



# DAILY INFORMATION BULLETIN

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WEDNESDAY, JANUARY 30, 1980

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DEBATE ON RENT CONTROL BILL RESUMES

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FOURTEEN UNOFFICIAL LEGISLATIVE COUNCILLORS TODAY EXPRESSED THEIR VIEWS ON THE LANDLORD AND TENANT (CONSOLIDATION)(AMENDMENT) BILL 1980 AT THE RESUMED DEBATE OF THE BILL IN THE LEGISLATIVE COUNCIL.

MOST OF THEM SPOKE IN SUPPORT OF THE PROPOSED LEGISLATION AS A SHORT-TERM MEASURE TO CURB SPIRALLING RENT AND CALLED FOR LONG-TERM PLANS TO SOLVE THE HOUSING PROBLEM.

THEIR PROPOSALS RANGE FROM AN INCREASE IN LAND SUPPLY AND A REVIEW OF LAND POLICY TO MEASURES TO CURB PROPERTY SPECULATION AND THE SETTING UP OF A COMMITTEE TO FORMULATE LONG-TERM HOUSING PLANS.

THEY ALSO COMMENTED ON THE RENT CONTROL BILL ON THE PROVISIONS FOR A MAXIMUM 21 PER CENT RENT INCREASE IN EVERY TWO YEARS AND THE RIGHT FOR THE LANDLORD TO REPOSSESS HIS FLAT.

STARTING OFF THE RESUMED DEBATE WAS THE SENIOR UNOFFICIAL COUNCILLOR, THE HON OSWALD CHEUNG.

THE HON OSWALD CHEUNG

MR CHEUNG SAID HE FOUND IT EXCEEDINGLY DIFFICULT, AS A LAWYER, TO ACCEPT THAT A GOVERNMENT SHOULD ACT DIFFERENTLY FROM THE PRIVATE SECTOR IN DEPARTING FROM THE TERMS OF A PROMISE.

+WE ARE ASKED TO EXTEND RENT CONTROLS TO PREMISES AS TO WHICH GOVERNMENT GAVE ASSURANCES THERE WOULD BE NO CONTROLS FOR FIVE YEARS FROM THE DATE THEY RECEIVED THEIR OCCUPATION PERMIT.

+IT IS ARGUED THAT LEGISLATURES EVERY DAY OF THE WEEK CHANGE THE LAW AND AFFECT THE RIGHTS AND PROPERTIES OF CITIZENS.

+THAT IS PERFECTLY CORRECT, BUT, WITH GREAT RESPECT, THERE IS A SUBSTANTIAL DIFFERENCE BETWEEN MAKING CHANGES WHERE NO UNDERTAKING HAS BEEN GIVEN THAT THE STATUS QUO WOULD BE PRESERVED, AND OUR PRESENT SITUATION,+ HE SAID.

MR CHEUNG ACCEPTED THE REPRESENTATION MADE TO THE UNOFFICIALS THAT SURVEYS CARRIED OUT BY THE GOVERNMENT SHOWED THAT TENANTS OF SMALL AND MEDIUM FLATS WERE HAVING TO PAY A HIGHER PROPORTION OF THEIR EARNINGS TOWARDS RENT WHICH WOULD RESULT IN EXCESSIVE HARDSHIP.

STILL, HE SAID, THE FIGURES HAD TO BE VIEWED AGAINST GENERAL INFLATION, WHICH HAD REDUCED THE PURCHASING POWER OF THE DOLLAR TODAY TO 86 PER CENT OF WHAT IT WAS A YEAR AGO, +AND A RAISE IN RENT BY 25 PER CENT, OR EVEN 30 PER CENT AFTER A TENANCY FOR TWO YEARS DOES NO MORE FOR THE OWNER THAN PRESERVE HIS PURCHASING POWER.+

/HE AGREED .....

HE AGREED THAT TO THE TENANTS A MEASURE OF RELIEF HAD TO BE GIVEN ALTHOUGH HE THOUGHT IT SHOULD BE RECOGNISED THAT THE BULK OF THE AFFECTED PREMISES WERE OWNED, NOT BY LARGE OWNERS, BUT BY THOSE WHO OWNED PROBABLY ONE FLAT WITH THE INTENTION OF RESUMING IT FOR PERSONAL USE AT THE END OF A FIXED TERM OF RENTAL.

HE SAID HOWEVER THAT HIS CONCERN FOR THE HARDSHIPS OF THE SANDWICHED CLASSES DID NOT EXTEND TO CORPORATIONS, GOVERNMENT OR FOREIGN AND COMMONWEALTH GOVERNMENTS, AND HE DID NOT ACCEPT THE ARGUMENT THAT FOR THE SAKE OF SIMPLICITY MEASURES ADOPTED FOR THOSE IN NEED SHOULD BE EXTENDED TO THOSE WHO WERE NOT.

THE HON ROGER LOBO

HE SAID THE ANNOUNCEMENT OF THE EXTENDED RENT CONTROL BILL WAS RECEIVED WITH GENERAL RELIEF THAT DECISIVE ACTION WAS AT LAST BEING TAKEN TO HALT THE DETERIORATION OF A DANGEROUS AND UNACCEPTABLE SITUATION.

+WHEN RENTS RISE TO LEVELS AT WHICH AN UNDULY HIGH PROPORTION OF HOUSEHOLD INCOME IS COMMITTED THEN, THE WHOLE QUALITY OF LIFE IS IN DANGER AND, WHEN REASONABLE, SECURITY OF TENURE IS THREATENED AS A RESULT, IT IS LONG PAST TIME FOR GOVERNMENT TO INTERVENE, EVEN IF IT MEANS GOING BACK ON PREVIOUS STATEMENTS,+ MR LOBO SAID.

+GOVERNMENT NOT ONLY HAS THE RIGHT TO IMPLEMENT CHANGES BUT HAS THE OBLIGATION TO DO SO WHEN CIRCUMSTANCES DEMAND.+

HE NOTED THAT NOBODY SUPPOSES THAT THIS LEGISLATION SHOULD EVER BE MORE THAN A STRICTLY TEMPORARY RELIEF OR EXPECTS IT TO COVER EVERY EVENTUALITY.

+IF WE WORKED FOR MONTHS ON THE IMPROVEMENT OF THIS BILL WE WOULD ONLY DRAG OUT THE PERIOD OF UNCERTAINTY AND FRUSTRATION AND DELAY PROGRESS ON THE MUCH MORE POSITIVE ACTION WHICH IS URGENTLY REQUIRED,+ HE ADDED.

THE HON T.S. LO

MR LO IS IN FAVOUR OF THE RENT CONTROL WHICH IS NECESSARY TO PROTECT ALL HONG KONG BELONGERS NEEDING PROTECTION.

BUT HE FIRMLY OPPOSED TO EXTENDING SUCH PROTECTION TO THOSE +WHO ARE NOT HONG KONG BELONGERS SUCH AS CORPORATIONS AND CONSULATES OR THOSE WITH MORE THAN ADEQUATE RESOURCES SUCH AS THE GOVERNMENT OR TENANTS OF LUXURY FLATS+.

THE MIDDLE-CLASS HONG KONG BELONGER DOES NOT RENT LUXURY FLATS TO LIVE IN, HE SAID.

+I SUSPECT THAT THE REAL REASON FOR THOSE IN FAVOUR OF CONTROLLING LUXURY FLATS IS AN UNEXPRESSED FEAR THAT THE DEFINITION OF A LUXURY FLAT MAY CATCH MEDIUM SIZED FLATS AS WELL.+

/BY LUXURY .....

BY LUXURY FLATS, MR LO SAID HE MEANT THOSE WHICH EXCEED 2 300 SQUARE FEET IN GROSS AREA AND \$100 000 IN RATEABLE VALUE ACCORDING TO THE 1977 ASSESSMENT.

ON THE CONTROL OF PREMISES RENTED BY THE GOVERNMENT, MR LO POINTED OUT THAT GOVERNMENT HAS BY FAR THE LARGEST LAND BANK, NO SHORTAGE OF FUNDS AND CAN BUILD ALMOST UNLIMITED NUMBER OF FLATS AT ANY TIME FOR ITS EMPLOYEES.

HOWEVER, THE GOVERNMENT DOES NOT CHOOSE TO DO THAT AND, INSTEAD, CHOOSES TO GO INTO THE MARKET TO ENTER INTO BARGAINS WITH OPEN EYES AND NOW BY THIS BILL SEEKS TO NEGATE THE EFFECT OF ITS OBLIGATIONS WHICH WERE FREELY ENTERED INTO, HE SAID.

ON RENT CONTROL FOR CORPORATIONS, MR LO SUGGESTED THAT ONE METHOD TO PREVENT LANDLORDS FROM INSISTING ON TENANTS TAKING NEW TENANCIES IN THE NAME OF NEWLY FORMED COMPANIES WOULD BE TO EXTEND CONTROL TO DOMESTIC TENANCIES TAKEN OUT ONLY BY THOSE CORPORATIONS FORMED, SAY, WITHIN FIVE YEARS OF THE DATE OF THE LEASE, NOT BEING A SUBSIDIARY OF ANOTHER CORPORATION FORMED OUTSIDE THAT PERIOD.

HE NOTED REGRETFULLY THAT DESPITE A MAJORITY OF UNOFFICIALS BEING IN FAVOUR OF NOT CONTROLLING FLATS RENTED OUT TO THE GOVERNMENT, CONSULATES OR CORPORATIONS OR LUXURY FLATS, THE SECRETARY FOR HOUSING HAS DECIDED TO MOVE NO AMENDMENTS IN THESE ASPECTS.

#### THE HON FRANCIS TIEN

MR TIEN EXPRESSED CONCERN THAT THE TEMPORARY POWERS AS PROVIDED IN THE BILL SHOULD NOT BECOME PERMANENT, THROUGH HABIT, CUSTOM OR GOVERNMENTAL CONVENIENCE.

+WE, IN THIS COUNCIL MUST NOT WRITE A BLANK CHEQUE RESULTING IN OUR RE-APPEARANCE HERE IN 1982 WITH YET ANOTHER MAGIC NUMBER ALLOWING A FURTHER EXTENSION,+ HE SAID.

HE URGED THE GOVERNMENT TO EXPLAIN WHY THE PERMITTED INCREASE IN RENTS AFTER TWO YEARS SHOULD BE LIMITED TO 21 PER CENT.

HE ALSO CALLED ON THE GOVERNMENT TO AMEND THE CLAUSE WHEREBY THE LANDLORD HAS TO PROVE HARDSHIP IN ORDER TO REPOSSESS HIS PROPERTY.

IN THIS RESPECT, MR TIEN SUGGESTED STIFFER PENALTIES, SUCH AS POSSIBLE IMPRISONMENT FOR THE FIRST OFFENCE, IN ORDER TO PREVENT LANDLORDS ABUSING THEIR POSITION.

ON THE PROPOSAL THAT PREMISES MAY BE RECOVERED WHERE THEY ARE USED FOR PURPOSES DESCRIBED AS IMMORAL OR ILLEGAL, MR TIEN DREW THE GOVERNMENT'S ATTENTION TO THE EXISTENCE OF SOME 15 SO-CALLED 'MOTELS' IN KOWLOON TONG, AS THESE PROPERTIES COULD BE CONSIDERED, ACCORDING TO TASTE, AS 'RESIDENTIAL' OR 'COMMERCIAL'.

THE HON .....

THE HON ALEX WU

MR WU SAID HE SUPPORTED THE LEGISLATION ONLY FOR THE REASON THAT IT WAS THE ONLY MEANS AVAILABLE AT THIS TIME TO DEAL URGENTLY WITH AN INTOLERABLE SITUATION.

