



DAILY INFORMATION BULLETIN

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1987-88 SURPLUS REACHES \$10.6 BILLION

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HONG KONG WILL HAVE A CONSOLIDATED SURPLUS OF \$10.6 BILLION FOR 1987-88 COMPARED WITH THE EARLIER REVISED ESTIMATE OF \$7.6 BILLION, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WINDING UP DEBATE ON THE APPROPRIATION BILL 1988, HE SAID SIGNIFICANT GAINS IN PROFITS TAX, COMPANY REGISTRATION FEES AND STAMP DUTY AND VARIOUS OTHER FACTORS HAD SERVED TO INCREASE THE ESTIMATED GENERAL REVENUE ACCOUNT SURPLUS FOR LAST YEAR TO \$10.6 BILLION.

MOREOVER, THE TOTAL OF THE FUND BALANCES WOULD NOW REMAIN VIRTUALLY STATIC, RATHER THAN GROW BY THE \$1.5 BILLION INDICATED EARLIER.

MR JACOBS SAID WHEN PREPARING THE REVISED ESTIMATE FOR PROFITS TAX YIELDS IN 1987-88, THE GOVERNMENT HAD GOOD REASON TO BELIEVE THAT TAX RECEIPTS IN THE SECOND HALF OF THE YEAR WOULD BE SIGNIFICANTLY AFFECTED BY THE AFTERMATH OF THE OCTOBER STOCK MARKET CRASH.

"THIS HAS NOT, HOWEVER, PROVED TO BE THE CASE AND, AS WE HAVE SEEN, CORPORATE RESULTS HAVE CONTINUED TO GO FROM STRENGTH TO STRENGTH," HE SAID.

"WE HAVE ALSO WITNESSED A REDUCTION IN TAX ARREARS ENCOURAGED, PERHAPS, BY IMPROVED COMPANY LIQUIDITY AND RELATIVELY LOW INTEREST RATES.

"THE RESULT IS AN IMPROVEMENT IN ESTIMATED PROFITS TAX RECEIPTS FOR THE YEAR FROM THE REVISED ESTIMATE OF \$13.1 BILLION TO \$15.4 BILLION."

OF LESS SIGNIFICANCE, COMPANY REGISTRATION FEES HAD BEEN BOOSTED BY SOME \$350 MILLION DUE TO A SUBSTANTIAL ONE-OFF YIELD FROM A MAJOR COMPANY RESTRUCTURING THAT TOOK PLACE TOWARDS THE YEAR END.

IN ADDITION AS STOCK MARKET TURNOVER HAD RECOVERED SHARPLY TOWARDS THE YEAR END, OUT-TURN ON STAMP DUTY AS A RESULT IMPROVED FURTHER FROM THE REVISED ESTIMATE OF \$5 BILLION TO \$5.3 BILLION.

ANOTHER FACTOR CONTRIBUTING TO THE INCREASE IN THE ESTIMATED GENERAL REVENUE ACCOUNT SURPLUS WAS THE NEW FINANCING ARRANGEMENTS WHICH HAD BEEN APPLIED TO THE HOUSING AUTHORITY WITH EFFECT FROM APRIL 1 THIS YEAR WHICH REQUIRED SOME PREPARATORY ADJUSTMENTS IN GOVERNMENT ACCOUNTS.

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"IN PARTICULAR, THE VALUE OF CONTRIBUTIONS MADE IN EARLIER YEARS TO THE HOME OWNERSHIP FUND HAS BEEN TRANSFERRED BACK TO GENERAL REVENUE ACCOUNT," MR JACOBS EXPLAINED.

"THE REMAINING BALANCE ON THE FUND WILL PASS TO THE HOUSING AUTHORITY AS PART OF ITS INITIAL CAPITAL UNDER THE NEW ARRANGEMENTS.

"THE AMOUNT DRAWN BACK INTO GENERAL REVENUE ACCOUNT IS JUST UNDER \$1 BILLION. THE RESULT IS TO INFLATE THE GENERAL REVENUE ACCOUNT SURPLUS BY THAT AMOUNT AND TO REDUCE FUND BALANCES CORRESPONDINGLY."

WHILE NOTING THAT SOME OF THESE ADJUSTMENTS WERE ONE-OFF AND HAD NO IMPLICATIONS BEYOND 1987-88, MR JACOBS SAID THE BOOST TO PROFITS TAX RECEIPTS, HOWEVER, WAS A FURTHER INDICATION THAT HONG KONG'S ECONOMY SURVIVED THE PRESSURES OF THE STOCK MARKET CRASH RELATIVELY UNSCATHED.

THIS WAS ALSO A HOPEFUL SIGN FOR FURTHER IMPROVEMENT IN REVENUE YIELD IN 1988-89, HE SAID.

ON THE TECHNICALITY OF MAKING FORECASTS, MR JACOBS SAID FORECASTING HAD BECOME PECULIARLY DIFFICULT IN THE FACE OF GLOBAL EVENTS OF SUCH MAGNITUDE AS THOSE OF LAST OCTOBER.

WHILE CONCEDING THAT PROFITS TAX WAS INEVITABLY A MORE VOLATILE ELEMENT OF REVENUE, HE SAID THE GOVERNMENT WAS UNDERTAKING A REVIEW TO IMPROVE REVENUE PROJECTIONS IN THIS AREA.

"THE DIFFICULTY WE FACE IN FORECASTING PROFITS TAX REVENUE IS THAT THE BULK OF RECEIPTS COME IN OVER THE LAST FEW MONTHS OF THE FISCAL YEAR," HE EXPLAINED.

AGREEING WITH A MEMBER'S VIEW THAT THE UNEXPECTED CONSOLIDATED SURPLUS WAS NOT AN OCCASION FOR GREAT REJOICING, MR JACOBS ADDED THAT FOR THE REASONS HE HAD MENTIONED, HE DID NOT BELIEVE THAT EVEN IN THE LIGHT OF THIS ADDITIONAL SURPLUS FURTHER TAX REDUCTIONS SHOULD HAVE BEEN PROPOSED.

"IT IS MORE APPROPRIATE THAT THE ADDITIONAL AMOUNT SHOULD BE USED TO BUILD UP OUR FISCAL RESERVES.

"IN THIS CONNECTION, MEMBERS WILL RECOLLECT THAT IN MY BUDGET SPEECH I POINTED OUT THAT OVER THE MEDIUM RANGE FORECAST PERIOD THE RESERVE BALANCES WILL FALL AS A PERCENTAGE OF ANNUAL SPENDING FROM ABOUT 77 PER CENT TO 65 PER CENT," HE SAID.

ON THE EXPENDITURE OUT-TURN FOR THE YEAR, MR JACOBS SAID INDICATIONS WERE THAT THIS HAD BEEN MUCH AS EXPECTED AND THE VARIATION FROM THE REVISED EXPENDITURE ESTIMATES TABLED ON MARCH 2 SHOULD BE CONSIDERABLY LESS THAN ONE PER CENT.

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PREMATURE TO REVISE FORECASTS FOR GDP

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THERE WERE TRENDS THAT SUGGESTED THE GROWTH RATE OF HONG KONG'S ECONOMY WAS SLACKENING AND IT WOULD BE PREMATURE TO REVISE THE FORECASTS FOR EITHER THE GROSS DOMESTIC PRODUCT (GDP) OR INFLATION, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WINDING UP THE BUDGET DEBATE, MR JACOBS SAID THE TREND OF SLOWER GROWTH IN DOMESTIC EXPORTS BEGAN TOWARDS THE END OF LAST YEAR, AND IN THE FIRST QUARTER OF THIS YEAR, THE GROWTH RATE OF DOMESTIC EXPORTS AND RETAINED IMPORTS HAD CONTINUED TO SLOW DOWN.

MR JACOBS SAID HE SHARED SOME OF THE CONCERNS EXPRESSED BY SOME COUNCILLORS IN THE LIGHT OF THE CURRENT UNCERTAINTY ABOUT THE PROSPECTS FOR THE WORLD ECONOMY, AND THE RECENT TENDENCY FOR PRICES TO EDGE UP.

"A NUMBER OF MEMBERS HAVE WARNED OF THE RISK OF RISING INFLATION AND ITS INHERENT DANGERS," MR JACOBS SAID.

HE SAID THE SENIOR MEMBER HAD WARNED THAT BOTH THE INFLATION FORECAST FOR 1988-89 OF SEVEN PER CENT AND THE INFLATION ASSUMPTION UNDERLYING THE MEDIUM RANGE FORECAST OF 5.5 PER CENT MIGHT BE TOO LOW.

OTHER MEMBERS, HE SAID, HAD WARNED THAT THE CURRENT TIGHT LABOUR MARKET AND, IN PARTICULAR, THE PRESSURE THAT WOULD BE PUT ON IT BY THE PLANNED EXPANSION IN THE CIVIL SERVICE WOULD CONTRIBUTE TO INFLATION.

"IN PUTTING TOGETHER MY BUDGET PACKAGE I WAS AWARE OF THE RISK THAT INCREASED SPENDING AND REDUCED TAXATION COULD PROVIDE AN UNDESIRABLE STIMULUS TO THE ECONOMY GIVEN THAT IT WAS ALREADY OPERATING CLOSE TO ITS CAPACITY LIMITS.

"I TOOK THE VIEW, HOWEVER, THAT BECAUSE THE OVERALL GROWTH RATE OF THE ECONOMY WAS EXPECTED TO SLOW DOWN, THE LIMITED DEGREE OF STIMULUS INVOLVED IN THE PACKAGE PRESENTED WAS TOLERABLE," MR JACOBS SAID.

NOTING THAT THERE WERE SIGNS THAT THIS WAS HAPPENING, THE FINANCIAL SECRETARY SAID THAT OVER THE LONGER TERM, THE LINK BETWEEN THE U.S. DOLLAR AND THE HONG KONG DOLLAR SHOULD MEAN THAT THERE WAS A TENDENCY FOR THE INFLATION RATE IN THE TERRITORY TO FOLLOW THAT IN THE UNITED STATES, ALTHOUGH THERE MIGHT BE SIGNIFICANT DEVIATIONS FROM TIME TO TIME.

"THE U.S. INFLATION RATE IS CURRENTLY AROUND FOUR PER CENT AND TENDING TO RISE, BUT IF THE U.S. ECONOMY SLOWS DOWN IN 1989 OR 1990 AS EXPECTED, THE INFLATION RATE THERE SHOULD FALL AGAIN," MR JACOBS SAID.

/"THUS, INFLATION

"THUS, INFLATION IN HONG KONG CAN ALSO BE EXPECTED TO FALL IN DUE COURSE," HE SAID.

"SO, THE PRESUMPTION OF 5.5 PER CENT INFLATION FOR THE MEDIUM RANGE FORECAST MIGHT WELL TURN OUT TO BE PESSIMISTIC," HE ADDED.

"NEVERTHELESS, I ACCEPT THAT INFLATION REMAINS A CONCERN."

AS TO WHAT THE GOVERNMENT WAS DOING TO AVOID AGGRAVATING INFLATION, THE FINANCIAL SECRETARY SAID: "THE OPEN, FREE MARKET NATURE OF OUR ECONOMY MEANS THAT THERE IS LITTLE GOVERNMENT CAN DO TO RESTRAIN INFLATION BEYOND SEEKING TO ENSURE THAT ITS OWN SPENDING AND REVENUE-RAISING ACTIVITIES DO NOT ADD TO INFLATIONARY PRESSURES.

"THIS IS NEVER EASY TO ACHIEVE BUT THE CAUTION UNDERLYING MY BUDGETARY STRATEGY WAS PARTLY MOTIVATED BY A DESIRE TO ENSURE THAT WE DID NOT ADD TO INFLATIONARY PRESSURES," HE ADDED.

"THE MESSAGE IS CLEAR: IN PRESENT CIRCUMSTANCES THERE IS LITTLE OR NO ROOM FOR FURTHER REDUCTIONS IN TAXATION OR SIGNIFICANT INCREASES IN SPENDING."

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SEPARATE TAXATION FOR WORKING WIVES PROMISED
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A FIRM COMMITMENT TO INTRODUCE SEPARATE TAXATION FOR WORKING WIVES AS SOON AS PRACTICABLE WAS MADE BY THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"ADMINISTRATIVE ARRANGEMENTS TO GIVE EFFECT TO THIS COMMITMENT ARE ALREADY IN PREPARATION," HE SAID WHEN WINDING UP DEBATE ON THE APPROPRIATION BILL 1988.

THE TARGET DATE FOR IMPLEMENTATION OF SEPARATE TAXATION WAS 1990, HE SAID.

THERE WERE A NUMBER OF DIFFICULT QUESTIONS TO BE RESOLVED, OPTIONS TO BE CONSIDERED, AND TECHNICAL PROCEDURES TO BE COMPLETED. BUT HE WAS CONFIDENT SATISFACTORY SOLUTIONS COULD BE ACHIEVED THROUGH CONSULTATION WITH THE OMELCO PANEL ON TAXATION.

NOTING THAT THERE WAS NOW ALMOST UNANIMOUS SUPPORT IN THE COUNCIL FOR THE MEASURE, MR JACOBS SAID HE HAD CERTAINLY NOT REJECTED THE IDEA IN HIS BUDGET SPEECH AS SOME MEMBERS HAD SUGGESTED.

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RATHER, HE HAD SAID HE WAS PREPARED TO CONSIDER FURTHER HOW SEPARATE TAXATION MIGHT BE INTRODUCED.

HE ALSO REFERRED TO THE HON RITA FAN'S REMARKS THAT REPRESENTATIONS BY MEMBERS ON SEPARATE TAXATION WERE OVERLOOKED.

"AS MRS FAN RIGHTLY SAID, THE OMELCO TAXATION PANEL ADDRESSED ME ON THIS ISSUE IN FEBRUARY 1987," HE SAID.

"I SUBSEQUENTLY ARGUED AGAINST SEPARATE TAXATION BOTH IN MY 1987 BUDGET SPEECH, AND IN MY CONCLUDING SPEECH, IN WHICH I GAVE A DETAILED RESPONSE TO MEMBERS' COMMENTS.

"IN THOSE CIRCUMSTANCES, AND AT THAT TIME, IT WOULD HAVE BEEN QUITE ILLOGICAL TO CARRY OUT FURTHER WORK ON THIS MATTER IN THE LIGHT OF WHAT I HAD SAID.

"AFTER I DELIVERED MY CONCLUDING SPEECH IN LAST YEAR'S DEBATE, I DID NOT HEAR FURTHER FROM MEMBERS OF THIS COUNCIL UNTIL NOVEMBER 1987.

"MEMBERS THEN AGAIN URGED THAT CONSIDERATION BE GIVEN TO INTRODUCING SEPARATE TAXATION FOR WORKING MARRIED WOMEN.

"BY THAT TIME IT WAS TOO LATE TO INTRODUCE NEW PROPOSALS INTO MY 1988-89 BUDGET STRATEGY.

"IN ANY EVENT, I WAS CONSCIOUS OF THE FACT THAT SOME MEMBERS HAD EARLIER ADVOCATED AN ALLOWANCE FOR WORKING MARRIED WOMEN AND, BEARING IN MIND THE FACT THAT I HAD DECIDED TO GRANT AN ALLOWANCE THIS YEAR, I FELT THAT I SHOULD INDICATE THAT THE ALLOWANCE WAS DESIGNED TO PUT MONEY IN THE POCKETS OF WORKING MARRIED WOMEN WHILE WE CONSIDERED THE BEST METHOD OF IMPLEMENTING FULL SEPARATE TAXATION."

ON CALLS THAT TAX RELIEF BE PROVIDED FOR HOME PURCHASE PAYMENTS, MR JACOBS SAID HONG KONG HAD VERY LOW TAXATION, WHICH SHOULD REMAIN NEUTRAL IN ITS EFFECT, AND NOT BE UNDULY DISTORTED IN FAVOUR OF PARTICULAR CLASSES OR GROUPS OF INDIVIDUALS.

"WHILST I AM, OF COURSE, SYMPATHETIC TO THOSE BUYING THEIR OWN HOMES WITH MORTGAGE FINANCE, I WOULD POINT OUT THAT, TAKEN TOGETHER, MY BUDGET PROPOSALS THIS YEAR PROVIDE SIGNIFICANT ASSISTANCE TO THE MIDDLE INCOME GROUP, NOT LEAST TO THE 100,000 OR SO PERSONS WHO WILL BENEFIT FROM THE RELAXATION IN THE RATES OF STAMP DUTY APPLICABLE TO SMALL AND MEDIUM-SIZED PROPERTIES," HE SAID.

MR JACOBS ALSO REFERRED TO PROBLEMS THE 1986 U.S. TAX REFORM ACT MIGHT POSE FOR HONG KONG-BASED SHIPOWNERS.

"WE ARE CONSULTING THE U.S. AUTHORITIES ON THIS COMPLEX ISSUE IN AN EFFORT TO ASSESS THE EFFECTS OF THE LEGISLATION ON HONG KONG-BASED SHIPOWNERS. THEREAFTER, WE SHALL EVALUATE THE REMEDIES AVAILABLE TO THE HONG KONG GOVERNMENT," HE SAID.

FUTURE NEEDS OF INDUSTRY BEING EXAMINED

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THE GOVERNMENT, THROUGH VARIOUS STATUTORY BODIES, IS LOOKING INTO FUTURE NEEDS OF INDUSTRY AND WAYS TO PROMOTE INVESTMENT, QUALITY IN MANUFACTURING AND PRODUCTIVITY, AS WELL AS THE POSSIBILITY OF ESTABLISHING A SCIENCE PARK OR TECHNOLOGY CENTRE, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WINDING UP DEBATE ON THE APPROPRIATION BILL 1988, MR JACOBS REITERATED THAT THE TRADE AND INDUSTRY SECTOR HAD MADE A VITAL CONTRIBUTION TO HONG KONG'S ECONOMIC SUCCESS.

ON A COMMENT ABOUT THE ABSENCE OF A COMPREHENSIVE INDUSTRIAL DEVELOPMENT PLAN, MR JACOBS QUESTIONED WHETHER THERE WAS A NEED FOR ONE.

"I CONTINUE TO BELIEVE THAT MARKET FORCES MUST BE THE PRIME DETERMINANT OF THE DIRECTION TO BE TAKEN BY OUR MANUFACTURING INDUSTRIES.

"BUSINESSMEN, NOT BUREAUCRATS, SHOULD MAKE BUSINESS DECISIONS," HE SAID.

"IT IS PARTLY BECAUSE BUSINESSMEN ENJOY THIS FREEDOM IN HONG KONG THAT OUR MANUFACTURING INDUSTRIES HAVE BEEN SO SUCCESSFUL.

"THIS DOES NOT MEAN OUR MANUFACTURERS LACK GOVERNMENT SUPPORT OR THAT THE SUPPORT IS UNPLANNED. WE GIVE A HIGH PRIORITY TO PROVIDING AN ADEQUATE INFRASTRUCTURE AND THE NECESSARY TRAINING FACILITIES.

"WE ALSO PROVIDE MANUFACTURERS WITH SERVICES AIMED AT IMPROVING BOTH PRODUCTIVITY AND QUALITY," HE SAID.

