



DAILY INFORMATION BULLETIN

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

WEDNESDAY, MARCH 24, 1982

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PEOPLE URGED TO WORK TOGETHER
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THE PEOPLE OF HONG KONG SHOULD WORK TOGETHER TO MAKE HONG KONG A BETTER PLACE TO LIVE IN.

THE CALL CAME FROM THE SENIOR UNOFFICIAL LEGISLATIVE COUNCILLOR, THE HON ROGER LOBO, DURING THE RESUMED BUDGET DEBATE TODAY.

MR LOBO NOTED THAT HONG KONG HAD ALWAYS ENJOYED GOOD PARTNERSHIP AND SAID THIS SENSE OF PARTNERSHIP MUST NOT BE LOST.

HE SAID: +WE SHOULD ALL BE ABLE TO WORK ACCORDING TO OUR OWN ABILITIES AND TOWARDS THE SAME OBJECTIVES -- A BETTER HONG KONG WHICH MEANS A BETTER LIFE FOR ALL.

+WE MUST GET INTO THINKING MORE OF OURSELVES AS ONE COMMUNITY WITH TASKS BEFORE US AS JOBS WE HAVE TO DO TOGETHER.

+AS WE FORGE AHEAD INTO THE 80'S WITH FAITH AND CONFIDENCE IN OUR ABILITY TO MEET THE CHALLENGES THAT LIE AHEAD, WE OUGHT ALSO TO PROJECT OUR IMAGE NOT SOLELY AS THAT OF DILIGENCE AND EXPERTISE BUT ALSO THAT THIS IS A DYNAMIC PLACE WHICH OFFERS OPPORTUNITIES, INCENTIVES AND CONVENIENCE EQUAL TO NONE.+

ON THE PROPOSED TAX CONCESSIONS, MR LOBO SAID THEY WOULD CERTAINLY BE APPRECIATED BY THOSE +SQUEEZED BETWEEN THE RICH AND THE POOR+.

HOWEVER, TO THIS PARTICULAR CLASS OF PEOPLE THE WORD +CONCESSION+ IS IN ITSELF MISLEADING, HE SAID.

THIS IS BECAUSE THE PROPOSED MEASURES, IN RESPECT OF TAX THRESHOLDS AND PERSONAL ALLOWANCES ONLY GO SOME WAY TOWARDS ABATING THE EFFECTS OF INFLATION AND ONLY SOME WAY TOWARDS PASSING ON SOME OF THE BENEFITS OF THE BUOYANT ECONOMY WHICH THEY HAVE HELPED TO BUILD, HE EXPLAINED.

+I DO NOT MEAN TO SOUND UNGRACIOUS BUT WE MUST ALWAYS REMEMBER THAT IT IS NOT GOVERNMENT'S MONEY THAT WE MAKE CONCESSIONS AND APPROPRIATIONS WITH.

+IT IS THE TAX-PAYERS' MONEY -- I AM SURE THE FINANCIAL SECRETARY WILL NOT OBJECT TO THIS OBSERVATION NOR WILL HE DISAGREE WITH ME WHEN I SAY: BECAUSE WE ARE A RICH SOCIETY WITH ENOUGH TO SPARE, WE SHOULD DIVERT OUR RESOURCES AND PLANNED PRIORITIES -- OR GIVE IT ALL AWAY,+ SAID MR LOBO.

BUT HE WARNED THAT WE SHOULD BE CONCERNED ABOUT THE EXTENT TO WHICH WE FULFILL PEOPLE'S EXPECTATION.

NOTING THAT HONG KONG CONTINUES TO OFFER REWARDS TO HARD WORK AND INGENUITY, HE SAID THE GREAT MAJORITY HERE HAVE HAPPY LIVES, FREE PRIMARY EDUCATION FOR THEIR CHILDREN, LIVE IN REASONABLE COMFORT AND ENJOY OPPORTUNITIES FOR LEISURE.

/+WHILE WE

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+WHILE WE CONTINUE TO ACHIEVE GREATER PROGRESS, WE KNOW WE CANNOT NOW OFFER THESE TO EVERYONE -- IN FACT NO SOCIETY CAN -- THIS MUST BE ACCEPTED AND UNDERSTOOD -- HONG KONG IS NOT A WELFARE STATE.

+NEVERTHELESS, WE MUST NOT FORGET THAT OUR YOUNG PEOPLE, THOSE BORN HERE, AND OTHERS WHO HAVE WORKED HERE ALL THEIR LIVES HAVE ASPIRATIONS AND LEGITIMATE EXPECTATIONS OF PARTICIPATION,+ MR LOBO SAID.

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CALL FOR SMALL FACTORY BUILDINGS

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DR THE HON FRANCIS TIEN URGED THE GOVERNMENT TO SPONSOR THE BUILDING OF SMALL FACTORIES ON LINES SIMILAR TO THOSE ADOPTED FOR THE HOME OWNERSHIP SCHEME.

+GIVEN THE UNFORTUNATE UNCERTAINTIES REGARDING TENURE IN ACCOMMODATION AS WELL AS THAT OF RENTS, MANY SMALL FACTORIES FACE CONSIDERABLE DIFFICULTIES,+ HE SAID.

+THEY HAVE MANY ANXIETIES. THEY MAY LACK A SENSE OF SECURITY, A SENSE OF BELONGING AND EVEN A SENSE OF OWNERSHIP.+

DR TIEN SAID HE WAS AWARE OF THE FINANCIAL SECRETARY'S BELIEF THAT DIRECT ASSISTANCE TO INDUSTRY IS UNDESIRABLE AND THEREFORE HE WAS NOT ASKING HIM TO ABANDON HIS +CHERISHED PRINCIPLES OF PRUDENT HOUSEKEEPING+.

BUT HE THOUGHT THAT SOME HELP SHOULD BE GIVEN TO SMALL-SCALE INDUSTRIES BECAUSE +SMALL-SCALE DOES NOT MEAN SMALL IN IMPORTANCE+.

HE REFERRED IN PARTICULAR TO THE LINKAGE OR COMPONENT INDUSTRIES WITHOUT WHICH, HE POINTED OUT, HONG KONG WOULD BE IN CRITICAL DIFFICULTIES.

