIVE COUNCIL TODAY.

+THE ONLY SMILING FACES FROM THIS BUDGET WILL BE THOSE ON THE AFFLUENT, AND I CONFESS THAT I WOULD PREFER TO SEE THEM, RATHER THAN THE MAN IN THE STREET, LOOKING A LITTLE GLUM.

+A PROGRESSIVE INCREASE IN DIRECT TAX AT THE HIGHER LEVELS OF INCOME MIGHT NOT PRODUCE SO MUCH REVENUE BUT IT WOULD AT LEAST PROVIDE THE CONSOLATION THAT THOSE WHO COULD AFFORD IT BEST WERE CONTRIBUTING SOMETHING EXTRA WHEN TIMES ARE HARD.+

HE POINTED OUT THAT IT WAS GENERALLY ACCEPTED THAT DIRECT TAX WAS MORE EQUITABLE AS IT WAS BASED MORE ON THE PRINCIPLE OF ABILITY TO PAY.

+IT IS CERTAINLY ARGUABLE THAT HONG KONG'S FINANCIAL SUCCESS IN THE PAST HAS HINGED ENTIRELY ON OUR LOW DIRECT TAX STRUCTURE, AND I AM INCLINED TO SUGGEST THAT IT IS DUE AS MUCH TO BOTH BUSINESS FINANCE AND LABOUR BEING ABLE TO RELY ON ANY CHANGES IN THE TAXATION LEVEL BEING GRADUAL RATHER THAN DRASTIC,+ HE ADDED.

WITH REGARD TO INDIRECT TAX, DR HUANG STRESSED THAT HE HAD NO OBJECTION TO A STEADY INCREASE IN INDIRECT TAXATION, OR TO A HEFTY INCREASE WHICH CLEARLY AFFECTED ONLY THOSE WHO COULD WELL AFFORD TO PAY.

BUT HE EXPRESSED FEARS THAT THERE WAS A REAL DANGER OF THE DRASTIC INCREASES PROPOSED CAUSING SEVERE HARDSHIP TO SOME WHO REALLY COULD NOT AFFORD THEM.

HE QUOTED THE EXAMPLE OF THE 300 PER CENT INCREASE IN THE DRIVING LICENCE WHICH, HE MAINTAINED, WOULD AFFECT ALL THOSE WHO NEEDED SUCH A LICENCE FOR THEIR LIVELIHOOD AND PEOPLE OF THE LOW INCOME GROUPS RATHER MORE THAN EVEN THE MIDDLE CLASSES.

THE DRASTIC INCREASE IN VEHICLE LICENCE FEES, THE SECOND WITHIN A YEAR WAS ANOTHER AREA OF CONCERN.

STATING THAT THE INTENTION OF THIS YEAR'S INCREASE WAS DIFFERENT FROM LAST YEAR'S +HORRENDOUS+ INCREASES WHICH WERE MEANT TO REDUCE THE NUMBER OF CARS ON THE ROAD, DR HUANG CALLED ON THE GOVERNMENT +TO MAKE THE INCREASE THIS TIME MUCH LESS SUBSTANTIAL OR NONE AT ALL FOR THE SMALL CAR WHILE TAXING HIGHLY THE OWNERS OF PRESTIGE CARS BOTH IN VEHICLE LICENCE COST AND IN PURCHASE TAX.+

HE EXPRESSED THE HOPE THAT THE FINANCIAL SECRETARY WOULD ADOPT, AS HE HAD PROMISED TO CONSIDER, AN AD VALOREM DUTY ON ALCOHOL RATHER THAN A UNITARY SYSTEM OF LEVY.

ON THE SUBJECT OF SUPPORT FOR THE BASIC INFRASTRUCTURE, DR HUANG SAID IT WAS IMPORTANT FOR THE GOVERNMENT TO ENSURE THAT THE MARKET FORCES ON WHICH HONG KONG'S ECONOMY DEPENDED, OPERATED FAIRLY, EFFICIENTLY AND SPEEDILY.

/HE THOUGHT .....

HE THOUGHT THAT THE IMMEDIATE CONCERN WAS TO CREATE A SUITABLE BUSINESS ENVIRONMENT FOR INDUSTRY THROUGH THE PROVISION OF ADEQUATE TRAINING, RESEARCH, TRADE PROMOTION, LAND FORMATION, ADEQUATE TRANSPORTATION AND COMMUNICATION.

+EXPENDITURE ON THESE SERVICES SHOULD NOT BE TREATED AS A KIND OF WELFARE OR RELIEF TO INDUSTRY BUT AS POSITIVE MEASURES TO SUPPLY THE MISSING LINKS EXISTING IN THE FREE MARKET.

+WITHOUT THESE SERVICES, THE PRIVATE SECTOR WOULD NOT BE ABLE TO RESPOND CORRECTLY AND SPEEDILY TO THE RAPID CHANGES IN OUR ECONOMY.

+THUS, THE PROVISION OF THESE SERVICES SERVES PUBLIC AND NOT JUST INDIVIDUAL INTEREST.

+IT SEEMS TO ME THEREFORE VERY REASONABLE TO DRAW ON PUBLIC RESOURCES TO FINANCE THESE SERVICES.+

TURNING TO THE BANDS OF TAXABLE INCOME, DR HUANG QUESTIONED THE FINANCIAL SECRETARY'S ASSERTION THAT THE UNCHANGING WIDTH OF THE TAX BANDS +DOES NOT PUSH THE MIDDLE AND LOWER INCOME TAX PAYERS INTO HIGHER TAX BRACKETS THROUGH THE EFFECTS OF INFLATION, AND THUS CAUSE THEM A LOSS OF REAL PURCHASING POWER.+

HE NOTED THAT A COUPLE WITH A YEARLY INCOME RANGE OF \$70 000 IN 1978 WILL HAVE THEIR TAX RATE INCREASED FROM 8.9 PER CENT TO 9.6 PER CENT.

THIS, HE EXPLAINED, WAS CALCULATED ON THE ASSUMPTION THAT \$100 IN 1978 WAS EQUAL TO \$176 IN 1982 AFTER ALLOWING FOR CHANGES IN CONSUMER PRICES.

EQUALLY, A SINGLE PERSON EARNING THE EQUIVALENT TODAY OF \$40 000 A YEAR IN 1978 WOULD HAVE HIS EFFECTIVE TAX RATE INCREASED FROM 6.56 PER CENT TO 7.95 PER CENT.