THIS, HE SAID, WAS DONE IN A RATIONAL MANNER BY KEEPING THE QUALITY AND LEVEL OF SUPPORT UNDER REVIEW IN THE INDUSTRY DEVELOPMENT BOARD (IDB), AND BY MAINTAINING FOR THIS PURPOSE THE PROGRAMME OF INDUSTRIAL STUDIES WHICH HAD BEEN VERY HELPFUL IN IDENTIFYING AREAS WHERE IMPROVEMENTS WERE NEEDED.

ON HELPING INDUSTRIES ACHIEVE A HIGHER MEASURE OF QUALITY AND EFFICIENCY THROUGH AUTOMATION, MR JACOBS SAID WHILE QUALITY SUPPORT SERVICES FINANCED BY THE GOVERNMENT WERE ALREADY WELL DEVELOPED, THE DIRECTOR OF INDUSTRY, ON THE ADVICE OF THE IDB, WAS CONSIDERING WHAT MORE NEEDED TO BE DONE TO IMPROVE QUALITY IN MANUFACTURING.

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"AS REGARDS PRODUCTIVITY, THE HONG KONG PRODUCTIVITY COUNCIL IS ALREADY PROVIDING CONSULTANCY SERVICES ON AUTOMATION SYSTEMS, AND WILL SOON BE OPENING UP LABORATORY SERVICES ON THE AUTOMATION OF PRINTED CIRCUIT BOARD PRODUCTION," MR JACOBS SAID.

"RESEARCH IS BEING UNDERTAKEN BY THE TWO UNIVERSITIES IN THE AUTOMATION OF THE DESIGN OF MOULDS AND DIES," HE ADDED.

MR JACOBS NOTED THAT THE COUNCIL WAS HELPING TO SPREAD THE USE OF COMPUTER AIDED DESIGN AND MANUFACTURING TECHNIQUES MORE WIDELY.

RESPONDING TO A SUGGESTION THAT ADDITIONAL SUPPORT SHOULD BE PROVIDED TO LOCAL INDUSTRY THROUGH AN INCREASE IN CAPITAL ALLOWANCES FOR EXPENDITURE ON THE PROVISION OF PLANT AND MACHINERY, THE FINANCIAL SECRETARY NOTED THAT IN 1987 THERE WAS NO RELUCTANCE ON THE PART OF MANUFACTURERS TO INVEST.

"I DO NOT BELIEVE THAT THE SELECTIVE INDUCEMENT OF AN INCREASE IN CAPITAL ALLOWANCES IS WHAT IS NEEDED AT THIS TIME," HE SAID.

"I CONSIDER THAT THE REDUCTION PROPOSED IN THE RATE OF TAX ON CORPORATE PROFITS WILL PROVIDE APPROPRIATE AND PROPER ENCOURAGEMENT TO ALL THOSE IN BUSINESS."

ON THE QUESTION OF FUNDS FOR IMPLEMENTING THE RECOMMENDATIONS OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY, MR JACOBS SAID THAT WHEN PROJECTS AND POLICIES WERE IDENTIFIED AND MERITED IMPLEMENTATION, THE RELEVANT DEPARTMENTS WOULD SEEK FUNDS IN THE NORMAL WAY.

THE FINANCIAL SECRETARY SAID THE IDB HAD RECENTLY ENDORSED RECOMMENDATIONS THAT AN URBAN MULTI-STOREY TECHNOLOGY CENTRE SHOULD BE ESTABLISHED.

"HOWEVER, IT IS ESSENTIAL THAT THIS INITIATIVE IS WELL THOUGHT THROUGH, THAT THE FACILITY IS TAILORED TO HONG KONG'S NEEDS, AND THAT THE LONG-TERM COMMITMENT REQUIRED TO SUPPORT IT IS FULLY UNDERSTOOD AND RECOGNISED," HE SAID.

MR JACOBS AGREED THAT THERE WAS A NEED TO DO MORE TO PROMOTE INVESTMENT IN HONG KONG, PARTICULARLY TO ACHIEVE THE TRANSFER OF TECHNOLOGY.

IT WAS DIFFICULT TO SAY WHETHER SUFFICIENT RESOURCES WERE BEING DEVOTED TO THIS.

"BUT WE ARE STRENGTHENING OUR EFFORTS IN THIS FIELD," HE SAID.

"IN 1988-89, THE BUDGET FOR THESE ACTIVITIES IS ABOUT 15 PER CENT UP, AND PROVIDES FOR THE IMPLEMENTATION OF A NUMBER OF PROPOSALS FOR IMPROVING AND EXPANDING OUR INWARD INVESTMENT PROMOTION PROGRAMME.

"I FULLY ACCEPT THAT WE NEED TO CONTINUE TO IMPROVE THE QUALITY OF OUR INVESTMENT PROMOTION ACTIVITIES IN THE FACE OF INCREASING WORLDWIDE COMPETITION."

CIVIL SERVICE GROWTH UNAVOIDABLE

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THE GOVERNMENT MUST ENSURE THAT NECESSARY SERVICES ARE PROVIDED AND MOREOVER IN THE MOST COST EFFECTIVE MANNER, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN REFERRING TO THE GROWTH OF THE CIVIL SERVICE.

WINDING UP DEBATE ON THE APPROPRIATION BILL 1988, MR JACOBS SAID: "I SHARE MEMBERS' WORRIES, THOUGH AS I SAID IN MY BUDGET SPEECH, THE RATE OF GROWTH EXPECTED IN THE SHORT TERM IS PROBABLY UNAVOIDABLE.

"I FULLY ACCEPT THAT WE CANNOT AND MUST NOT DISREGARD OUR ANNUAL GROWTH TARGET OF TWO-AND-A-HALF PER CENT FOR TOO LONG," HE ADDED.

MR JACOBS SAID IT WAS HIS INTENTION TO RETURN TO A MORE MODEST GROWTH BY 1990-91, DESPITE THE FORECAST CONTAINED IN THE MEDIUM RANGE FORECAST FOR THE YEARS 1987-88 TO 1991-92.

REFERRING TO A SUGGESTION THAT A COMMISSION EXAMINE FRINGE BENEFITS, MR JACOBS SAID THAT THE GOVERNMENT ALREADY HAD A STANDING COMMISSION WHICH WAS CHARGED WITH THE TASK OF KEEPING CIVIL SERVICE SALARIES AND CONDITIONS OF SERVICE UNDER REVIEW.

"I WOULD, HOWEVER, OFFER A WORD OF CAUTION: THERE IS CLEARLY DISQUIET AMONG CIVIL SERVANTS CONCERNING THE POSSIBLE 'EROSION' OF THEIR CONDITIONS OF SERVICE," HE SAID.

"WHILE SUCH CONCERN IS IN MY VIEW MISPLACED, WE MUST RECOGNISE THAT, IF IN THE COMING YEARS WE WANT A CIVIL SERVICE WHICH IS WELL-MOTIVATED AND WHOSE MORALE IS HIGH, REGARD HAS TO BE PAID TO THE PERCEPTION AS WELL AS THE REALITY."

MR JACOBS ALSO SAID THAT GREAT CARE HAD TO BE TAKEN IN MATTERS RELATING TO ADJUSTMENTS TO FRINGE BENEFITS TO ENSURE THAT SIGNALS WERE NOT MISREAD EITHER BY CIVIL SERVANTS OR THOSE THE GOVERNMENT WOULD LIKE TO ATTRACT INTO THE SERVICE.

REGARDING A PROPOSAL THAT A CASH ALLOWANCE BE PAID IN LIEU OF HOUSING TO ATTRACT LOCAL LAWYERS, MR JACOBS SAID THAT A REVIEW OF MEASURES DESIGNED TO FURTHER THE LOCALISATION OF THE LEGAL DEPARTMENT AS WELL AS A FULL REVIEW OF CIVIL SERVICE HOUSING BENEFITS WAS CURRENTLY UNDERWAY.

ON THE MOVEMENT OF STAFF BETWEEN THE CIVIL SERVICE AND THE PRIVATE SECTOR, MR JACOBS SAID THAT THE GOVERNMENT ACCEPTED THAT IN PRINCIPLE CROSS-FERTILISATION OF THIS KIND WAS A GOOD IDEA.

/HE SAID

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HE SAID THAT OVER THE PAST 15 OR SO YEARS, SEVERAL MIDDLE-RANKING OFFICIALS HAD BEEN SECONDED TO THE PRIVATE SECTOR. TWO WERE SECONDED AT PRESENT AND THE NUMBER WOULD BE INCREASED TO FOUR A YEAR IF POSSIBLE.

"HOWEVER, WE WOULD PREFER RECIPROCAL ARRANGEMENTS AND THE DIFFICULTY SEEMS TO BE TO FIND PRIVATE FIRMS WHO WILL RELEASE STAFF FOR SECONDMENT TO GOVERNMENT DEPARTMENTS," HE SAID.

MR JACOBS ALSO POINTED OUT THAT THE PERMANENT LOSS OF TRAINED AND EXPERIENCED STAFF TO THE PRIVATE SECTOR WAS A DIFFERENT MATTER.

"THE GOVERNMENT IS AS CONCERNED ABOUT THIS AS ANY OTHER EMPLOYER WOULD BE," HE SAID.

"WHERE, OCCASIONALLY, THE DEPARTURE OF A SENIOR OFFICER MAY LEAD TO A CONFLICT OF INTEREST, WE WILL TAKE ALL REASONABLE STEPS TO ENSURE THAT SUCH CONFLICT DOES NOT OCCUR.

"I WOULD ADD THAT, IN GENERAL, A REASONABLE PERIOD OF SANITISATION SHOULD SUFFICE," HE SAID.

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HKTA SUBVENTION ARRANGEMENT HAS FLEXIBILITY
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NEW SUBVENTION ARRANGEMENTS WILL BRING THE HONG KONG TOURIST ASSOCIATION IN LINE WITH OTHER SIMILAR BODIES, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WINDING UP DEBATE ON THE APPROPRIATION BILL 1988, MR JACOBS REFERRED TO THE HONG KONG TRADE DEVELOPMENT COUNCIL, SAYING THAT THE ORDINANCE GOVERNING THE COUNCIL REQUIRED THAT ITS BUDGET AND PROGRAMME BE APPROVED BY THE GOVERNOR EACH YEAR.

"A SIMILAR REQUIREMENT WILL SOON BE INTRODUCED FOR THE HONG KONG TOURIST ASSOCIATION IN PURSUANCE OF THE RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE," HE SAID.

"THERE IS, OF COURSE, NO QUESTION OF SINGLING OUT THE HONG KONG TOURIST ASSOCIATION FOR MORE STRINGENT FINANCIAL CONTROLS THAN THOSE RELATING TO OTHER SIMILAR BODIES.

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"INDEED, THE NEW ARRANGEMENTS DO NO MORE THAN BRING THIS ASSOCIATION INTO LINE WITH SUCH BODIES," HE SAID.

MR JACOBS HOPED MEMBERS WOULD AGREE THAT IN TODAY'S CIRCUMSTANCES, IT WAS NO LONGER APPROPRIATE FOR REVENUE TO BE HYPOTHECATED.

"THE NEW SUBVENTION ARRANGEMENTS ARE SUFFICIENTLY FLEXIBLE TO ENSURE THAT THE ASSOCIATION CAN CONTINUE TO ENJOY AN APPROPRIATE DEGREE OF AUTONOMY," HE SAID.

WHILE AGREEING THAT THE ASSOCIATION HAD DONE AN EXCELLENT JOB IN PROMOTING HONG KONG AS A PREMIER TOURIST DESTINATION, MR JACOBS SAID HE WAS CONFIDENT THAT IT WOULD CONTINUE TO DO SO UNDER THE REVISED ARRANGEMENTS.

TURNING TO AIRLINE DESIGNATION POLICY, THE FINANCIAL SECRETARY RESPONDED TO REFERENCES TO THE DIFFICULTIES FACED BY THE TRAVELLING PUBLIC IN GETTING SEATS TO PEKING AND MANY OTHER REGIONAL AND INTERNATIONAL AIR DESTINATIONS.

"BUT TO ASSERT THAT SUCH DIFFICULTIES ARE CAUSED BY THE HONG KONG GOVERNMENT'S POLICY ON AIRLINE DESIGNATION IS TO IGNORE THE REALITIES OF LIFE IN THE HARD-NOSED WORLD OF INTERNATIONAL AVIATION," HE SAID.

"OUR AIRLINE DESIGNATION POLICY REFLECTS THESE REALITIES."

MR JACOBS POINTED OUT IT WAS SIMPLY NOT IN THE GIFT OF THE HONG KONG GOVERNMENT ALONE TO DISTRIBUTE ADDITIONAL RIGHTS TO ITS CARRIERS.

SUCH RIGHTS HAD TO BE NEGOTIATED GOVERNMENT TO GOVERNMENT IN WHAT WAS OFTEN A DIFFICULT AND LONG DRAWN-OUT PROCESS, HE SAID.

"FURTHERMORE, IT IS NOT THE POLICY OF THE GOVERNMENT TO STRIP AN EXISTING CARRIER OF ITS RIGHTS FOR NO REASON OTHER THAN TO GIVE A SECOND CARRIER A PIECE OF THE ACTION," MR JACOBS CONTINUED.

"AN IMPORTANT ASPECT OF THE POLICY, HOWEVER, WHICH MUST NOT BE OVERLOOKED, IS THE FLEXIBILITY TO DESIGNATE ADDITIONAL AIRLINES WHERE CIRCUMSTANCES PERMIT."

MR JACOBS SAID THE GOVERNMENT HAD SUCCESSFULLY OBTAINED RIGHTS FOR DRAGONAIR TO SERVE POINTS IN JAPAN, THAILAND AND THE USA.

"WE ARE IN THE PROCESS OF SEEKING RIGHTS FOR THE AIRLINE TO SERVE CERTAIN POINTS IN CHINA WHICH ARE NOT SERVED BY CATHAY PACIFIC.

"AND AS DRAGONAIR'S PLANS EVOLVE WE ARE IN CONTINUAL DISCUSSION WITH THE AIRLINE ON HOW BEST TO SEEK RIGHTS FOR THEM TO OTHER DESTINATIONS IN THE REGION," HE ADDED.

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ENTHUSIASM MUST NOT OUTSTRIP RESOURCES

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ENTHUSIASM FOR MAJOR NEW PROJECTS MUST NOT OUTSTRIP THE ABILITY OF THE ECONOMY OR GOVERNMENT RESOURCES TO SUPPORT THEM, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE MADE THIS REMARK WHEN WELCOMING THE OBSERVATIONS OF SOME MEMBERS AS TO THE IMPORTANCE OF INFRASTRUCTURAL DEVELOPMENT PROJECTS NEEDED TO SUPPORT THE CONTINUING DEVELOPMENT OF THE ECONOMY.

"THE VARIOUS AIRPORT CONSULTANCY STUDIES ARE WELL UNDERWAY," MR JACOBS SAID IN WINDING UP DEBATE ON THE APPROPRIATION BILL 1988.

"BY THE END OF THIS YEAR, THE FINDINGS ON THE ULTIMATE DEVELOPMENT POTENTIAL OF KAI TAK AND THE NEED AND TIMING FOR A REPLACEMENT AIRPORT WILL BE AVAILABLE.

"OTHER STUDIES ON POSSIBLE LOCATIONS FOR A NEW AIRPORT ARE CONTINUING."

AS REGARDS PORT DEVELOPMENT, HE SAID THE COMPLETION OF CONTAINER TERMINAL 7 IN 1993 WOULD ROUGHLY DOUBLE EXISTING HANDLING CAPACITIES.

"WE WILL NEED TO TAKE A DECISION LATER IN THE YEAR ON THE SITING OF TERMINALS 8 AND 9 IN ORDER TO KEEP PACE WITH OUR EXPANDING PORT TRADE," HE SAID.

"THERE IS NO DOUBT THAT WE WILL NEED TO INVEST HEAVILY IN BOTH PORT AND AIRPORT DEVELOPMENT IF OUR ECONOMY IS TO CONTINUE TO GROW.

"THE STUDIES NOW UNDERWAY WILL ENSURE THAT THE ISSUES INVOLVED ARE ADDRESSED THOROUGHLY SO AS TO ENABLE THE RIGHT DECISIONS TO BE MADE AT THE RIGHT TIME."

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'PHILOSOPHICAL' RESPONSE WAS SOUGHT

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THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, EMPHASISED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT HE WAS NOT PROPOSING TO ALTER THE BALANCE BETWEEN DIRECT AND INDIRECT TAXES WITHOUT THE MOST CAREFUL CONSIDERATION OF THE FINANCIAL AND ECONOMIC EFFECTS.

MR JACOBS SAID HE HAD LISTENED WITH PARTICULAR INTEREST TO MEMBERS' VIEWS ON HIS BUDGET SPEECH REMARKS THAT A MEASURE OF TAX DIVERSIFICATION, TOGETHER WITH SOME RATIONALISATION OF EXISTING INDIRECT TAXES, MIGHT WELL BE A PRACTICAL PROPOSITION IN HONG KONG.

"BY REFERRING TO THIS MATTER IN MY BUDGET SPEECH. I HAD HOPED TO GENERATE A MORE PHILOSOPHICAL AND LESS POLITICAL RESPONSE IN THIS COUNCIL," HE SAID IN HIS SPEECH WINDING UP DEBATE ON THE APPROPRIATION BILL 1988.

HE HAD NOT ACTUALLY PROPOSED THE INTRODUCTION OF A SALES TAX EITHER FOR THIS YEAR OR THE NEAR FORESEEABLE FUTURE, HE SAID.

"BECAUSE THERE WAS NO SPECIFIC PROPOSAL, I DO NOT CONSIDER IT NECESSARY TO ANSWER EACH AND EVERY POINT MADE BY MEMBERS.

"OF COURSE, MANY OF THE COMMENTS MADE WERE ENTIRELY VALID, AND INDEED HAVE BEEN UPPERMOST IN OUR MINDS IN PUTTING OUR IDEAS TOGETHER.

"CLEARLY, THE INFLATIONARY IMPACT OF ANY INDIRECT TAX WOULD HAVE TO BE CAREFULLY ASSESSED AND I WOULD CERTAINLY BE VERY HESITANT ABOUT INTRODUCING SUCH A TAX DURING A PERIOD OF RISING INFLATION."

MR JACOBS SAID THE POINT HE WAS MAKING IN HIS BUDGET SPEECH WAS THAT A MEASURE OF TAX DIVERSIFICATION COULD WELL LEAD TO A MORE STABLE TAX REGIME.

"BY THIS, I MEANT A TAX REGIME MORE RESILIENT AND BETTER ABLE TO WITHSTAND DIFFICULT TIMES WITHOUT MAJOR ADJUSTMENTS EITHER IN RATES OF TAX OR SOURCES OF REVENUE.

"FURTHERMORE, IT WOULD GIVE ME THE OPPORTUNITY AND SCOPE FOR RATIONALISING SOME OF THE EXISTING INDIRECT TAXES," HE SAID.

"IN OTHER WORDS, I MIGHT BE ABLE TO REDUCE OR ABOLISH SOME OF THE EXISTING INDIRECT TAXES, AND INDEED MIGHT ALSO BE ABLE TO REDUCE SOME DIRECT TAXES.