+THESE INCLUDE BUTTON MANUFACTURERS, DIE-CASTERS AND PERHAPS ZIPPER-MAKERS FOR WHICH ALL OUR TROUSERED MEN, IF NOT WOMEN, ARE ETERNALLY THANKFUL.

+THE HUMBLE BUTTON IS IN MANY WAYS THE SUPPORT OF PART OF OUR TEXTILE SYSTEM.

+WITHOUT THESE SMALL-SCALE CONCERNS EVEN HIGHLY SOPHISTICATED INDUSTRIES SUCH AS THE COMPUTER INDUSTRY CANNOT THRIVE,+ HE SAID.

DR TIEN ALSO WARNED THAT WITHOUT SOME INDIRECT HELP, SUCH COMPONENT INDUSTRIES MIGHT WELL FALL BY THE WAYSIDE.

+IN THAT EVENT HONG KONG WOULD BE THE LOSER, FOR INDUSTRY NEEDS THE SMALL MAN JUST AS MUCH AS THE WELL-ESTABLISHED LARGE COMPANY,+ HE ADDED.

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INCENTIVE IN SOCIAL WORK SHOULD BE RECOGNISED

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THE GOVERNMENT SHOULD RECOGNISE THE VALUE OF INCENTIVE IN RELATION TO THE PART PLAYED BY VOLUNTARY AGENCIES IN THE SOCIAL SERVICES FIELDS, THE REV THE HON JOYCE BENNETT TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

AND SHE SUGGESTED THAT THE IMPORTANCE OF INCENTIVE MUST NOT BE OVERLOOKED BY GOVERNMENT OFFICIALS AS THEY ANALYSE THE PUBLIC EXPENDITURE TO SUBVENTED BODIES.

MISS BENNETT WAS COMMENTING ON THE FINANCIAL SECRETARY'S REMARKS ON +THE RIGHT SHARE OF THE PUBLIC SECTOR IN THE ECONOMY, AND OF THE IMPERATIVE NEED TO CONTROL ITS UNIVERSALLY PROLIFIC AND WEED-LIKE GROWTH+.

+I AM CONCERNED, HOWEVER, LEST HIS NEED TO CONTROL ITS 'WEED-LIKE GROWTH' WILL LEAD TO CONSTRAINTS ON THE PROPER DEVELOPMENT IN THE EDUCATIONAL, MEDICAL AND HEALTH, AND SOCIAL WELFARE FIELDS,+ SHE SAID.

SHE NOTED THAT THE SHARE OF THE SUBVENTED BODIES IN THE PUBLIC SECTOR IN EDUCATION FOR 1982-83 AMOUNTS TO MORE THAN \$3 912 MILLION OR OVER 82 PER CENT OF THE WHOLE EXPENDITURE ON EDUCATION.

WHILE SHE AGREED THAT THE GOVERNMENT HAS THE RIGHT TO DEMAND SOME CONTROL OF THESE VAST AMOUNTS OF MONEY, SHE WONDERED HOW MUCH FURTHER CONTROL THE GOVERNMENT SHOULD EXERCISE OVER THESE SUBVENTED AGENCIES.

+MANY OF THE FINANCE COMMITTEE PAPERS OF THIS COUNCIL REFER TO 'THE DEGREE OF CONTROL' EXERCISED BY GOVERNMENT OVER THE SPONSORING BODIES THAT PROVIDE THESE SOCIAL SERVICES TO THE PUBLIC.

+IT IS TO THIS DEGREE OF CONTROL THAT I WANT US TO PAY ATTENTION THIS AFTERNOON, BECAUSE I SEE A GREAT DANGER EMERGING THAT GOVERNMENT IS TRYING TO EXTEND THIS CONTROL FROM ONE OF A DEGREE OF CONTROL TO THAT OF COMPLETE CONTROL,+ SHE WARNED.

TO ILLUSTRATE THIS FROM THE EDUCATIONAL FIELD, MISS BENNETT REMARKED THAT THE GOVERNMENT HAD OVER MANY YEARS CONTROLLED THE GRANT, SUBSIDISED AND AIDED SCHOOLS THROUGH THE VARIOUS CODES OF AID.

THESE CODES OF AID, TOGETHER WITH THE CODES OF AID FOR SPECIAL SCHOOLS, ARE CURRENTLY UNDER REVIEW. BUT BEFORE THESE ARE FINALISED, SHE POINTED OUT, THERE ARE ALREADY NEW REGULATIONS IMPOSED ON THE SPONSORS WHO RUN THESE SCHOOLS.

+AND IT IS THESE NEW REGULATIONS AND CONTROLS THAT ARE BEGINNING TO ALARM THE SPONSORS, SO MUCH SO THAT ONE WELL-KNOWN SPONSORING BODY HAS ALREADY TOLD THE EDUCATION DEPARTMENT THAT IT WOULD NOT RUN ONE OF THE NEW SCHOOLS AS REQUESTED AS THE CONDITIONS THAT GOVERNMENT WISHES TO IMPOSE WERE UNACCEPTABLE.+

MISS BENNETT AGREED THAT REASONABLE CONTROLS AND SUPERVISION, INCLUDING AUDITING OF ACCOUNTS, ON ALL AIDED SCHOOLS ARE ESSENTIAL FOR SOUND MANAGEMENT BUT FELT THE GOVERNMENT SHOULD NOT ALTER UNILATERALLY THE CODES OF AID AND REGULATIONS FOR THE RUNNING OF THE SCHOOLS.

CITING AN EXAMPLE, MISS BENNETT SAID: +NOW IT SEEMS THAT THE EDUCATION DEPARTMENT WISHES TO CONTROL MORE COMPLETELY THE APPOINTMENT OF PRINCIPALS.

+THE DEPARTMENT IS DEMANDING THE RIGHT TO DRAW UP A SHORTLIST OF CANDIDATES, TO WHICH THE SCHOOL MANAGEMENT COMMITTEE MAY ONLY ADD NAMES AND FROM WHICH THE DEPARTMENT WILL CHOOSE THE PRINCIPAL GOVERNMENT CONSIDERS MOST SUITABLE.