+THESE INCREASES MAY BE RELATIVELY SLIGHT AND MAY NOT BITE DEEPLY BUT THEY COMPARE UNFAVOURABLY WITH THE RICH MAN WHOSE 15 PER CENT RATE HAS LONG REMAINED UNALTERED,+ HE SAID.

DR HUANG SAID THE AIRPORT LEVY IN SOUTHEAST ASIA WAS GENERALLY MUCH LOWER THAN THE \$100 DEPARTURE TAX PROPOSED BY THE FINANCIAL SECRETARY AND WARNED THAT THIS COULD BE COUNTER-PRODUCTIVE.

+WE MAY GRADUALLY, IF WE ARE NOT CAREFUL, LOSE OUR EDGE OF ATTRACTIVENESS.

+IT WOULD BE EASY FOR TOUR OPERATORS TO REPLACE HONG KONG IN SOME OF THEIR ITINERARIES BY ONE OF OUR NEIGHBOURS,+ HE SAID.

DR HUANG WONDERED WHETHER IT WOULD BE POSSIBLE TO TAX THE TRAVELLER ON ARRIVAL +WHEN HE IS EAGER AND EXPECTANT AND LIKELY TO MIND LESS+.

+SINCE IT IS REVENUE INTENDED FOR THE TOURIST ASSOCIATION I WONDER IF WE MIGHT ASK THE ASSOCIATION TO ECONOMISE A LITTLE BY BEING LESS GENEROUS IN ITS FREE HANDOUTS.

+IT WOULD BE LESS DAMAGING TO GOODWILL,+ HE ADDED.

WEDNESDAY, MARCH 23, 1983

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EXPEDITIOUS RESOLUTION ON HONG KONG'S FUTURE SEEN

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THE BELIEF WAS EXPRESSED BY THE HON CHARLES YEUNG TODAY THAT +A PRAGMATIC AND FLEXIBLE APPROACH WOULD BE ADOPTED BY ALL CONCERNED TO ACHIEVE AN EXPEDITIOUS AND MUTUALLY BENEFICIAL RESOLUTION ON THE FUTURE OF HONG KONG.+

SUCH A RESOLUTION, HE ADDED, WOULD TAKE DUE REGARD OF THE WISHES OF THE PEOPLE OF HONG KONG.

SPEAKING DURING THE RESUMED BUDGET DEBATE IN THE LEGISLATIVE COUNCIL, MR YEUNG SAID HE HAD THE OPPORTUNITY OF MEETING VARIOUS CHINESE LEADERS DURING A VISIT TO PEKING WITH SOME OF HIS COLLEAGUES FROM THE NEW TERRITORIES HEUNG YEE KUK TWO MONTHS AGO.

+TO MY UNDERSTANDING, BOTH LONDON AND PEKING ARE WELL AWARE OF THE ADVERSE EFFECTS AND THE SERIOUS CONSEQUENCES OF A PROTRACTED PERIOD OF UNCERTAINTY,+ HE SAID.

HE SAID THAT THE ATMOSPHERE OF POLITICAL UNCERTAINTY WAS ONE OF THE MANY FACTORS WHICH CONTRIBUTED TO THE DISAPPOINTING PERFORMANCE OF THE ECONOMY.

ON THE GROWTH RATE OF PUBLIC SECTOR EXPENDITURE, MR YEUNG NOTED THAT PUBLIC SERVICE ESTABLISHMENT WOULD ONLY INCREASE BY 4.6 PER CENT IN 1983-84.

HE SAID THAT THIS WOULD INCONVENIENCE SOME NEW SERVICES, SUCH AS THOSE IN THE RECREATION AND CULTURE AND THE NEW TERRITORIES SERVICES DEPARTMENTS.

HE EXPRESSED THE HOPE THAT THE PROGRAMME OF REVIEWS OF DEPARTMENTAL ESTABLISHMENT BEING CARRIED OUT BY THE FINANCE BRANCH WOULD ENABLE THESE SERVICES TO BE DEVELOPED AND OTHER SERVICES TO BE MAINTAINED BY TRANSFER BETWEEN DEPARTMENTS WHERE PRACTICABLE THROUGH REGRADING AND RE-DEPLOYMENT OF STAFF.

+THIS COULD BE ACHIEVED WITH THE HELP OF OTHER CONTROLLING OFFICERS AND THEIR DEPARTMENTAL ESTABLISHMENT COMMITTEES AND THE RESULTING FLEXIBILITY COULD GREATLY IMPROVE PRODUCTIVITY.

+GENUINELY URGENT REQUESTS FOR ADDITIONAL STAFF COULD THEN BE PROCESSED WITHOUT DELAY,+ HE SAID.

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CALL FOR GREATER COST-EFFECTIVENESS  
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A CALL FOR REVIVAL OF THE DEPARTMENTAL COST REDUCTION COMMITTEE CONCEPT TO IMPROVE EFFICIENCY AND PRODUCTIVITY OF CIVIL SERVANTS WAS MADE BY DR THE HON HO KAM-FAI.

HE SAID SUCH COMMITTEES WERE CONSIDERED VERY EFFECTIVE IN LOCATING AREAS WHERE SAVINGS IN EXPENDITURE COULD BE FOUND DURING THE ECONOMIC RECESSION IN THE EARLY 1970'S.

ALTHOUGH THE PUBLIC ACCOUNTS COMMITTEE AND THE DIRECTOR OF AUDIT WERE HIGHLY EFFECTIVE IN REVEALING INADEQUACIES IN PUBLIC EXPENDITURE AND IN MAKING PUBLIC OFFICERS ACCOUNTABLE FOR THEM, THEIR FINDINGS WERE NEVERTHELESS +HISTORICAL+, DR HO SAID.

+WHAT WE NEED IN ADDITION IS AN ON-GOING MECHANISM WHEREBY DEPARTMENTS ARE CONSTANTLY REVIEWING THEIR EXPENDITURE, AND CONTROLLING OFFICERS CONSTANTLY REMINDED OF THE CONCEPT OF COST-EFFECTIVENESS,+ HE SAID.