"I WOULD NOT WISH TO SUGGEST A TRADE-OFF AT THIS STAGE, BUT IT IS WORTHWHILE BEARING IN MIND THE POSSIBILITIES. CLEARLY, A TAX REGIME BASED ON LOWER DIRECT TAXES WOULD BE MORE CONDUCIVE TO INVESTMENT.

"IT WOULD BE REMISS OF ME NOT TO THINK ALONG THESE LINES AGAINST THE POSSIBILITY OF A LESS BUOYANT FINANCIAL POSITION THAN WE ENJOY AT THE PRESENT TIME."

MR JACOBS ADDED THAT HE WAS GRATEFUL TO THOSE MEMBERS WHO HAD ENCOURAGED HIM TO CONTINUE WITH HIS STUDIES.

BUDGET PROVIDES STABILITY, CONTINUITY

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STABILITY AND CONTINUITY IS WHAT HONG KONG NEEDS IN ITS FISCAL MANAGEMENT, THE FINANCIAL SECRETARY, THE HON PIERS JACOBS, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN WINDING UP DEBATE ON HIS 1988-89 BUDGET.

"I CONSIDER THAT IS BOTH WHAT MY BUDGET STRATEGY IS DELIVERING AND WHAT THIS COMMUNITY WANTS - A LOW AND PREDICTABLE TAX REGIME, STRONG RESERVES COMBINED WITH STEADY GROWTH IN PUBLIC EXPENDITURE," HE SAID.

MR JACOBS NOTED THAT A NUMBER OF MEMBERS HAD CALLED FOR A REVIEW OF THE STRUCTURE AND OPERATION OF THE TAXATION SYSTEM.

"I AM CONSCIOUS OF THE NEED TO ENSURE THAT THE STRUCTURE OF OUR TAXATION SYSTEM IS KEPT UP TO DATE, AND THAT ITS OPERATION REMAINS RESPONSIVE TO THE CHANGING NEEDS OF OUR COMMUNITY," HE SAID.

MR JACOBS ALSO REFERRED TO THE COMMENTS BY SOME MEMBERS THAT HIS BUDGET LACKED A THEME, THAT IT WAS A BOOK-KEEPER'S BUDGET AND THAT IT LACKED FORESIGHT AND INNOVATION.

"MAYBE, IN SOMEWHERE AS UNDENIABLY EXCITING AS HONG KONG, WE HAVE COME TOO READILY TO EXPECT DRAMA AS THE NORM," HE SAID.

"BUT, IT IS THE SUCCESSFUL AVOIDANCE OF DRAMA THAT IS THE ESSENCE OF MY STRATEGY."

EARLIER, IN REFERRING TO COMMENTS ON HIS EXPENDITURE PROPOSALS, MR JACOBS NOTED THAT THE SENIOR MEMBER, THE HON LYDIA DUNN, FAVOURED A REVENUE-LED BUDGET.

HE SAID: "I CERTAINLY SUPPORT THE CONCEPT OF LIVING WITHIN OUR MEANS. HOWEVER, IF WE HAVE TO DESCRIBE THE BUDGET AS ONE BEING LED BY ANYTHING, I WOULD PREFER TO TALK IN TERMS OF ITS BEING LED BY UNDERLYING TRENDS IN OUR ECONOMIC GROWTH."

ON CALLS FOR DEVELOPING SYSTEMS FOR RESOURCE PLANNING AND ALLOCATION, MR JACOBS SAID THIS WAS SOMETHING TO WHICH THE GOVERNMENT WAS PAYING CONSIDERABLE ATTENTION. PROGRESS WAS BEING MADE AND FURTHER DEVELOPMENTS WERE TAKING PLACE IN THE BUDGETARY CYCLE THAT HAD ALREADY COMMENCED FOR 1989-90.

TURNING TO THE GROWING USE OF STATUTORY AUTHORITIES FOR PROVIDING SERVICES TO THE PUBLIC, MR JACOBS SAID WORK HAD BEEN INITIATED WITHIN THE ADMINISTRATION TO DEFINE AN OVERALL FRAMEWORK WITHIN WHICH THE GOVERNMENT WOULD EXERCISE ITS CONTINUING POLICY AND FINANCIAL INTEREST IN THESE AUTHORITIES.

/MR JACOBS

MR JACOBS ALSO NOTED THE COMMENTS MADE BY SEVERAL MEMBERS ON A NEW DEFENCE COSTS AGREEMENT.

AS A GOOD DEAL OF WORK STILL HAD TO BE DONE ON THE DETAIL OF SUCH AN AGREEMENT, HE SAID HE COULD NOT GIVE A FULL RESPONSE AT THIS STAGE, BUT ADDED THAT "I CAN SAY THAT THE NEW DEFENCE COSTS AGREEMENT WILL BE BUILT AROUND A REDUCTION OF HONG KONG'S SHARE OF THE APPORTIONED COSTS."

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AUTHORITY CAN CONSIDER CHANGES TO HOSPITAL SERVICE COSTS
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THE ESTABLISHMENT OF THE HOSPITAL AUTHORITY WILL MAKE IT POSSIBLE FOR THE CONSIDERATION OF CHANGES RELATING TO THE PROPORTIONS OF THE COST OF HOSPITAL SERVICES MET BY THE PATIENT AND THE TAXPAYER, TOGETHER WITH RELATED ISSUES SUCH AS THE DESIRABILITY OF INTRODUCING A COMPREHENSIVE MEDICAL INSURANCE SYSTEM.

THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS, SAID THIS IN THE RESUMED DEBATE ON THE BUDGET IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID THE RISING COST OF PROVIDING HOSPITAL SERVICES, AT A RATE FASTER THAN THAT OF INFLATION, WAS A PROBLEM WHICH WAS FACING HEALTH ADMINSTRATIONS THROUGHOUT THE WORLD AND WHICH WAS BROUGHT OUT IN THE SCOTT REPORT ON THE HOSPITAL SYSTEM.

"THE CONSULTANTS SUGGESTED THAT THERE MIGHT BE A CASE FOR SOME ADJUSTMENT TO THE PROPORTIONS OF THE COST OF THESE SERVICES WHICH ARE MET BY THE PATIENT AND THE TAXPAYER RESPECTIVELY, WITH A SIGNIFICANTLY LARGER PROPORTION BEING MET IN FUTURE FROM FEES AND OTHER CHARGES PAID BY PATIENTS.

"THIS WOULD BE A MAJOR CHANGE IN THE SYSTEM AND WOULD NEED VERY CAREFUL CONSIDERATION."

REFERRING TO THE PROVISIONAL HOSPITAL AUTHORITY, WHICH WILL START WORK THIS OCTOBER, MR CHAMBERS SAID IT WAS THE INTENTION THAT IT WOULD CONSIDER AND MAKE RECOMMENDATIONS TO THE GOVERNMENT ON THE NECESSARY LEGISLATION FOR INCORPORATING THE STATUTORY AUTHORITY, ITS FORMAL RELATIONSHIP WITH GOVERNMENT, IN PARTICULAR THE FINANCIAL ARRANGEMENTS, AS WELL AS A REGIONAL COMMITTEE STRUCTURE WHICH WOULD PROVIDE A HIGH DEGREE OF DEVOLUTION OF AUTHORITY AND RESPONSIBILITY TO THE REGIONS AND THE INTEGRATION OF THE SUBVENTED HOSPITALS.

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"THE PROVISIONAL HOSPITAL AUTHORITY WILL NOT HAVE ANY EXECUTIVE POWERS AND THE PRESENT SYSTEM OF HOSPITAL OPERATION WILL CONTINUE UNTIL SUCH TIME AS THE STATUTORY HOSPITAL AUTHORITY IS FORMED, WHICH WE HOPE WILL BE IN 1989," HE SAID.

MR CHAMBERS POINTED OUT THAT IT WAS NECESSARY AS FAR AS POSSIBLE TO ALLAY THE WORRIES OF THE STAFF OF THE MEDICAL AND HEALTH DEPARTMENT WHO WOULD BE AFFECTED BY THE CHANGES.

"PROPER CHANNELS OF CONSULTATION WITH THE STAFF HAVE BEEN ESTABLISHED AND THERE ARE NOW REGULAR FORMAL AND INFORMAL CONTACTS FOR VIEWS AND IDEAS TO BE EXCHANGED.

"ALL EXISTING STAFF HAVE BEEN ASSURED THAT THEY WILL BE ABLE TO RETAIN THEIR CIVIL SERVANT STATUS UNDER THE NEW SYSTEM IF THEY SO WISH, AND THAT THEIR PRESENT STATUS WILL NOT BE CHANGED ON THE ESTABLISHMENT OF THE PROVISIONAL HOSPITAL AUTHORITY.

"THERE WILL NEED TO BE A GREAT DEAL OF FURTHER CONSULTATION BEFORE THE NEW TERMS AND CONDITIONS OF APPOINTMENT ARE ACCEPTED AND IMPLEMENTED AFTER THE STATUTORY HOSPITAL AUTHORITY IS ESTABLISHED."

ON THE WASTAGE RATE OF DOCTORS IN THE PUBLIC SECTOR, ESPECIALLY IN THE SUBVENTED HOSPITALS, MR CHAMBERS SAID THE SUBJECT WAS A MATTER OF CONSIDERABLE CONCERN TO THE GOVERNMENT.

"WHILE WE SHALL CONTINUE TO CONSIDER IMPROVED CAREER OPPORTUNITIES IN TERMS OF PROMOTION AND TRAINING FOR PUBLIC SECTOR DOCTORS, WHICH HAVE ALREADY PROVED TO BE EFFECTIVE IN PERSUADING SOME DOCTORS TO STAY, THERE IS REALLY NO IMMEDIATE SOLUTION TO THIS PROBLEM.

"IN THE LONGER TERM HOWEVER, I AM MORE OPTIMISTIC THAT SOMETHING CAN BE DONE TO IMPROVE THE SITUATION," MR CHAMBERS CONTINUED.

"ONE OF THE MAJOR OBJECTIVES OF SETTING UP THE HOSPITAL AUTHORITY IS TO CREATE A UNIFORM SET OF EMPLOYMENT CONDITIONS FOR ALL STAFF IN PUBLIC HOSPITALS.

"THIS WILL ELIMINATE THE PRESENT DIFFERENCES BETWEEN THE GOVERNMENT AND SUBVENTED HOSPITAL STAFF WHICH MUST BE AT LEAST PARTLY RESPONSIBLE FOR THE UNACCEPTABLY HIGH WASTAGE RATE OF DOCTORS IN THE SUBVENTED SECTOR."

"I HOPE TOO THAT THE NEW PACKAGE WILL BE MORE FLEXIBLE THAN THE CIVIL SERVICE TERMS AND THAT THIS WILL MAKE IT MORE ATTRACTIVE TO THE DOCTORS."

/TURNING TO

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TURNING TO THE SUPPLY OF DENTISTS, HE SAID IT WAS HIS UNDERSTANDING THAT UP TO AND INCLUDING LAST YEAR THE GRADUATES OF THE PRINCE PHILIP DENTAL HOSPITAL WERE ABLE TO GET JOBS, BUT THERE WAS CONCERN ABOUT THE FUTURE.

HE NOTED THAT THE MEDICAL DEVELOPMENT ADVISORY COMMITTEE HAD SET UP A DENTISTS SUB-COMMITTEE TO LOOK INTO THIS MATTER.

"THE SUB-COMMITTEE CONSISTS OF MEMBERS REPRESENTING THE DENTAL FACULTY OF THE UNIVERSITY OF HONG KONG, THE HONG KONG DENTAL ASSOCIATION, THE MEDICAL AND HEALTH DEPARTMENT AND MY BRANCH, AND IS EXPECTED TO COMPLETE ITS REPORT WITHIN THE NEXT FEW MONTHS."

ON A MEMBER'S SUGGESTION THAT MORE USE SHOULD BE MADE OF THE PRIVATE SECTOR IN MEETING THE GOVERNMENT'S OBLIGATION TO PROVIDE DENTAL TREATMENT FOR CIVIL SERVANTS AND PENSIONERS, MR CHAMBERS DOUBTED IF THIS WAS A PRACTICABLE PROPOSITION IN VIEW OF THE DIFFICULTIES WHICH OCCURRED WHEN THE IDEA WAS PREVIOUSLY TRIED.

AS TO THE BRITISH MILITARY HOSPITAL, HE SAID NO DECISION HAD YET BEEN MADE ON THE HOSPITAL'S FUTURE.

HOWEVER, HE ADDED THAT IF IT WAS DECIDED TO REDEVELOP THE SITE, HE WOULD CERTAINLY SUPPORT ANY PROPOSAL WHICH WOULD RELIEVE THE PRESSURE ON THE VERY MUCH OVERCROWDED QUEEN ELIZABETH HOSPITAL.

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IMPROVED SOCIAL SECURITY BENEFITS FOR ELDERLY

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A RECENT PACKAGE OF IMPROVEMENTS TO SOCIAL SECURITY BENEFITS FOR THE ELDERLY INCLUDED INCREASING THE RATES OF OLD AGE ALLOWANCE FOR THOSE OVER 70 AS FROM APRIL 1 AND EXTENDING THE ALLOWANCE TO THE 65-69 AGE GROUP FROM SEPTEMBER, THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE RESUMED DEBATE ON THE BUDGET, MR CHAMBERS SAID THAT THE ISSUE OF THE NEEDS OF THE ELDERLY WAS PROMINENT IN THE SPEECHES OF A NUMBER OF MEMBERS, AND IT WAS AN AREA OF MAJOR IMPORTANCE IN THE SOCIAL WELFARE FIELD.

ONE OF THE POINTS RAISED WAS THE SPEEDY PROVISION OF MORE CARE-AND-ATTENTION HOMES FOR THE ELDERLY. "THIS NEED IS FULLY RECOGNISED AND WE ARE MAKING EVERY EFFORT TO MEET THE PROJECTED DEMAND," HE SAID.

/ "IN ADDITION

"IN ADDITION TO PURPOSE BUILT HOMES, HOMES FOR THE AGED WITH CARE-AND-ATTENTION PLACES WILL ALSO BE PROVIDED IN NEW PUBLIC HOUSING ESTATES."

REFERRING TO THE LEGISLATIVE CONTROL OF PRIVATE HOMES FOR THE ELDERLY, MR CHAMBERS REITERATED HIS REPLY TO A QUESTION IN THE COUNCIL LAST WEEK THAT THE TARGET DATE FOR INTRODUCTION OF THIS WAS MID-1990.

ON SOCIAL WORK MANPOWER AND TRAINING, MR CHAMBERS SAID THAT THERE HAD BEEN A CONTINUING SHORTAGE OF TRAINED SOCIAL WORKERS DURING THE 1980'S AND UNFORTUNATELY THIS SITUATION WAS EXPECTED TO PERSIST DURING THE NEXT FEW YEARS.

"PLANNING OF NEW SERVICES WILL HAVE TO TAKE THIS INTO ACCOUNT," HE SAID.

"THE ADVISORY COMMITTEE ON SOCIAL WORK TRAINING IS TO DISCUSS THIS ISSUE IN JUNE AND WILL, I HOPE, GIVE ADVICE ON BOTH A SHORT-TERM AND A LONG-TERM STRATEGY TO COPE WITH THIS PROBLEM."

MR CHAMBERS POINTED OUT THAT SPECIALISED AND ADVANCED TRAINING IN THE FORM OF FULL-TIME OVERSEAS COURSES WERE PROVIDED BUT INEVITABLY ONLY A LIMITED NUMBER OF STAFF COULD BE SO TRAINED EACH YEAR.

"IN ADDITION, SHORT COURSES AND WORKSHOPS ARE CONSTANTLY BEING PROVIDED LOCALLY IN SPECIALIST AREAS SUCH AS CHILD ABUSE AND DELINQUENCY," HE ADDED.

MR CHAMBERS NOTED THAT A MEMBER HAD CLAIMED THAT THE VOLUNTARY AGENCIES RECEIVED ONLY 20 PER CENT OF THE FUNDS PROVIDED FOR SOCIAL WELFARE PURPOSES, WHILE PROVIDING MORE THAN 70 PER CENT OF WELFARE SERVICES, A STATE OF AFFAIRS WHICH WAS ASCRIBED TO THE INADEQUACY OF THE CURRENT SUBVENTION POLICY.

HE EXPLAINED, HOWEVER, THAT THE MEMBER HAD NOT TAKEN ACCOUNT OF THE FACT THAT A LARGE PROPORTION OF THE TOTAL EXPENDITURE IN THE SWD AND SUBVENTION HEADS WAS IN THE FORM OF SOCIAL SECURITY PAYMENTS AND NOT DIRECT WELFARE SERVICES.

"IF WE EXCLUDE THE SOCIAL SECURITY PAYMENTS FROM THE CALCULATION AND COMPARE LIKE WITH LIKE WE FIND THAT OF THE TOTAL BUDGET ALLOCATED FOR THE PROVISION OF WELFARE SERVICES, ABOUT 69 PER CENT CONSISTS OF SUBVENTIONS TO THE VOLUNTARY AGENCIES, VERY CLOSE TO THE 70 PER CENT QUOTED."

RESPONDING TO A CALL FOR THE NEED TO STUDY THE IMPACT OF CHANGES IN POPULATION DISTRIBUTION WHEN CONSIDERING THE PROVISION OF WELFARE SERVICES, MR CHAMBERS SAID THAT PLANNING OF SUCH SERVICES IN GENERAL, AND IN PARTICULAR FOR THE NEW TOWNS, ALREADY TOOK ACCOUNT OF THE DEMOGRAPHIC CHARACTERISTICS OF EACH AREA.

"EXAMPLES OF THIS ARE NURSERIES, CHILDREN AND YOUTH CENTRES, ELDERLY CENTRES AND OUTREACHING SOCIAL WORK," HE SAID.

"IN THE CASE OF OUTREACHING SOCIAL WORK, ACCOUNT IS TAKEN OF THE SIZE OF THE YOUTH POPULATION AND THE CRIME RATE, AS WELL AS THE POPULATION DENSITY OF THE SERVICE AREA.

"HOWEVER, EXPERIENCE POINTS TO THE NEED TO BE RATHER MORE FLEXIBLE IN WELFARE PLANNING AND WE HAVE ALREADY MADE A START BY ADOPTING SUCH AN APPROACH IN THE PLANNING RATIO OF CHILDREN AND YOUTH CENTRES, AND A SIMILAR APPROACH MAY BE POSSIBLE FOR OTHER WELFARE FACILITIES SUCH AS SOCIAL CENTRES FOR THE ELDERLY.

"I BELIEVE THAT SOCIAL WORKERS ARE GENERALLY SENSITIVE TO THE SOCIAL PROBLEMS OF PEOPLE MOVING INTO NEW RESIDENTIAL AREAS AND PROGRAMMES ARE PROVIDED TO MEET THE SPECIFIC NEEDS OF THE MORE VULNERABLE GROUPS, VERY OFTEN BY MOBILISING LOCAL RESOURCES."