HE SAID THE TEMPORARY 'BLANKET' MEASURE SUFFERED FROM ALL THE INEVITABLE DEFICIENCIES OF HASTILY CONCEIVED LEGISLATION:

- \* IN THOSE CASES WHERE THE NATURAL RIGHTS OF A LANDLORD ARE UNREASONABLY DENIED=
- \* IN THE 21 PER CENT PERMISSIBLE RENT INCREASE OVER TWO YEARS WHICH SHOULD BE RECONSIDERED, PERHAPS ADJUSTED TO 30 PER CENT IN LINE WITH INFLATION= AND
- \* IN THE PROTECTION OF GOVERNMENT FROM RENT INCREASE, BECAUSE IT WOULD BE HEALTHY FOR CIVIL SERVANTS TO SHARE THE GENERAL ANXIETIES.

MR WU ADDED THAT HE DID NOT SEE THE LOGIC OF THE PROPOSAL THAT A 'LUXURY' FLAT OCCUPIED BY A 'PROFIT-MAKING CORPORATION' SHOULD BE EXEMPTED FROM THE LEGISLATION.

THERE ARE LARGE FLATS BUILT MANY YEARS AGO WHICH CANNOT BE CALLED LUXURIOUS AND THERE ARE LOCALLY ESTABLISHED CORPORATIONS WHICH ARE NOT NECESSARILY RICH, HE EXPLAINED.

EVEN IF THIS WAS NOT SO, +THE IDEA THAT THERE SHOULD BE A CLASS OF TENANTS, MOSTLY OVERSEAS CORPORATIONS, WHO SHOULD BE FAIR GAME TO BE FLEECEED WITHOUT MERCY+ CANNOT BE TO HONG KONG'S ADVANTAGE AND THE SITUATION IS BEING CAREFULLY WATCHED FROM OVERSEAS, HE SAID.

HE SAID ANOTHER AREA OF ANXIETY ARISING FROM LEGISLATION WAS THE NEED FOR POLICING AND RECOURSE TO THE COURTS, WHICH WOULD BE NO REMEDY AT ALL IF IT WAS NOT SWIFT.

MR WU ASKED FOR GOVERNMENT ACTION ON LONG-TERM MEASURES, AFTER HAVING OBTAINED THIS BREATHING SPACE.

THESE INCLUDED THE SETTING UP OF A LANDS DEPARTMENT, A REVIEW OF ENVIRONMENTAL AND PLANNING STANDARDS, MORE EXTENSIVE CO-OPERATION AND AT AN EARLIER STAGE WITH PRIVATE DEVELOPERS, AND PLANNING FOR LARGER DEVELOPMENTS IN THE NEW TERRITORIES, PARTICULARLY ON LANTAU ISLAND.

REV THE HON JOYCE M. BENNETT

SHE WELCOMED THE GOVERNMENT ACTION TO CURB THE SPIRALLING COST OF RENTS FOR RESIDENTIAL ACCOMMODATION BUT HOPED THAT THE 'MORE HARDSHIP' CLAUSE BE REMOVED FROM THE PRINCIPAL ORDINANCE BECAUSE +TWO FAMILIES CANNOT FAIRLY BE COMPARED FOR HARDSHIP+.

/SHE SAID .....

SHE SAID IN ALL HER DISCUSSIONS AMONG FRIENDS AND COLLEAGUES AT WORK AND IN THE LEGISLATIVE COUNCIL NOT ONE PERSON HAD BEEN ABLE TO SHOW CLEARLY THE SENSE OF THIS CLAUSE.

SHE POINTED OUT THAT 'HARDSHIP' IS A RELATIVE TERM WHICH CANNOT BE EASILY DEFINED.

+ I THINK IT IS THAT NEED TO PROVE GREATER HARDSHIP THAN YOUR TENANT WHICH HAS TURNED THE PROFESSIONAL AND MIDDLE-CLASS OWNER OF ONE FLAT INTO A CRITIC OF THIS BILL,+ MISS BENNETT SAID.

SHE SAID SHE COULD NOT UNDERSTAND WHY THE GOVERNMENT, THE HOUSING AUTHORITY AND THE HOUSING SOCIETY SHOULD BE PROTECTED AS TENANTS, AS PROPOSED IN THE BILL.

SHE ALSO ASKED WHAT PROVISIONS WERE TO BE MADE TO CONTROL SUB-TENANCIES.

MISS BENNETT WAS HOPEFUL THAT THESE AND OTHER MATTERS WOULD BE RESOLVED EARLY AND CERTAINLY WITHIN THE NEXT TWO YEARS.

THE HON S.L. CHEN

HE SAID HE WOULD SUPPORT THE BILL ONLY AS A TEMPORARY MEANS TO COOL OFF THE RAPIDLY OVERHEATING SITUATION AND REITERATED THAT THE GOVERNMENT SHOULD MAKE EVERY POSSIBLE EFFORT TO COMPLETE ALL THE RELEVANT STUDIES IN TIME FOR A PACKAGE SOLUTION TO BE PRODUCED BEFORE THE END OF 1981.

WHILE AGREEING THAT AN INCREASE IN LAND SUPPLY WILL PROVIDE THE LONG-TERM SOLUTION TO THE IMBALANCE BETWEEN SUPPLY AND DEMAND OF DOMESTIC PREMISES, MR CHEN POINTED OUT THAT AN IMMEDIATE ANSWER TO THE PRESENT SPIRALLING RENT INCREASE PROBLEM IS TO CURB SPECULATION.

+ I AM SURPRISED THAT GOVERNMENT DID NOT OPT FOR THIS LATTER COURSE OF REMEDY, ALTHOUGH THE POSSIBILITY OF LEGISLATION PROHIBITING EXCESSIVE SPECULATION HAS NOT BEEN RULED OUT AS INDICATED IN THE SPEECH BY THE SECRETARY FOR HOUSING,+ HE SAID.

MR CHEN REMINDED THE GOVERNMENT TO REVIEW THE RESTRICTIONS ON PLOT RATIO AND ON BUILDING HEIGHT IN ORDER TO MAXIMISE LAND USAGE AS WELL AS THE EXISTING ZONING POLICY, AS SUGGESTED BY A FORMER UNOFFICIAL LEGISLATIVE COUNCILLOR, MR Q.W. LEE, IN 1978.

HE SAID THIS SHOULD BE TAKEN UP AS A MATTER OF URGENCY IN THE LIGHT OF THE CURRENT SITUATION.

ON THE PROVISIONS OF THE BILL, MR CHEN SUGGESTED:

- \* A MORE REALISTIC RATE OF RENT INCREASE PERMITTED OVER A TWO-YEAR PERIOD=
- \* LUXURIOUS PREMISES IN EXCESS OF 160 SQUARE METRES AND WITH AN ANNUAL RENT OF OVER \$100 000 BE EXCLUDED FROM RENT CONTROL= AND

- \* CONSIDERATION BE GIVEN TO REMOVING THE NEED TO PROVE GREATER HARDSHIP FROM THE PROPOSED LEGISLATION AND TO IMPLEMENTING REGISTERABLE REVERSIONARY LEASES FOR A DEFINITE PERIOD OF TENANCY FOR 4 - 6 YEARS.

REV THE HON PATRICK MCGOVERN

HE WOULD SUPPORT EXTENDING THE RENT CONTROL TO NON-RESIDENTIAL PREMISES IF THE SITUATION SHOULD ARISE.

SPEAKING IN SUPPORT OF THE BILL AS IT STANDS, FR MCGOVERN SAID HE WOULD NOT OPPOSE TO SOME MODIFICATION ON THE 'HARDSHIP' CLAUSE ITSELF, OR PERHAPS BETTER, THE WAY IN WHICH THE CLAUSE IS APPLIED.

+THERE IS A REAL PROBLEM IN A FEW CASES WHERE GENUINE OWNERS CANNOT GET POSSESSION OF THEIR PROPERTY FOR THEIR OWN LEGITIMATE USE,+ HE NOTED.

+I WOULD BE HAPPY IF A REMEDY COULD BE FOUND FOR THAT SITUATION WITHOUT WIDENING THE EXISTING LOOPHOLE BY WHICH IN FACT LANDLORDS DO RE-POSSESS PROPERTY UNDER FALSE PRETENCES.+

FR MCGOVERN AGREED THAT RENT CONTROL IN ITSELF WOULD NOT CURE THE PRESENT HOUSING PROBLEMS OF HONG KONG.

HOWEVER, HE HOPED THAT THE PRESENT CRISIS SHOULD SPUR GOVERNMENT TO DEVISE URGENTLY +A COMPREHENSIVE POLICY OF LAND PRODUCTION, REASONABLY PRICED LAND SALES, THE ELIMINATION OF SPECULATION, FOR THE OVERALL PURPOSE OF PROVIDING MORE HOUSING AT A PRICE THAT PEOPLE CAN AFFORD.+

THE HON PETER C. WONG

HE COMMENTED BRIEFLY ON TWO POINTS - SECURITY OF TENURE AND CORPORATION LEASES.

ON THE FIRST POINT, MR WONG AGREED THAT THE 'HARDSHIP' PROVISION SHOULD BE MODIFIED IN RESPECT OF TENANCIES TO BE BROUGHT UNDER CONTROL BY THE BILL, SO THAT A LANDLORD WOULD HAVE TO SHOW ONLY THAT HE HAS A REASONABLE CASE FOR REQUIRING POSSESSION OF THE PREMISES.

HOWEVER, HE THOUGHT THE MODIFICATION SHOULD NOT BE EXTENDED TO THOSE PREMISES ACQUIRED AFTER DECEMBER 18, 1979 WHICH ARE SUBJECT TO A CONTROLLED TENANCY.

ON THE SECOND POINT, MR WONG NOTED THAT THE PROPOSED EXTENSION OF PROTECTION TO LIMITED COMPANIES HAS RAISED TWO ISSUES.

FIRST, A CORPORATION, UNLIKE AN INDIVIDUAL, IS PERPETUAL AND WILL ENJOY PERPETUAL SECURITY TO TENURE AS LONG AS THE PROPOSED PROVISION REMAINS IN FORCE. HE CONSIDERED THIS +BOTH UNDESIRABLE AND INEQUITABLE+.

SECOND, IT HAS BEEN SUGGESTED THAT THE PRACTICE OR MALPRACTICE OF REQUIRING A PROSPECTIVE TENANT TO TURN HIMSELF INTO A LIMITED COMPANY FOR THE PURPOSE OF ENTERING INTO A TENANCY AGREEMENT HAS BEEN QUITE PREVALENT AND, IT IS ARGUED, THAT TO STOP THIS MALPRACTICE, IT IS NECESSARY TO EXTEND PROTECTION TO LIMITED COMPANIES.

HE ASKED WOULD IT NOT BE BETTER TO RECTIFY SUCH DEFECTS IN THE LEGISLATION BY SPECIFIC PROVISIONS RATHER THAN EXTENDING BLANKET PROTECTION TO ALL CORPORATIONS?

THE HON WONG LAM

HE URGED THE GOVERNMENT TO REVIEW ITS LAND POLICY AND RELATED ADMINISTRATIVE MEASURES TO SEE IF THEY ARE CONSISTENT WITH THE PRESENT NEEDS OF HONG KONG.

HE ALSO ASKED THE GOVERNMENT TO FIND OUT IF THERE ARE ANY NEW IDEAS OR SIMPLER AND QUICKER ADMINISTRATIVE PROCESSES TO COPE WITH NEW CONDITIONS AND NEEDS.

+ I AM OF THE OPINION THAT THE GOVERNMENT SHOULD SET UP A LAND POLICY ADVISORY COMMITTEE TO WHICH EXPERIENCED MEMBERS OF THE PUBLIC COULD BE INVITED TO JOIN,+ HE SAID.