IN ADDITION TO EFFECTING POSSIBLE SAVINGS ON SUCH ITEMS AS FUEL, LIGHT AND POWER, STORES AND EQUIPMENT, TRANSPORT AND TRAVELLING, HE SAID, THE DEPARTMENTAL COST REDUCTION COMMITTEES SHOULD ALSO LOOK INTO:

- \* THE RATIONALISATION AND POSSIBLE MERGER OF FUNCTIONS TO OPTIMISE RESOURCES AND AVOID DUPLICATION ;
- \* THE EXISTING RANGE OF SERVICES TO CHECK, IN THE LIGHT OF CHANGING CIRCUMSTANCES, THAT THEY ARE STILL SERVING THE INTENDED PURPOSES; AND
- \* THE MAJOR ITEMS OF EXPENDITURE, ESPECIALLY THOSE INVOLVED PHASED IMPLEMENTATION, TO AVOID DELAY, SLIPPAGES AND THE INEVITABLE RESULT - INCREASE IN COST.

TURNING TO ADULT EDUCATION, DR HO MAINTAINED THAT THIS FORM OF ACADEMIC OR VOCATIONAL EDUCATION WAS ESPECIALLY USEFUL IN HONG KONG.

+A VERSATILE, ADAPTABLE MANPOWER IS ESSENTIAL FOR ECONOMIC GROWTH,+ HE STATED.

+THE GOVERNMENT MUST THEREFORE NOT CEASE TO PROVIDE OR UPGRADE RESEARCH AND TRAINING FACILITIES IN A BID TO MODERNISE OUR TECHNOLOGY AND TO UPDATE OUR SKILLED MANPOWER, SO THAT OUR WORK-FORCE IS EVER READY TO CAPITALISE ON THE GLOBAL ECONOMIC UPTURN, WHEN THE SLIGHTEST SIGNS OF RECOVERY BEGIN TO SURFACE.+

/ALTHOUGH .....

ALTHOUGH GOVERNMENT SUBVENTION TO VOLUNTARY ORGANISATIONS OFFERING ADULT EDUCATION COURSES HAD BEEN INCREASING - FROM \$300 000 IN 1981-82, \$434 000 IN 1982-83 TO \$1.88 MILLION IN 1983-84, DR HO SAID, THERE WAS A LACK OF CO-ORDINATION BETWEEN THE EDUCATION DEPARTMENT AND THE VOLUNTARY ORGANISATIONS CONCERNED TO ENABLE ITS FURTHER DEVELOPMENT.

+I THEREFORE VENTURE TO SUGGEST THE ESTABLISHMENT OF AN ADVISORY COMMITTEE ON ADULT EDUCATION, TO BE FORMED ALONG THE LINES OF THE SOCIAL WELFARE ADVISORY COMMITTEE, WITH MEMBERSHIP COMPRISING BOTH GOVERNMENT AND NON-GOVERNMENT EXPERTS IN THIS SUBJECT,+ HE SAID.

THE ADVISORY COMMITTEE, DR HO ADDED, SHOULD CO-ORDINATE THE DEVELOPMENT OF ADULT EDUCATION AND ADVISE ON THE PRINCIPLES OF SUBVENTION APPLICABLE TO ELIGIBLE ORGANISATIONS. IT SHOULD ALSO MAKE RECOMMENDATIONS ON THE TRAINING OF ADULT EDUCATION TEACHERS, DEVELOPMENT OF TEACHING MATERIALS AND OTHER FACILITIES FOR RUNNING ADULT EDUCATION AND CONTINUING EDUCATION COURSES.

ON THE SUBJECT OF LABOUR AND MANAGEMENT RELATION, DR HO EMPHASISED THAT BOTH THE WORKERS AND THE MANAGEMENT SHOULD SHARE ONE COMMON GOAL - TO SECURE A HIGHER STANDARD OF LIVING FOR THEMSELVES, FOR THEIR FAMILIES AND FOR THE COMMUNITY OF WHICH THEY WERE AN INTEGRAL PART.

HE SAID THAT AT THIS TIME OF SHRINKING WORLD TRADE, MOUNTING PROTECTIONISM AND INCREASING UNILATERAL RESTRICTIONS, SECTORAL AIMS MUST BE RELEGATED AND CO-OPERATION INSTALLED IN A BID TO WEATHER THE ECONOMIC ADVERSITIES.

HE WAS THEREFORE PLEASED TO SEE THAT LABOUR DEPARTMENT'S LABOUR RELATIONS DIVISION WHICH WAS CHARGED WITH THE TASK OF PROMOTING A HARMONIOUS LABOUR AND MANAGEMENT RELATIONS, HAD BEGUN TO TAKE MORE INITIATIVE IN CREATING A CONGENIAL CLIMATE FOR THE NURTURING OF A POSITIVE LABOUR RELATIONS POLICIES AND PRACTICES.

WITH AN ADDITIONAL \$1 MILLION BUDGETED FOR IN 1983-84, DR HO SAID, HE HOPED THAT THE DIVISION WOULD EXPAND ITS PROMOTION AND EDUCATIONAL PROGRAMMES IN TERMS OF BOTH SIZE OF AUDIENCE AND VARIETY AND REVIEW ITS CURRENT CONCILIATION STRATEGIES ON LABOUR DISPUTES.

THE DIVISION SHOULD ALSO INCULCATE IN MANAGEMENT AND LABOUR A NEW SOCIAL ATTITUDE AND ETHICAL COMMITMENT TOWARD THE COMMON GOOD OF THE WIDER COMMUNITY AND PROMOTE THE DESIRABILITY OF THE USE OF PEACEFUL AND NON-LITIGIOUS MEANS ON THE PART OF THE LABOUR TO PURSUE THEIR SECTORAL INTERESTS, HE ADDED.

DISCUSSING POLICE STRENGTH IN THE NEW TERRITORIES, HE NOTED THAT THE POPULATION IN THE NEW TERRITORIES WOULD INCREASE FROM 1.5 MILLION IN 1982 TO 1.6 MILLION THIS YEAR.

ON TOP OF THIS PLANNED GROWTH, HE SAID, THE NEW TERRITORIES WOULD RECEIVE A CONTINUOUS INFLUX OF FIRE AND OTHER NATURAL DISASTER VICTIMS AND PEOPLE CLEARED FROM CROWN LAND RESUMPTIONS.

+THIS INCREASE IN POPULATION BRINGS IN ITS WAKE A SERIES OF CHANGES IN THE SOCIAL FABRIC OF THE REGION,+ HE SAID.