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MORE ATTENTION GIVEN TO POLLUTION PROBLEMS

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THE GOVERNMENT IS PAYING MUCH MORE ATTENTION TO POLLUTION AND RELATED PROBLEMS, AND THIS IS DEMONSTRATED BY THE MORE THAN 100 PER CENT INCREASE IN THE ESTIMATES FOR THE ENVIRONMENTAL PROTECTION DEPARTMENT, THE SECRETARY FOR HEALTH AND WELFARE, THE HON JOHN CHAMBERS, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE RESUMED DEBATE ON THE BUDGET, MR CHAMBERS COMMENTED THAT ON THESE OCCASIONS HE USUALLY COMPLAINED THAT VERY FEW MEMBERS HAD MADE ANY REFERENCE TO ENVIRONMENTAL PROTECTION.

"THIS YEAR, I AM GLAD TO SAY, A FEW MORE MEMBERS THAN USUAL HAVE SPOKEN ON POLLUTION AND RELATED PROBLEMS, AND I HOPE THAT THIS REFLECTS A GREATER INTEREST IN THIS DIFFICULT SUBJECT," HE SAID.

MR CHAMBERS EXPLAINED THAT MUCH OF THE INCREASE IN ESTIMATES FOR THE ENVIRONMENTAL PROTECTION DEPARTMENT WAS DUE TO TWO MAJOR NEW POLICY INITIATIVES. THESE WERE:

- * THE IMPLEMENTATION, AFTER MANY YEARS OF PLANNING AND DISCUSSION, OF THE AGRICULTURAL WASTE DISPOSAL SCHEME, THE FIRST PHASE OF WHICH WILL COME INTO EFFECT ON JUNE 24; AND
- * THE PROVISION OF RESOURCES FOR THE IMPLEMENTATION OF THE NOISE CONTROL BILL WHICH WAS ENDORSED BY THE ENVIRONMENTAL POLLUTION ADVISORY COMMITTEE LAST WEEK AND HE HOPED WOULD BE INTRODUCED INTO THE COUNCIL IN TIME FOR IT TO BE ENACTED BEFORE THE END OF THE PRESENT SESSION.

/"ONCE THIS

"ONCE THIS BILL BECOMES LAW WE SHALL HAVE A COMPREHENSIVE SET OF ENVIRONMENTAL LEGISLATION COVERING ALL THE MAIN ASPECTS OF POLLUTION CONTROL - AIR, WATER, NOISE AND WASTE DISPOSAL," HE SAID.

MR CHAMBERS AGREED THAT THE DETERIORATION OF THE ENVIRONMENT REQUIRED URGENT AND SERIOUS INTERVENTION.

IT WAS FOR THIS REASON THAT THE GOVERNMENT INTENDED TO SPEND OVER \$10 BILLION ON ENVIRONMENTAL INFRASTRUCTURE OVER THE NEXT DECADE.

HOWEVER, HE DID NOT AGREE THAT THE ENFORCEMENT OF POLLUTION CONTROLS WAS A NEGATIVE APPROACH TO THE PROBLEM.

"OUR EXPERIENCE IS THAT INDUSTRY TAKES LITTLE NOTICE OF ADVICE ON POLLUTION REDUCTION METHODS BEFORE THE INTRODUCTION OF LEGISLATIVE CONTROLS," HE SAID.

"I UNDERSTAND THAT THIS HAS BEEN THE EXPERIENCE ELSEWHERE IN THE WORLD AND I SEE NO REASON WHY HONG KONG SHOULD BE DIFFERENT IN THIS RESPECT.

"INDEED, IT IS NOT UNCOMMON FOR INDUSTRY, ESPECIALLY THE MORE RESPONSIBLE LARGER COMPANIES, TO WELCOME CONTROLS, PROVIDING THEY ARE PROPERLY ENFORCED, BECAUSE IT PLACES ALL THOSE INVOLVED IN THE SAME SECTOR ON AN EQUAL FOOTING."

REFERRING TO THE LIVESTOCK WASTE CONTROL SCHEME, HE NOTED A COMMENT THAT IT WOULD HAVE BEEN CHEAPER AND MORE EFFECTIVE TO IMPOSE A TOTAL BAN ON LIVESTOCK KEEPING.

"WHILE SUCH A POLICY IS SUPERFICIALLY ATTRACTIVE, IT WOULD NOT BE ACCEPTABLE IN HONG KONG TO CLOSE DOWN A WHOLE SECTOR OF THE ECONOMY IN THIS WAY, WITHOUT GIVING THOSE CONCERNED THE OPPORTUNITY TO COMPLY WITH THE STANDARDS REQUIRED," HE SAID.

"I MUST REPEAT THAT WE ARE NOT AGAINST LIVESTOCK KEEPING AS SUCH, BUT ONLY AGAINST THE SERIOUS POLLUTION CAUSED BY THE PRESENT UNCONTROLLED, AND INDEED ILLEGAL DISPOSAL OF LIVESTOCK WASTE."

ON WATER QUALITY AT BEACHES, MR CHAMBERS NOTED THAT HE HAD DEALT WITH THIS ISSUE AT SOME LENGTH IN THE COUNCIL LAST WEEK AND DID NOT PROPOSE TO REPEAT WHAT HE SAID THEN.

"THIS IS A SERIOUS PROBLEM, FOR WHICH WE HAVE SHORT-TERM, MEDIUM-TERM AND LONG-TERM REMEDIES.

"BUT IT WILL NOT BE SATISFACTORILY SOLVED UNTIL THE INSTALLATION OF A MAINS SEWERAGE SYSTEM IN THE SOUTHERN PART OF HONG KONG ISLAND IS COMPLETE," HE SAID.

/MR CHAMBERS

MR CHAMBERS OBSERVED THAT SEVERAL MEMBERS HAD REFERRED TO THE APPARENTLY SLOW PACE OF REMEDIAL MEASURES AGAINST POLLUTION IN AREAS SUCH AS KWUN TONG.

"WHILE WELCOMING MEMBERS' CONCERN, IT MUST BE EMPHASISED THAT DESPITE THE STRENGTHENING OF THE ENVIRONMENTAL PROTECTION DEPARTMENT AND THE COMMITMENT OF SUBSTANTIAL RESOURCES, SIGNIFICANT IMPROVEMENTS TO THE ENVIRONMENT WILL, AFTER YEARS OF NEGLECT, INEVITABLY TAKE SOME TIME TO BECOME APPARENT," HE SAID.

A MEMBER HAD MADE THE POINT THAT POLLUTION PROBLEMS COULD BE AVOIDED AT NO GREAT COST IF ENVIRONMENTAL FACTORS WERE TAKEN INTO ACCOUNT AT THE PLANNING STAGE.

THIS WAS QUITE CORRECT, BUT WHERE THIS ACTION HAD NOT BEEN TAKEN IT WAS OFTEN A LONG AND EXPENSIVE BUSINESS CLEARING UP THE MESS, MR CHAMBERS SAID.

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FUNDS FOR RESEARCH IN TERTIARY INSTITUTIONS

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THE GOVERNMENT WILL FOR THE FIRST TIME ALLOCATE FUNDS SPECIFICALLY FOR RESEARCH IN TERTIARY INSTITUTIONS IN THE COMING ACADEMIC YEAR.

THE SECRETARY FOR EDUCATION AND MANPOWER, THE HON RON BRIDGE, SAID THIS DURING THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID THE SUMS INVOLVED WOULD BE \$30 MILLION IN THE FIRST YEAR, \$40 MILLION IN THE SECOND AND \$50 MILLION IN THE THIRD.

"IF WE CAN FIND THE RESOURCES FURTHER INCREASES CAN BE EXPECTED IN LATER YEARS," HE SAID.

"IN ADDITION WE WILL TRY TO ENCOURAGE A SUBSTANTIAL PROVISION OF POST-GRADUATE PLACES, PARTICULARLY IN SCIENCE, TECHNOLOGY AND MANAGEMENT."

AT PRESENT ABOUT 16 PER CENT OF PLACES AT THE TWO OLDER UNIVERSITIES WERE AT THE POST-GRADUATE LEVEL; AND THE NEW HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY WAS PLANNING FOR ABOUT 20 PER CENT OF ITS INITIAL INTAKE TO BE AT THIS LEVEL.

"AS WE MOVE TOWARDS MEETING THE BASIC DEMAND FOR PLACES WE CAN EXPECT THE PROPORTION AT THE POST-GRADUATE LEVEL TO INCREASE," MR BRIDGE SAID.

/HOWEVER, HE

HOWEVER, HE SAID RESEARCH WAS NOT JUST A MATTER FOR THE PUBLIC SECTOR.

"IF WE ARE TO REMAIN COMPETITIVE IT IS VITAL THAT INDUSTRY SHOULD ALSO INCREASE ITS INVESTMENT IN RESEARCH AND DEVELOPMENT.

"I ALSO HOPE THERE WILL BE INCREASING RESEARCH LINKS BETWEEN INDUSTRY AND OUR TERTIARY INSTITUTIONS," HE SAID.

ON THE EXPANSION OF THE HIGHER EDUCATION SYSTEM, MR BRIDGE SAID THE GOVERNMENT HAD BEEN LOOKING AT FURTHER PLANS WHICH WOULD CONTINUE TO GROW TO THE END OF THE CENTURY.

AS FOR THE EXPANSION OF DEGREE PLACES, HE SAID THE GOVERNMENT EXPECTED THIS TO INCREASE TO COVER ABOUT 10 PER CENT OF THE AGE GROUP BY THE MID-90S AND TO CONTINUE INCREASING UNTIL THE END OF THE CENTURY.

MR BRIDGE SAID MORE EMPHASIS WOULD BE PLACED ON IMPROVING THE QUALITY OF PRIMARY AND SECONDARY EDUCATION.

HE SAID AN INTER-DEPARTMENTAL WORKING GROUP HAD BEEN SET UP TO IDENTIFY THE VARIOUS PHASES BY WHICH THE POLICY OF UNISESSIONALISM IN PRIMARY SCHOOLS COULD BE IMPLEMENTED.

THE SECOND AREA OF IMPROVEMENT RELATED TO TEACHER PREPARATION AND LANGUAGE IMPROVEMENT.

HE SAID IT WAS THE GOVERNMENT'S AIM TO INCREASE TEACHER TRAINING CAPACITY TO ENABLE 80 PER CENT OF GRADUATE TEACHERS TO BE PROFESSIONALLY TRAINED BY 1994, AND 90 PER CENT IN THE LONGER TERM.

THE THIRD AREA OF IMPROVEMENT WAS TO EASE THE PRESSURE NOW CAUSED BY THE FLOATING CLASS SYSTEM. HE SAID, HOWEVER, THIS SYSTEM WOULD REMAIN FOR SOME TIME BECAUSE OF THE GEOGRAPHICAL IMBALANCE IN THE DEMAND FOR SCHOOL PLACES.

MR BRIDGE SAID A NEW "SCHEDULE OF ACCOMMODATION" FOR EACH NEW SECONDARY SCHOOL HAD RECENTLY BEEN APPROVED SO AS TO PROVIDE SEVEN ADDITIONAL TEACHING ROOMS.

"WE WILL ALSO ALTER EXISTING STANDARD DESIGN SCHOOLS TO PROVIDE THREE ADDITIONAL ROOMS IN EACH AS SOON AS WE CAN."

MR BRIDGE ADMITTED THAT THERE WAS STILL A PROBLEM OF IMBALANCE IN THE NUMBER OF SCHOOL PLACES BETWEEN OLDER URBAN AREAS AND RAPIDLY DEVELOPING NEW TOWNS.

"ONE OF OUR FIRST PRIORITIES MUST BE TO CORRECT THIS IMBALANCE," HE SAID.

/HE ADDED

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HE ADDED THAT 80 NEW SCHOOLS WERE EXPECTED TO BE COMPLETED BY 1993 AND THAT MOST OF THESE WOULD BE IN THE AREAS OF GREATEST NEED.

MR BRIDGE SAID THE LAST AREA THAT NEEDED TO BE IMPROVED CONCERNED THE POLICY TOWARDS PRIVATE SCHOOLS.

HE SAID THE EDUCATION COMMISSION HAD BEEN EXAMINING WAYS TO IMPROVE THE SITUATION AND THAT ITS RECOMMENDATIONS WOULD BE CONTAINED IN REPORT NO.3 DUE TO BE RELEASED IN JUNE.

HE ADDED THAT IT WAS THE GOVERNMENT'S AIM TO DEVELOP A STRONG PRIVATE SECTOR WITH STANDARDS AT LEAST EQUAL TO THOSE IN GOVERNMENT AND AIDED SCHOOLS.

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DISADVANTAGE OF IMPORTING LABOUR OUTLINED

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IT WAS FAR FROM OBVIOUS THAT IMPORT OF LABOUR WOULD BE IN THE INTEREST OF HONG KONG PEOPLE, THE SECRETARY FOR EDUCATION AND MANPOWER, THE HON RON BRIDGE, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE BUDGET DEBATE, MR BRIDGE SAID: "IF WE IMPORTED LARGE NUMBERS OF COMPARATIVELY UNSKILLED WORKERS AT COMPARATIVELY LOW WAGES, ANY INCREASE IN TOTAL GDP WOULD TEND TO BE AT THE EXPENSE OF GDP PER PERSON.

"IT IS GDP PER PERSON THAT MATTERS WHEN IT COMES TO THE PROSPERITY OF OUR PEOPLE.

"NO DOUBT SOME EMPLOYERS WOULD PREFER TO IMPORT WORKERS AND SO SLOW DOWN THE RISE IN WAGES; BUT IT IS FAR FROM OBVIOUS THAT THIS WOULD BE IN THE INTEREST OF OUR WORKERS OR OUR PEOPLE AS A WHOLE."

MR BRIDGE SAID THAT THE PROBLEM OF LABOUR SHORTAGE AROSE FROM THE SUCCESS OF HONG KONG'S ECONOMY.

"OUR PRESENT SITUATION OF FULL EMPLOYMENT AND HENCE, THE LABOUR SHORTAGE, HAS MADE WAGES RISE AND SO ENABLED OUR WORKERS TO SHARE IN OUR GENERAL PROSPERITY."

DESPITE THE PROBLEM OF LABOUR SHORTAGE, MR BRIDGE SAID THERE WERE STILL MANY HANDICAPPED PEOPLE WHO WERE CAPABLE OF DOING A GOOD JOB AND COULD NOT FIND WORK.

/HE SAID

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HE SAID MORE PUBLIC EDUCATION WAS NEEDED TO ENCOURAGE EMPLOYERS TO RECRUIT MORE DISABLED PEOPLE.

"THE FACT THAT EMPLOYERS VARY GREATLY IN THEIR WILLINGNESS TO TAKE ON HANDICAPPED PEOPLE, SHOWS, I BELIEVE, THAT PART OF THE PROBLEM IS STILL DUE TO PREJUDICE ON THE PART OF SOME EMPLOYERS," HE SAID.

"WE CLEARLY STILL NEED MORE PUBLIC EDUCATION IN THIS AREA," HE SAID.

MR BRIDGE SAID THE REHABILITATION DEVELOPMENT CO-ORDINATING COMMITTEE WOULD CONCENTRATE ON THIS AREA DURING THE COMING YEAR.

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OCCUPATIONAL DISEASE DECLINES

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THE SECRETARY FOR EDUCATION AND MANPOWER, THE HON RON BRIDGE, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT THE GOVERNMENT HAS BEEN SUCCESSFUL IN DEALING WITH PNEUMOCONIOSIS - AN OCCUPATIONAL DISEASE.

SPEAKING IN THE RESUMED DEBATE ON THE BUDGET, MR BRIDGE NOTED THAT THE INCIDENCE OF THIS DISEASE HAD FALLEN BY TWO THIRDS IN THE LAST FIVE YEARS.

"THIS HAS ENABLED THE LEVY FROM WHICH PNEUMOCONIOSIS COMPENSATION IS FUNDED TO BE REDUCED FROM 0.2 PER CENT IN 1980 TO 0.05 PER CENT NOW," HE SAID.

"I SHALL BE SPEAKING IN MORE DETAIL ON THIS POINT LATER THIS MONTH WHEN I MOVE A RESOLUTION IN THIS COUNCIL TO REDUCE THE LEVY STILL FURTHER.

"AGAIN, I FIND IT ENCOURAGING THAT THE CONSTRUCTION INDUSTRY ITSELF TOOK THE INITIATIVE IN RECOMMENDING THAT THE SCOPE OF THE FUND SHOULD BE EXTENDED TO INCLUDE PREVENTIVE MEASURES SUCH AS RESEARCH, PUBLICITY AND EDUCATION," HE SAID.

IN CLARIFYING SOME MISUNDERSTANDINGS RELATING TO INDUSTRIAL ACCIDENT FIGURES, MR BRIDGE SAID THAT A NEW CATEGORY OF "MAJOR ACCIDENT" STATISTICS RECENTLY INTRODUCED WOULD IN DUE COURSE GIVE A MUCH BETTER INDICATOR OF THE REAL TREND OF SERIOUS ACCIDENTS.

/HOWEVER, HE

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HOWEVER, HE ADDED IT HAD NOT YET BEEN IN EFFECT LONG ENOUGH TO GIVE ANY INDICATION OF LONG TERM TRENDS.

"THUS AT PRESENT OUR ONLY RELIABLE INDICATOR OF LONG TERM TRENDS IS THE FATALITY FIGURES," HE SAID.

"THESE ARE SUBJECT TO TEMPORARY UPTURNS AT TIMES LIKE THE PRESENT, WHEN THE CONSTRUCTION INDUSTRY IS UNDER HEAVY PRESSURE.

"HOWEVER, THE LONG TERM TREND HAS FOR SOME YEARS NOW BEEN ENCOURAGINGLY DOWNWARD.

"EVEN ALLOWING FOR THE RECENT INCREASE, WHICH I BELIEVE WILL PROVE TO BE TEMPORARY, OUR PRESENT FATALITY FIGURES ARE STILL A SUBSTANTIAL IMPROVEMENT ON THE EQUIVALENT FIGURES FOR 10 YEARS AGO."

THIS ENCOURAGING TREND REFLECTED, HE BELIEVED, THE EFFORTS THAT HAD BEEN PUT IN ON ENFORCEMENT, ON TRAINING, AND ON PUBLICITY.

"IT ALSO REFLECTED THE SUCCESS OF THE LABOUR ADVISORY BOARD'S TRI-PARTITE SUB-COMMITTEE ON INDUSTRIAL HEALTH AND SAFETY IN CHANGING ATTITUDES TO SAFETY AT WORK.

MR BRIDGE ADDED: "ONE RECENT MEASURE WHICH WILL, I HOPE, HELP TO CONTINUE THE ENCOURAGING TREND IS THE SAFETY OFFICER LEGISLATION ENACTED BY THIS COUNCIL IN OCTOBER 1986 AND APPLIED IN STAGES IN DECEMBER 1986 AND DECEMBER 1987.

"WHAT I FIND PARTICULARLY ENCOURAGING IS THAT THE CONSTRUCTION INDUSTRY TRAINING AUTHORITY, WHICH IS CONTROLLED BY THE INDUSTRY ITSELF HAS TAKEN AN ACTIVE PART IN SUPPORT OF THIS LEGISLATION BY TRAINING SAFETY OFFICERS AND SAFETY SUPERVISORS."

REFERRING TO A MEMBER'S COMMENT ON A LOW LEVEL OF PENALTIES FOR INDUSTRIAL SAFETY OFFENCES, MR BRIDGE SAID THE PROBLEM WAS NOT WITH THE LEGAL MAXIMUM FINES BUT WITH THE LEVEL OF FINES ACTUALLY IMPOSED BY COURTS.