HE BELIEVED THIS WOULD BE MORE EFFECTIVE THAN THE PRESENT PRACTICE OF HAVING THE LAND POLICY FORMULATED BY GOVERNMENT OFFICIALS ALONE.

TO DEAL WITH THE HOUSING PROBLEM, MR WONG SUGGESTED THAT OVERALL AND THOROUGH MEASURES HAVE TO BE TAKEN, SUCH AS TO PROVIDE MORE LAND FOR RESIDENTIAL DEVELOPMENT AT A FASTER RATE, TO INCREASE THE RATIO OF BUILDING AREA TO LAND, TO INCREASE THE NUMBER OF HOME OWNERSHIP FLATS AND EXPEDITE THE SCHEME AND TO PERMIT PRIVATE DEVELOPERS TO CARRY OUT RECLAMATION THEMSELVES.

ON THE BILL ITSELF, MR WONG CRITICISED IT AS HAVING PLACED TOO MUCH EMPHASIS ON THE PROTECTION OF THE INTERESTS OF PRINCIPAL TENANTS BUT THAT OF THE SUB-TENANTS WAS NEGLECTED.

HE SUGGESTED THAT THE WORDINGS OF THE BILL SHOULD BE STRENGTHENED TO PROTECT THE INTERESTS OF THE SUB-TENANTS WITHOUT DELAY.

THE HON .....

THE HON CHARLES YEUNG

MR YEUNG SAID THE SPIRIT AND INTENTION OF THE BILL HAD HIS FULLEST AND UNEQUIVOCAL SUPPORT AND UNDOUBTEDLY THE OVERWHELMING SUPPORT OF THE COUNCIL AND THE GENERAL SUPPORT.

HE POINTED OUT HOWEVER THAT THE FUNDAMENTAL METHOD OF SOLVING THE SOCIAL PROBLEM WAS TO RE-ESTABLISH EQUILIBRIUM OF SUPPLY AND DEMAND IN THE HOUSING SITUATION, AND RENT CONTROL IF PROLONGED WOULD BE COUNTER-PRODUCTIVE.

HE SAID THE GOVERNMENT SHOULD ATTACK THE ROOT CAUSE AS A MATTER OF URGENCY BY FORMULATING AND EXECUTING EFFECTIVE AND COMPREHENSIVE PLANS TO ENABLE ADEQUATE SUPPLY OF BOTH PRIVATE AND PUBLIC FLATS.

IT SHOULD IMMEDIATELY RE-EXAMINE ITS LAND POLICY AND ITS FINANCIAL SUPPORT TO MAKE THIS SUPPLY AVAILABLE TO THE MARKET AT THE SHORTEST POSSIBLE TIME AND AT THE MOST REASONABLE PRICE PEOPLE CAN AFFORD, HE ADDED.

HE CALLED ATTENTION TO FIVE POINTS:

- \* IT WAS A VERY DANGEROUS PRECEDENT FOR THE GOVERNMENT TO GO BACK ON ITS WORDS IN THE NAME OF WIDER PUBLIC INTEREST-
- \* THE GOVERNMENT SHOULD BRING PUBLIC HOUSING UNDER THE SAME CONTROL -- +JUSTICE SHOULD NOT ONLY BE DONE BUT SEEN TO BE DONE+-
- \* THE RIGHT OF SMALL LANDLORDS TO REPOSSESS THE PREMISES FOR THEIR OR THEIR FAMILY'S USE SHOULD BE PRESERVED WITHOUT PROVING COMPARATIVE HARDSHIP-
- \* THE LANDLORD OR HIS MORTGAGEE SHOULD BE ALLOWED TO REPOSSESS THE PREMISES ON PAYMENT OF A CERTAIN ASCERTAINABLE SUM, AND
- \* RENTAL INCREASE SHOULD BE COMMENSURABLE WITH THE BANK INTEREST RATE AND THE INFLATION RATE.

DR THE HON HO KAM-FAI

HE SUGGESTED SETTING UP A COMMITTEE TO FORMULATE LONG-TERM PLANS TO SOLVE HONG KONG'S HOUSING PROBLEM.

THE COMMITTEE SHOULD COMPRISE EXPERTS FROM BOTH THE PUBLIC AND PRIVATE SECTORS, WITH A WELL DEFINED TERMS OF REFERENCE AND A FIXED TIME SCHEDULE FOR COMPLETING THEIR ASSIGNMENT, HE SAID.

THE WORK AND PROGRESS OF THE COMMITTEE SHOULD BE REPORTED PERIODICALLY TO THE PUBLIC AND THE PLANS PROMULGATED BY THE COMMITTEE SHOULD:

- \* LEAD TO AN INCREASING SUPPLY OF OVERALL HOUSING STOCK, IN THE FORM OF EXPANDED PRIVATE REAL ESTATE DEVELOPMENT PUBLIC HOUSING AND HOME OWNERSHIP SCHEME- AND
- \* STRIKE A BALANCE BETWEEN THE INTERESTS OF LANDLORDS AND TENANTS.

ON REPOSSESSION OF PREMISES, DR HO SUGGESTED THAT BONA-FIDE LANDLORDS WHO WISH TO REPOSSESS THEIR FLATS FOR THEIR OWN USE OR FOR THE USE OF THEIR IMMEDIATE FAMILIES SHOULD BE ALLOWED TO DO SO WITHOUT HAVING TO PROVE GREATER HARDSHIP, PROVIDED:

- \* THEY HAVE ALREADY RENTED THEIR FLATS OUT TO THE EXISTING TENANTS FOR A PERIOD OF SAY, FIVE YEARS- AND
- \* THEY HAVE ACCEPTABLE REASONS FOR DOING SO.

THE HON ANDREW SO

HE SAID THE PROPOSED RENT CONTROL BILL REFLECTED THE GOVERNMENT'S USUAL SHORTCOMING - TO TAKE PALLIATIVE MEASURES INSTEAD OF GETTING AT THE ROOT CAUSE OF THE PROBLEM.

HE ASKED THE GOVERNMENT WHY IT DID NOT TAKE ACTIVE STEPS TO PROVIDE MORE LAND AND SEEK SOLUTIONS IN THE PROPER USE OF LAND AND SOUND HOUSING POLICIES.

HE NOTED THAT UNLESS THERE IS A SHARP DECLINE IN POPULATION, THE HOUSING SHORTAGE IN HONG KONG IS A PROBLEM THAT CANNOT BE SOLVED COMPLETELY.

THE HON WONG PO-YAN

MR WONG URGED THE GOVERNMENT TO MAKE A FIRM STATEMENT ON HOW IT INTENDED TO INCREASE HOUSING PRODUCTION BOTH IN THE PUBLIC AND THE PRIVATE SECTORS.

HE SAID THERE WAS NO DOUBT THAT THE ONLY FEASIBLE LONG-TERM SOLUTION TO THE HOUSING PROBLEM WAS FOR THE GOVERNMENT TO RELEASE SUFFICIENT LAND FOR RESIDENTIAL DEVELOPMENT.

+THE PRESENT ANNUAL PRODUCTION OF 65 000 HOUSING UNITS IN BOTH THE PUBLIC AND PRIVATE SECTORS STILL SEEMS TO LAG BEHIND THE DEMAND.

+I THEREFORE SUGGEST THAT GOVERNMENT SHOULD INCREASE ITS HOUSING TARGET FROM 35 000 UNITS PER YEAR TO 45 000.

+MORE LAND SHOULD ALSO BE RELEASED TO THE PRIVATE SECTOR WITH A VIEW TO INDUCE A PRODUCTION RATE OF AT LEAST 35 000 TO 40 000 UNITS PER YEAR, THAT IS, 20 PER CENT MORE THAN THE PRESENT RATE OF PRODUCTION,+ MR WONG SAID.

MR WONG ALSO URGED THE GOVERNMENT TO REVISE ITS LAND SALE POLICY,

+FOR EXAMPLE, LOTS SHOULD NOT BE WITHDRAWN FROM SALE BY AUCTION ONCE THEIR UPSET PRICE HAS BEEN REACHED,+ HE SAID.

DEBATE ON THE BILL WAS FURTHER ADJOURNED.

WEDNESDAY, JANUARY 30, 1980

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DEVELOPMENT IN AREAS WITHOUT ADEQUATE SERVICES NOT DESIRABLE  
\* \* \* \* \*

THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES SAID IT WOULD NOT BE DESIRABLE TO PERMIT DEVELOPMENT TO GO AHEAD WHERE SERVICES WERE NOT ADEQUATE AND THAT THE BEST DIRECTION OF PUBLIC WORKS EFFORT WAS TO THOSE AREAS WHERE THE GREATEST SUPPLIES OF LAND FOR HOUSING AND OTHER DEVELOPMENT CAN BE ACHIEVED.

IN REPLY TO A QUESTION FROM THE HON CHARLES YEUNG IN THE LEGISLATIVE COUNCIL TODAY, MR JONES SAID THERE WERE CERTAINLY AREAS OF CROWN LAND WHICH COULD BE SUITABLE FOR RESIDENTIAL DEVELOPMENT BUT WHICH COULD NOT BE PUT ON THE MARKET BECAUSE OF THE LACK OF ADEQUATE PUBLIC ROADS AND SERVICES.

ONE EXAMPLE IS POK FU LAM, WHERE THE PRESENT ROAD SYSTEM IS ALREADY HEAVILY OVERLOADED, AND WHERE THE IMPROVEMENTS NEEDED ARE VERY COSTLY.

MR JONES SAID THE PROVISION OF ROADS AND OTHER PUBLIC FACILITIES WAS AN ESSENTIAL REQUIREMENT FOR ANY DEVELOPMENT, BUT THE NECESSARILY FINITE RESOURCES AVAILABLE FOR THESE PURPOSES MUST BE DEPLOYED TO THE BEST ADVANTAGE IN TERMS OF MAXIMISING THE DEVELOPMENT POTENTIAL MADE AVAILABLE.

+THIS THE GOVERNMENT DOES THROUGH THE PUBLIC WORKS PROGRAMME, WHERE PRIORITIES ARE VERY CAREFULLY CONSIDERED AND WHERE THE MAXIMUM CONCENTRATION OF RESOURCES IS NOW DIRECTED TO THE NEW TOWNS AND PUBLIC HOUSING,+ HE SAID.

WHEN IT IS DEFINITELY KNOWN THAT WORK IN PROVIDING SERVICES TO ANY PARTICULAR AREA IS GOING AHEAD, FORWARD SELLING OF SITES IS ARRANGED IN ORDER TO SPEED UP THE DEVELOPMENT OF THE LAND, HE ADDED.

ON THE SUBJECT OF TURNING AGRICULTURAL LAND FOR RESIDENTIAL AND OTHER DEVELOPMENT, MR JONES SAID SUCH APPLICATIONS WERE BEING RECEIVED IN THE NEW TERRITORIES DISTRICT OFFICES ALMOST DAILY.

+SOME OF THEM HAVE TO BE REJECTED FOR A LARGE NUMBER OF REASONS, WHICH MAY INCLUDE LACK OF, OR INADEQUACY OF, SERVICES, THE EFFECT ON ADJOINING PROPERTY OR SIMPLY THAT THEY ARE IN THE WRONG PLACE FOR THE TYPE OF DEVELOPMENT APPLIED FOR,+ HE SAID.

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#### GOVERNMENT MONITORS MOVEMENTS IN OIL PRICES

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THE GOVERNMENT WATCHES CLOSELY MOVEMENTS IN OIL PRICES AND IF THERE ARE DOUBTS ABOUT THE WAY HONG KONG CONSUMERS ARE BEING TREATED, IT WOULD REFER THEM TO THE APPROPRIATE OIL COMPANY.