+AS A CONSEQUENCE, CRIMES AND PERVERSION OF ALL KINDS PREVAIL.+

CITING STATISTICS, DR HO SAID POLICE PERSONNEL DIRECTLY INVOLVED IN THE MAINTENANCE OF LAW AND ORDER DUTIES IN 1982-83 TOTALLED 6 032 IN THE KOWLOON REGION, 3 573 IN THE HONG KONG ISLAND REGION AND 3 863 IN THE NEW TERRITORIES REGION.

GIVING A RATIO OF POLICE STRENGTH TO EVERY 1 000 OF POPULATION AT 2.40 FOR KOWLOON, 2.86 FOR HONG KONG AND 2.62 FOR THE NEW TERRITORIES, THE CORRESPONDING RATIOS FOR 1983 ARE 2.48, 2.89 AND 2.50 RESPECTIVELY.

+IT IS OBVIOUS FROM THESE STATISTICS THAT AMONG THE POLICE REGIONS, THE NEW TERRITORIES' RELATIVE SHARE OF POLICE STRENGTH HAS ACTUALLY BEEN REDUCED IN SPITE OF THE PROBLEMS I MENTIONED EARLIER.

+AS I SEE IT, WITH DEPLOYMENT OF THE POLICE ON THE BASIS OF THE PREVALENT CRIME LEVEL, GEOGRAPHICAL SPREAD, THE RATE OF INCREASE IN POPULATION, AND THE CHANGING CHARACTERISTICS OF THE DEMOGRAPHIC STRUCTURE, NEW TERRITORIES REGION DESERVES A BETTER DEAL.+

HE URGED THE GOVERNMENT TO GIVE SYMPATHETIC AND FAIR CONSIDERATION WHEN PLANNING FOR EXPANSION OF THE POLICE FORCE IN THE NEW TERRITORIES REGION, IN PARTICULAR THE FAST GROWING NEW TOWNS OF SHA TIN, TAI PO AND TUEN MUN.

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WEDNESDAY, MARCH 23, 1983

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## REVISED CHARGES AT GOVERNMENT HOSPITALS

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CHARGES FOR STAYING IN A GENERAL WARD OR THIRD CLASS BED IN GOVERNMENT HOSPITALS AND FOR MEDICAL CONSULTATIONS AT GOVERNMENT OUTPATIENT CLINICS WILL BE REVISED AS FROM APRIL 1, A SPOKESMAN FOR THE MEDICAL AND HEALTH DEPARTMENT SAID TODAY (WEDNESDAY).

THE INCREASED CHARGES HAVE BEEN ENDORSED BY THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE.

THE COST OF STAYING IN A THIRD CLASS BED IN A GOVERNMENT HOSPITAL WILL BE INCREASED FROM THE PRESENT \$5 PER DAY TO \$10. THE RATES FOR SPECIAL ASIAN DIET AND EUROPEAN DIET IN THE GENERAL WARDS WILL ALSO BE CORRESPONDINGLY INCREASED.

SIMILARLY, THE SAME SCALE WILL APPLY TO HOME VISITS BY COMMUNITY NURSES -- FROM THE PRESENT \$5 PER VISIT TO \$10.

AT THE SAME TIME, CONSULTATIONS AT A GENERAL OUTPATIENT CLINIC WILL BE INCREASED FROM \$3 TO \$5 PER VISIT AND FROM \$3 TO \$6 PER CONSULTATION AT A SPECIALIST CLINIC.

COMMENTING ON THE INCREASES, THE SPOKESMAN POINTED OUT THAT THE DAILY MAINTENANCE RATE FOR A THIRD CLASS BED IN THE GOVERNMENT HOSPITALS HAS REMAINED AT THE PRESENT LEVEL SINCE 1977 AND THAT THE CHARGES FOR ATTENDANCE AT THE GENERAL OUTPATIENT CLINICS WERE LAST REVISED IN 1980.

+EVEN WITH THE INCREASED RATE, IT IS BARELY SUFFICIENT TO COVER THE COST OF THE HOSPITAL MEAL,+ HE SAID.

HE SAID THAT THE REVISED CHARGES STILL REPRESENT A SUBSTANTIAL SUBSIDY FROM PUBLIC FUNDS AS THE OVERALL DAILY COST PER BED WORKS OUT TO \$382 IN QUEEN ELIZABETH HOSPITAL, \$441 IN PRINCESS MARGARET HOSPITAL AND \$583 IN QUEEN MARY HOSPITAL.

THE AVERAGE COST PER ATTENDANCE IN A GENERAL OUTPATIENT CLINIC IS ABOUT \$30 WHILE THE COST OF A SPECIALIST ATTENDANCE AMOUNTS TO MORE THAN \$80.

+WHILE CHARGES FOR THIRD CLASS WARDS ARE PURELY NOMINAL AND IT HAS NEVER BEEN THE INTENTION OF THE GOVERNMENT TO RECOVER THE FULL COST, IT IS CONSIDERED THAT SOME INCREASE IS JUSTIFIED HAVING REGARD TO THE HIGH LEVEL OF SUBSIDY FROM PUBLIC FUNDS,+ HE ADDED.

THE SPOKESMAN STRESSED THAT THERE ARE PROVISIONS TO REDUCE OR WAIVE THE CHARGES IN CASE OF GENUINE HARDSHIP.

THE PRESENT \$1 PER VISIT TO FAMILY PLANNING CLINICS AND THE METHADONE CLINICS WILL REMAIN UNCHANGED.

/PREVENTIVE AND .....

PREVENTIVE AND EMERGENCY SERVICES WILL ALSO CONTINUE TO REMAIN FREE AND THESE INCLUDE FAMILY HEALTH CENTRES WHICH PROVIDE ANTE-NATAL AND POST-NATAL EXAMINATIONS, IMMUNISATION AND ROUTINE DEVELOPMENTAL ASSESSMENT FOR CHILDREN; TUBERCULOSIS AND CHEST CLINICS; SOCIAL HYGIENE CLINICS; LEPROSY CLINICS; FLOATING CLINICS AND TRAVELLING DISPENSARIES AND ACCIDENT AND EMERGENCY DEPARTMENTS IN MAJOR GOVERNMENT HOSPITALS.