HE SAID THERE WAS NO WAY THAT THE ADMINISTRATION COULD CONTROL THE LEVEL OF FINES IMPOSED.

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BALANCED HOUSING PROGRAMME TO MEET ALL NEEDS BY 2001

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THE RECENTLY-REORGANISED HOUSING AUTHORITY WILL WORK OUT A BALANCED PROGRAMME WHICH TAKES INTO ACCOUNT ALL THE VARIOUS HOUSING NEEDS, AND WILL USE ITS RESOURCES FLEXIBLY IN IMPLEMENTING THE PROGRAMME, THE SECRETARY FOR DISTRICT ADMINISTRATION, THE HON DONALD LIAO, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE WAS SPEAKING IN THE RESUMED BUDGET DEBATE, AND REPLYING TO COMMENTS AND SUGGESTIONS MADE BY MEMBERS REGARDING HOUSING, SPORTS, CULTURAL AND ARTS ACTIVITIES, AND BUILDING MANAGEMENT.

MR LIAO SAID ALTHOUGH THE VERY SUBSTANTIAL DEMAND FOR RENTAL PUBLIC HOUSING WAS EXPECTED TO BE SATISFIED BY 1996 UNDER THE LONG TERM HOUSING STRATEGY, THE HOUSING AUTHORITY RECOGNISED THAT THERE WAS ALSO A STRONG DEMAND FOR HOME OWNERSHIP.

MEANWHILE, RENTAL FLATS COULD CONTINUE TO BE TRANSFERRED TO THE HOME OWNERSHIP PROGRAMME AND A NEW HOME PURCHASE LOAN SCHEME WAS BEING IMPLEMENTED.

THE HOUSING AUTHORITY AIMED TO SATISFY ALL EXISTING AND NEW HOUSING DEMANDS IN ALL CATEGORIES BY THE YEAR 2001.

MR LIAO GAVE AN ASSURANCE THAT THE AUTHORITY WOULD CONTINUE TO UPGRADE THE STANDARDS OF FLATS PRODUCED UNDER THE PUBLIC HOUSING PROGRAMME.

NEW RENTAL PUBLIC HOUSING AND HOME OWNERSHIP SCHEMES, HE SAID, WOULD PROVIDE RESIDENTS WITH A COMPREHENSIVE RANGE OF FACILITIES AND ANCILLIARY AMENITIES.

THE HOUSING DEPARTMENT ALSO REGULARLY UPDATED THE DESIGN OF HOUSING BLOCKS TO ENSURE THAT THEY SATISFIED PREVAILING DEMANDS AND EXPECTATIONS. A NEW GENERATION OF BLOCK TYPES WOULD BE FINALISED IN THE NEXT FEW MONTHS.

MR LIAO POINTED OUT THAT AS THE HOUSING AUTHORITY REDEVELOPED THE REMAINING OLD RESETTLEMENT BLOCKS AND FORMER GOVERNMENT LOW COST HOUSING ESTATES BETWEEN NOW AND 2001, BLOCKS COMPLETED AFTER 1973 WOULD REMAIN IN USE AND THESE COULD PROVIDE AN ADEQUATE SUPPLY OF RELATIVELY CHEAP ACCOMMODATION FOR THOSE WHO COULD ONLY AFFORD LOWER RENTS.

REPLYING TO COMMENTS BY OTHER MEMBERS, MR LIAO SAID GROUPS IN THE PERFORMING ARTS FIELD DESERVED ALL THE ENCOURAGEMENT AND SUPPORT THAT THE GOVERNMENT COULD GIVE.

/A SUBSTANTIAL

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A SUBSTANTIAL INCREASE IN FUNDING WOULD BE NECESSARY TO KEEP THESE PERFORMING GROUPS GOING.

OVER THE YEARS, HONG KONG HAD MADE GOOD PROGRESS IN THE PROVISION OF FACILITIES AND TRAINING OPPORTUNITIES FOR YOUNG ARTISTS.

ON SPORTS, MR LIAO SAID THE NEED FOR ADDITIONAL FUNDS TO ENABLE FURTHER DEVELOPMENT WAS WELL RECOGNISED.

THE GOVERNMENT WAS PARTICULARLY CONCERNED WITH THE FUTURE DIRECTION IN WHICH HONG KONG SHOULD MOVE IN THE AREA OF SPORTS PROMOTION AND DEVELOPMENT.

A CONSULTANCY WAS THUS COMMISSIONED LAST YEAR AND A REPORT WOULD SOON BE AVAILABLE FOR CONSULTATION WITH INTERESTED PARTIES.

REFERRING TO CONCERNS ABOUT THE PROBLEMS ASSOCIATED WITH EXISTING DEEDS OF MUTUAL COVENANT, MR LIAO POINTED OUT THAT AN INTER-DEPARTMENTAL WORKING GROUP WAS CURRENTLY EXAMINING VARIOUS OPTIONS TO RESOLVE THESE COMPLICATED PROBLEMS AND WAS EXPECTED TO COMPLETE ITS DELIBERATIONS AND RECOMMENDATIONS WITHIN THE NEXT FEW MONTHS.

THESE RECOMMENDATIONS WOULD THEN BE PUT TO THE DISTRICT BOARDS AND LEGAL AND OTHER CONCERNED PROFESSIONAL BODIES FOR COMMENT.

FOLLOWING EXTENSIVE CONSULTATION WITH DISTRICT BOARDS AND INTERESTED PROFESSIONAL INSTITUTIONS, THE CITY AND NEW TERRITORIES ADMINISTRATION HAD EARLIER FIRMED UP PROPOSALS FOR AMENDING THE MULTI-STOREY BUILDINGS (OWNERS INCORPORATION) ORDINANCE, AND AN AMENDMENT BILL WAS BEING DRAFTED.

THE BILL WOULD, AMONG OTHER THINGS, PROVIDE FOR EASIER FORMATION OF OWNERS' CORPORATIONS AND FOR GREATER PARTICIPATION BY TENANTS IN MANAGING THEIR BUILDINGS. IT WAS EXPECTED TO COME BEFORE THE COUNCIL THIS AUTUMN.

MR LIAO ALSO GAVE AN ASSURANCE THAT OFFICE-BEARERS OF OWNERS CORPORATIONS AND MUTUAL AID COMMITTEES SHOULD NOT IN NORMAL CIRCUMSTANCES INCUR LEGAL LIABILITIES IN DISCHARGING THEIR DUTIES AS LONG AS THEY ACTED IN GOOD FAITH AND EXERCISED REASONABLE DILIGENCE.

THE DISTRICT OFFICES WOULD CONTINUE TO GIVE THE CORPORATIONS AND COMMITTEES EVERY POSSIBLE ASSISTANCE AND SUPPORT TO ENABLE THEM TO CARRY OUT THEIR FUNCTIONS EFFECTIVELY.

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EVERYTHING BEING DONE TO MAINTAIN CONFIDENCE

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THE GOVERNMENT HAS DONE AND WILL CONTINUE TO DO EVERYTHING IN ITS POWER TO MAINTAIN PEOPLE'S SENSE OF CONFIDENCE IN THE FUTURE OF HONG KONG, THE SECRETARY FOR ADMINISTRATIVE SERVICES AND INFORMATION, THE HON PETER TSAO, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE WAS COMMENTING ON THE TWIN SUBJECTS OF EMIGRATION AND BRAIN DRAIN DURING THE RESUMED DEBATE ON THE APPROPRIATION BILL 1988.

STRESSING THE IMPORTANCE FOR CONFIDENCE OF LOOKING AT PROBLEMS SUCH AS THESE SQUARELY AND OBJECTIVELY, HE SAID " THEY SHOULD NOT BE MINIMISED, NEITHER SHOULD THEY BE EXAGGERATED."

MR TSAO SAID THAT EMIGRATION WAS ABOUT TWO THINGS: OPPORTUNITY AND CONFIDENCE.

"IF HONG KONG PEOPLE FEEL THEY HAVE GREATER, OR AS GREAT, OPPORTUNITIES WITHIN HONG KONG AS THEY WOULD HAVE SOMEWHERE ELSE, THEN - ALL OTHER THINGS BEING EQUAL - THEY WILL STAY.

"IF THEY FEEL THE GRASS IS GREENER ON THE OTHER SIDE OF THE FENCE, AND THEY HAVE THE CHANCE TO GO, THEY WILL LEAVE," HE SAID.

ON CONFIDENCE, MR TSAO SAID THIS WAS SOMETHING THAT WAS GAINED OR LOST BY A STEADY ACCUMULATION OF EVENTS OVER A LONG PERIOD AND WAS THE RESPONSIBILITY OF MANY ORGANISATIONS AND INDIVIDUALS.

"I KNOW THAT FOR THEIR PART THE AUTHORITIES OF THE PEOPLE'S REPUBLIC OF CHINA UNDERSTAND THE KEY ROLE WHICH THEY PLAY IN STRENGTHENING CONFIDENCE IN THE FUTURE," HE SAID.

ON THE GOVERNMENT'S PART, MR TSAO SAID IN VIEW OF THE IMPORTANCE OF THE SUBJECT FOR THE TERRITORY'S FUTURE, A SPECIAL TASK FORCE HAD BEEN ESTABLISHED WITHIN THE GOVERNMENT SECRETARIAT TO CONSIDER HOW TO IMPROVE THE GOVERNMENT'S KNOWLEDGE OF EMIGRATION MATTERS.

"A CORE GROUP HAS ALREADY MET, AND GRADUALLY ALL RELEVANT BRANCHES AND DEPARTMENTS WILL BE BROUGHT INTO PLAY," HE SAID.

"THE PURPOSE IS PURELY ONE OF INFORMATION GATHERING AND HENCE THE INFORMATION DIVISION OF MY BRANCH HAD RESPONSIBILITY FOR ORGANISATION; ALL OTHER DEPARTMENTS AND BRANCHES RETAIN THEIR OWN RESPONSIBILITIES."

/HE GAVE

HE GAVE AN ASSURANCE THAT IN ASSEMBLING THE DATA, IT WOULD BE OVERALL TRENDS ABOUT WHICH MORE INFORMATION WAS NEEDED, AND STEPS WOULD BE TAKEN TO ENSURE THAT THERE WOULD BE NO ENCROACHMENT ON THE FREEDOM OF THE INDIVIDUAL.

MR TSAO SAID HE COULD NOT GIVE AN ASSURANCE THAT THE TASK WOULD BE EASY NOR THAT RESULTS WOULD COME QUICKLY. HOWEVER, AS THE ACCURACY OF INFORMATION IMPROVED, THE DEPARTMENTS AND BRANCHES INVOLVED IN MANPOWER PLANNING WOULD BE BETTER ABLE TO FINE-TUNE THEIR ONGOING PROGRAMMES.

REITERATING THAT THE GOVERNMENT'S POLICY WOULD ALWAYS BE TO ALLOW RESIDENTS THE FREEDOM TO COME AND GO, HE SAID. IN THE ABSENCE OF PRECISE KNOWLEDGE OF THE SCALE OF THE PROBLEM, THE BEST ACTION THE GOVERNMENT COULD TAKE TO STEM EMIGRATION WAS TO MAINTAIN AND ENHANCE THE STANDARD OF LIVING AND QUALITY OF LIFE OF HONG KONG PEOPLE.

"IF PEOPLE SEE FOR THEMSELVES THAT HONG KONG IS STILL A GOOD PLACE TO LIVE AND WORK, THOSE CONTEMPLATING EMIGRATION MAY THINK AGAIN WHILE THOSE WHO HAVE ALREADY LEFT TO OBTAIN THEIR INSURANCE POLICY WILL WANT TO COME BACK," HE SAID.

ON THE NEED TO TRAIN UP QUALIFIED PERSONNEL TO REPLACE THOSE WHO WERE LEAVING, MR TSAO SAID THE GOVERNMENT WAS ALREADY DOING A GREAT DEAL IN THIS AREA AND PLANNED TO DO MORE.

"THE OUTPUT FROM OUR EXISTING TERTIARY INSTITUTIONS IS INCREASING YEAR BY YEAR, AND WE ARE FIRMLY COMMITTED TO THE ESTABLISHMENT OF A THIRD UNIVERSITY AND TO THE CREATION OF AN OPEN LEARNING INSTITUTE.

"THESE EFFORTS AND OUR VARIOUS TRAINING PROGRAMMES WILL CONTINUE, AND EXPAND," HE SAID.

ON WHAT WAS KNOWN ABOUT THE PRESENT SITUATION, MR TSAO POINTED OUT THAT BETWEEN 1980-84, THE NET OUTWARD MOVEMENT OF HONG KONG RESIDENTS (EXCLUDING MOVEMENTS TO AND FROM CHINA) WAS APPROXIMATELY 20,000 PER ANNUM AND THAT TAKEN TOGETHER, THE FIGURES FOR THE LAST THREE YEARS WERE WITHIN HISTORICAL AVERAGES.

"IN 1985, IT WAS JUST OVER 11,000; IN 1986 ABOUT 13,500; AND LAST YEAR JUST UNDER 27,000," HE SAID.

NONETHELESS, THE GOVERNMENT WAS CONCERNED BECAUSE THE NUMBERS DID RISE LAST YEAR AND SEEMED LIKELY TO REMAIN AT HIGHER LEVELS AT LEAST FOR THE NEXT FEW YEARS BECAUSE SOME OVERSEAS COUNTRIES HAD OFFERED MORE ATTRACTIVE TERMS FOR IMMIGRANTS, INCLUDING THOSE FROM HONG KONG.

/ALSO, THERE

ALSO, THERE WAS SOME EVIDENCE OF AN INCREASE IN THE PROPORTION OF THOSE LEAVING WHO WERE FROM THE MIDDLE MANAGEMENT SECTOR.

"HAVING SAID THAT, THE BEST ESTIMATE WE CAN MAKE IS THAT IN 1987, THE NUMBER OF HONG KONG STUDENTS GRADUATING FROM LOCAL OR OVERSEAS TERTIARY INSTITUTIONS EXCEEDED THE NET NUMBERS LOST THROUGH EMIGRATION BY A WIDE MARGIN.

"LAST YEAR, OUR TERTIARY INSTITUTIONS PRODUCED NO FEWER THAN 4,822 NEW LOCAL GRADUATES. THE FORECAST FOR THIS YEAR IS 5,725, FOR 1989 IT IS 6,470, FOR 1990, 7,240 AND FOR 1991, 8,270.

"THEREAFTER, THE PACE WILL ACCELERATE AS NEW LEARNING INSTITUTIONS COME ON STREAM," HE SAID.

ALSO A LARGE NUMBER OF HONG KONG YOUNG PEOPLE WHO WENT ABROAD TO STUDY HAD RETURNED TO WORK HERE AFTER GRADUATION, WHILE THERE MIGHT ALSO BE LOSSES AS GRADUATES WERE AMONG THOSE WHO EMIGRATED, AND GAINS WHEN SOME OF THEM RETURNED AFTER OBTAINING A FOREIGN PASSPORT.

"TAKING ALL THESE FACTORS INTO ACCOUNT, AND AFTER MAKING A SERIES OF HEROIC ASSUMPTIONS ON SUCH MATTERS AS THE PROPORTION OF THOSE GOING OVERSEAS TO STUDY WHO SUCCESSFULLY GRADUATE, WHAT PROPORTION OF THEM RETURN TO HONG KONG, WHAT PROPORTION OF EMIGRANTS, AND RETURNED EMIGRANTS, ARE GRADUATES, OUR BEST GUESS IS THAT IN 1987, OUR COMMUNITY ACHIEVED A NET GAIN IN THE NUMBER OF GRADUATES OF THE ORDER OF 3,000," MR TSAO SAID.

ALTHOUGH THE FIGURE MIGHT SEEM ENCOURAGING ON THE SURFACE, MR TSAO POINTED OUT THAT A FRESH GRADUATE GAINED DID NOT EQUATE IMMEDIATELY WITH AN EXPERIENCED MAN LOST.

"AND I WOULD BE THE FIRST TO ADMIT THAT OUR INFORMATION ON THE SITUATION IS AT BEST PATCHY, AND LESS THAN WHOLLY RELIABLE," HE SAID, ADDING THAT THE LACK OF COMPREHENSIVE FIGURES WAS BECAUSE OF THE COMPLETE FREEDOM OF MOVEMENT ENJOYED BY RESIDENTS AND THE MOBILITY OF THE POPULATION.

"THE ONLY STATISTICS DIRECTLY UNDER THE CONTROL OF THE GOVERNMENT ARE THOSE ORIGINALLY OBTAINED FOR OTHER PURPOSES WHICH ALSO INCIDENTALLY SHED SOME LIGHT ON MIGRATION TRENDS, OR WHICH CAN BE PARTIALLY ADAPTED FOR THE PURPOSE.

"SOME INFORMATION IS ALSO OBTAINED THROUGH VOLUNTARY RETURNS," HE SAID.

THE RESULT OF THESE INADEQUACIES WAS THAT ALL THE FIGURES QUOTED WERE ONLY ESTIMATES, AND SHOULD BE TREATED WITH A DEGREE OF CAUTION, MR TSAO STRESSED.

TALKS HELD WITH COUNTRIES ON REFUGEE ISSUE

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HONG KONG HAS CONDUCTED WORKING LEVEL DISCUSSIONS ON THE VIETNAMESE REFUGEE ISSUE WITH COUNTRIES OF FIRST ASYLUM IN THE REGION, WITH THE AIM OF FINDING OUT HOW SIMILAR PROBLEMS ARE HANDLED IN DIFFERENT PLACES AND ASSESSING THE LIKELIHOOD OF A COMMON APPROACH ON THESE MATTERS.

THE LEGISLATIVE COUNCIL WAS TOLD THIS TODAY (WEDNESDAY) BY THE SECRETARY FOR SECURITY, THE HON GEOFFREY BARNES.

SPEAKING IN THE RESUMED DEBATE ON THE APPROPRIATION BILL 1988, MR BARNES SAID THAT THE ADMINISTRATION UNDERSTOOD THE FRUSTRATION EXPRESSED BY THE COMMUNITY ON THE ISSUE.

"THE MAJOR FOCUS OF THIS FRUSTRATION MUST, HOWEVER, BE THE ECONOMIC AND SOCIAL CIRCUMSTANCES WHICH PERPETUATE THE FLOW OF PEOPLE FROM VIETNAM IN SMALL BOATS," HE SAID.

"IN THIS CONNECTION THE UNITED KINGDOM, THE MAJOR RESETTLEMENT COUNTRIES AND OUR NEIGHBOURS IN THE REGION HAVE CONTINUED TO URGE VIETNAM TO TAKE THE NECESSARY STEPS TO STOP THIS UNHAPPY TRAFFIC, BUT WITH LITTLE SUCCESS."

"MEANWHILE HONG KONG ONCE AGAIN FACES THE PROSPECT OF INCREASING NUMBERS OF BOAT PEOPLE ARRIVING ON OUR SHORES.

"OVER 2,600 HAVE ARRIVED THIS YEAR, 1,381 IN APRIL ALONE."