THE SECRETARY FOR ECONOMIC SERVICES, THE HON DAVID JEAFFRESON SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) IN REPLY TO A QUESTION FROM THE HON FRANCIS TIEN.

HE ALSO SAID, +IN THIS WAY, WE TRY TO ENSURE THAT INCREASES ARE REASONABLE IN THE SENSE THAT THERE IS JUSTIFICATION FOR THEM.+

BUT HE SAID THE GOVERNMENT FOUND COMPARISON WITH PRICES ELSEWHERE IN THE REGION DIFFICULT.

+THE PROBLEM IS TO COMPARE LIKE WITH LIKE. SOME COUNTRIES IN THE REGION HAVE THEIR OWN SOURCES OF CRUDE OIL. MANY HAVE THEIR OWN REFINERIES. THEN THERE IS DIRECT TAXATION TO DEDUCT. AND AT LEAST ONE BUYS CRUDE, REFINES IT AND WHOLESALES THE PRODUCTS, SO THERE COULD BE HIDDEN TAXATION OR HIDDEN SUBSIDY,+ MR JEAFFRESON SAID.

+NEVERTHELESS, WE DO COMPARE THEM AND WE REFER ANY DOUBTS WE MAY HAVE TO THE OIL COMPANIES,+ HE ADDED.

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#### NO RELAXATION OF POLICE EFFORTS TO CURB ROBBERIES

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THERE HAD BEEN NO RELAXATION OF POLICE EFFORTS TO CURB ROBBERIES AND POLICE COUNTER ACTION AGAINST ROBBERIES IN BOTH BANKS AND GOLDSMITH SHOPS WAS CONTINUING, THE SECRETARY FOR SECURITY, THE HON LEWIS DAVIES SAID TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

IN REPLY TO A QUESTION FROM THE HON PETER C. WONG, MR DAVIES SAID: +THERE IS CLOSE COOPERATION BETWEEN REPRESENTATIVES OF THESE ESTABLISHMENTS AND THE POLICE FORCE WITH A VIEW TO IMPROVING SECURITY AND PREVENTIVE MEASURES IN SUCH PREMISES.+

HE ALSO RECALLED HIS EARLIER STATEMENT SAYING THAT THE COMMISSIONER OF POLICE HAD DEPLOYED THE FORCE IN SUCH A WAY AS TO COUNTER THE UPSURGE IN ROBBERIES BY INCREASING THE NUMBER OF CRIME PREVENTION PATROLS AND DEPLOYING PLAIN CLOTHES OFFICERS IN SOME BANKS.

ON BANK ROBBERIES MR DAVIES SAID: +THERE WERE 84 BANK ROBBERIES INVOLVING PROPERTY VALUED AT \$2.9 MILLION IN 1979, COMPARED WITH 11 INVOLVING PROPERTY VALUED AT \$85 000 IN 1978. IN 1979, 26 PERSONS WERE ARRESTED IN RELATION TO 22 BANK ROBBERIES.+

/+IN 1980 .....

+IN 1980 THERE HAVE BEEN SIX ATTEMPTED BANK ROBBERIES INVOLVING PROPERTY VALUED AT \$36 000. AS A RESULT OF POLICE ACTION AND OTHER MEASURES TAKEN BY THE BANKS, SO FAR SIX PERSONS HAVE BEEN ARRESTED FOR THEIR INVOLVEMENT IN FOUR OF THESE,+ HE SAID, ADDING THAT A FIFTH ROBBERY WAS PREVENTED WITH NO LOSS OF PROPERTY.

THE NUMBER OF ROBBERIES OF GOLDSMITH SHOPS TOTALLED 38 IN 1979 WITH PROPERTY LOSS VALUED AT \$7.8 MILLION, COMPARED WITH SIX ROBBERIES INVOLVING PROPERTY VALUED AT \$1.5 MILLION IN 1978, MR DAVIES POINTED OUT.

ELEVEN PERSONS WERE ARRESTED IN RELATION TO SEVEN ROBBERIES IN GOLDSMITH SHOPS IN 1979, HE SAID.

+IN 1980 THERE HAVE BEEN 16 ROBBERIES OF GOLDSMITH SHOPS INVOLVING PROPERTY VALUED AT \$4 MILLION AND FOUR PERSONS HAVE BEEN ARRESTED FOR THEIR INVOLVEMENT IN TWO SUCH ROBBERIES. THE OTHERS REMAIN UNDER INVESTIGATION,+ HE ADDED.

HE ALSO NOTED THAT IN ALL THESE STATISTICS THE VALUE OF THE PROPERTY STOLEN WAS THE VALUE AT THE DATE OF THE CRIME.

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#### LEGAL ASSISTANCE SCHEME SHOULD BE EXTENDED

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THE LEGAL ASSISTANCE SCHEME SHOULD BE EXTENDED TO ALL MAGISTRACIES AND THE CATEGORIES OF OFFENCE TO WHICH THE SCHEME NOW APPLIES SHOULD ALSO BE EXTENDED, ACCORDING TO RECOMMENDATIONS IN THE FIRST ANNUAL REPORT OF THE MANAGEMENT AND ADMINISTRATION COMMITTEE OF THE LAW SOCIETY LEGAL ADVICE AND ASSISTANCE SCHEME.

THIS WAS DISCLOSED BY THE ATTORNEY GENERAL, THE HON JOHN GRIFFITHS IN THE LEGISLATIVE COUNCIL TODAY IN REPLY TO A QUESTION FROM REV THE HON JOYCE M. BENNETT.

HE SAID THE REPORT WILL BE SUBMITTED TO THE EXECUTIVE COUNCIL FOR CONSIDERATION.

HOWEVER HE SAID BEFORE THE GOVERNMENT COULD COMMIT ITSELF TO A TIMETABLE FOR EXPANSION, OR DECIDE WHETHER THE ASSISTANCE SCHEME OR THE ADVICE SCHEME SHOULD FIRST BE EXPANDED, THE REPORT MUST BE STUDIED AND INTERESTED BODIES CONSULTED.

MR GRIFFITHS SAID THE REPORT HAD HIS FULL SUPPORT AND HOPED THAT THE EXPANSION WOULD NOT BE LONG DELAYED.

+BUT IT MUST BE REMEMBERED THAT THIS SCHEME WILL HAVE TO COMPETE FOR GOVERNMENT FUNDS WITH OTHER SOCIALLY DESIRABLE PROJECTS IN OTHER FIELDS,+ HE ADDED.

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WORKING GROUP STUDYING PARKING POLICY  
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A WORKING GROUP WHICH HAS BEEN STUDYING PARKING POLICY IN GENERAL IN THE LIGHT OF THE PRINCIPLES CONTAINED IN THE WHITE PAPER ON TRANSPORT POLICY IS EXPECTED TO REPORT IN THE NEAR FUTURE.

THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN ANSWERING A QUESTION FROM THE HON F.K. HU ON THE PROVISION OF PUBLIC CAR PARKS FOR PASSENGER CARS AND LORRIES.

MR JONES SAID THE GROUP HAD BEEN CONSIDERING IN DETAIL THE PROVISION OF PARKING FACILITIES FOR ALL TYPES OF VEHICLES, INCLUDING PASSENGER CARS AND LORRIES, AND HOW SUCH FACILITIES RELATED TO OTHER TRANSPORT MODES, SUCH AS THE MTR, THE KCR AND FERRIES.

+ITS FINDINGS WILL FIRST BE CONSIDERED BY THE CONCERNED GOVERNMENT DEPARTMENTS AND THEY WILL THEN BE SUBMITTED TO THE TRANSPORT ADVISORY COMMITTEE,+ HE SAID.

HE ALSO NOTED THAT AT PRESENT THERE WERE SOME 15 PROJECTS FOR NEW CAR PARKS IN THE PUBLIC WORKS PROGRAMME WHICH WOULD, IN TOTAL, PROVIDE MORE THAN 8 000 PARKING SPACES.

+THEY WILL PROCEED IN THE NORMAL WAY AS AND WHEN THEY CAN BE GIVEN SUFFICIENT PRIORITY,+ MR JONES ADDED.

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DEVELOPMENT STUDY OF NORTH-WEST NT UNDERWAY  
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THE GOVERNMENT IS NOW UNDERTAKING A PLANNING AND DEVELOPMENT STUDY OF THE NORTH-WEST OF THE NEW TERRITORIES.

THIS WILL ENABLE DECISIONS TO BE MADE ON THE EXTENT AND TYPES OF DEVELOPMENT THAT CAN BEST BE CARRIED OUT IN THIS AREA, INCLUDING LOW DENSITY DEVELOPMENT IN PLACES WHERE IT CAN BE ACCOMMODATED, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE WAS REPLYING TO A QUESTION FROM THE HON LEUNG TAT-SHING WHETHER THE GOVERNMENT WOULD CONSIDER ENCOURAGING THE DEVELOPMENT OF FURTHER PRIVATE, LOW DENSITY RESIDENTIAL ESTATES FOR MIDDLE INCOME WAGE EARNERS, SUCH AS THE ESTATE CURRENTLY BEING DEVELOPED AT TAI SANG WAI IN YUEN LONG.

MR JONES SAID THE HEAVY DEMAND FOR HOUSING AND THE SHORTAGE OF LAND HAD GENERALLY COMPELLED GOVERNMENT TO CONCENTRATE MAINLY ON PRODUCING LAND FOR FAIRLY HIGH DENSITY DEVELOPMENT.

THE TAI SANG WAI OR FAIRVIEW PARK DEVELOPMENT, HE SAID, WAS BEING BUILT ON PRIVATE LAND WHICH HAD BEEN CONVERTED FROM AGRICULTURAL TO BUILDING STATUS AND LAY IN AN AREA WHERE MOST OF THE LAND WAS PRIVATELY OWNED AGRICULTURAL LAND.

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+THERE IS A CONSIDERABLE INTEREST ON THE PART OF OTHER LANDLORDS IN THIS AREA TO DEVELOP LOW DENSITY RESIDENTIAL HOUSING WHICH MIGHT BE SUITABLE FOR THE PURPOSE MR LEUNG HAS IN MIND.

+ANY LARGE SCALE DEVELOPMENT IN THE AREA MUST, HOWEVER, DEPEND ON THE PROVISION OF ADEQUATE COMMUNICATIONS AND OTHER SERVICES AND COMMUNITY FACILITIES,+ HE SAID. +GIVEN THE LIMITED RESOURCES AVAILABLE FOR THESE PURPOSES IT IS GENERALLY BETTER TO CONCENTRATE THESE ON AREAS OF HIGHER DENSITY DEVELOPMENT SUCH AS THE NEW TOWNS.+

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DEPLOYMENT OF ROYAL NAVY AND MARINE POLICE IS SATISFACTORY  
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THE SECRETARY FOR SECURITY, THE HON LEWIS DAVIES, SAID TODAY (WEDNESDAY) HE WAS SATISFIED WITH THE DEPLOYMENT OF THE ROYAL NAVY AND THE MARINE POLICE EVEN THOUGH A SMALL VESSEL WITH 62 VIETNAMESE ENTERED THE HARBOUR UNOBSERVED ON JANUARY 17.

REPLYING TO A QUESTION FROM DR THE HON HO KAM-FAI IN THE LEGISLATIVE COUNCIL, MR DAVIES SAID THE 50-FOOT VESSEL, WHICH APPROACHED HONG KONG FROM THE SOUTH AND PASSED THROUGH WEST LAMMA CHANNEL BEFORE DROPPING ANCHOR OFF KENNEDY TOWN, DID NOT LOOK LIKE A LOCAL VESSEL, NEITHER WAS IT DISTINCTIVELY VIETNAMESE.