HOWEVER, IN LINE WITH THE INCREASE IN SPECIALISTS OUTPATIENT CLINICS, CHARGES FOR PHYSIOTHERAPY AND OCCUPATIONAL THERAPY ARE TO BE BROUGHT UP TO THE SAME LEVEL I.E. FROM THE PRESENT \$3 PER TREATMENT TO \$6. INJECTIONS AND DRESSINGS AT A GENERAL CLINIC WILL BE INCREASED FROM \$1 TO \$2.

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#### MUCH PROGRESS MADE IN ENVIRONMENTAL PROTECTION

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ACHIEVING THE RIGHT BALANCE IN PRIORITIES HAS BEEN THE CONSTANT BATTLE FOR THE ENVIRONMENTAL PROTECTION AGENCY, THE COMMISSIONER FOR ENVIRONMENTAL PROTECTION, DR STUART REED, SAID TODAY (WEDNESDAY).

ADDRESSING THE LUNCHEON MEETING OF THE ROTARY CLUB OF KOWLOON WEST, DR REED SAID THE EPA MUST ALSO MAKE THE RIGHT CHOICE IN ALLOCATING LIMITED RESOURCES TO DEALING WITH THE BACKLOG OF EXISTING PROBLEMS AND TO SAFEGUARDING AGAINST THE CREATION OF NEW AND POTENTIALLY BIGGER PROBLEMS IN THE FUTURE.

AT THE SAME TIME, HE POINTED OUT, THERE WAS THE SUBSTANTIAL TASK OF SETTING UP A NEW DEPARTMENT INVOLVING THE RECRUITMENT OF STAFF IN MANY DISCIPLINES, AND THE SELECTION, PURCHASE AND COMMISSIONING OF COMPLEX EQUIPMENT.

HE SAID, HOWEVER, THAT THE AGENCY HAD MADE GOOD PROGRESS ON MANY FRONTS SINCE ITS FORMAL ESTABLISHMENT JUST OVER TWO YEARS AGO.

HE POINTED TO THE CREATION OF A COMPREHENSIVE LEGISLATIVE FRAMEWORK, WITH A WATER POLLUTION CONTROL AND WASTE DISPOSAL ORDINANCE ALREADY INTRODUCED, AN AIR POLLUTION CONTROL BILL CURRENTLY BEFORE THE LEGISLATIVE COUNCIL AND A NOISE CONTROL BILL UNDER PREPARATION.

#### OTHER ACHIEVEMENTS CITED BY DR REED WERE:

- \* THE INTRODUCTION OF CONTROLS ON A NUMBER OF LARGE NEW DEVELOPMENTS WHICH COULD OTHERWISE CAUSE WIDE-SPREAD AND SERIOUS ENVIRONMENTAL DAMAGE AND HAVE ADVERSE HEALTH EFFECTS;
- \* THE INTRODUCTION OF COST EFFECTIVE MONITORING NETWORKS AND SURVEY PROGRAMMES TO PROVIDE OBJECTIVE DATA ON LOCAL POLLUTION LEVELS SO THAT CONTROL MEASURES COULD BE ADOPTED FOR LOCAL NEEDS; AND
- \* MUCH IMPROVED COORDINATION WITHIN THE GOVERNMENT IN DEALING WITH THE DISPOSAL OF TOXIC WASTES AND ENVIRONMENTAL EMERGENCIES GENERALLY.

+IT IS VERY ENCOURAGING THAT THE ENVIRONMENTAL PROTECTION AGENCY IS INCREASINGLY BEING CONSULTED AT THE VERY EARLIEST PLANNING STAGE ON SUCH THINGS AS NEW TOWNS, NEW ROADS, OUTLINE ZONING PLANS, SCHOOLS, HOSPITALS AND SO ON,+ DR REED SAID.

BUT HE ADDED THAT THERE WAS ALWAYS ROOM FOR IMPROVEMENT.

HE EXPRESSED DISAPPOINTMENT THAT THERE HAD NOT BEEN GREATER IMPROVEMENT IN SUCH LONG-STANDING PROBLEMS AS SMOKE EMISSIONS FROM ROAD VEHICLES, PILING NOISE, THE ADVERSE EFFECTS OF TRANSPORTATION NOISE ON SCHOOLS, THE KAI TAK NULLAH PROBLEM AND THE SEVERE POLLUTION OF STREAMS IN THE NEW TERRITORIES.

HE ADDED, HOWEVER, THAT PLANS WERE IN HAND +TO BRING EVEN THESE APPARENTLY INTRACTABLE PROBLEMS WITHIN ACCEPTABLE BOUNDS.+

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#### AID-OFFER TO PRIVATE KINDERGARTENS \* \* \* \*

GUIDELINES ON HOW TO APPLY FOR CHANGE TO NON-PROFIT-MAKING STATUS HAVE BEEN CIRCULATED TO ALL PRIVATE KINDERGARTENS SO THAT THEY MAY BECOME ELIGIBLE FOR GOVERNMENT ASSISTANCE.

+IT IS THE INTENTION OF THE GOVERNMENT TO PROVIDE ASSISTANCE TO NON-PROFIT-MAKING KINDERGARTENS SO THAT THEIR STANDARDS CAN BE IMPROVED AND MAINTAINED.

+ALL KINDERGARTENS ARE THEREFORE ENCOURAGED TO CHANGE TO NON-PROFIT-MAKING STATUS IN THE FIRST INSTANCE IN ORDER THAT THEY MAY BE ELIGIBLE FOR GOVERNMENT ASSISTANCE,+ AN EDUCATION DEPARTMENT SPOKESMAN SAID TODAY.

THE GUIDELINES ALSO PROVIDE INFORMATION ON THE CRITERIA FOR NON-PROFIT-MAKING STATUS, AND HOW PRIVATE KINDERGARTENS CAN CHANGE TO NON-PROFIT-MAKING STATUS.

HOWEVER, HE CAUTIONED THAT THE ACQUISITION OF NON-PROFIT-MAKING STATUS ALONE DID NOT GUARANTEE ASSISTANCE IN THE FORM OF RE-IMBURSEMENT OF RENTALS AND RATES.

INTERESTED PRIVATE KINDERGARTENS SHOULD APPLY TO THE EDUCATION DEPARTMENT BEFORE TAKING LEGAL PROCEDURES FOR INCORPORATION AS NON-PROFIT-MAKING BODIES, HE SAID.