+THE SPONSORING BODIES MUST HAVE THE RIGHT TO CHOOSE THEIR OWN PRINCIPALS AND STAFF, SUBJECT OF COURSE TO THE APPROVAL OF THE EDUCATION DEPARTMENT AS PREVIOUSLY.+

IF GOVERNMENT CANNOT TRUST THE AIDED BODIES, SHE ADDED, THEY MUST RUN ALL THE SCHOOLS, THE HOSPITALS AND THE SOCIAL WELFARE AGENCIES THEMSELVES.

+I AM QUITE SURE THE ADDED BURDEN OF ALL THE FRINGE BENEFITS AND THE SALARIES OF ALL THE STAFF WORKING IN ALL THE SUBVENTED BODIES WOULD BRING CONSIDERABLE ALARM TO OUR FINANCIAL SECRETARY.+

MISS BENNETT ALSO CRITICISED THE ADVISORY INSPECTORATE OF THE EDUCATION DEPARTMENT FOR FAILING TO GIVE ANY GUIDANCE TO SCHOOLS ON HOW THE TEACHERS ARE TO TACKLE TEACHING THE STUDENTS IN NEED OF REMEDIAL TUITION.

SHE SAID THIS IS WHERE IT IS ESSENTIAL FOR THE GOVERNMENT TO EXERCISE CONTROL SINCE +VAST SUMS OF PUBLIC MONEY ARE TO BE SPENT ON EXTRA STAFF AND CRITERIA FOR THEIR USE ARE LAID DOWN+.

MISS BENNETT SUGGESTED TWO CHANGES THAT HAVE A DIRECT CONNECTION WITH THE EXPENDITURE ON EDUCATION.

FIRST, SHE REPEATED HER EARLIER CALLS FOR THE NEED TO UNIFY THE FOUR GOVERNMENT COLLEGES OF EDUCATION WHICH HAVE BEEN HAMPERED BY LACK OF LONG-TERM PLANNING.

+I BELIEVE THAT THESE FOUR COLLEGES SHOULD BE FULLY AMALGAMATED, SO THAT THE COSTS COULD BE STREAMLINED AND THEIR FINANCING BE MORE CLEARLY DEFINED.

+TEACHER TRAINING IS AN IMPORTANT ASPECT OF OUR EDUCATIONAL SYSTEM AND IT DESERVES A UPGC-TYPE OF BUDGETTING SO THAT LONG TERM PLANS CAN BE MADE AND CARRIED OUT.+

SECONDLY, SHE SUGGESTED THAT THE GOVERNMENT ALLOW SCHOOLS TO PROMOTE THEIR OWN STUDENTS FROM FORM III TO FORM IV AND TO HAVE A CENTRAL ALLOCATION SYSTEM BY ONE ENTRANCE EXAMINATION FOR THOSE STUDENTS UNABLE TO GAIN A SEAT IN THEIR OWN SCHOOL.

SHE CONSIDERED THIS TO BE A MUCH BETTER AND MORE ECONOMICAL METHOD THAN THE JUNIOR SECONDARY EDUCATION ASSESSMENT SYSTEM.

THE GOVERNMENT HAD SPENT \$3.84 MILLION IN 1981-82, AND A SIMILAR SUM HAS BEEN BUDGETED FOR 1982-83, ON THIS JSEA METHOD OF FILLING THE FORM IV PLACES, SHE NOTED.

YET STATISTICS SHOWED THAT THERE WERE 435 VACANT SEATS IN GOVERNMENT AND AIDED SCHOOLS IN FORM IV/MIDDLE IV IN SEPTEMBER 1981.

+THE PUBLIC HAS THE RIGHT TO INSIST THAT THE GOVERNMENT AND THE AIDED SCHOOLS FILL ALL THEIR SEATS.+

MISS BENNETT NOTED THAT EXPENDITURE IN THE SOCIAL SERVICES HAD BEEN LIMITED BY THE SHORTAGE OF TRAINED AND QUALIFIED PERSONNEL TO RUN ADDITIONAL SERVICES.

HOWEVER, WITH THE EXPANSION OF OUR UNIVERSITIES, MORE GRADUATES WILL BE AVAILABLE FOR FURTHER DEVELOPMENTS AND IMPROVEMENTS IN OUR SOCIAL SERVICES.

+IT IS THEREFORE IMPORTANT THAT THE SIZE OF OUR PUBLIC SECTOR EXPENDITURE SHOULD NOT BE INCAPABLE OF ADJUSTMENT TO CHANGED CIRCUMSTANCES,+ SHE SAID.

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COST-EFFECTIVENESS QUESTIONED

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THE HON S.L. CHEN, TODAY TOOK THE GOVERNMENT TO TASK OVER THE +SEEMINGLY UNRESTRAINED GROWTH+ IN BOTH THE CIVIL SERVICE AND THE PUBLIC EXPENDITURE.

CITING STATISTICS, HE SAID PUBLIC EXPENDITURE IN PERSONAL EMOLUMENT HAD GROWN BY ALMOST SIX TIMES FROM \$1 058 MILLION IN 1972/73 TO \$6 000 MILLION IN 1981/82.

IN THE SAME PERIOD, THE NUMBER OF PEOPLE EMPLOYED IN THE CIVIL SERVICE INCREASED FROM 98 459 TO 151 809 AND A FURTHER INCREASE OF 16 500 NEW POSTS WAS ENVISAGED FOR 1982/83.

+ONE CAN THEREFORE HARDLY BE BLAMED FOR QUESTIONING WHETHER THE CIVIL SERVICE IS COST-EFFECTIVE OR THAT THE TAXPAYERS ARE GETTING VALUE FOR MONEY, AND WHETHER CIVIL SERVICE STAFF RESOURCES ARE PROPERLY DEPLOYED OR USED IN AN EFFECTIVE MANNER,+ HE SAID.

IN A CRITICAL LOOK AT THESE QUESTIONS, MR CHEN SAID HE HAD RESEARCHED INTO THE WORKINGS OF SOME OF THE PUBLIC WORKS DEPARTMENTS SINCE PUBLIC WORKS +SHARE THE BIGGEST SLICE OF THE PUBLIC EXPENDITURE+.