+DURING THE MORNING WHEN THE VESSEL ARRIVED,+ HE SAID, +FOUR POLICE LAUNCHES WERE OPERATING IN THE SOUTHERN SECTOR AND THREE IN THE HARBOUR.

+TRAFFIC ENTERING AND LEAVING THE HARBOUR WAS HEAVY AND VISIBILITY WAS POOR.+

MR DAVIES ADDED THAT TWO POLICE LAUNCHES WERE ALSO ON DUTY OFF ABERDEEN HARBOUR BUT DID NOT SPOT IT, NOR WAS IT SPOTTED BY GREEN ISLAND OBSERVATION POST.

+OBVIOUSLY IT IS A MATTER OF SOME CONCERN AND REGRET THAT THE VESSEL WAS NOT INTERCEPTED, BUT DESPITE THIS INCIDENT I AM SATISFIED THAT THE VESSELS OF THE ROYAL NAVY AND THE MARINE POLICE ARE DEPLOYED TO THE BEST POSSIBLE ADVANTAGE,+ HE SAID.

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NEW DRIVING EXAMINER POSTS CREATED  
TO HELP REDUCE WAITING TIME FOR TESTS  
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A RECRUITMENT EXERCISE IS NOW UNDER WAY TO FILL 11 NEWLY CREATED DRIVING EXAMINER POSTS WITH THE AIM TO HELP REDUCE THE WAITING TIME FOR DRIVING TESTS, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES TOLD THE LEGISLATIVE COUNCIL TODAY.

IN REPLY TO A QUESTION FROM THE HON ANDREW SO, MR JONES ALSO REVEALED THAT THE TRANSPORT DEPARTMENT HAS DEVELOPMENT PLANS FOR OPENING NEW DRIVING TEST CENTRES IN CERTAIN EXPANDING AREAS OF POPULATION.

HE SAID THE STANDARD OF HONG KONG DRIVING TESTS WAS FULLY UP TO THE BEST LEVELS OVERSEAS AND THE TESTS WERE SPECIALLY DESIGNED FOR LOCAL DRIVING CONDITIONS.

MR JONES ALSO POINTED OUT THAT ON DECEMBER 31, 1979 THERE WERE 143 000 HOLDERS OF PROVISIONAL DRIVING LICENCES FOR PRIVATE CARS AND 45 000 FOR OTHER VEHICLES CATEGORIES.

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NT CIRCULAR ROUTE  
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WORK ON THE DUAL-CARRIAGEWAY BETWEEN YUEN LONG AND AU TAU, A SECTION OF THE NEW TERRITORIES CIRCULAR ROUTE BETWEEN YUEN LONG AND FANLING, IS EXPECTED TO START EARLY NEXT YEAR AND BE COMPLETED BY THE END OF 1982.

THIS WAS STATED BY THE DIRECTOR OF PUBLIC WORKS, THE HON DAVID MCDONALD, IN REPLY TO A QUESTION BY THE HON CHARLES YEUNG IN THE LEGISLATIVE COUNCIL TODAY.

MR MCDONALD ALSO SAID THAT PRIORITY WAS GIVEN TO THE CIRCULAR ROUTE SECTIONS BETWEEN FANLING AND SHA TIN WHICH WERE EXPECTED TO BE COMPLETED IN 1984.

THE DUAL CARRIAGEWAY FROM AU TAU TO FANLING VIA MAI PO, HE ADDED, WOULD BE CARRIED OUT IN SECTIONS. PROGRAMMED FOR COMPLETION IN 1986, THIS WOULD BE THE LAST OF THE CIRCULAR ROUTE WORKS TO BE CONSTRUCTED.

MR YEUNG HAD ASKED FOR DETAILS AND THE LATEST POSITION OF THE CIRCULAR ROUTE IN VIEW OF THE +IMPENDING INTENSIVE INDUSTRIAL AND HOUSING DEVELOPMENT ON BOTH SIDES OF THE BORDER WITH CHINA.+

MR MCDONALD POINTED OUT THAT THE ITEMS COVERING THE SECTIONS OF THE NT CIRCULAR ROUTE WERE FIRST INCLUDED IN CATEGORY B OF THE PUBLIC WORKS PROGRAMME IN 1965 TO ENABLE PRELIMINARY PLANNING TO COMMENCE.

/HOWEVER, .....

HOWEVER, HE SAID, THEY WERE DOWNGRADED TO CATEGORY C IN 1969 AS, IN THE INTERVENING YEARS, DEVELOPMENT AND TRAFFIC GROWTH TRENDS WERE SUCH THAT OTHER SECTIONS OF THE CIRCULAR ROUTE, SUCH AS THE CASTLE PEAK ROAD BETWEEN TUEN MUN AND YUEN LONG AND THE TUEN MUN HIGHWAY, WARRANTED HIGHER PRIORITY.

REFERRING TO THE ANTICIPATED COMPLETION DATES HE HAD GIVEN, MR MCDONALD SAID THEY WERE LATER THAN THOSE ORIGINALLY PROPOSED BUT HAD BEEN DETERMINED FROM THE PRIORITIES ACCORDED BY THE PUBLIC WORKS PRIORITIES COMMITTEE.

+OBVIOUSLY, THE AVAILABILITY OF FINANCIAL RESOURCES AND THE FORECAST OF TRAFFIC GROWTH WERE MAJOR FACTORS IN THE DELIBERATIONS OF THE COMMITTEE WHEN ASSESSING PROJECT PRIORITIES, + HE SAID.

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#### RULES ON HEARING OF APPEALS AMENDED

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THE LEGISLATIVE COUNCIL TODAY APPROVED THE CRIMINAL APPEAL (AMENDMENT) RULES 1980 MADE BY THE CHIEF JUSTICE AS PART OF HIS PLANS TO CUT DELAYS IN THE HEARING OF APPEALS.

THE LAW DRAFTSMAN, THE HON G.P. NAZARETH EXPLAINED TO THE COUNCIL THAT THESE RULES WOULD INTRODUCE PRECAUTIONS SIMILAR TO THOSE ADOPTED IN ENGLAND DESIGNED FIRSTLY, TO ENSURE THAT AN APPLICATION FOR LEAVE TO APPEAL SETS OUT CLEARLY AND ACCURATELY THE GROUNDS OF COMPLAINT- AND SECOND, TO DISCOURAGE FRIVOLOUS RENEWAL OF AN APPLICATION BEFORE A FULL COURT OF THREE JUDGES AFTER IT HAS BEEN REJECTED BY A SINGLE JUDGE.

UNDER ONE OF THE AMENDED RULES, THERE WILL BE AN EXPRESS WARNING THAT RENEWAL OF AN APPLICATION WITHOUT JUSTIFICATION AFTER IT HAS BEEN REJECTED BY A SINGLE JUDGE MAY WELL RESULT IN A DIRECTION THAT THE TIME SPENT IN CUSTODY WILL NOT COUNT AS PART OF THE APPLICANT'S TERM OF IMPRISONMENT.

+THE RULES REPRESENT ONLY THE LEGISLATIVE TIP OF A LEGAL, PROCEDURAL AND ADMINISTRATIVE SCHEME THAT HAS BEEN CAREFULLY DEVISED BY A COMMITTEE PRESIDED OVER BY A JUSTICE OF APPEAL, + MR NAZARETH SAID.

THE COMMITTEE COMPRISES REPRESENTATIVES OF THE ATTORNEY GENERAL, THE CHAIRMAN OF THE BAR ASSOCIATION, THE PRESIDENT OF THE LAW SOCIETY, THE DIRECTOR OF LEGAL AID AND THE COMMISSIONER OF PRISONS, HE ADDED.

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BANKING (AMENDMENT) BILL 1980  
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THE BANKING (AMENDMENT) BILL 1980, WHICH SEEKS TO GIVE THE GOVERNOR-IN-COUNCIL POWER TO AMEND OR REVOKE A CONDITION ALREADY ATTACHED TO A BANK LICENCE, OR TO ATTACH A NEW CONDITION TO A LICENCE, WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY.

MOVING THE SECOND READING OF THE BILL THE FINANCIAL SECRETARY, THE HON SIR PHILIP HADDON-CAVE EMPHASISED THAT THE POWER BEING SOUGHT HAD NOTHING TO DO WITH SO-CALLED MONETARY POLICY.

THE NEED FOR THE AMENDMENT AROSE FROM THE CONDITION THAT BANKS WITH LICENCES GRANTED BETWEEN MARCH 1978 AND AUGUST 1979, MAY ONLY CONDUCT BUSINESS FROM ONE OFFICE IN HONG KONG. THIS HAS BEEN FOUND TO BE IMPRACTICABLE DUE TO SHORTAGE OF OFFICE SPACE IN CENTRAL, AND THE SUBSEQUENT LEGAL INTERPRETATION OF THE CONDITION WAS INCONSISTENT WITH THE GOVERNMENT'S ORIGINAL INTENTION WHEN APPLYING IT, SIR PHILIP EXPLAINED.

AT PRESENT, THE ORDINANCE MERELY PERMITS A CONDITION TO BE ATTACHED TO A LICENCE AT THE TIME WHEN IT IS FIRST GRANTED. THE ONLY WAY IN WHICH A CONDITION CAN BE AMENDED OR WITHDRAWN OR ADDED IS FOR THE LICENCE TO BE REVOKED - DESIGNED FOR CIRCUMSTANCES SUCH AS A BANK MEETING SERIOUS LIQUIDITY PROBLEMS - AND A NEW LICENCE GRANTED.

WITH THE EASIER PROCEDURE PROVIDED BY THE BILL THE CONDITION TO THE BANKING LICENCES COULD BE AMENDED SO AS TO PERMIT THE 41 BANKS IN QUESTION TO OPEN SERVICE AND ADMINISTRATIVE OFFICES, TO CARRY OUT COMPUTER OR SIMILAR FUNCTIONS, IN AS MANY LOCATIONS AS THEY CHOOSE, PROVIDED THAT THEIR CUSTOMERS HAVE NO ACCESS WHATEVER TO THOSE OFFICES, SIR PHILIP SAID.

HE POINTED OUT THAT THE NEW POWER TO AMEND AN EXISTING CONDITION, OR TO ATTACH NEW CONDITIONS WILL BE AVAILABLE FOR USE IN ANY CIRCUMSTANCES IN RELATION TO ALL LICENSED BANKS IN HONG KONG.

HE BELIEVED IT WAS RIGHT AND PROPER THAT THE GOVERNMENT SHOULD HAVE THIS POWER, AS PART OF THE ARMOURY OF MEASURES AVAILABLE TO CONTROL THE BANKING SECTOR FOR PRUDENTIAL PURPOSES, IN OTHER WORDS FOR THE BETTER PROTECTION AND SAFEGUARD OF DEPOSITORS.

THE POWER IS COMMONLY AVAILABLE IN OTHER COUNTRIES WHERE THE LICENSING AUTHORITIES CAN GRANT CONDITIONAL LICENCES, HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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BILL TO STRENGTHEN CONTROL OVER  
BILL POSTING INTRODUCED INTO LEGCO  
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A BILL DESIGNED TO CONSOLIDATE AND STRENGTHEN THE CONTROL OVER THE POSTING OF BILLS WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY.

MOVING THE SECOND READING OF THE PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1980, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES SAID THE BILL SOUGHT TO MAKE IT AN OFFENCE FOR ANY PERSON TO DISPLAY ANY BILL OR POSTER ON CROWN OR PRIVATE LAND WITHOUT THE WRITTEN PERMISSION OF THE AUTHORITY OR OF THE OWNER OR OCCUPIER OF THE LAND.