EACH APPLICATION WILL BE STUDIED BY A DEPARTMENTAL COMMITTEE, AND SINCE CIRCUMSTANCES WILL VARY FROM SCHOOL TO SCHOOL EACH CASE WILL BE CONSIDERED ON ITS OWN MERITS.

+A PRIVATE KINDERGARTEN CAN CHANGE TO NON-PROFIT-MAKING STATUS EITHER BY THE SCHOOL OPERATORS INCORPORATING THEMSELVES AS A NON-PROFIT-MAKING BODY, OR BY HANDING THE SCHOOL OVER TO AN ESTABLISHED NON-PROFIT-MAKING SPONSOR,+ THE SPOKESMAN SAID.

IN APPLYING, THE PRIVATE KINDERGARTENS SHOULD PROVIDE THE NAMES AND ADDRESSES OF THEIR SCHOOLS, THE MEMBERSHIP OF THE MANAGEMENT COMMITTEES, DETAILS OF THE SCHOOL PREMISES, THEIR FINANCIAL STATUS AND OTHER RELEVANT INFORMATION.

ENQUIRIES SHOULD BE ADDRESSED TO THE SENIOR EDUCATION OFFICER (SCHOOLS), EDUCATION DEPARTMENT, LEE GARDENS, THIRD FLOOR, HYSAN AVENUE, HONG KONG, OR ON TELEPHONE 5-8392322.

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## TREMENDOUS CHANGE IN TUEN MUN

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TUEN MUN HAS UNDERGONE A TREMENDOUS CHANGE FROM A FISHING VILLAGE INTO A FAST DEVELOPING INDUSTRIAL NEW TOWN AND, OVER THE PAST THREE YEARS, HAD A THREE-FOLD INCREASE IN POPULATION, THE OUTGOING DISTRICT OFFICER, MR BILLY LAM, SAID TODAY (WEDNESDAY).

+AN AVERAGE OF 50 000 TO 60 000 PEOPLE MOVED INTO THE TOWN EVERY YEAR, AND THE POPULATION IS EXPECTED TO REACH 350 000 BY 1985,+ HE SAID.

SPEAKING AT A FAREWELL PARTY ATTENDED BY MORE THAN 600 COMMUNITY LEADERS, MR LAM RECALLED THAT THERE WERE ONLY 70 000 RESIDENTS IN TUEN MUN WHEN HE BEGAN HIS WORK AS THE DISTRICT OFFICER THREE YEARS AGO.

+IN ORDER TO COPE WITH THE FAST GROWING NEED, THE GOVERNMENT HAS PUT IN GREAT EFFORT IN BUILDING COMMUNITY FACILITIES IN THE DISTRICT,+ HE SAID.

ON HOUSING, FOR INSTANCE, A NUMBER OF PUBLIC HOUSING ESTATES HAVE BEEN COMPLETED DURING THE YEARS, AND THE SIU HONG COURT - HONG KONG'S LARGEST HOME OWNERSHIP SCHEME - HAD RECEIVED GOOD RESPONSE WITH ALL UNITS IN THE PHASE I BEING SOLD OUT, HE SAID.

ON COMMUNITY DEVELOPMENTS, HE SAID THE GOVERNMENT WOULD SPEND \$400 MILLION TO BUILD A CULTURAL COMPLEX IN THE DISTRICT, AND THE PILING WORK FOR PHASE I HAD ALREADY BEEN COMPLETED.

+UPON COMPLETION, THE COMPLEX WILL HAVE A TOWN HALL, GOVERNMENT OFFICES, BUS TERMINUS AND A MULTI-STOREY CAR PARK, AND TOGETHER WITH THE NEW YAU OI SPORTS CENTRE, RECREATIONAL AND CULTURAL FACILITIES IN THE NEW TOWN WILL BE GREATLY IMPROVED,+ HE SAID.

ON THE WORK OF THE DISTRICT BOARD, MR LAM SAID THROUGH AN INDUSTRIAL AND COMMERCE COMMITTEE, THEY WOULD HELP PROMOTE INDUSTRIAL INVESTMENTS IN THE DISTRICT, AND CREATE JOB OPPORTUNITIES FOR LOCAL RESIDENTS.

MR LAM WILL TAKE UP HIS NEW POST AS DEPUTY DIRECTOR OF GOVERNMENT SUPPLIES DEPARTMENT TOMORROW. THE NEW DISTRICT OFFICER WILL BE MR RICKY FUNG.

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## CONSUMER PRICE INDEXES FOR FEBRUARY

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THE CONSUMER PRICE INDEX (A) AND CONSUMER PRICE INDEX (B) FOR FEBRUARY 1983 WERE BOTH 138, EACH BEING THREE POINTS OR 2.2 PER CENT HIGHER THAN THE PRECEDING MONTH, ACCORDING TO FIGURES PUBLISHED BY THE CENSUS AND STATISTICS DEPARTMENT TODAY (WEDNESDAY).

COMPARED WITH FEBRUARY 1982, CPI (A) ADVANCED BY 11 POINTS OR 8.7 PER CENT AND CPI (B) BY 12 POINTS OR 9.5 PER CENT. DURING THE THREE-MONTH PERIOD ENDING IN FEBRUARY 1983, BOTH THE SEASONALLY ADJUSTED CPI (A) AND CPI (B) ROSE AT AN AVERAGE RATE OF 0.7 PER CENT EACH MONTH.

DURING FEBRUARY, FOOD PRICES, ESPECIALLY THOSE OF FRESH VEGETABLES AND LIVE POULTRY, AND HAIRDRESSING CHARGES WERE HIGHER, REFLECTING A STRONG CONSUMER DEMAND DURING THE LUNAR NEW YEAR HOLIDAYS AND AN INADEQUATE SUPPLY OF FRESH VEGETABLES BECAUSE OF THE ADVERSE WEATHER CONDITIONS. RETAIL PRICES OF CIGARETTES AND ALCOHOLIC DRINKS ALSO WENT UP IN THE LATTER PART OF THE MONTH AS A RESULT OF INCREASED DUTIES.

THE CPI (A) AND CPI (B) ARE BASED ON THE EXPENDITURE PATTERNS OF 50 PER CENT AND 30 PER CENT RESPECTIVELY, OF URBAN HOUSEHOLDS IN HONG KONG, WHICH WERE DERIVED FROM THE 1979/80 HOUSEHOLD EXPENDITURE SURVEY. THE CPI (A) REFERRED TO HOUSEHOLDS SPENDING BETWEEN \$1 000 AND \$3 499 A MONTH AND THE CPI (B) TO HOUSEHOLDS SPENDING BETWEEN \$3 500 AND \$6 499 A MONTH AT THAT TIME.