ACCORDING TO THE RESULTS OF AN EXPENDITURE ANALYSIS IN RESPECT OF THE ARCHITECTURAL OFFICE, THE EXPENDITURE IN PERSONAL EMOLUMENT IN 1977/78, FOR EXAMPLE, AMOUNTED TO 16.2 PER CENT OF THE EXPENDITURE ON WORK DONE, INCLUDING THOSE DONE BY CONSULTANTS, DURING THE YEAR.

THE PERCENTAGE FIGURES FOR THE FIVE-YEAR PERIOD BETWEEN 1977/78 AND 1981/82 DO COMPARE VERY UNFAVOURABLY WITH THAT FOR WORK DONE BY THE PRIVATE SECTOR, HE SAID.

BUT WHAT ONE HAS TO BEAR IN MIND WHEN MAKING THE COMPARISON IS THAT FROM THEIR FEES EARNED, OUTSIDE CONSULTANTS WOULD HAVE TO PAY NOT ONLY THE PERSONAL EMOLUMENT OF THEIR STAFF BUT ALSO STAFF FRINGE BENEFITS, ALL OFFICE OVERHEADS SUCH AS RENTS, RATES, ELECTRICITY, TELEPHONE CHARGES, ETC.

OVER AND ABOVE THESE, HE ADDED, THE CONSULTANTS WOULD ALSO HAVE TO MAKE A PROFIT IN ORDER TO SURVIVE IN THE BUSINESS.

+THEN A QUESTION MAY WELL BE ASKED WHETHER THERE IS ANY POINT IN KEEPING WORK IN-HOUSE WHEN IT COULD BE DONE MORE ECONOMICALLY BY CONSULTANTS IN THE PRIVATE SECTOR, THAT IS WHETHER GOVERNMENT DEPARTMENTS SHOULD REMAIN IN OPERATION UNLESS THEIR PRODUCTIVITY IS COMPARABLE TO THAT OF THEIR COUNTERPARTS IN THE PRIVATE SECTOR.

+HERE THE PRINCIPLE OF THE SURVIVAL OF THE FITTEST, WHICH THE FINANCIAL SECRETARY ADVOCATES AND WHICH I WHOLE-HEARTEDLY SUPPORT, SHOULD APPLY JUST AS MUCH IN PUBLIC SERVICES AS IN THE PRIVATE SECTOR,+ MR CHEN SAID.

TURNING TO THE DEPLOYMENT OF GOVERNMENT STAFF RESOURCES, HE DREW ATTENTION TO THE EXISTING REQUIREMENT WHEREBY BUILDING PLANS PREPARED BY AN AUTHORISED PERSON WHO IS BY STATUTE RECOGNISED AS COMPETENT TO PROVIDE THE SERVICE ARE SUBJECT TO SCRUTINY AND APPROVAL OF THE BUILDINGS ORDINANCE OFFICE BY A FELLOW PROFESSIONAL ON THE GOVERNMENT STAFF WHO MORE OFTEN THAN NOT MAY BE LESS EXPERIENCED THAN HIMSELF.

HE CONSIDERED THIS AN UNNECESSARY DUPLICATION OF EFFORT WHICH HAD RESULTED IN MANY COMPLAINTS AGAINST THE BUILDINGS ORDINANCE OFFICE OVER DELAYS IN GRANTING APPROVAL OF BUILDING PLANS AND THE ISSUING OF OCCUPATION PERMITS.

+THEREFORE I SUPPORT STRONGLY THE PROPOSAL PUT FORWARD BY THE HONG KONG INSTITUTE OF ARCHITECTS FOR THE ESTABLISHMENT OF A NEW ORDINANCE UNDER WHICH ARCHITECTS, ENGINEERS, SURVEYORS AND ALL PROFESSIONALS PRACTISING IN THE BUILDING INDUSTRY SHALL BE REGISTERED AND WHICH WOULD IMPOSE UPON THEM A STATUTORY OBLIGATION TO CARRY THE TECHNICAL AND LEGAL RESPONSIBILITIES FOR THE PROFESSIONAL WORK IN THEIR RESPECTIVE FIELDS.

+THE NEW ORDINANCE SHOULD ALSO INCLUDE A PROVISION FOR THE ESTABLISHMENT OF A DISCIPLINARY BODY WHICH WOULD BE EMPOWERED TO REGULATE THE PROFESSIONAL CONDUCT OF MEMBERS OF THE RELEVANT PROFESSIONS AND ENSURE THAT THOSE WHO ABUSE THEIR PRIVILEGE WOULD BE APPROPRIATELY PENALISED WHICH MAY IN CERTAIN CASES INCLUDE DE-REGISTRATION,+ HE SAID.

HE REMARKED THAT IF THE PROFESSIONALS WERE GIVEN THEIR RIGHTFUL RESPONSIBILITIES AND WERE REQUIRED TO FULFIL THESE RESPONSIBILITIES BY LAW, THE BUILDINGS ORDINANCE OFFICE COULD DISPENSE WITH ITS PLAN-APPROVAL FUNCTIONS AND ITS STAFF COULD THEN BE RE-DEPLOYED TO AREAS WHERE ADDITIONAL MANPOWER WAS NEEDED, SUCH AS SURVEILLANCE OPERATIONS AGAINST UNAUTHORISED BUILDING WORKS.

/MR CHEN SAID:

MR CHEN SAID: +WHAT WE NEED NOW IS AN IN-DEPTH REVIEW OF THE WHOLE MACHINERY TO SEE WHERE THE DEFECTS LIE AND WHETHER SOME GEARS AND WHEELS ARE REDUNDANT AND OTHERS OVER-BURDENED.

+IN VIEW OF THE PARTICULARLY RAPID GROWTH OF THE CIVIL SERVICE IN THE PAST COUPLE OF YEARS, SUCH A REVIEW MUST INCLUDE THE NEW PROCEDURE FOR CREATING POSTS INTRODUCED IN 1980.