IT ALSO PROVIDES THAT ANY BILL OR POSTER BEING DISPLAYED MUST BE MAINTAINED IN A CLEAN AND TIDY CONDITION.

FAILURE TO DO SO CONSTITUTES AN OFFENCE AND THE AUTHORITY IS EMPOWERED TO REMOVE ANY SUCH POSTERS AND TO RECOVER THE COST OF REMOVAL FROM THE OFFENDERS.

FURTHERMORE, THE LIABILITY FOR THE OFFENCES AND ANY REMOVAL COSTS WILL FALL NOT ONLY ON THE BILL-POSTER BUT ALSO, IN THE CASE OF UNAUTHORISED POSTER DISPLAY, ON THE EMPLOYER OF THE BILL-POSTER AND THE PERSON WHO BENEFITS FROM THE DISPLAY OF THE POSTER- AND IN THE CASE OF FAILURE TO MAINTAIN THE POSTER IN A CLEAN AND TIDY CONDITION, ON THE OWNER OR OCCUPIER OF THE LAND AND THE PERSON WHOSE GOODS OR SERVICES ARE ADVERTISED.

+THIS IS CONSIDERED NECESSARY TO ENSURE THAT THE LIABILITY FOR THESE OFFENCES WILL FALL ON THOSE PERSONS WHO SHOULD BE HELD RESPONSIBLE FOR THE DISPLAY AND MAINTENANCE OF THE BILL OR POSTER.

+ON THE OTHER HAND, TO PROTECT THOSE WHO MIGHT BE CONCERNED FROM BEING UNFAIRLY PENALISED, A PERSON WILL NOT BE LIABLE FOR THE OFFENCE, OR THE REMOVAL COSTS, IF HE CAN PROVE THAT THE POSTER HAS BEEN DISPLAYED WITHOUT HIS KNOWLEDGE OR CONSENT,+ HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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SUMMARY OFFENCES (AMENDMENT) BILL 1980  
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A BILL SEEKING TO DELETE A PROVISION WHICH BANS THE DISTRIBUTION, POSTING OR EXHIBITION OF NOTICES IN THE CHINESE LANGUAGE IN A PUBLIC PLACE WITHOUT THE PERMISSION OF THE SECRETARY FOR HOME AFFAIRS OR THE SECRETARY FOR THE NEW TERRITORIES WAS INTRODUCED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE SUMMARY OFFENCES (AMENDMENT) BILL 1980, THE SECRETARY FOR HOME AFFAIRS, THE HON F.K. LI SAID THERE WERE NOW OTHER LAWS DEALING WITH SPECIFIED ASPECTS OF PUBLIC ORDER, ENVIRONMENTAL CONTROL AND OBJECTIONABLE PUBLICATIONS WITH PROVISIONS COVERING POSTERS, HAND BILLS AND OTHER WRITTEN MATERIALS IN ANY LANGUAGE.

HE POINTED OUT THAT THE ORIGIN OF THE PROVISION TO BE DELETED DATED BACK TO 1884 ALTHOUGH THE WORDS AND PHRASES INCLUDED THEREIN HAD BEEN AMENDED ON VARIOUS OCCASIONS, THE LAST OF WHICH WAS IN 1936.

+WHEN THE 1936 BILL WAS DEBATED IN THIS COUNCIL, THE LATE SIR M.K. LO PROPOSED TO REPEAL THE PROVISION ON THE GROUNDS THAT IT WAS BOTH UNNECESSARY AND DISCRIMINATORY AGAINST THE CHINESE LANGUAGE. HIS MOTION WAS DEFEATED BY 15 VOTES TO ONE,+ HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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REPAYMENT TO STUDENT LOAN FUND PROCEEDING WELL

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NEARLY \$230 MILLION HAD BEEN PAID OUT IN OVER 100 000 LOANS TO STUDENTS AT THE TWO UNIVERSITIES, THE POLYTECHNIC AND THE APPROVED POST-SECONDARY COLLEGES BUT ONLY LESS THAN \$30 000 IN IRRECOVERABLE DEBTS WAS REQUIRED TO BE WRITTEN OFF, THE FINANCIAL SECRETARY, THE HON SIR PHILIP HADDON-CAVE TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY REV THE HON JOYCE BENNETT, THE FINANCIAL SECRETARY SAID HE BELIEVED REPAYMENT OF THESE LOANS WAS PROCEEDING SATISFACTORILY.

THERE WERE ONLY TWO CASES IN WHICH IT HAD BEEN NECESSARY TO REFER THE CLAIMS TO THE SMALL CLAIMS TRIBUNAL AND HEARINGS WERE PENDING, HE ADDED.

ON ACTION TAKEN AGAINST STUDENTS WHO FAIL TO MAINTAIN REPAYMENT, SIR PHILIP POINTED OUT THAT STUDENTS WHO DEFAULTED ON THEIR OBLIGATIONS WITHOUT GOOD REASON WERE PURSUED.

HE SAID, +A LOAN IS DEEMED TO BE IN ARREARS WHEN TWO CONSECUTIVE INSTALMENTS OF THE REPAYMENT HAVE BEEN MISSED.

+WHEN THIS HAPPENS, THE CASE IS REFERRED, BY THE TREASURY, TO EITHER THE SECRETARIAT OF THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE, IF THE CASE INVOLVES A STUDENT AT THE UNIVERSITY OR THE POLYTECHNIC OR TO THE EDUCATION DEPARTMENT, IF IT INVOLVES A STUDENT AT ONE OF THE APPROVED POST-SECONDARY COLLEGES.

+STAFF IN THESE DEPARTMENTS ARE THEN RESPONSIBLE FOR INITIATING ENQUIRIES TO DETERMINE WHY REPAYMENTS HAVE NOT BEEN MADE,+ SIR PHILIP SAID.

HE NOTED THAT AT PRESENT, THERE WERE 176 CASES OF ARREARS OF REPAYMENTS, INVOLVING SOME \$215 000. IN MOST CASES ARREARS WERE DUE TO A FAILURE TO NOTIFY THE TREASURY OF A CHANGE OF ADDRESS, WITH THE RESULT THAT REPAYMENT NOTICES WERE WRONGLY DELIVERED.

+SUBSEQUENT ENQUIRIES WITH GUARANTORS, NEIGHBOURS AND EMPLOYERS USUALLY RESULT IN CONTACT BEING RE-ESTABLISHED AND REPAYMENTS RESUMED,+ HE SAID.

+IN A MINORITY OF CASES, WHICH INVOLVE PERSISTENT DEFAULTERS, IT IS NECESSARY TO REFER THE DETAILS TO THE ATTORNEY GENERAL WHO, AFTER ISSUE OF FORMAL WARNING LETTERS MAY INITIATE LEGAL PROCEEDINGS FOR RECOVERY OF THE DEBT,+ HE ADDED.

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SEMI-AUTOMATIC BARRIERS FOR GOVERNMENT CAR PARKS

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THE TRANSPORT DEPARTMENT IS CONSIDERING THE POSSIBLE INSTALLATION OF SEMI-AUTOMATIC BARRIERS AT ENTRANCES AND EXITS OF CAR PARKS WHICH WOULD RELEASE MORE STAFF TO BE DEPLOYED ON SECURITY PATROLS, SAYS THE SECRETARY FOR SECURITY, THE HON LEWIS DAVIES.

IN REPLY TO THE QUESTION FROM THE HON F.K. HU IN THE LEGISLATIVE COUNCIL TODAY, MR DAVIES SAID AT PRESENT THE DEPARTMENT ASSIGNED AT LEAST ONE MEMBER OF STAFF TO PATROL EACH GOVERNMENT CAR PARK.

+UNIFORMED AND PLAIN CLOTHES POLICE OFFICERS MAKE REGULAR INSPECTIONS OF PUBLIC CAR PARKS AS PART OF THEIR PATROL DUTIES.

+IN ADDITION, THE POLICE CONTINUE TO ADVISE MOTORISTS BY MEANS OF PUBLICITY CAMPAIGNS, NOT TO LEAVE VALUABLE PROPERTY ON VIEW IN PARKED CARS,+ HE SAID.

HE ALSO DISCLOSED THAT IN RESPECT OF ALL GOVERNMENT CAR PARKS, STAFF OF TRANSPORT DEPARTMENT DURING 1979 RECEIVED REPORTS OF EIGHT ROBBERIES, 61 CASES OF THEFT, AND 13 VEHICLES STOLEN. OF ALL THESE CASES, 12 OCCURRED IN YAU MA TEI CAR PARK.

MR DAVIES POINTED OUT THAT IN THE LAST QUARTER OF 1979, THE POLICE MADE THREE PREVENTIVE ARRESTS OF PERSONS FOR LOITERING IN THE YAU MA TEI CAR PARK RESULTING IN TWO CONVICTIONS AND ONE CASE PENDING.

DURING THAT PERIOD, NO THEFTS FROM THAT CAR PARK WERE REPORTED TO THE POLICE, HE ADDED.

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MATERNITY BENEFITS FOR WOMEN WORKERS

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AN INTER-DEPARTMENTAL WORKING GROUP ON MATERNITY BENEFITS FOR WOMEN WORKERS RECENTLY SUBMITTED ITS REPORT AND MADE RECOMMENDATIONS TO THE SECRETARY FOR SOCIAL SERVICES, THE COMMISSIONER FOR LABOUR, THE HON J.N. HENDERSON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM REV THE HON P.T. MCGOVERN, MR HENDERSON SAID THAT IN THE NEXT FEW DAYS COPIES OF THE REPORT, WHICH HAD BEEN TRANSLATED INTO CHINESE, WOULD BE CIRCULATED TO INTERESTED PARTIES, INCLUDING WORKERS' TRADE UNIONS, EMPLOYERS' ASSOCIATIONS AND OTHER ORGANISATIONS FOR THEIR CONSIDERATION. THEIR COMMENTS WOULD BE INVITED.

+AFTER THEIR COMMENTS HAVE BEEN RECEIVED AND CONSIDERED, I INTEND TO SEEK ALSO THE ADVICE OF THE LABOUR ADVISORY BOARD BEFORE FORMULATING PROPOSALS FOR CONSIDERATION BY THE EXECUTIVE COUNCIL,+ HE SAID.

MR HENDERSON ADDED THAT THE WORKING GROUP WAS ESTABLISHED BY THE SECRETARY FOR SOCIAL SERVICES IN DECEMBER 1978 :

- \* TO EXAMINE PRACTICES REGARDING MATERNITY BENEFITS FOR WOMEN IN EMPLOYMENT IN HONG KONG, THE UNITED KINGDOM AND ELSEWHERE IN THE REGION=
- \* TO EXAMINE INTERNATIONAL LABOUR ORGANISATION REQUIREMENTS=
- \* TO EXAMINE PROPOSALS MADE BY VARIOUS BODIES IN HONG KONG= AND
- \* TO MAKE RECOMMENDATIONS ON PAID MATERNITY LEAVE FOR WOMEN WORKERS IN HONG KONG FOR FURTHER CONSIDERATION BY THE GOVERNMENT.

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KCR PROVIDING THE BEST SERVICE IT CAN  
\* \* \* \* \*

THE GOVERNMENT IS SATISFIED THAT THE KOWLOON-CANTON RAILWAY MANAGEMENT IS PROVIDING THE BEST SERVICE IT CAN WITHIN THE LIMITS OF THE CARRYING CAPACITY OF THE SYSTEM, THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES TOLD THE LEGISLATIVE COUNCIL THIS AFTERNOON.

IN REPLY TO A QUESTION FROM THE HON WONG LAM, MR JONES SAID HOWEVER THAT THE GOVERNMENT WAS NOT ENTIRELY SATISFIED WITH THE ADEQUACY OF EXISTING TRAIN SERVICES.