THE INDEXES FOR FEBRUARY 1983 IN RESPECT OF THE NINE COMMODITY/SERVICE SECTIONS IN THE TWO CONSUMER PRICE INDEXES ARE GIVEN BELOW, TOGETHER WITH THOSE FOR JANUARY 1983 AND FEBRUARY 1982.

(OCTOBER 1979 TO SEPTEMBER 1980 AVERAGE = 100)

SECTION	CPI (A)			CPI (B)		
	FEB 82	JAN 83	FEB 83	FEB 82	JAN 83	FEB 83
FOODSTUFFS	131	137	142	131	137	143
HOUSING	121	133	133	121	132	132
FUEL AND LIGHT	136	145	145	137	146	146
ALCOHOLIC DRINKS AND TOBACCO (FOR HOME CONSUMPTION)	123	130	140	122	129	137
CLOTHING AND FOOTWEAR	122	135	133	122	136	133
DURABLE GOODS	108	107	108	110	110	110
MISCELLANEOUS GOODS	120	128	130	117	127	130
TRANSPORT AND VEHICLES	137	145	147	134	147	148
SERVICES	129	144	148	129	142	147
ALL ITEMS	127	135	138	126	135	138

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THE INDEX FOR FOODSTUFFS INCREASED BY FIVE POINTS IN CPI (A) AND BY SIX POINTS IN CPI (B). THE AVERAGE RETAIL PRICES OF FRESH VEGETABLES, LIVE POULTRY, PORK, SALT-WATER FISH AND FRESH-WATER FISH INCREASED AS A RESULT OF STRONG DEMAND AROUND THE LUNAR NEW YEAR HOLIDAYS. THE AVERAGE CHARGES FOR MEALS BOUGHT IN RESTAURANTS ALSO WENT UP. THE EFFECT OF THE MOVEMENTS IN THE RETAIL PRICES OF OTHER FOOD ITEMS ON THE INDEX FOR FOODSTUFFS WAS INSIGNIFICANT.

OWING TO INCREASED DUTIES, RETAIL PRICES OF CIGARETTES AND ALCOHOLIC DRINKS WERE RAISED IN THE LATTER PART OF THE MONTH. CONSEQUENTLY, THE INDEX FOR ALCOHOLIC DRINKS AND TOBACCO (FOR HOME CONSUMPTION) INCREASED BY 10 POINTS IN CPI (A) AND BY EIGHT POINTS IN CPI (B).

THE INDEX FOR CLOTHING AND FOOTWEAR DECREASED BY TWO POINTS IN CPI (A) AND BY THREE POINTS IN CPI (B) BECAUSE OF LOWER PRICES FOR OUTERCLOTHING.

THE INDEX FOR MISCELLANEOUS GOODS INCREASED BY TWO POINTS IN CPI (A) AND BY THREE POINTS IN CPI (B) AS A RESULT OF HIGHER PRICES FOR MEDICINES, JEWELLERY AND FRESH FLOWERS.

THE INDEX FOR TRANSPORT AND VEHICLES INCREASED BY TWO POINTS IN CPI (A) AND BY ONE POINT IN CPI (B) OWING TO HIGHER PRICES OF GASOLINE, HIGHER FEES FOR DRIVING AND VEHICLE LICENCES, AND HIGHER CHARGES FOR PUBLIC LIGHT BUS FARES.

THE INDEX FOR SERVICES INCREASED BY FOUR POINTS IN CPI (A) AND BY FIVE POINTS IN CPI (B) DUE TO HIGHER CHARGES FOR HAIRDRESSING BEFORE THE LUNAR NEW YEAR AND HIGHER CHARGES FOR PACKAGE TOURS AROUND THE LUNAR NEW YEAR HOLIDAYS.

PRICE MOVEMENTS IN THE OTHER SECTIONS WERE INSIGNIFICANT.

DETAILS OF THESE PRICE MOVEMENTS ARE GIVEN IN THE +CONSUMER PRICE INDEX REPORT+ FOR FEBRUARY 1983. BOTH ENGLISH AND CHINESE VERSIONS OF THIS REPORT ARE AVAILABLE AT \$3 PER COPY AT THE GOVERNMENT PUBLICATIONS CENTRE, GENERAL POST OFFICE BUILDING, GROUND FLOOR, CONNAUGHT PLACE, HONG KONG.

FOR ENQUIRIES ABOUT THE CONSUMER PRICE INDEXES, PLEASE CONTACT THE CONSUMER PRICE INDEX SECTION OF THE CENSUS AND STATISTICS DEPARTMENT AT TELEPHONE NO. 3-7216512.

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## NOTE TO EDITORS:

UNLESS OTHERWISE SPECIFIED, FIGURES PRESENTED IN THIS PRESS RELEASE REFER TO CPI SERIES NOT SEASONALLY ADJUSTED.

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MANPOWER SURVEY COVERING ALL CONSTRUCTION SITES AND FIRMS

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THE BUILDING AND CIVIL ENGINEERING TRAINING BOARD OF THE VOCATIONAL TRAINING COUNCIL IS CONDUCTING A SURVEY TO ASCERTAIN THE MANPOWER AND TRAINING REQUIREMENTS IN THE INDUSTRY.

STARTING FROM TOMORROW (THURSDAY), INTERVIEWERS FROM THE CENSUS AND STATISTICS DEPARTMENT WILL GO ROUND TO ALL CONSULTING FIRMS AND WORK SITES TO COLLECT INFORMATION RELATING TO MANPOWER IN THE INDUSTRY.

THE SURVEY COVERS MORE THAN 1 500 PRIVATE CONSTRUCTION SITES AND 500 CONSULTING FIRMS THROUGHOUT THE TERRITORY.

THESE CONSULTING FIRMS INCLUDE CONSTRUCTION, ARCHITECTURAL, SURVEYING AND ENGINEERING ESTABLISHMENTS.

THE CHAIRMAN OF THE TRAINING BOARD, MR HO SAI-CHU URGED EMPLOYERS IN THESE SITES AND FIRMS TO FULLY SUPPORT THE SURVEY.