MR BARNES POINTED OUT THAT RESETTLEMENT COUNTRIES, WHICH HAD COLLECTIVELY DONE MUCH TO EASE HONG KONG'S BURDEN OVER THE LAST DECADE, FOUND THEMSELVES UNABLE OR UNWILLING TO MAINTAIN THEIR PREVIOUS LEVELS OF ASSISTANCE.

THE OFFTAKE THIS YEAR HAD BEEN ONLY 839.

"SOME RESETTLEMENT COUNTRIES ARE NOW SAYING THAT MOST OF THOSE ARRIVING NO LONGER FALL WITHIN THEIR CRITERIA FOR RESETTLEMENT, THAT THEY ARE NO LONGER FLEEING POLITICAL, RELIGIOUS OR RACIAL PERSECUTION, BUT TO A LARGE EXTENT ARE SIMPLY PEOPLE SEEKING A BETTER LIFE," HE SAID.

"SINCE 1975 MORE THAN 116,000 REFUGEES FROM VIETNAM HAVE SOUGHT AND BEEN GRANTED FIRST ASYLUM IN HONG KONG.

NOTING THAT HONG KONG HAD MET ITS RESPONSIBILITIES FULLY FOR 13 YEARS, HE SAID CONCERN EXPRESSED BY MEMBERS THAT HUMANITARIAN PRINCIPLES SHOULD NOT BE EXPLOITED WAS UNDERSTANDABLE.

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"THIS IS NOT JUST A MATTER OF MONEY, ALTHOUGH, AS MEMBERS HAVE RIGHTLY POINTED OUT, HONG KONG SEEMS TO BEAR A DISPROPORTIONATE SHARE OF THE FINANCIAL BURDEN FOR THIS INTERNATIONAL PROBLEM," HE NOTED.

MR BARNES ASSURED MEMBERS THAT THE POINTS RAISED ABOUT FUNDING AND THE FINANCIAL COSTS TO HONG KONG, ABOUT THE NEED FOR INCREASED RESETTLEMENT, HONG KONG'S UNENVIABLE POSITION AS A PLACE OF FIRST ASYLUM, AND THE UNITED KINGDOM'S OWN ROLE IN THESE MATTERS, HAD BEEN WELL TAKEN AND WERE BEING ACTIVELY CONSIDERED.

"THE GOVERNMENT HAS DRAWN THE ATTENTION OF ALL PARTIES CONCERNED TO THE PRESENT SITUATION AND IS SEEKING PRACTICAL AND APPROPRIATE SOLUTIONS TO THE IMMEDIATE AND LONG-TERM PROBLEMS WHICH NOW AFFECT HONG KONG," HE SAID.

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PRISON INDUSTRIES BEING DEVELOPED

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THE CORRECTIONAL SERVICES DEPARTMENT HAS PROPOSED A CONSULTANCY STUDY ON THE FUTURE DIRECTION AND DEVELOPMENT OF PRISON INDUSTRIES, INCLUDING THE FEASIBILITY OF EXPANDING FURTHER INTO ORDERS FROM THE SUBVENTED AND PRIVATE SECTORS, THE SECRETARY FOR SECURITY, THE HON GEOFFREY BARNES, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE RESUMED DEBATE ON THE BUDGET, MR BARNES NOTED A MEMBER'S SUGGESTION THAT PRISON INDUSTRIES SHOULD DIVERSIFY TO SEEK ORDERS FROM THE PRIVATE SECTOR, TO MAKE THE INDUSTRIES SELF-FINANCING AND THE PRISON WORKERS MORE COMPETITIVE AND FLEXIBLE, AND SAID THAT THEY HAD BEEN DEVELOPING IN THIS DIRECTION FOR SOME TIME.

"AT PRESENT, THEY HAVE ORDERS NOT ONLY FROM GOVERNMENT DEPARTMENTS BUT ALSO FROM OTHER PUBLIC BODIES SUCH AS THE URBAN COUNCIL, VOCATIONAL TRAINING COUNCIL AND THE TUNG WAH GROUP OF HOSPITALS," HE SAID.

HE ADDED THAT THE COMMISSIONER OF CORRECTIONAL SERVICES HAD POINTED OUT RECENTLY THAT THE VALUE OF SERVICES AND PRODUCTS OF PRISON INDUSTRIES, CALCULATED AT COMMERCIAL VALUE, EXCEEDED THE TOTAL COST OF PRODUCTION (INCLUSIVE OF ADMINISTRATIVE OVERHEADS) BY SOME \$15 MILLION ANNUALLY FROM 1982 TO 1984 AND AROUND \$30 MILLION ANNUALLY FROM 1984 TO 1987.

/NOTING THAT

NOTING THAT IT WAS THE GOVERNMENT'S INTENTION TO CONTINUE TO OPERATE AND DEVELOP PRISON INDUSTRIES IN THIS DIRECTION, MR BARNES REMINDED MEMBERS THAT HOWEVER DESIRABLE THE PRINCIPLES OF COST-EFFECTIVENESS, THE BASIC OBJECTIVE OF PRISON INDUSTRIES WAS TO ASSIST IN THE INTERNAL MANAGEMENT OF INSTITUTIONS BY KEEPING PRISONERS PURPOSEFULLY EMPLOYED.

TURNING TO THE POLICE FORCE, MR BARNES SAID THE FORCE CONTINUED TO GROW STEADILY TO MEET THE TERRITORY'S NEEDS, AND OVER THE NEXT FEW YEARS AN ADDITIONAL LIMITED EXPANSION PROGRAMME WOULD BE IMPLEMENTED TO ENABLE THE POLICE TO TAKE OVER THE ANTI-ILLEGAL IMMIGRATION DUTIES OF THE GARRISON ON THE BORDER.

RESPONDING TO MEMBERS' COMMENTS ON THE REQUIREMENTS OF THE POLICE FORCE, HE SAID THE GOVERNMENT WAS COMMITTED TO ENSURING THAT THE FORCES GUARDING THE BORDER AGAINST ILLEGAL IMMIGRATION (CURRENTLY THE ARMY, BUT LATER THE POLICE) SHOULD HAVE ALL THE NECESSARY EQUIPMENT AND TECHNICAL AIDS TO ASSIST THEM IN THIS VITAL WORK.

ON POLICE PAY AND MORALE, MR BARNES NOTED THAT THE GOVERNOR HAD COMMISSIONED A COMMITTEE TO REVIEW THE PAY AND CONDITIONS OF SERVICE OF THE POLICE AND THE OTHER DISCIPLINED SERVICES.

REFERRING TO A SUGGESTION THAT THE ESTABLISHMENT AND DAILY TURN-OUT OF THE AUXILIARY POLICE FORCE SHOULD BE ADJUSTED TO EQUIP THEM FOR INCREASING DEMANDS AND COMMITMENTS, MR BARNES SAID THAT THE DEVELOPMENT OF THE AUXILIARY POLICE FORCE WAS KEPT UNDER REVIEW.

"WE ARE LOOKING AT BOTH THE FUTURE GROWTH IN THE ESTABLISHMENT OF THE AUXILIARY FORCE AND AT THE DAILY QUOTA OF AUXILIARY DUTIES," HE SAID.

AS TO THE MEANS OF CALCULATING THE ALLOCATION OF FUNDS FOR DISTRICT FIGHT CRIME COMMITTEES, MR BARNES SAID THERE WAS CERTAINLY NO SQUEEZE ON FUNDS WHICH AMOUNTED TO \$533,000 FOR 1988-89.

"WHEN APPORTIONING FUNDS WITHIN THEIR VOTES FOR THEIR FIGHT CRIME COMMITTEES THE DISTRICT OFFICERS TAKE FULL ACCOUNT OF THE SOCIAL, DEMOGRAPHIC AND GEOGRAPHIC CHARACTERISTICS OF THEIR DISTRICTS, AND IN PARTICULAR THE LEVEL OF CRIME IN THE DISTRICT," HE SAID.

"IT IS ALWAYS OPEN TO THESE COMMITTEES TO SEEK ADDITIONAL SPONSORSHIP FROM THE PRIVATE SECTOR OR THEIR DISTRICT BOARDS, AND THE INFORMATION SERVICES DEPARTMENT CAN MAKE AVAILABLE SPECIAL GRANTS OF UP TO \$8,000 FOR FIGHT CRIME PUBLICITY CAMPAIGNS.

"THE SECRETARY FOR DISTRICT ADMINISTRATION HAS AGREED TO REVIEW THE CURRENT ALLOCATION PROCEDURE AND, IN CONSULTATION WITH FINANCE BRANCH, TO CONSIDER WHETHER THERE WOULD BE ADVANTAGE IN A NEW SEPARATE SUBHEAD FOR THE WORK OF DISTRICT FIGHT CRIME COMMITTEES."

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CO-ORDINATED APPROACH TO URBAN AND RURAL DEVELOPMENT

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DEVELOPMENT PROGRAMMES FOR SITES ON WHICH TO LOCATE A THIRD INDUSTRIAL ESTATE ARE BEING WORKED ON AS A MATTER OF URGENCY AND ONE SUCH SITE WILL PROBABLY BE IN THE SOUTHEASTERN PART OF JUNK BAY NEW TOWN.

THE SECRETARY FOR LANDS AND WORKS, THE HON GRAHAM BARNES, SAID THIS IN THE BUDGET DEBATE IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR BARNES SAID THAT THERE WAS AN INADEQUATE SUPPLY OF WATERFRONT SITES FOR INDUSTRIAL USE.

"THE SCALE OF DEMAND HAS SHOWN THAT, WHOEVER IS TO BE THE FINAL USER, VERY LARGE AREAS OF LAND NEED TO BE FORMED FROM THE SEA AS SOON AS POSSIBLE," HE SAID.

"SUITABLE AREAS HAVE BEEN IDENTIFIED AND FEASIBILITY STUDIES WILL START SHORTLY.

"OBVIOUSLY, WE MUST AIM TO HAVE THESE STUDIES COMPLETED AS SOON AS POSSIBLE, SO THAT FORMATION CAN PROCEED AND SALES PLANNED IN CONSULTATION AMONGST OTHERS WITH THE LAND COMMISSION."

ON OTHER RELATED ISSUES, MR BARNES EXPRESSED AGREEMENT WITH THE HON HU FA-KUANG, WHO IS ALSO THE CHAIRMAN OF LAND DEVELOPMENT CORPORATION, THAT COMPREHENSIVE PLANS SHOULD BE DRAWN UP IN URBAN REDEVELOPMENTS TO PROVIDE A PROPER MIX OF USERS IN ORDER TO ACHIEVE THE MOST EFFICIENT USE OF LAND, ESPECIALLY SINCE COMPREHENSIVE REDEVELOPMENT WAS THE GUIDING PRINCIPLE IN THE PLANNING AND DEVELOPMENT OF NEW TOWNS, AND FORMED AN IMPORTANT PART OF URBAN RENEWAL.

"IN THE SLIGHTLY LONGER TERM, THE METROPLAN IS BEING PREPARED AS A MEANS TO ENSURE THAT THE REPLANNING, REDEVELOPMENT AND NEW DEVELOPMENT IN THE WHOLE METROPOLITAN AREA WILL BE UNDERTAKEN COMPREHENSIVELY, AND A BETTER BALANCE AND A BETTER ENVIRONMENT ARE ACHIEVED," HE SAID.

"WE WILL BE PUBLISHING AN INTRODUCTORY DOCUMENT ON 20TH OF THIS MONTH, WHICH WE HOPE WILL ELICIT FROM THE PUBLIC AND PROFESSIONAL BODIES AND PEOPLE THE KIND OF HELPFUL SUGGESTION MADE IN THIS DEBATE BY MR HU."

TURNING TO DEVELOPMENT OF RURAL AREAS OUTSIDE NEW TOWNS, MR BARNES SAID THE ADMINISTRATION WAS LOOKING AT A MORE COMPREHENSIVE APPROACH TOWARDS THEIR IMPROVEMENT.

/IT WOULD

IT WOULD ALSO CONSIDER SETTING UP A RURAL DEVELOPMENT COMMITTEE TO MONITOR AND HELP BRING FORWARD THE URBAN FRINGE IMPROVEMENT PROGRAMME.

"RURAL AREA IMPROVEMENTS ARE CURRENTLY TAKING PLACE UNDER THE LOCAL PUBLIC WORKS AND THE URBAN FRINGE IMPROVEMENT PROGRAMMES," MR BARNES SAID.

"MOST OF THESE INVOLVE FAIRLY SMALL SCALE WORKS WHICH ARE RELATIVELY EASY TO IMPLEMENT.

"HOWEVER, A NUMBER OF ITEMS IN THE URBAN FRINGE IMPROVEMENT PROGRAMME COVER MORE EXTENSIVE WORKS WHICH OFTEN INVOLVE LAND ACQUISITION, AND THE TIME-SCALE FOR THIS IS SOMEWHAT LONGER THAN FOR MINOR ITEMS IN THE LOCAL PUBLIC WORKS PROGRAMME.

"THE RESULT IS THAT THESE WORKS HAVE NOT PROGRESSED AS QUICKLY AS ONE WOULD HAVE WISHED AND IN THE LIGHT OF EXPERIENCE GAINED OVER THE PAST YEAR, I AM CURRENTLY LOOKING INTO WAYS OF EXPEDITING THE PROGRAMME INCLUDING SETTING UP A DEDICATED STAFF TEAM SPECIFICALLY FOR RURAL IMPROVEMENTS."

TURNING TO THE PROBLEM OF UNAUTHORISED BUILDING WORKS, MR BARNES SAID BUILDINGS ORDINANCE OFFICE WAS NOW GEARED TO UNDERTAKING LARGE-SCALE CLEARANCES ON A DISTRICT-BY-DISTRICT BASIS IN ACCORDANCE WITH RECENTLY CHANGED POLICY.

PRIORITY DEMOLITION TEAMS HAD BEEN SET UP TO TAKE RAPID ACTION AGAINST WORKS WHICH POSED A DANGER TO LIFE OR PROPERTY.

THE TEAMS WOULD PAY PARTICULAR ATTENTION TO STOPPING AND DEMOLISHING NEW WORKS IN PROGRESS, BEFORE THEY COULD BE SOLD OR OCCUPIED.

MR BARNES ADDED: "WE ARE ALSO INVOLVED IN A PROGRAMME OF PUBLICITY AIMED AT OWNERS AND RESIDENTS ABOUT THE DANGERS OF UNAUTHORISED BUILDING WORKS AND ENCOURAGING SELF-ENFORCEMENT AMONG BUILDING MANAGEMENT BODIES, IN THE HOPE THAT PEOPLE WILL EVENTUALLY UNDERSTAND THAT IT IS NOT IN THEIR INTERESTS TO INFRINGE THE LAW OR TO TOLERATE ITS INFRINGEMENT BY OTHERS."

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RESTRAINT MEASURES NECESSARY TO TACKLE TRAFFIC CONGESTION

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HONG KONG COULD NEVER AVOID HAVING TRAFFIC CONGESTION SIMPLY BY BUILDING ROADS AND HIGHWAYS, THE SECRETARY FOR TRANSPORT, THE HON MICHAEL LEUNG, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE RESUMED DEBATE ON THE APPROPRIATION BILL 1988, MR LEUNG SAID: "INDEED, THE MORE ROADS WE BUILD, THE MORE SUPPRESSED DEMAND FOR USE OF VEHICLES WILL BE RELEASED.

"A POLICY ON RESTRAINTS AND ON PRIORITY IN USE OF ROAD SPACE IS HENCE INEVITABLE.

"THIS IS NOT GOING TO BE POPULAR, NOR WILL IT BE READILY ACCEPTED BY THOSE AFFECTED BY IT.

"IT IS FOR THIS VERY REASON THAT THE PUBLIC NEED TO UNDERSTAND FULLY THE CHOICE OF A NUMBER OF OPTIONS, AND THE CONSEQUENCES OF EACH. THE SOLUTIONS ARE NOT GOING TO BE PALATABLE BUT ARE NEVERTHELESS NECESSARY IN THE OVERALL INTEREST.

"ONE OF THE MAIN PURPOSES OF THE SECOND COMPREHENSIVE TRANSPORT STUDY IS TO EXAMINE ALL POSSIBLE OPTIONS AND TO COME UP WITH RECOMMENDED POLICIES AND STRATEGIES ON RESTRAINTS, OR MEANS OF ENSURING MORE ECONOMIC USE OF ROAD SPACE.

"THE REPORT IS EXPECTED TO COME OUT LATER IN THE YEAR AND WILL RECOMMEND, AMONG OTHERS, POLICY INITIATIVES TO TACKLE CONGESTION IN THE LONG TERM.

"THIS WILL BE THE SUBJECT OF A GREEN PAPER TO BE PUBLISHED BY THE END OF THIS YEAR."

MR LEUNG LOOKED FORWARD TO A FULL, FRANK AND USEFUL DEBATE AND THE PRODUCTION OF A LONG-TERM POLICY ON TACKLING TRAFFIC CONGESTION WHICH COULD BE IMPLEMENTED WITH GENERAL PUBLIC SUPPORT.

HE SAID THAT IT WAS CLEARLY THE GOVERNMENT'S INTENTION THAT THE TRANSPORT SYSTEM HAD TO CONTINUE TO IMPROVE AND EXPAND TO MEET CHANGING NEEDS AND INCREASING ASPIRATIONS.

THE THREE POLICY OBJECTIVES WERE FIRST, THE IMPROVEMENT OF THE ROAD SYSTEM; SECOND, THE EXPANSION AND IMPROVEMENT OF PUBLIC TRANSPORT; AND THIRD, MORE ECONOMIC USE OF THE ROAD SYSTEM. THESE OBJECTIVES WERE INTER-RELATED AND EACH WAS COMPLEMENTARY TO THE OTHER.

THE BUDGET CONTINUED TO GIVE TRANSPORT HIGH PRIORITY.

/FOR EXAMPLE,

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FOR EXAMPLE, EXPENDITURE ON CAPITAL WORKS PROJECTS UNDER THE HIGHWAYS DEPARTMENT WAS ESTIMATED TO COST NEARLY \$1.2 BILLION AND, TOGETHER WITH PROJECTS IN THE NEW TOWNS, CURRENT AND PROJECTED EXPENDITURE ON OUR TRANSPORT INFRASTRUCTURE PROGRAMME WAS RUNNING AT ALMOST \$1.5 BILLION PER YEAR, OR MORE THAN ONE-FIFTH OF THE TOTAL PUBLIC WORKS BUDGET.

THE ABOVE EXCLUDED ADDITIONAL EXPENDITURE ARISING OUT OF THE ACCELERATED PROGRAMME OF THE KWUN TONG BYPASS AND APPROACH ROADS FOR THE TATE'S CAIRN TUNNEL TO FACILITATE THE TUNNEL'S EARLY OPENING IN MID-1991.

NOR DID IT INCLUDE PROJECTS UNDERTAKEN BY THE PRIVATE SECTOR, SUCH AS THE EASTERN HARBOUR CROSSING AND THE TATE'S CAIRN TUNNEL.

MR LEUNG POINTED OUT THAT IT WAS THE GOVERNMENT'S AIM TO CONTINUE TO ENCOURAGE THE PRIVATE SECTOR TO TAKE PART IN THE DEVELOPMENT OF MAJOR TRANSPORT INFRASTRUCTURE PROJECTS, SO LONG AS THESE SERVED THE PUBLIC INTEREST AND COULD BE DONE EFFECTIVELY AND EFFICIENTLY.