+ONLY THEN WILL WE BE IN A POSITION TO DECIDE WHAT CORRECTIVE ACTION OR CONTROL IS NEEDED, FOR IN THE FINANCIAL SECRETARY'S OWN WORDS 'CONTROL THERE MUST BE' IF WE ARE TO SEE AN EFFECTIVE CURBING OF THE UNRESTRAINED GROWTH IN BOTH THE CIVIL SERVICE AND PUBLIC EXPENDITURE.+

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CONCERN ABOUT CIVIL SERVICE GROWTH
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HONG KONG IS IN DANGER OF BEING OVER-REGULATED AND OVER-GOVERNED BY A SPRAWLING BUREAUCRACY, WARNED THE HON LYDIA DUNN.

SPEAKING AT THE RESUMED BUDGET DEBATE TODAY, MISS DUNN REFERRED TO THE +ALARMING+ GROWTH OF THE CIVIL SERVICE IN RECENT YEARS.

+UNLESS WE ARE AWARE OF THE NEED REGULARLY TO REVIEW PROCEDURES, TO TAKE A DYNAMIC VIEW OF MANAGEMENT STRUCTURES, TO DEVELOP RELEVANT SKILLS AND TO MODIFY OUTDATED ATTITUDES, I FEAR THE GROWTH OF THE CIVIL SERVICE WILL CONTINUE UNABATED, ALL IN THE NAME OF CIVIC PROGRESS AND COMMUNITY IMPROVEMENT,+ SHE SAID.

SHE EMPHASISED THAT HER CONCERN ABOUT THE PRESENT AND PROJECTED SIZE OF THE CIVIL SERVICE IS NOT JUST BECAUSE OF ITS COST.

+AS I HAVE SAID BEFORE, I BELIEVED THAT WE HAVE A SERVICE WHICH CONSISTS OF HARD-WORKING AND DEDICATED MEN AND WOMEN WHO HAVE BEEN RESPONSIBLE FOR MUCH OF HONG KONG'S PROGRESS AND ACHIEVEMENTS.

+BUT THE GROWTH OF THE SERVICE IS SUCH THAT WE NEED TO PAUSE, CONSOLIDATE AND TAKE STOCK OF THE SYSTEM.+

MISS DUNN CALLED FOR A CRITICAL LOOK AT THE SIZE OF THE CIVIL SERVICE, ITS PRODUCTIVITY AND MANAGEMENT STRUCTURE.

SHE QUESTIONED WHETHER THE PRESENT STRUCTURE OF THE ESTABLISHMENT OF 138 000 IS STILL APPROPRIATE AND, IN PARTICULAR, WHETHER THE CENTRAL GOVERNMENT SECRETARIAT CONCEPT REMAINS RELEVANT.

SHE RECALLED THAT IN REPLY TO A SIMILAR PLEA BY HER IN THE LAST BUDGET DEBATE, THE THEN CHIEF SECRETARY UNDERTOOK TO INSTRUCT THE ADMINISTRATION BRANCH TO HAVE A REAPPRAISAL AT THE OVERALL ORGANISATION OF THE CENTRAL GOVERNMENT.

/+ALTHOUGH I

+ALTHOUGH I DOUBT WHETHER THE ADMINISTRATION BRANCH IS THE APPROPRIATE BODY TO CARRY OUT SUCH A MAJOR TASK, I WOULD, NEVERTHELESS, LIKE TO KNOW THE OUTCOME OF THEIR DELIBERATIONS,+ SHE SAID.

MISS DUNN ALSO TOOK THE GOVERNMENT TO TASK FOR FAILING TO CONTAIN THE GROWTH RATE OF PUBLIC EXPENDITURE.

SHE THOUGHT THE GROWTH RATE OF PUBLIC EXPENDITURE IN RECENT YEARS WAS MOST WORRYING WHETHER ONE LOOKED AT IT IN MONEY TERMS OR REAL TERMS, IN RELATION TO THE GENERAL REVENUE ACCOUNT OR THE CONSOLIDATED ACCOUNT.

IN A CRITICAL LOOK AT THE ISSUE, SHE POINTED OUT THAT THE AVERAGE ANNUAL GROWTH RATE OF PUBLIC EXPENDITURE ON CONSOLIDATED ACCOUNT IN REAL TERMS IN THE FIVE YEARS ENDING 1981-82 WAS 16.5 PER CENT WHILE THAT OF THE GROSS DOMESTIC PRODUCT WAS ONLY 10.7 PER CENT.

ALTHOUGH THE BUDGETARY INTENTION FOR 1981-82 WAS TO HOLD THE GROWTH RATE DOWN TO 12.8 PER CENT WITH THE FORECAST GROWTH RATE OF THE GDP BEING EIGHT PER CENT, SHE SAID THE REVISED ESTIMATES OF EXPENDITURE ON CONSOLIDATED ACCOUNT REFLECT A GROWTH RATE OF NEARLY 22 PER CENT, OR MORE THAN TWICE THE NOW ESTIMATED GROWTH RATE OF THE GDP OF TEN PER CENT.

+IN THESE CIRCUMSTANCES, I WOULD HAVE EXPECTED TO HEAR FROM THE FINANCIAL SECRETARY THAT THE CENTRAL THEME OF BUDGETARY STRATEGY IN 1982-83 WAS THE CONTROL OF PUBLIC EXPENDITURE.

+SPECIFICALLY, I WOULD HAVE EXPECTED THE FINANCIAL SECRETARY TO SLOW DOWN THE GROWTH RATE OF PUBLIC EXPENDITURE TO THE FORECAST GROWTH RATE OF THE GDP OR BELOW IT, AS WAS DONE IN 1979-80.

+INSTEAD, A GROWTH RATE OF NEARLY 11 PER CENT IS BUDGETTED FOR COMPARED WITH A FORECAST GROWTH RATE OF THE GDP OF EIGHT PER CENT ONLY,+ SHE SAID.

MISS DUNN POINTED OUT THAT SHE HAD DILATED ON THESE RELATIVE GROWTH RATES AT SOME LENGTH BECAUSE THE GOVERNMENT MANAGED THE PUBLIC FINANCES ON THE BASIS OF FOUR PRINCIPLES, THE FIRST OF WHICH WAS THAT THE GROWTH RATE OF PUBLIC EXPENDITURE SHOULD HAVE REGARD TO THE GROWTH RATE OF THE ECONOMY.

+YET THERE APPEARS TO BE A DEARTH OF EVIDENCE THAT THE GOVERNMENT IS ANXIOUS TO PUT THIS PRINCIPLE INTO PRACTICE.