HE SAID THE CAPACITY OF THE SYSTEM WAS NOW STRETCHED TO THE FULL AND IT WOULD BECOME INCREASINGLY DIFFICULT TO MEET DEMAND IN THE PERIOD PRIOR TO THE COMPLETION OF ELECTRIFICATION IN LATE 1982. THEREAFTER IT WOULD BE POSSIBLE TO MEET ALL DEMANDS WITH FAST AND FREQUENT PASSENGER TRAINS, HE ADDED.

HE POINTED OUT THAT ON SHA TIN RACE DAYS, THE RAILWAY PROVIDES SIX SPECIAL TRAINS TO AND FROM RACECOURSE STATION. THESE ARE ADDITIONAL TO THE NORMAL SCHEDULED TIMETABLE AND ARE NOT THEREFORE PROVIDED AT THE EXPENSE OF OTHER TRAVELLERS TO AND FROM THE NEW TERRITORIES.

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SPECIAL TRAINING FOR CYCLISTS NOT ADVISABLE  
\* \* \* \* \*

THE GOVERNMENT'S STANDING CONFERENCE ON ROAD SAFETY HAS ADVISED THAT, GIVEN THE TRAFFIC CONGESTION IN THE URBAN AREAS AND THE DANGERS THAT EXIST EVEN FOR EXPERIENCED CYCLISTS ON MANY OF OUR ROADS, PROVIDING SPECIAL TRAINING FOR CYCLISTS WOULD ENCOURAGE MORE OF THEM TO TAKE TO THE ROADS AND THUS PUT THEMSELVES TO RISK.

THE SECRETARY FOR THE ENVIRONMENT, THE HON DEREK JONES SAID THIS IN THE LEGISLATIVE COUNCIL TODAY IN REPLY TO A QUESTION FROM THE HON ANDREW SO.

MR JONES SAID HOWEVER THAT POLICE ROAD SAFETY OFFICERS DID VISIT SCHOOLS REGULARLY TO LECTURE ON ROAD SAFETY, PARTICULARLY AS REGARDS PEDESTRIANS AND CYCLISTS. DURING 1979 OVER 2 000 SCHOOLS WERE VISITED AND 200 000 CHILDREN WERE GIVEN INSTRUCTION IN THIS WAY.

+AS REGARDS RECREATIONAL AREAS, POLICE ROAD SAFETY TEAMS PAY REGULAR VISITS TO THE MAIN AREAS WHERE BICYCLING IS PRACTISED, SUCH AS SAI KUNG, AND GIVE ADVICE TO CYCLISTS ON HOW TO HANDLE THEIR MACHINES IN A SAFE MANNER,+ HE ADDED.

HE SAID IT WAS NOTEWORTHY THAT TRAFFIC ACCIDENTS INVOLVING CYCLISTS HAD FALLEN STEADILY IN RECENT YEARS FROM 6.5 PER CENT OF ALL TRAFFIC ACCIDENTS IN 1975 TO LESS THAN FOUR PER CENT IN 1979.

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SUPERVISION AND INSPECTION OF TECHNICAL EDUCATION  
TO BE STRENGTHENED  
\* \* \* \* \*

THE DIRECTOR OF EDUCATION, THE HON KENNETH TOPLEY SAYS HE INTENDS TO STRENGTHEN SUPERVISION AND INSPECTION OF TECHNICAL EDUCATION FROM THE HEADQUARTERS OF HIS DEPARTMENT WITH MORE STAFF AS THE NEED ARISES.

IN REPLY TO A QUESTION FROM THE REV THE HON JOYCE BENNETT IN THE LEGISLATIVE COUNCIL TODAY HE SAID THREE ADDITIONAL POSTS IN THE FIELD OF TECHNICAL EDUCATION FOR THE HEADQUARTERS WERE BEING SOUGHT IN 1980/81 AND THREE MORE OVER THE NEXT THREE YEARS.

AT PRESENT THERE ARE 20 TECHNICAL EDUCATIONAL SPECIALISTS WORKING AT THE DEPARTMENT'S HEADQUARTERS, 12 IN THE TECHNICAL EDUCATION DIVISION AND EIGHT IN THE ADVISORY INSPECTORATE COVERING TECHNICAL INSTITUTES, TECHNICAL SCHOOLS, PRE-VOCATIONAL SCHOOLS AND TECHNICAL EDUCATION FOR THE HANDICAPPED.

MR TOPLEY SAID THESE HEADQUARTERS STAFF WERE IN ADDITION TO THOSE WORKING IN THE FIELD AT THE TECHNICAL TEACHERS' COLLEGE, THE TECHNICAL INSTITUTES, THE TECHNICAL SCHOOLS AND PRE-VOCATIONAL SCHOOLS WHO VALUABLY SERVE TECHNICAL EDUCATION.

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WEDNESDAY, JANUARY 30, 1980

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ANTI-TB ASSOCIATION TO HAVE NEW NAME

\* \* \* \* \*

THE HON ALEX WU TODAY INTRODUCED A BILL TO CHANGE THE NAME OF THE HK ANTI-TUBERCULOSIS AND THORACIC DISEASES ASSOCIATION TO ONE WHICH MORE ACCURATELY DESCRIBES ITS PRESENT PURPOSES.

ITS PROPOSED NEW NAME IS +HONG KONG TUBERCULOSIS, CHEST AND HEART DISEASES ASSOCIATION+.

THE HK ANTI-TUBERCULOSIS AND THORACIC DISEASES ASSOCIATION INCORPORATION (AMENDMENT) BILL 1980 ALSO SEEKS TO AMEND THE OBJECTS OF THE ASSOCIATION SO AS TO ENABLE IT TO COLLABORATE WITH THE HONG KONG HEART FOUNDATION TO ESTABLISH, ADMINISTER AND OPERATE A MAJOR CARDIAC AND THORACIC CENTRE AT THE GRANTHAM HOSPITAL.

THE ASSOCIATION HAD CONTRIBUTED \$2 MILLION FROM ITS OWN RESOURCES AND ALL THE FACILITIES AND EXPERTISE OF THE GRANTHAM HOSPITAL TOWARDS THIS PROJECT. THE HEART DONATION HAD SUCCESSFULLY RAISED \$10 MILLION IN ONE SINGLE DONATION.

DEBATE ON THE BILL WAS ADJOURNED.

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REGISTRATION OF PERSONS (AMENDMENT) BILL 1980 BECOMES LAW

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THE REGISTRATION OF PERSONS (AMENDMENT) BILL 1980 WAS PASSED INTO LAW IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THREE OTHER BILLS, THE BANKING (AMENDMENT) BILL 1980, THE SUMMARY OFFENCES (AMENDMENT) BILL 1980 AND THE PUBLIC HEALTH AND URBAN SERVICES (AMENDMENT) BILL 1980 WERE INTRODUCED INTO THE LEGISLATIVE COUNCIL FOR FIRST AND SECOND READINGS.

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WEDNESDAY, JANUARY 30, 1980

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RETIRING DIRECTOR OF AGRICULTURE AND FISHERIES LAUDED  
\* \* \* \* \*

THE GOVERNOR, SIR MURRAY MACLEHOSE, TODAY PAID TRIBUTE TO THE HON TED NICHOLS, THE DIRECTOR OF AGRICULTURE AND FISHERIES WHO IS DUE TO RETIRE SOON AFTER SERVING IN THE DEPARTMENT FOR 21 YEARS.

SIR MURRAY THANKED MR NICHOLS IN HIS LAST SITTING IN THE LEGISLATIVE COUNCIL TODAY FOR ALL HIS VALUABLE SERVICES TO HONG KONG, PARTICULARLY HIS CONTRIBUTIONS TOWARDS THE FISHING INDUSTRY AND THE SETTING UP OF COUNTRY PARKS.

HE SAID THAT MR NICHOLS HAD ENCOURAGED THE PRODUCTIVITY OF THE FISHING FLEET, CHANGES IN THE DESIGN OF FISHING VESSELS, THE DEVELOPMENT OF MARICULTURE AND PELAGIC FISHING.

HE ALSO POINTED OUT THAT THE COUNTRY PARKS AND THEIR MANagements WERE ABLE TO BE ESTABLISHED WITH EXTRAORDINARY SPEED BECAUSE OF THE ENERGY AND IMAGINATION WITH WHICH MR NICHOLS HAD LED HIS STAFF.

+HE WILL BE REMEMBERED AS A PRESERVER OF HONG KONG'S COUNTRYSIDE, AND AN ORGANISER OF RECREATION IN IT,+ SIR MURRAY SAID.

THE HON OSWALD CHEUNG, SENIOR UNOFFICIAL MEMBER OF THE LEGISLATIVE COUNCIL JOINED THE GOVERNOR IN WISHING MR NICHOLS A LONG, HAPPY AND ACTIVE RETIREMENT.

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DECEMBER MONEY SUPPLY AND FINANCIAL STATISTICS  
\* \* \* \* \*

THE MONEY SUPPLY AND FINANCIAL STATISTICS FOR DECEMBER 1979 ARE PUBLISHED TODAY. THEY ARE CALCULATED ON THE REVISED BASIS SET OUT BY THE GOVERNMENT EARLIER THIS MONTH (GIS PRESS RELEASE OF JANUARY 7).

THE STATISTICS SHOW GROWTH OF MONEY SUPPLY (M3) WHICH IS PARTLY SEASONAL- IT ALSO REFLECTS AN EXPANSION IN TOTAL CREDIT TO THE ECONOMY, AND ALSO PERHAPS AN INFLOW OF FUNDS ACROSS THE EXCHANGES, WHICH WAS DEMONSTRATED BY THE STRENGTH OF THE HONG KONG DOLLAR TOWARDS THE END OF DECEMBER.

MONEY SUPPLY

THE MONEY SUPPLY ON THE NARROWEST DEFINITION (M1) (NOTES AND COIN WITH THE PUBLIC, PLUS DEMAND DEPOSITS, OTHER THAN FROM BANKS AND DEPOSIT-TAKING COMPANIES, WITH LICENSED BANKS) ROSE BY 4.1 PER CENT IN DECEMBER, UP FROM 1.8 PER CENT IN NOVEMBER. THE MONTHLY CHANGES IN THIS MEASURE ARE VERY ERRATIC- IT ROSE DURING 1979 BY 3.7 PER CENT. (COMPARABLE FIGURES ARE NOT AVAILABLE FOR 1978 FOR ANY DEFINITIONS OF THE MONEY SUPPLY.)

/M2, WHICH IS .....

M2, WHICH IS DEFINED AS M1 PLUS SAVINGS AND TIME DEPOSITS (OTHER THAN FROM BANKS AND DTCS) WITH LICENSED BANKS, ROSE IN DECEMBER BY 3.2 PER CENT, ALMOST UNCHANGED FROM THE NOVEMBER INCREASE OF 3.1 PER CENT- OVER 1979 AS A WHOLE IT ROSE BY 13.2 PER CENT.

M3 CONSISTS OF M2 PLUS PUBLIC DEPOSITS WITH DEPOSIT-TAKING COMPANIES. IT ROSE IN DECEMBER BY 4.1 PER CENT (REFLECTING AN INCREASE OF 7.1 PER CENT IN THE PUBLIC'S DEPOSITS WITH DTCS), UP FROM 2.4 PER CENT IN NOVEMBER. OVER 1979 M3 ROSE BY 29.7 PER CENT.