HE STRESSED THAT THE INFORMATION WAS VITAL TO MANPOWER PLANNING AND THUS THE DEVELOPMENT OF THE INDUSTRY.

EMPLOYERS ARE REQUESTED TO SUPPLY INFORMATION ON THE NUMBER OF THEIR EMPLOYEES, PRESENT VACANCIES AND WORKERS UNDER TRAINING.

AT THE SAME TIME, SIMILAR INFORMATION FROM THE PUBLIC SECTOR WILL ALSO BE GATHERED THROUGH THE HOUSING, BUILDING DEVELOPMENT, ENGINEERING DEVELOPMENT AND WATER SUPPLIES DEPARTMENTS.

THE INFORMATION COLLECTED WILL BE HANDLED IN STRICT CONFIDENCE AND WILL BE PUBLISHED ONLY IN THE FORM OF STATISTICAL SUMMARIES WITHOUT REFERENCE TO INDIVIDUAL SITES OR FIRMS, MR HO SAID.

THE SURVEY WILL END ON APRIL 9.

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EARLY PAYMENT OF PUBLIC ASSISTANCE

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PUBLIC ASSISTANCE RECIPIENTS MAY BE PAID EARLIER IF THEIR PAYMENT DATES FALL ON THE EASTER AND CHING MING HOLIDAYS EARLY NEXT MONTH.

A SOCIAL WELFARE DEPARTMENT SPOKESMAN SAID TODAY (WEDNESDAY) THAT THOSE WHO WERE TO RECEIVE PAYMENT ON APRIL 1, 2, 3, 4 AND 5 COULD CASH THEIR COUPONS ON OR AFTER MARCH 26, 28, 29, 30 AND 31 RESPECTIVELY AT THE DESIGNATED POST OFFICES, NEW TERRITORIES DISTRICT OFFICES OR TREASURY SUB-OFFICES.

THE RECIPIENTS HAVE BEEN INFORMED OF THE SPECIAL ARRANGEMENT THROUGH THEIR RESPECTIVE SOCIAL SECURITY FIELD UNITS.

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BUILDING IN TAI HOM VILLAGE DECLARED DANGEROUS

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THE BUILDING AUTHORITY TODAY DECLARED NO. 7 MAN YUEN ROAD, TAI HOM VILLAGE, DIAMOND HILL TO BE IN A DANGEROUS CONDITION.

IN A STATEMENT ISSUED THIS MORNING THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR SAID THAT THIS TWO-STORY PRE-WAR BUILDING, CONSTRUCTED WITH LOAD-BEARING GRANITE BLOCK WALLS AND REINFORCED CONCRETE 1ST FLOOR AND ROOF, HAD BEEN INSPECTED RECENTLY. PORTIONS OF THE EXTERNAL RENDERING HAD FALLEN REVEALING FRACTURED, POORLY BANDED AND JOINTED BLOCKWORK TO THE ENCLOSING LOAD-BEARING WALLS. IN ADDITION THE REINFORCEMENT TO THE ROOF SLAB AND BEAMS WAS SEVERELY CORRODED.

+IT IS THEREFORE CONSIDERED NECESSARY TO CLOSE AND, DEMOLISH THIS BUILDING AS THERE IS A SERIOUS RISK OF A COLLAPSE,+ HE SAID.

A NOTICE OF INTENTION TO APPLY FOR A CLOSURE ORDER IN KOWLOON DISTRICT COURT AT 9.30 AM ON APRIL 20 WAS POSTED TODAY.

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SAI KUNG DB MEETS ON FRIDAY

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THE PROPOSED ROADWORKS IN TUI MIN HOI IN SAI KUNG, INCLUDING THE BUILDING OF A 450-METRE TWO-LANE CARRIAGEWAY AND AN ACCESS ROAD TO THE INDUSTRIAL SITES, WILL BE DISCUSSED AT THE DISTRICT BOARD'S MEETING ON FRIDAY (MARCH 25).

AT THE MEETING, MEMBERS WILL ALSO EXAMINE THE PROPOSED DISTRICT BOARD FUNDED PROJECTS IN THE COMING FISCAL YEAR, AND DISCUSS THE DISTRICT'S RECREATIONAL FACILITIES, WATER WORKS, AND THE DISPOSAL OF PIG MANURE.

OTHER ITEMS ON THE AGENDA WILL INCLUDE THE OPERATION OF TAXIS IN THE NEW TERRITORIES AND THE NEW MEMBERSHIPS FOR THE FOUR COMMITTEES UNDER THE BOARD.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SEVENTH SAI KUNG DISTRICT BOARD MEETING TO BE HELD ON FRIDAY (MARCH 25) AT 10 AM IN THE CONFERENCE ROOM OF THE DISTRICT BOARD SECRETARIAT AT AMOY PLAZA, SECOND FLOOR, 77 NGAU TAU KOK ROAD, KOWLOON.

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WEDNESDAY, MARCH 23, 1983

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WASHWATER RECOVERY SYSTEM FOR TSUEN WAN TREATMENT WORKS  
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A WASHWATER RECOVERY SYSTEM WILL BE BUILT WITHIN THE COMPOUND OF THE TSUEN WAN TREATMENT WORKS AS PART OF A PROJECT TO RAISE THE PLANT'S EXISTING CAPACITY TO 317 000 CUBIC METRES PER DAY.

A \$2.3 MILLION CONTRACT FOR THE WORK WAS AWARDED BY THE WATER SUPPLIES DEPARTMENT AND SIGNED THIS MORNING BY MR LEE GUN-CHEUNG, CHIEF ENGINEER (CONSTRUCTION) OF THE DEPARTMENT AND A REPRESENTATIVE OF KIN SHING CONSTRUCTION CO.

WORK ON THE CONTRACT COMPRISES THE CONSTRUCTION OF THREE WASHWATER RECOVERY TANKS, EACH WITH A CAPACITY OF 270 CUBIC METRES, A SMALL PUMP HOUSE, AND 500 METRES OF INLET AND DISCHARGE PIPES.

MR LEE SAID THAT ON COMPLETION OF THE PROJECT, FILTERED WASHWATER FORMERLY DISCHARGED AS WASTE WOULD BE RECOVERED AND UP TO 7 000 CUBIC METRES OF WATER COULD BE SAVED DAILY.

WORK ON THE CONTRACT WILL TAKE ABOUT EIGHT MONTHS TO COMPLETE.

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