+IN FACT, THE FINANCIAL SECRETARY EXPRESSED SOME DOUBT IN PARAGRAPH 28 AND FOOTNOTE 18 OF HIS SPEECH THAT HE WOULD BE ABLE TO HOLD EXPENDITURE ON GENERAL REVENUE ACCOUNT EVEN TO THE \$33 BILLION SOUGHT,+ SHE NOTED.

BUT SHE WAS SCEPTICAL ABOUT THE FINANCIAL SECRETARY FULFILLING HIS AIM AT +KEEPING THE GROWTH RATE IN PUBLIC EXPENDITURE DOWN TO THE GROWTH RATE OF THE GDP+ ON THE GROUNDS THAT,

* INSTEAD OF AN INTENDED EASING BACK IN THE GROWTH RATE OF PUBLIC EXPENDITURE IN REAL TERMS IN 1981-82, THERE WAS A SHARP INCREASE OVER THE YEAR'S APPROVED ESTIMATES; AND

* THE RELATIVE SIZE OF THE PUBLIC SECTOR IS NOW HALF AS LARGE AGAIN AS IT WAS FIVE YEARS AGO, AND YET IT IS DUE TO GO EVEN HIGHER IN 1982-83 SINCE THE GROWTH RATE OF PUBLIC EXPENDITURE IS AGAIN FORECAST TO EXCEED THE GROWTH RATE OF THE ECONOMY.

MISS DUNN SAID THAT IT WOULD NOT DO AT ALL FOR THE GOVERNMENT TO RESPOND BY ASKING UNOFFICIALS TO MAKE SPECIFIC SUGGESTIONS AS TO THE AREAS WHERE SAVINGS IN PUBLIC EXPENDITURE COULD BE MADE.

+IT IS THE GOVERNMENT'S RESPONSIBILITY TO MANAGE THE PUBLIC FINANCES AND SO IT IS THE GOVERNMENT'S RESPONSIBILITY TO DETERMINE EXPENDITURE LIMITS AND PRIORITIES,+ SHE STRESSED.

SHE ALSO THOUGHT IT WAS BOTH UNFAIR AND MISLEADING TO ARGUE, AS THE THEN CHIEF SECRETARY DID DURING THE DEBATE ON THE GOVERNOR'S ADDRESS LAST NOVEMBER, THAT APPLICATIONS FOR SUPPLEMENTARY PROVISION TO COVER EXPECTED EXCESSES IN EXPENDITURE WERE SUBMITTED TO AND APPROVED BY THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL.

SHE SAID: +THIS IS TRUE AND EACH APPLICATION MAY BE JUSTIFIED IN ITS OWN RIGHT, BUT NO ATTEMPT IS MADE TO ASSESS THE CUMULATIVE EFFECT OF ALL APPLICATIONS ON TOTAL EXPENDITURE OVER AND ABOVE THE APPROVED ESTIMATES OR OF THEIR ECONOMIC IMPLICATIONS.

+MEMBERS OF FINANCE COMMITTEE HAVE NO OPTION BUT TO ASSUME THAT THE GOVERNMENT, IN PUTTING FORWARD THESE APPLICATIONS, HAS ALREADY ASSESSED THEIR FINANCIAL AND ECONOMIC IMPLICATIONS- AND TO ASSUME, SHOULD THEY BE APPROVED, THAT THIS WILL NOT MEAN, AT THE END OF THE DAY, THAT THE PUBLIC UNDERTAKINGS AND ASSURANCES GIVEN TO THIS COUNCIL ABOUT THE MANAGEMENT OF THE PUBLIC FINANCES WILL BE BREACHED.+

MISS DUNN SUGGESTED THAT ALL FUTURE APPLICATIONS FOR SUPPLEMENTARY PROVISION, UNLESS OFFSET BY EQUIVALENT SAVINGS ELSEWHERE, SHOULD BE ACCOMPANIED BY AN ASSESSMENT OF THEIR IMPLICATIONS FOR THE GOVERNMENT'S BUDGETARY STRATEGY IN BOTH FINANCIAL AND ECONOMIC TERMS, AND SHOULD ONLY BE APPROVED BY FINANCE COMMITTEE IF THAT ASSESSMENT IS FOUND TO BE ACCEPTABLE.

MISS DUNN ALSO EXPRESSED CONCERN OVER THE DECLINE IN THE PROPORTION OF TOTAL EXPENDITURE FINANCED BY RECURRENT REVENUE.

SHE TOLD THE COUNCIL THAT THE FINANCING OF THE CAPITAL EXPENDITURE IN THE LAST FIVE YEARS HAD BEEN MUCH LESS DEPENDENT ON RECURRENT REVENUE THAN IN THE PAST.

QUOTING STATISTICS, SHE POINTED OUT THAT CAPITAL REVENUE IN THE FIVE YEARS ENDING 1976-77 FINANCED, ON AVERAGE, ABOUT 40 PER CENT OF CAPITAL EXPENDITURE WHILE THE BALANCED BEING FINANCED BY RECURRENT REVENUE.

IN THE THREE YEARS ENDING 1979-80, CAPITAL REVENUE FINANCED 65 PER CENT OF CAPITAL EXPENDITURE- AND IN THE FOLLOWING TWO YEARS, CAPITAL EXPENDITURE WAS ENTIRELY FINANCED BY CAPITAL REVENUE.

THE BUDGET ENVISAGES THAT IT WILL BE SO IN 1982-83 AS WELL, SHE ADDED.

+HOW LONG THIS STATE OF AFFAIRS WILL PERSIST IS DIFFICULT TO SAY,+ SAID MISS DUNN.

+BUT SHOULD LAND SALES FALTER, AND REMEMBER THAT REVENUE FROM LAND SALES NOW ACCOUNTS FOR OVER 95 PER CENT OF TOTAL CAPITAL REVENUE, AND SHOULD YIELDS FROM OUR SYSTEM OF TAXES AND CHARGES DECLINE AS A RESULT OF A POSSIBLY SLUGGISH WORLD ECONOMY, THEN I FORESEE REAL DIFFICULTIES AHEAD IN FINANCING OUR RECURRENT SERVICES AND OUR CAPITAL WORKS PROGRAMME.