"BUT NOT ALL PROJECTS ARE OF RELEVANCE OR INTEREST TO THE PRIVATE SECTOR UNLESS THEY ARE FINANCIALLY VIABLE AND COMMERCIALY ATTRACTIVE," HE SAID.

"GOVERNMENT MUST CONTINUE TO SHOULDER THE MAJOR SHARE OF RESPONSIBILITIES FOR IMPROVING AND EXPANDING THE BASIC INFRASTRUCTURE AND TO TAKE THE INITIATIVE IN PLANNING AHEAD."

MR LEUNG SAID THE GOVERNMENT FULLY ACCEPTED THAT THERE WERE SEVERE PHYSICAL AND ENVIRONMENTAL LIMITATIONS TO BUILDING MORE ROADS IN THE BUILT-UP AREAS, AND THAT ROADS WERE BECOMING MORE EXPENSIVE TO BUILD.

SO PARALLEL EFFORTS HAD TO CONTINUE TO BE MADE TO EXPAND AND IMPROVE PUBLIC TRANSPORT SERVICES.

HONG KONG COULD JUSTLY BE PROUD OF ITS PUBLIC TRANSPORT SYSTEM, WHICH OFFERED A BROAD RANGE OF MODES PROVIDING RELATIVELY SPEEDY, RELIABLE AND CHEAP SERVICES FOR OVER NINE MILLION PASSENGERS A DAY.

THE BASIC INGREDIENTS OF THE SUCCESS LAY IN THE RIGHT MIX OF REGULATION AND INCENTIVES.

/THE GOVERNMENT

THE GOVERNMENT WOULD LET PRIVATE COMPANIES OR CORPORATIONS OPERATING ON PRUDENT COMMERCIAL PRINCIPLES RUN THESE SERVICES, UNDER A GENERAL REGULATORY FRAMEWORK BUT WITH MINIMUM BUREAUCRATIC INTERFERENCE OR CONTROL.

HE SAID: "AT THE SAME TIME, WE HAVE AN INTER-MODAL CO-ORDINATING POLICY WHICH AIMS AT MAXIMISING THE USE OF THE MASS CARRIERS AS THE MORE EFFICIENT ROAD USERS, ENCOURAGING THE USE OF OFF-STREET MODES, ENSURING AS WIDE A GEOGRAPHICAL SPREAD OF SERVICES, REMOVING UNNECESSARY AND THEREFORE DUPLICATION OF SERVICES, AND KEEPING FARES AS LOW AS POSSIBLE CONSISTENT WITH COMMERCIAL VIABILITY.

"THERE IS ALSO MAXIMUM FLEXIBILITY, WITHIN EXISTING ARRANGEMENT, IN ADJUSTING SERVICES TO CHANGING NEEDS.

"EXPERIENCE HAS SHOWN THAT THE INTER-MODAL CO-ORDINATION POLICY HAS WORKED WELL AND HAS ACHIEVED THE RIGHT BALANCE OF SERVICES. WITH CHANGING CIRCUMSTANCES, THE POLICY CAN BE FURTHER REFINED BUT ITS OVERALL AIM REMAINS VALID."

TURNING TO THE USE OF TRAFFIC MANAGEMENT AND TRAFFIC ENGINEERING TECHNIQUES TO ENSURE THE MOST ECONOMIC USE OF LIMITED ROAD SPACE, MR LEUNG SAID THERE WERE THREE OBVIOUS AREAS WHERE THESE TECHNIQUES WERE APPLIED: TUNNELS, DISTRICT TRAFFIC MANAGEMENT STUDIES AND OTHER TRAFFIC ENGINEERING MEASURES.

IN REGARD TO TUNNELS, HE STRESSED THAT IMPROVEMENTS WOULD CONTINUE TO BE MADE TO ACHIEVE LONG-TERM RELIEF OF TRAFFIC CONGESTION AT LION ROCK TUNNEL.

NOTING THAT THE CONSULTANTS' LATEST REPORT ON IMPROVING TRAFFIC FLOW AT LION ROCK TUNNEL HAD JUST BEEN RELEASED FOR PUBLIC CONSULTATION, HE SAID STUDIES WERE ALSO IN HAND TO RELIEVE CONGESTION AT THE CROSS HARBOUR TUNNEL, AND A REPORT WAS EXPECTED IN JULY.

ON DISTRICT TRAFFIC MANAGEMENT STUDIES WHICH PROVIDED THE BASIS FOR LOCAL TRAFFIC MANAGEMENT AND ENGINEERING WORKS, HE SAID MAIN STUDIES COMPLETED OR IN PROGRESS INCLUDED THE TSIM SHA TSUI STUDY, STUDIES IN EAST KOWLOON AND NORTH WEST KOWLOON, AND STUDIES IN WESTERN DISTRICT ON HONG KONG ISLAND.

THE RESULTS PROVIDED A BASIS FOR INTRODUCING SUCH PRACTICAL MEASURES AS TRAFFIC ENGINEERING SCHEMES, FLYOVERS, PEDESTRIAN FOOTBRIDGES OR SUBWAYS TO EASE TRAFFIC FLOW.

HE SAID THE EFFECTS OF TRAFFIC ENGINEERING MEASURES WERE CUMULATIVE AND OFTEN LOCALISED, AND HENCE LESS DRAMATIC.

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THEY RANGED FROM THE ERECTION OF TRAFFIC SIGNS AND PLACING OF ROAD MARKINGS TO COMPUTERISED AREA TRAFFIC CONTROL SYSTEMS.

MR LEUNG POINTED OUT THAT UNDERPINNING THESE MEASURES WAS THE COLLECTION OF TRAFFIC DATA. THE SELECTION OF THE MOST APPROPRIATE REMEDY OFTEN DEPENDED ON THE AVAILABILITY AND RELIABILITY OF SUCH DATA, COLLECTED THROUGH BOTH REGULAR AND AD HOC SURVEYS.

THEY HAD PROVED TO BE A VALUABLE TOOL IN HELPING TO FORMULATE PLANS AND POLICIES TO TACKLE TRAFFIC CONGESTION.

THEY ALSO PROVIDED A MORE OBJECTIVE AND SCIENTIFIC YARDSTICK AGAINST WHICH CONGESTION COULD BE MEASURED.

"BUT IN THE FINAL ANALYSIS," MR LEUNG SAID, "MAJOR POLICY INITIATIVES ARE NECESSARY TO ACHIEVE MORE ECONOMIC USE OF THE ROAD SPACE AND THIS PROBLEM MUST BE FACED SQUARELY AND TACKLED WITH VIGOUR.

"FISCAL RESTRAINTS APPLIED IN 1982 AND 1984 RESPECTIVELY HAVE ACHIEVED SIGNIFICANT RESULTS, BUT THEIR EFFECTS ARE BEGINNING TO WEAR OFF AND FRESH INITIATIVES ARE NOW REQUIRED."

HE SAID THAT THE SECOND COMPREHENSIVE TRANSPORT STUDY WOULD EXAMINE ALL POSSIBLE OPTIONS AND TO COME UP WITH RECOMMENDED POLICIES AND STRATEGIES IN THIS ASPECT.

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TWO BILLS PASSED

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TWO BILLS - THE CRIMINAL PROCEDURE (AMENDMENT) BILL 1988 AND THE POST OFFICE (AMENDMENT) BILL 1988 - WERE PASSED IN THE LEGISLATIVE COUNCIL MEETING TODAY (WEDNESDAY).

THE APPROPRIATION BILL 1988 WAS GIVEN A SECOND READING.

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FOREIGN SECRETARY TO VISIT HONG KONG

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THE FOLLOWING ANNOUNCEMENT WAS ISSUED IN LONDON AT 7.30 PM TODAY (WEDNESDAY, HONG KONG TIME):

"SIR GEOFFREY HOWE, QC, MP, SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, WILL VISIT HONG KONG FROM 29 TO 31 MAY."

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NEW SCHEME TO SUBSIDISE STUDENTS' TRAVEL

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A NEW SCHEME TO SUBSIDISE STUDENTS' TRAVEL ON EDUCATION-RELATED TRIPS WILL BE INTRODUCED WHEN THE EXISTING STUDENT TRAVEL CARDS EXPIRE ON OCTOBER 1 THIS YEAR.

THE MAIN FEATURES OF THE NEW SCHEMES ARE:

- * FINANCIAL ASSISTANCE WILL BE PROVIDED TO FULL-TIME STUDENTS AGED BETWEEN 12 AND 24 WHO HAVE NOT YET COMPLETED THEIR FIRST DEGREE FOR TRIPS BETWEEN HOME AND PLACE OF STUDY AND FOR SOME EXTRA-CURRICULAR ACTIVITIES.
- * THE ASSISTANCE WILL BE PAID TO PARENTS OF FULL-TIME STUDENTS IN SCHOOLS AND TECHNICAL INSTITUTES AND TO FULL-TIME INDIVIDUAL POST-SECONDARY, COLLEGE OF EDUCATION AND TERTIARY STUDENTS WHO HAVE TO TAKE TRANSPORT TO SCHOOL AND ARE LIABLE TO PAY FULL FARE ON PUBLIC TRANSPORT.
- * THE ASSISTANCE WILL BE CALCULATED ON THE BASIS OF AVERAGE FARES FOR PUBLIC TRANSPORT WITHIN AND BETWEEN DISTRICTS AND WILL COVER 14 TRIPS A WEEK DURING SCHOOL TERM TIME.

"THE NEW SCHEME WILL PROVIDE ELIGIBLE STUDENTS WITH APPROXIMATELY HALF OF THE REQUIRED FARES FOR 10 TRIPS A WEEK FOR STUDY PURPOSES AND FOUR ADDITIONAL TRIPS FOR EXTRA-CURRICULAR ACTIVITIES," A GOVERNMENT SPOKESMAN SAID.

"THIS IS CONSIDERED REASONABLE SINCE SCHOOL STUDENTS IN FACT UNDERTAKE MANY SUCH ACTIVITIES AFTER SCHOOL ON THE SCHOOL PREMISES."

HE ADDED THAT AFTER CAREFUL CONSIDERATION AND TAKING INTO ACCOUNT THE GOVERNMENT'S POLICY TO PROMOTE AND FACILITATE ACCESS TO EDUCATION AND RELATED EXTRA-CURRICULAR ACTIVITIES, IT HAD BEEN DECIDED THAT MEANS-TESTING, AS PREVIOUSLY PROPOSED, SHOULD NOT BE MADE PART OF THE NEW SCHEME.

/THE ASSISTANCE

THE ASSISTANCE WILL BE CALCULATED AS HALF THE AVERAGE FARE ON MAJOR MODES OF PUBLIC TRANSPORT AS DETERMINED BY TRANSPORT DEPARTMENT SURVEYS BETWEEN THE DISTRICT IN WHICH THE STUDENT RESIDES AND THE DISTRICT IN WHICH THE SCHOOL IS LOCATED.

ASSISTANCE WILL BE AVAILABLE TO ALL STUDENTS EXCEPT THOSE WHO LIVE WITHIN A REASONABLE WALKING DISTANCE FROM THEIR PLACE OF STUDY.

GUIDELINES WILL BE ISSUED TO SCHOOL AND COLLEGE AUTHORITIES TO HELP THEM DETERMINE WHAT A REASONABLE WALKING DISTANCE IS.

STUDENTS WILL APPLY ANNUALLY FOR TRAVEL ASSISTANCE THROUGH THEIR PLACE OF STUDY TO THE STUDENT TRAVEL OFFICE WHICH WILL BE TRANSFERRED FROM THE TRANSPORT DEPARTMENT TO THE EDUCATION DEPARTMENT.

THEY WILL NO LONGER NEED TO PAY \$10 AS AT PRESENT FOR A STUDENT TRAVEL CARD.

AFTER THE APPLICATION FORMS HAVE BEEN PROCESSED, THE EDUCATION DEPARTMENT WILL ARRANGE FOR A LUMP SUM TO BE PAID TO EACH SCHOOL AND INSTITUTION WHICH WILL IN TURN ARRANGE FOR PAYMENT BY AUTOPAY INTO THE BANK ACCOUNTS OF PARENTS OF STUDENTS IN SCHOOLS AND TECHNICAL INSTITUTES AND INTO BANK ACCOUNTS OF INDIVIDUAL STUDENTS IN POST-SECONDARY COLLEGES, COLLEGES OF EDUCATION, AND TERTIARY INSTITUTIONS.

AS A SAFEGUARD AGAINST FRAUDULENT CLAIMS, THERE WILL BE A RANDOM CHECK OF THE APPLICATIONS.

THE DEPARTMENT WILL BE SEEKING THE CO-OPERATION OF ALL SCHOOLS AND INSTITUTIONS IN IMPLEMENTING THE NEW SCHEME.

THE SPOKESMAN SAID THE NEW SCHEME HAD DISTINCT ADVANTAGES OVER THE EXISTING SCHEME WHICH HAD COME UNDER THE CRITICISM OF THE PUBLIC ACCOUNTS COMMITTEE.

IT WOULD RESTRICT ASSISTANCE TO EDUCATION-RELATED TRAVEL ONLY BUT AT THE SAME TIME GIVE STUDENTS MORE FLEXIBILITY IN THE USE OF THE ASSISTANCE.

UNDER THE NEW SCHEME, THERE WILL BE NO RESTRICTIONS ON THE MODES OF TRANSPORT USED OR THE TIMES AT WHICH THE STUDENTS MAY TRAVEL USING THE ASSISTANCE.

UNDER THE EXISTING SCHEME, THE STUDENT TRAVEL CARD IS NOT ACCEPTED ON SEVERAL TYPES OF PUBLIC TRANSPORT SUCH AS CROSS HARBOUR BUS ROUTES, EXPRESS BUS ROUTES, RECREATIONAL BUS ROUTES, PUBLIC LIGHT BUSES AND SECOND CLASS TRAVEL ON THE STAR FERRY.

MOREOVER, THE TRAVEL CARD CANNOT BE USED ON SUNDAYS AND MOST SCHOOL HOLIDAYS.

/THE NEW

THE NEW SCHEME WILL ALSO OBVIATE THE PRESENT NEED FOR THE GOVERNMENT TO NEGOTIATE WITH INDIVIDUAL TRANSPORT OPERATORS EVERY YEAR THE AMOUNT OF SUBSIDY DUE TO THEM BECAUSE STUDENTS IN FUTURE WILL BE ABLE TO MAKE USE OF THE SUBSIDY THEY RECEIVE TO PAY FULL FARES.

THE SPOKESMAN SAID THAT THE COST OF THE PRESENT SCHEME WAS \$254 MILLION IN THE CURRENT SCHOOL YEAR. IT WAS NOT EXPECTED THAT THE COST OF THE NEW SCHEME WOULD BE SIGNIFICANTLY OUT OF LINE WITH THAT OF THE PRESENT SCHEME.

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PUBLIC URGED TO TAKE PRECAUTIONS AGAINST SUMMER DISEASES

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WITH THE ARRIVAL OF SUMMER, THE MEDICAL AND HEALTH DEPARTMENT TODAY (WEDNESDAY) URGES MEMBERS OF THE PUBLIC TO TAKE EXTRA PRECAUTIONS AGAINST CHOLERA AND OTHER GASTROINTESTINAL DISEASES.

A DEPARTMENT SPOKESMAN SAID THAT LAST YEAR THERE WERE FOUR CHOLERA CASES AND 378 FOOD POISONING CASES, WHICH AFFECTED MORE THAN 1,566 PEOPLE.

DURING THE FIRST THREE MONTHS OF THIS YEAR, 43 CASES OF FOOD POISONING AFFECTING 120 PEOPLE WERE REPORTED.

"ALTHOUGH NO CHOLERA CASE HAS BEEN REPORTED SO FAR THIS YEAR, THE PUBLIC SHOULD NOT RELAX THEIR PRECAUTIONS AGAINST THE DISEASE," THE SPOKESMAN SAID.

"THE MOST RELIABLE AND EFFECTIVE METHOD TO PREVENT CHOLERA AND OTHER COMMUNICABLE DISEASES SUCH AS TYPHOID AND DYSENTERY IS TO OBSERVE PERSONAL, ENVIRONMENTAL AND FOOD HYGIENE," HE STRESSED.

DURING THE SUMMER MONTHS, PEOPLE TEND TO BE LESS CAREFUL IN THE CHOICE OF FOOD AND DRINKS. SINCE MOST GASTROINTESTINAL DISEASES ARE TRANSMITTED THROUGH CONTAMINATED FOOD AND DRINK, PEOPLE SHOULD BE SPECIALLY CAREFUL IN THEIR EATING HABITS.

THE SPOKESMAN ADVISED THAT ALL FOOD SHOULD BE THOROUGHLY COOKED AND SHOULD NOT BE LEFT UNCOVERED IF NOT TAKEN IMMEDIATELY.

"THE CHOLERA BEING ENCOUNTERED NOWADAYS IS CHOLERA EL TOR WHICH IS ENDEMIC IN THIS PART OF THE WORLD AND ISOLATED CASES ARE EXPECTED TO OCCUR NOW AND THEN.

/ "THE STRICT

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"THE STRICT ADHERENCE TO THE SIMPLE RULES OF PERSONAL HYGIENE SUCH AS WASHING OF HANDS AFTER TOILET AND BEFORE FOOD PREPARATION, AND THE HYGIENIC HANDLING OF FOOD AND DRINKS ARE THE MOST EFFECTIVE WAYS AGAINST CHOLERA AND OTHER DIARRHOEA DISEASES," HE SAID.

PEOPLE TRAVELLING TO OVERSEAS COUNTRIES WHERE CHOLERA AND OTHER GASTROINTESTINAL DISEASES ARE ENDEMIC ARE ALSO ADVISED TO TAKE SPECIAL CARE IN THE SELECTION OF FOOD AND DRINK.

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MARITIME SEARCH AND RESCUE EXERCISE A SUCCESS

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A NIGHT-TIME OFFSHORE SEARCH AND RESCUE EXERCISE, WHICH WAS CO-ORDINATED BY THE MARITIME RESCUE CO-ORDINATION CENTRE (MRCC) OF THE MARINE DEPARTMENT, CONCLUDED SUCCESSFULLY THIS (WEDNESDAY) MORNING.

THE EXERCISE, WHICH WAS DESIGNED TO TEST ALL SEARCH AND RESCUE PROCEDURES AND COMMUNICATIONS AT NIGHT, STARTED AT 6 PM YESTERDAY AND LASTED UNTIL 7.40 AM TODAY.

APART FROM THE MARINE DEPARTMENT, THE MARINE POLICE, THE ROYAL HONG KONG AUXILIARY AIR FORCE, THE ROYAL NAVY AND THE ROYAL AIR FORCE ALSO PARTICIPATED IN THE EXERCISE.

THE SCENARIO OF THE EXERCISE WAS TO LOCATE A SAILING YACHT WHICH WAS REPORTED TO HAVE DEVELOPED DIFFICULTIES ABOUT 20 TO 30 NAUTICAL MILES SOUTHEAST OF HONG KONG DURING THE NIGHT.