#### CREDIT TO THE ECONOMY

BANK LOANS IN HONG KONG (TO CUSTOMERS OTHER THAN DEPOSIT-TAKING COMPANIES) ROSE BY 6.1 PER CENT IN DECEMBER, UP FROM A 1.5 PER CENT INCREASE IN NOVEMBER. DURING THE YEAR BANK LOANS ROSE BY 34.0 PER CENT, SUBSTANTIALLY LESS THAN IN 1978, WHEN LOANS TO CUSTOMERS OTHER THAN DEPOSIT-TAKING COMPANIES ARE ESTIMATED TO HAVE RISEN BY 39 PER CENT, THOUGH EXACT FIGURES ARE NOT AVAILABLE.

LOANS IN HONG KONG BY DEPOSIT-TAKING COMPANIES ROSE IN DECEMBER BY 3.7 PER CENT, WELL DOWN FROM NOVEMBER'S 6.5 PER CENT INCREASE. DURING 1979 LOANS BY DEPOSIT-TAKING COMPANIES ROSE BY 33.8 PER CENT (NO FIGURES ARE AVAILABLE FOR 1978).

TOTAL CREDIT TO THE ECONOMY ROSE IN DECEMBER BY 5.7 PER CENT, WHICH WAS UP FROM THE 2.4 PER CENT INCREASE IN NOVEMBER. TOTAL CREDIT ROSE IN 1979 BY 34.0 PER CENT. AGAIN NO FIGURES ARE AVAILABLE FOR 1978 FOR COMPARISON.

#### LOANS ABROAD

THE TOTAL OF LOANS ABROAD CONTINUED TO RISE, WITH BANK LOANS INCREASING BY \$518 MN TO \$20 778 MN, AND DTC LOANS ABROAD UP BY \$379 MN TO \$24 778 MN.

#### BALANCE SHEET RATIOS

THE AVERAGE LIQUIDITY RATIO FOR ALL BANKS DECLINED FURTHER IN DECEMBER TO 48.0 PER CENT, DOWN FROM 48.9 PER CENT IN NOVEMBER, TO REACH ITS LOWEST LEVEL FOR NINE MONTHS. BANKS' LOAN/DEPOSIT RATIOS ROSE IN DECEMBER TO 91.5 PER CENT; THE INCREASE FROM THE NOVEMBER LEVEL OF 88.8 PER CENT REFLECTS THE INCREASE IN BANK LOANS DURING THE MONTH. THE LOAN/DEPOSIT RATIO FOR ALL DEPOSIT-TAKING COMPANIES FELL BACK IN DECEMBER TO 55.4 PER CENT (57.2 PER CENT IN NOVEMBER), AS A RESULT OF THE 7 PER CENT INCREASE IN DTCS' DEPOSITS IN DECEMBER.

## ANALYSIS OF LENDING BY SECTORS

DETAILS OF THE QUARTERLY ANALYSIS OF LOANS AND ADVANCES IN HONG KONG SHOW THAT LOANS BY BANKS AND DEPOSIT-TAKING COMPANIES TOGETHER TO MANUFACTURING INDUSTRY ROSE DURING THE LAST THREE MONTHS OF 1979 BY 10.1 PER CENT, WHILE LOANS FOR TRANSPORT AND TRANSPORT EQUIPMENT ROSE BY 11.0 PER CENT. LOANS TO THE BUILDING AND CONSTRUCTION SECTOR INCREASED BY 12.5 PER CENT, WHILE LOANS TO FINANCIAL CONCERNS (EXCLUDING LOANS TO BANKS OR TO DEPOSIT-TAKING COMPANIES) ROSE BY 32.4 PER CENT. LOANS TO INDIVIDUALS FOR THE PURCHASE OF RESIDENTIAL PROPERTY INCREASED BY 11.5 PER CENT, AND LOANS TO INDIVIDUALS FOR ALL OTHER PURPOSES ROSE BY 11.2 PER CENT.

## NUMBER OF REPORTING INSTITUTIONS

THE NUMBER OF REPORTING BANKS WAS UNCHANGED AT 105 AT THE END OF DECEMBER 1979. FOUR MORE DEPOSIT-TAKING COMPANIES BEGAN TO REPORT DURING THE MONTH, BRINGING THEIR TOTAL TO 269.

THE FOLLOWING ARE TABLES SHOWING MONEY AND BANKING FIGURES FOR DECEMBER 1979, AND THE QUARTERLY ANALYSIS OF LOANS AND ADVANCES IN HONG KONG:-

### MONEY AND BANKING FIGURES -- DECEMBER 1979

	DEC 1979	FIGURES FOR EARLIER MONTHS (% CHANGE):	\$ MN		
			NOV 79	SEPT 79	DEC 78
M1 *	20 851		20 039 (+4.1%)	19 022 (+9.6%)	20 110 (+3.7%)
M2 *	75 270		72 957 (+3.2%)	69 417 (+8.4%)	66 472 (+13.2%)
M3	99 765		95 833 (+4.1%)	90 839 (+9.8%)	76 919 (+29.7%)
<u>BANKS --</u>					
DEPOSITS *	67 985		66 028 (+3.0%)	62 545 (+8.7%)	59 929 (+13.4%)
LOANS AND ADVANCES IN HONG KONG *	62 227		58 653 (+6.1%)	56 562 (+10.0%)	46 428 (+34.0%)
LOAN/DEPOSIT RATIO *	91.5%		88.8%	90.4%	77.5%
AVERAGE LIQUIDITY RATIO	48.0%		48.9%	49.2%	46.2%

/DEPOSIT-TAKING .....

DEPOSIT-TAKING COMPANIES --

DEPOSITS	24 495	22 876 (+7.1%)	21 422 (+14.3%)	10 447 (+134.5%)
LOANS AND ADVANCES IN HONG KONG	13 566	13 085 (+3.7%)	11 964 (+13.4%)	10 139 (+33.8%)
LOAN/DEPOSIT RATIO	55.4%	57.2%	55.8%	97.1%

BANKS AND DEPOSIT-TAKING COMPANIES --

TOTAL CREDIT TO THE ECONOMY	75 793	71 738 (+5.7%)	68 526 (+10.6%)	56 567 (+34.0%)
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\* THESE FIGURES ARE RECALCULATED TO EXCLUDE BANKS' LIABILITIES TO, AND CLAIMS ON, DEPOSIT-TAKING COMPANIES.

QUARTERLY ANALYSIS OF LOANS AND ADVANCES IN HONG KONG\$ MN

CATEGORY OF BORROWER	LOANS AND ADVANCES BY BANKS		LOANS AND ADVANCES BY DEPOSIT-TAKING COMPANIES	
	DEC 79	SEPT 79	DEC 79	SEPT 79
MANUFACTURING OF WHICH:	8 540 (+11.1%)	7 686	932 (+1.6%)	917
TEXTILES	1 941 (+4.1%)	1 864	206 (-13.8%)	239
TRANSPORT AND TRANSPORT EQUIPMENT	5 112 (+16.0%)	4 407	2 651 (+2.6%)	2 585
BUILDING AND CONSTRUCTION	7 299 (+9.8%)	6 650	2 586 (+21.1%)	2 136
GENERAL COMMERCE	19 695 (+7.1%)	18 393	2 334 (+12.4%)	2 076
FINANCIAL CONCERNS *	2 239 (+21.8%)	1 839	1 108 (+61.0%)	688

/INDIVIDUALS: .....

INDIVIDUALS: TO PURCHASE RESIDENTIAL PROPERTY	7 524 (+10.5%)	6 812	1 128 (+18.9%)	949
OTHER PURPOSES	5 348 (+10.2%)	4 852	1 155 (+15.7%)	998
OTHERS	6 470 (+9.2%)	5 923	1 672 (+3.5%)	1 615
TOTAL *	62 227 (+10.0%)	56 562	13 566 (+13.4%)	11 964

\* THIS EXCLUDES FUNDS ADVANCED BY BANKS TO DEPOSIT-TAKING COMPANIES.

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#### SHA TIN TO GET A NEW ELEVATED ROAD \* \* \* \* \*

WORK WILL BEGIN NEXT WEEK ON AN ELEVATED ROAD BETWEEN FO TAN NULLAH AND THE PODIUM, NOW UNDER CONSTRUCTION, OVER THE HO TUNG LAU KOWLOON-CANTON RAILWAY DEPOT IN SHA TIN NEW TOWN.

CONTRACT FOR THE WORK WORTH ABOUT \$27 MILLION WAS AWARDED TO PAUL Y. CONSTRUCTION CO LTD, AND WAS FORMALLY SIGNED TODAY (WEDNESDAY).

MR K.T. KUO, CHIEF ENGINEER OF THE SHA TIN NEW TOWN DEVELOPMENT OFFICE, SIGNED ON BEHALF OF THE PUBLIC WORKS DEPARTMENT AND MR GEORGE C. TSO FOR THE CONTRACTOR.

MR KUO SAID THAT THE CONTRACT FORMED PART OF A ROAD PROJECT WHICH WOULD EVENTUALLY LINK THE RAILWAY PODIUM WITH A PRIMARY DISTRIBUTOR ROAD KNOWN AS P6.

+INITIALLY THIS SECTION OF ROAD WILL ONLY PROVIDE A PEDESTRIAN AND BICYCLE LINK BETWEEN THE PODIUM AND CENTRAL SHA TIN,+ HE SAID.

+HOWEVER, WHEN THE REMAINING SECTION OF THE ROAD BETWEEN FO TAN NULLAH AND ROAD P6 IS BUILT, IT WILL PROVIDE DIRECT VEHICULAR ACCESS TO THE PODIUM FROM ROAD P6 WHICH IS CONNECTED WITH THE TRUNK ROAD NETWORK THROUGH SHA TIN.+

WORK FOR THIS STAGE, WHICH WILL TAKE 20 MONTHS TO COMPLETE, WILL ALSO INCLUDE A GROUND LEVEL ROAD WITHIN THE KCR DEPOT AND SEWER AND STORM WATER DRAINS TO SERVICE THE DEPOT.

THE ROAD HAS BEEN DESIGNED AND ITS CONSTRUCTION WILL BE SUPERVISED BY MAUNSELL CONSULTANTS ASIA, CONSULTING ENGINEERS FOR THE NEW TERRITORIES DEVELOPMENT DEPARTMENT OF PWD.

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WEDNESDAY, JANUARY 30, 1980

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APPLICATION FOR RIGHT TO OPERATE NEW MAXICAB ROUTES  
TO CLOSE ON FEBRUARY 7

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THE TRANSPORT DEPARTMENT TODAY (WEDNESDAY) REMINDED REGISTERED OWNERS OF PUBLIC LIGHT BUSES THAT THE CLOSING DATE OF APPLICATION FOR THE RIGHT TO OPERATE TEN NEW MAXICAB ROUTES ON BOTH SIDES OF THE HARBOUR IS FEBRUARY 7.

A TRANSPORT DEPARTMENT SPOKESMAN SAID: +LATE APPLICATIONS WILL NOT BE CONSIDERED.+

APPLICATION FORMS AND DETAILS OF THE MAXICAB ROUTES CAN BE OBTAINED FREE OF CHARGE FROM EITHER THE TRANSPORT DEPARTMENT HEADQUARTERS, 6TH FLOOR, GUARDIAN HOUSE, 32 OI KWAN ROAD, WAN CHAI OR THE KOWLOON LICENSING OFFICE, PARK-IN COMMERCIAL CENTRE, 9TH FLOOR, 56 DUNDAS STREET, MONG KOK.

THE SPOKESMAN SAID THE APPROPRIATE APPLICATION FORM ENTITLED +APPLICATION FOR PUBLIC LIGHT BUS MAXICAB ROUTES+ MUST BE RETURNED BY REGISTERED MAIL TO REACH THE TRANSPORT DEPARTMENT HEADQUARTERS BY 5 PM ON FEBRUARY 7.

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