+THE FINANCIAL SECRETARY MIGHT THEN HAVE NO OPTION BUT TO RAISE TAX RATES, AT A TIME WHEN THAT MIGHT BE MOST UNWISE, OR TO DRAW DOWN OUR RESERVES, PERHAPS SUBSTANTIALLY,+ SHE SAID.

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CHILD ALLOWANCE CRITICISED

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THE GOVERNMENT WAS TODAY CRITICISED FOR NOT INCREASING THE ALLOWANCE FOR THE THIRD CHILD AND SUBSEQUENT CHILDREN.

SPEAKING AT THE BUDGET DEBATE, THE REV THE HON PATRICK MCGOVERN EXPRESSED MISGIVINGS THAT THE GOVERNMENT SHOULD FIND IT +APPROPRIATE+ TO KEEP THE ALLOWANCE AT ITS PRESENT LEVEL.

HE NOTED THAT +APPROPRIATE+ IS A MUCH USED PIECE OF CIVIL SERVICE JARGON WHICH COULD MEAN ANYTHING, OR NOTHING.

IN THIS CASE, HE ARGUED, IT CANNOT MEAN ECONOMICALLY APPROPRIATE FOR PARENTS BECAUSE +A THIRD OR FOURTH CHILD, WHILE COSTING RELATIVELY LESS TO REAR THAN A FIRST OR SECOND CHILD, STILL COSTS MONEY+.

+IN THIS INFLATIONARY AGE IT COSTS MORE MONEY THIS YEAR THAN LAST YEAR OR THE YEAR BEFORE. IT IS ALSO LIKELY THAT IT WILL COST STILL MORE NEXT YEAR AND THE YEAR AFTER.

+SO, ECONOMICALLY IT WOULD OBVIOUSLY BE APPROPRIATE TO GIVE AN INCREASE IN THE ALLOWANCE BEYOND THE SECOND CHILD.+

BUT SINCE THIS WAS NOT BEING DONE, FATHER MCGOVERN SUGGESTED THAT +APPROPRIATE+ MAY THEREFORE MEAN SOCIALLY OR PART OF A TREND THE GOVERNMENT TAKES TOWARDS PROMOTING A SMALL FAMILY POLICY BY THE USE OF DISINCENTIVES.

/THAT THERE

THAT THERE WOULD APPEAR TO BE SUCH A TREND IS INDICATED BY THE FACT THAT THE CHILD ALLOWANCE WAS ALSO RAISED LAST YEAR FOR THE FIRST TWO CHILDREN BUT NOT FOR SUBSEQUENT CHILDREN, HE NOTED.

FURTHERMORE, THE GOVERNMENT, AFTER HAVING ADMITTED THAT THERE WAS NO OFFICIAL TWO CHILDREN POPULATION POLICY IN HONG KONG, LAST YEAR CHANGED THE EMPLOYMENT (AMENDMENT) (NO. 2) BILL WHICH LIMITED MATERNITY BENEFITS TO SURVIVING CHILDREN FROM TWO TO THREE.

FR. MCGOVERN ARGUED THAT HE WAS NOT STARTING A DEBATE ON WHETHER OR NOT A TWO-CHILD FAMILY IS A BETTER THING THAN A LARGER FAMILY IN THE OVERCROWDED LIVING CONDITIONS OF HONG KONG, OR WHETHER OR NOT THE USE TO WHICH PUBLIC MONEY SHOULD BE PUT SHOULD BE DICTATED BY GOVERNMENT OR BY THE TAXPAYERS WHO PROVIDE THE MONEY.

HE SAID HE MERELY TRIED TO STATE THAT THE CONSEQUENCES OF POPULATION CONTROL BY MEANS OF DISINCENTIVES HAVE BEEN PROVED TO BE SOCIALLY UNDESIRABLE, OR TO MAKE HIS MEANING CLEARER TO THE OFFICIALS, +INAPPROPRIATE+.

+THE PROVEN SOUND AND SANE METHOD WHICH DOES NOT DESTROY RESPECT FOR FAMILY LIFE, IS NOT DISINCENTIVES, BUT A POLICY OF PROMOTING FAMILY LIFE EDUCATION INCLUDING THE CONCEPT OF RESPONSIBLE PARENTHOOD.

+I MUST ADD IN THIS PERMISSIVE AGE, THAT THIS CONCEPT MUST BE PROMOTED BEFORE AS WELL AS DURING MARRIED LIFE,+ HE SAID.

FR. MCGOVERN ALSO CALLED FOR A CENTRAL PROVIDENT FUND OR CENTRAL PENSION SCHEME SUITABLE FOR THE PRESENT AND FUTURE NEEDS OF HONG KONG WORKERS.

HE POINTED OUT THAT SINCE AT LEAST THE 1960'S, THERE HAS BEEN A LOT OF HOT AIR BUT NO CONCRETE ACTION ON THE EVER GROWING SOCIAL PROBLEM OF WORKERS IN THE PRIVATE SECTOR HAVING NO PUBLIC SCHEME BY WHICH PROVISION IS MADE FOR THE OLD AGE OR PREMATURE UNEMPLOYMENT.

PUBLIC ASSISTANCE, HE CONTENDED, IS A PITTANCE AND WAS NOT DESIGNED TO BE A SUBSTITUTE FOR A WAGE OR A PENSION.

HE NOTED THE PROBLEM WAS URGENT IN THE 60'S, BUT IT IS MORE URGENT NOW SINCE +WE HAVE NOW AN INCREASING POPULATION OF OLD PEOPLE AND WILL HAVE A RELATIVELY DECREASING POPULATION WORKING TO SUPPORT THEM FROM TAXATION OR ANY OTHER MEANS+.

+WE NEED TO DO IT NOW, WITHOUT FURTHER DITHERING, AND I SUGGEST THAT THE FINANCIAL SECRETARY BENDS HIS AGILE MIND TO THIS PROBLEM BEFORE HE AND I AND THE BULK OF THE POPULATION ARE DODDERING,+ FR. MCGOVERN SAID.