A SEARCH WAS CONDUCTED THROUGHOUT THE NIGHT UNDER THE CO-ORDINATION OF THE MRCC AND THE YACHT WAS SUCCESSFULLY LOCATED AT A POSITION ABOUT 22 NAUTICAL MILES EAST SOUTHEAST OF WAGLAN ISLAND. A "CASUALTY" WAS RESCUED.

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LADY WILSON TO OPEN CARE HOME IN KWAI TSING

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A NEW CARE AND ATTENTION SHELTER FOR THE ELDERLY IN KWAI TSING DISTRICT -- THE LAI YIU BRADBURY CARE HOME -- WILL BE OFFICIALLY OPENED BY LADY WILSON TOMORROW (THURSDAY).

OPERATED BY THE HELPING HAND, THE CARE HOME IS THE FIRST ONE SET UP UNDER A GOVERNMENT PILOT SCHEME.

UNDER THE SCHEME, THE GOVERNMENT WILL SUBSIDISE A CARE SHELTER ADMINISTERED BY A NON-PROFIT MAKING WELFARE ORGANISATION IN RETURN FOR A CERTAIN NUMBER OF PLACES IN THE SHELTER.

GOVERNMENT ASSISTANCE PROVIDED TO THE CARE HOME INCLUDED ALLOCATION OF THE PREMISES IN THE HOUSING ESTATE AND FINANCIAL SUBSIDIES FOR THE ELDERLY'S HOSTEL FEES AND LIVING EXPENSES.

GUESTS ATTENDING THE OPENING CEREMONY TOMORROW WILL INCLUDE THE KWAI TSING DISTRICT OFFICER, MR BRIAN COAK; REPRESENTATIVES OF THE SOCIAL WELFARE AND HOUSING DEPARTMENTS; KWAI TSING DISTRICT BOARD MEMBERS; AND EXECUTIVE MEMBERS OF THE HELPING HAND.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE OPENING CEREMONY OF THE LAI YIU BRADBURY CARE HOME TO BE HELD AT 3.30 PM TOMORROW (THURSDAY) AT BLOCK B OF LAI YIU COMMERCIAL COMPLEX, KWAI CHUNG.

MEDIA REPRESENTATIVES SHOULD ARRIVE AT THE VENUE AT 3.15 PM. A SHUTTLE BUS SERVICE WILL BE PROVIDED FOR THEM AFTER 2 PM AT THE LAI KING HILL ROAD EXIT OF LAI KING MTR STATION.

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MINISTER GIVES HK'S VIEWS ON TRADE BILL

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THE OMNIBUS TRADE BILL PASSED IN THE UNITED STATES SENATE ON APRIL 27 SHOULD NOT HAVE ANY SERIOUSLY DAMAGING EFFECTS ON HONG KONG TRADE, A SENIOR HONG KONG TRADE OFFICIAL SAID IN SEATTLE, WASHINGTON STATE, ON TUESDAY.

MR PETER LO, MINISTER FOR HONG KONG ECONOMIC AND TRADE AFFAIRS AND BASED IN WASHINGTON, DC, WAS ADDRESSING A JOINT LUNCHEON MEETING OF THE WASHINGTON COUNCIL ON INTERNATIONAL TRADE AND THE WASHINGTON STATE CHINA RELATIONS COUNCIL.

/HE SAID

HE SAID THAT NOW PRESIDENT REAGAN HAD THREATENED TO VETO THE BILL - DUE LARGELY TO A PROVISION THAT WOULD REQUIRE BUSINESSES TO GIVE WORKERS AND COMMUNITIES 60 DAYS' NOTICE BEFORE INSTITUTING LAYOFFS OR CLOSING PLANTS WITH MORE THAN 100 EMPLOYEES - THE FOCUS OF ATTENTION WAS ON WHAT WAS LIKELY TO HAPPEN AFTER THE ANTICIPATED VETO.

"AS I SEE IT, THE LEGISLATION HAS MOVED AWAY FROM ITS ORIGINAL FORM WHICH CONTAINED A LOT OF PROTECTIONIST AND OBJECTIONABLE PROPOSALS," HE SAID.

"THERE ARE STILL A COUPLE OF TECHNICAL AREAS (FOR EXAMPLE, THE ANTI-CIRCUMVENTION PROVISION TO EXPAND THE COVERAGE OF ANTI-DUMPING ORDERS) WHICH WE SHALL HAVE TO STUDY MORE CAREFULLY TO ASSESS THEIR LIKELY IMPACT ON HONG KONG.

"APART FROM THESE, THE FINAL VERSION OF THE TRADE BILL HAS REPRESENTED A SIGNIFICANT IMPROVEMENT AS FAR AS HONG KONG IS CONCERNED."

MR LO ADDED THAT HE EVEN BELIEVED THAT THERE WERE A NUMBER OF PROVISIONS IN THE TRADE BILL WHICH SHOULD HAVE A POSITIVE IMPACT ON THE WORLD TRADING SYSTEM.

"I REFER TO THE HARMONISED SYSTEM AND THE NEGOTIATING AUTHORITY PROVISION. UNDER THE TRADE BILL, THE HARMONISED SYSTEM WILL BE IMPLEMENTED ON JANUARY 1, 1989," HE SAID.

"ON NEGOTIATING AUTHORITY, THE PRESIDENT IS PROVIDED WITH FAST-TRACK IMPLEMENTATION AUTHORITY FOR BILATERAL AND MULTILATERAL AGREEMENTS ENTERED INTO BEFORE MAY 31, 1993.

"THE PRESIDENT WOULD BE AUTHORISED TO PROCLAIM TARIFF REDUCTIONS SUBJECT TO CERTAIN CRITERIA AND WITHOUT CONGRESSIONAL REVIEW OR APPROVAL."

MR LO NOTED THAT SUCH AUTHORITY WAS REQUIRED IF THE UNITED STATES WAS TO CONTINUE TO BE ONE OF THE KEY PLAYERS IN THE URUGUAY ROUND OF THE GATT MULTILATERAL TRADE NEGOTIATIONS CURRENTLY TAKING PLACE IN GENEVA.

THE LACK OF "FAST-TRACK" NEGOTIATING AUTHORITY ON THE PART OF THE UNITED STATES MIGHT CLOUD THE PROSPECT OF GOOD PROGRESS IN THESE NEGOTIATIONS.

"HONG KONG BELIEVES THE URUGUAY ROUND IS AN IMPORTANT GLOBAL INITIATIVE TO REVITALISE THE MULTILATERAL TRADING SYSTEM AND ACHIEVE EXPANSION OF INTERNATIONAL TRADE," HE SAID.

"THIS IS PARTICULARLY IMPORTANT AT A TIME WHEN PROTECTIONISM PREVAILS AND MANY COUNTRIES HAVE THE TENDENCY TO RESORT TO UNILATERAL RESTRICTIVE MEASURES."

FOLLOWING HIS STAY IN SEATTLE, MR LO WAS TO CONCLUDE HIS TOUR OF THE WEST COAST OF NORTH AMERICA WITH A TWO-DAY VISIT TO VANCOUVER IN CANADA.

WEDNESDAY, MAY 4, 1988

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KWUN TONG DB'S HOUSING COMMITTEE TO FORMULATE WORK PLAN
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THE HOUSING COMMITTEE OF THE KWUN TONG DISTRICT BOARD WILL MEET FOR THE FIRST TIME TOMORROW (THURSDAY).

MEMBERS WILL FORMULATE THEIR WORK PLAN FOR 1988-89 AND LOOK INTO OUTSTANDING MATTERS HANDED OVER BY THE WORKING GROUP ON HOUSING OF THE LAST TERM DISTRICT BOARD.

THE WORKING GROUP ON HOUSING HAS BEEN UPGRADED TO A COMMITTEE BY THE NEW TERM DISTRICT BOARD.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE MEETING OF THE KWUN TONG DISTRICT BOARD'S HOUSING COMMITTEE TOMORROW (THURSDAY) IN THE CONFERENCE ROOM ON THE THIRD FLOOR OF THE KWUN TONG DISTRICT BRANCH OFFICES BUILDING, TUNG YAN STREET. THE MEETING WILL START AT 2.30 PM.

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DB COMMITTEE TO DISCUSS USE OF VACANT CROWN LAND
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THE YUEN LONG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE WILL DISCUSS THE USE OF A PIECE OF VACANT CROWN LAND ADJACENT TO CHUN KWONG PRIMARY SCHOOL IN PING SHUN STREET AT ITS MEETING TOMORROW (THURSDAY).

OTHER ITEMS ON THE AGENDA INCLUDE THE REPROVISIONING OF BENCHES AT A SITTING-OUT AREA IN MA MIU ROAD; THE WORK OF THE KEEP YUEN LONG CLEAN CAMPAIGN COMMITTEE FOR 1988-89; AND REPORTS ON THE LOCAL PUBLIC WORKS PROGRAMME AND THE MINOR ENVIRONMENTAL IMPROVEMENT PROGRAMME.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE MEETING OF THE YUEN LONG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE TOMORROW (THURSDAY) IN THE DB CONFERENCE ROOM, 13TH FLOOR, TAI KIU GOVERNMENT OFFICES BUILDING, 2 KIU LOK SQUARE, YUEN LONG. THE MEETING WILL START AT 2.30 PM.

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WEDNESDAY, MAY 4, 1988

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KOWLOON CITY DB TO DISCUSS FUND ALLOCATION
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THE KOWLOON CITY DISTRICT BOARD WILL DISCUSS THE ALLOCATION OF \$2.04 MILLION FOR CARRYING OUT VARIOUS PROJECTS AND ACTIVITIES IN 1988-89 AT ITS MEETING TOMORROW (THURSDAY).

THE AMOUNT REPRESENTS AN INCREASE OF \$190,000 OR 10 PER CENT OVER THE AMOUNT ALLOCATED TO THE DISTRICT BOARD IN THE PREVIOUS YEAR.

IT HAS BEEN PROPOSED THAT OF THE \$2.04 MILLION, \$880,000 SHOULD BE SET ASIDE FOR ENVIRONMENTAL IMPROVEMENT PROJECTS, \$1.1 MILLION FOR COMMUNITY BUILDING PROJECTS AND \$55,000 AS RESERVE FUND.

AT THE MEETING, THE DEPUTY SECRETARY FOR DISTRICT ADMINISTRATION (SPECIAL DUTIES), MR H.T. LUI, WILL BRIEF MEMBERS ON THE PROGRESS OF THE CLEARANCE PLAN FOR KOWLOON WALLED CITY.

OTHER ITEMS ON THE AGENDA INCLUDE A PROPOSED TEMPORARY HOUSING DEVELOPMENT PROJECT AT DYER AVENUE AND GUIDELINES ON THE USE OF DISTRICT BOARD FUNDS.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE KOWLOON CITY DISTRICT BOARD MEETING TOMORROW (THURSDAY) IN THE DISTRICT OFFICE CONFERENCE ROOM, 141 KAU PUI LUNG ROAD, TO KWA WAN. THE MEETING WILL START AT 2.15 PM.

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SOUTHERN DB TO DISCUSS ALLOCATION OF FUNDS
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THE SOUTHERN DISTRICT BOARD WILL DISCUSS THE ALLOCATION OF FUNDS FOR ENVIRONMENTAL IMPROVEMENT AND COMMUNITY INVOLVEMENT PROJECTS AT THEIR MEETING TOMORROW (THURSDAY).

MEMBERS WILL ALSO CONSIDER THE NOMINATION OF CO-OPTED MEMBERS TO THE BOARD'S FIVE COMMITTEES AND THE CONTINUATION OF ITS "MEET THE PUBLIC" SCHEME AND "MY SUGGESTION TO THE SOUTHERN DISTRICT BOARD" POSTGRAMME SCHEME.

SEVERAL MEMBERS WILL RAISE A NUMBER OF QUESTIONS AT THE MEETING.

/THESE INCLUDE

THESE INCLUDE THE POSSIBLE ASBESTOS THREAT CAUSED BY THE DEMOLITION OF GENERATING UNITS AT AP LEI CHAU POWER STATION; THE CONTROL OF POLLUTION IN SOUTHERN WATERS; AND THE PROVISION OF PUBLIC TRANSPORT SERVICES FOR AP LEI CHAU.

OFFICIALS FROM THE ENVIRONMENTAL PROTECTION, LABOUR, AND TRANSPORT DEPARTMENTS, AS WELL AS REPRESENTATIVES FROM THE HONG KONG ELECTRIC CO. LTD. WILL BE PRESENT TO ANSWER THESE QUESTIONS.

MEMBERS WILL ALSO EXPRESS VIEWS ON THE MTRC'S PROPOSED SURCHARGE DURING PEAK HOURS.

OTHER ITEMS ON THE AGENDA INCLUDE A REPORT FROM THE DISTRICT MANAGEMENT COMMITTEE.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SOUTHERN DISTRICT BOARD MEETING TOMORROW (THURSDAY) IN THE DB CONFERENCE ROOM, SECOND FLOOR, MEI FUNG COURT, 7-11 NAM NING STREET, ABERDEEN CENTRE. THE MEETING WILL START AT 2.30 PM.

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WATER CUTS IN HO MAN TIN, KOWLOON TONG
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SALT WATER SUPPLY TO CERTAIN PREMISES IN HO MAN TIN WILL BE TURNED OFF FROM 8 PM ON FRIDAY (MAY 6) TO 6 AM THE NEXT DAY FOR MAINS WORK.

THE AFFECTED AREA IS BOUNDED BY WATERLOO ROAD, PEACE AVENUE AND ARGYLE STREET.

ALSO FOR MAINS WORK, FRESH WATER SUPPLY TO CERTAIN PREMISES IN KOWLOON TONG WILL EITHER BE CUT OFF OR REDUCED IN PRESSURE FROM 10 PM ON FRIDAY (MAY 6) TO 6 AM THE NEXT DAY.

THE SUSPENSION WILL AFFECT JUNCTION ROAD BETWEEN WATERLOO ROAD AND WANG TAU HOM EAST ROAD, KAM SHING ROAD, OSBORNE BARRACKS, EDE ROAD BETWEEN CORNWALL STREET AND WARWICK ROAD, AND WARWICK ROAD.

THE AREA AFFECTED BY THE REDUCTION IN PRESSURE IS BOUNDED BY CORNWALL STREET, KCR LINE, EMBANKMENT ROAD, BOUNDARY STREET, GRAMPIAN ROAD, NGA TSIN WAI ROAD, LANCASHIRE ROAD, LA SALLE ROAD, HEREFORD ROAD AND WATERLOO ROAD. RENFREW ROAD WILL ALSO BE AFFECTED.

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RESTRICTED ZONES IN STANLEY
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THE FOLLOWING ROAD SECTIONS IN STANLEY WILL BE DESIGNATED AS 7 AM TO 7 PM DAILY RESTRICTED ZONES FROM 10 AM ON SATURDAY (MAY 7):

- * THE SOUTHERN KERBSIDE OF STANLEY MARKET ROAD FROM A POINT ABOUT 27 METRES WEST OF ITS JUNCTION WITH STANLEY NEW STREET TO A POINT ABOUT 48 METRES WEST OF THE SAME JUNCTION;
- * THE EASTERN KERBSIDE OF STANLEY NEW STREET FROM A POINT ABOUT 12 METRES NORTH OF ITS JUNCTION WITH STANLEY MARKET ROAD TO A POINT ABOUT 21 METRES SOUTH OF THAT JUNCTION; AND
- * THE WESTERN KERBSIDE OF STANLEY NEW STREET FROM A POINT ABOUT THREE METRES SOUTH OF ITS JUNCTION WITH STANLEY MARKET ROAD TO A POINT ABOUT 57 METRES NORTH OF THAT JUNCTION.

NO VEHICLES EXCEPT FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS WITHIN THE RESTRICTED AREAS.

AT THE SAME TIME, THE FOLLOWING RESTRICTED ZONES WILL BE LIFTED:

- * THE WESTERN KERBSIDE OF STANLEY NEW STREET FROM A POINT ABOUT SIX METRES SOUTH ITS JUNCTION WITH STANLEY MARKET ROAD TO A POINT ABOUT 57 METRES NORTH OF THAT JUNCTION; AND
- * THE EASTERN KERBSIDE OF STANLEY NEW STREET FROM A POINT ABOUT EIGHT METRES NORTH OF ITS JUNCTION WITH STANLEY MARKET ROAD TO A POINT ABOUT 12 METRES SOUTH OF THAT JUNCTION.

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LONG VEHICLE BAN IN WAN CHAI
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ALL VEHICLES OVER SEVEN METRES LONG WILL NOT BE ALLOWED TO ENTER TONNOCHY ROAD SOUTHBOUND BETWEEN HUNG HING ROAD AND HARBOUR ROAD IN WAN CHAI FROM 10 AM ON SATURDAY (MAY 7).

THIS MEASURE WILL LAST FOR ABOUT TWO WEEKS FOR ROADWORKS.

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TEMPORARY RESTRICTED ZONE ON CONNAUGHT ROAD CENTRAL

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THE SOUTHERN KERBSIDE LANE OF WESTBOUND CONNAUGHT ROAD CENTRAL BETWEEN QUEEN VICTORIA STREET AND JUBILEE STREET WILL BE DESIGNATED AS A 7 AM TO 7 PM DAILY RESTRICTED ZONE FROM 10 AM ON SATURDAY (MAY 7).

THIS MEASURE WILL LAST FOR ABOUT SIX WEEKS FOR CABLE LAYING WORKS.

NO VEHICLES EXCEPT FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS THERE.

AT THE SAME TIME, THE EXISTING GOODS VEHICLE PEAK HOUR (7 AM - 10 AM AND 4 PM - 7 PM) DAILY RESTRICTED ZONE ON THE SAME SECTION OF CONNAUGHT ROAD CENTRAL WILL BE TEMPORARILY LIFTED.

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URBAN CLEARWAY RESTRICTION IN KWAI CHUNG

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TO IMPROVE TRAFFIC FLOW, THE KERBSIDE LANE OF TAI LOONG STREET IN KWAI CHUNG BETWEEN WO YI HOP ROAD AND TAI PAK TIN STREET WILL BE MADE A 7 AM TO 7 PM DAILY URBAN CLEARWAY FROM 10 AM ON SATURDAY (MAY 7).

NO VEHICLES WILL BE ALLOWED TO STOP WITHIN THE URBAN CLEARWAY FOR PASSENGERS OR GOODS.

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URBAN CLEARWAY RESTRICTION LIFTED

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FROM 10 AM ON FRIDAY (MAY 6), THE EXISTING PEAK-HOUR (7 AM - 10 AM AND 4 PM - 7 PM) DAILY URBAN CLEARWAY RESTRICTION ON THE NORTHERN KERBSIDE LANE OF A SECTION OF TSUEN NAM ROAD IN SHA TIN WILL BE LIFTED.

THE SECTION IS BETWEEN A POINT ABOUT 30 METRES WEST OF TSUEN NAM ROAD'S JUNCTION WITH CHIK LUK LANE AND A POINT ABOUT 35 METRES EAST OF ITS JUNCTION WITH TAI WAI ROAD.

THE MEASURE AIMS AT REGULATING THE LOADING AND UNLOADING ACTIVITIES ON THAT SECTION OF TSUEN NAM ROAD.

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