WEDNESDAY, MARCH 24, 1982

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THIRD UNIVERSITY NEEDED

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THE TIME IS RIPE FOR THE GOVERNMENT TO SET IN MOTION THE PLANNING OF A THIRD UNIVERSITY FOR HONG KONG, THE HON PETER C. WONG SAID IN THE RESUMED BUDGET DEBATE TODAY.

SINCE IT WOULD TAKE NOT LESS THAN TEN YEARS TO ESTABLISH AN INSTITUTION OF HIGHER LEARNING, A PRELIMINARY PLANNING COMMITTEE SHOULD BE SET UP AS A MATTER OF URGENCY TO STUDY THIS PROPOSAL, HE SAID.

EXPLAINING THE NEED FOR A THIRD UNIVERSITY, MR WONG REMINDED MEMBERS THAT EDUCATIONAL AIMS AT UNIVERSITY LEVEL, INDEED AT ANY LEVEL, SHOULD BE EXPRESSED IN BOTH QUALITATIVE AND QUANTITATIVE TERMS.

+QUALITATIVELY, UNIVERSITY EDUCATION SHOULD CONTRIBUTE TO INDIVIDUAL SATISFACTION BY DEVELOPING A STUDENT'S LATENT TALENTS AND ALSO PREPARE HIM, WHETHER MENTALLY, MORALLY OR VOCATIONALLY TO MEET THE SOCIO-ECONOMIC AND CULTURAL REQUIREMENTS OF SOCIETY.

+QUANTITATIVELY, IT SHOULD BE A BASIC RIGHT RATHER THAN THE PRIVILEGE OF THE ELITE CLASS,+ HE SAID.

+STATED SIMPLY, EVERY STUDENT WHO HAS THE ABILITY SHOULD HAVE THE OPPORTUNITY OF UNIVERSITY EDUCATION.+

HE POINTED OUT THAT IN 1981 THE PROPORTION OF THE POPULATION EDUCATED AT UNIVERSITY - AT 2.7 PER CENT - WAS FAR FROM SATISFACTORY AND WAS TRAILING FAR BEHIND MANY COUNTRIES, SUCH AS SINGAPORE.

THE NUMBER OF UNDERGRADUATES REGISTERED AT THE HONG KONG AND CHINESE UNIVERSITIES IN THE SAME YEAR WERE 4 785 AND 4 456 RESPECTIVELY.

IN ADDITION, HE SAID, OVER 10 000 STUDENTS LEAVE HONG KONG ANNUALLY TO SEEK EDUCATION ABROAD AND IT IS ESTIMATED THAT THE NUMBER OF STUDENTS STUDYING IN OVERSEA UNIVERSITIES IS ROUGHLY EQUAL TO THE NUMBER EDUCATED LOCALLY.

MR WONG CITED STATISTICS TO SHOW THE ACUTE SHORTAGE OF UNIVERSITY PLACES:

- * OF THE 8 407 STUDENTS WHO MANAGED TO ATTAIN THE MINIMUM ENTRANCE REQUIREMENTS OF THE HONG KONG UNIVERSITY IN 1981, 5 723 APPLIED FOR PLACES AT THE UNIVERSITY, BUT ONLY 1 483 OR LESS THAN 26 PER CENT, WERE SUCCESSFUL.
- * OF THE 4 429 STUDENTS WHO FULFILLED THE ENTRANCE REQUIREMENTS OF THE CHINESE UNIVERSITY IN 1981, ONLY 1 115 WERE ADMITTED.
- * THEREFORE, OUT OF A TOTAL OF 12 836 STUDENTS WHO PASSED THE ENTRANCE EXAMINATIONS OF THE TWO UNIVERSITIES, ONLY 2 598 WERE ADMITTED, LEAVING THE OVERALL SHORTAGE OF UNIVERSITY PLACES IN THE ORDER OF SOME 10 238.

/ALTHOUGH IT IS

ALTHOUGH IT IS ANTICIPATED THAT IN THE NEXT FEW YEARS THERE WILL BE A GROWTH RATE OF SOME FOUR PER CENT PER ANNUM IN RESPECT OF THE EXISTING UNIVERSITIES, AND THAT DEGREE COURSES WILL BE INTRODUCED IN THE POLYTECHNIC AND THE BAPTIST COLLEGE, MR WONG SAID THEY WOULD NOT BE ADEQUATE TO CATER FOR THE LONG-TERM NEEDS OF HONG KONG, TAKING INTO ACCOUNT THE FACT THAT THERE IS A LIMIT TO WHICH THE EXISTING UNIVERSITIES MAY BE EXPANDED.

+GOVERNMENT ITSELF IS IN THE PROCESS OF DE-CENTRALIZATION,+ HE NOTED. +TO BE CONSISTENT, THE POLICY FOR HIGHER EDUCATION SHOULD BE AGAINST FEDERALIZATION,+

HE ARGUED THAT THERE IS A STRONG CASE FOR A THIRD UNIVERSITY TO COPE WITH THE INCREASING DEMAND FOR HIGHER EDUCATION.

+SURELY, THE KEY TO OUR FUTURE SUCCESS RESTS HEAVILY ON THE ADEQUATE SUPPLY OF ABLE AND SUITABLY QUALIFIED GRADUATES.

+IT WOULD BE IN THE PUBLIC INTEREST, AND INDEED IN GOVERNMENT'S OWN INTEREST, TO GIVE THIS MATTER THE HIGHEST PRIORITY,+ HE SAID.

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JUNIOR SECONDARY EDUCATION REVIEW URGED

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THERE IS A PRESSING NEED FOR THE GOVERNMENT TO IMPROVE THE QUALITY OF THE THREE-YEAR JUNIOR SECONDARY EDUCATION - FORM I TO FORM III - IN HONG KONG, THE HON WONG LAM SAID.

AND IT IS IMPERATIVE THAT THE GOVERNMENT SHOULD CONDUCT A DETAILED REVIEW ON THE SUBJECT AND MAKE IMPROVEMENTS ACCORDINGLY, HE TOLD THE LEGISLATIVE COUNCIL.

MR WONG NOTED THAT THE EXISTING SECONDARY SCHOOL PLACES ALLOCATION SYSTEM HAS THROWN THE JUNIOR SECONDARY EDUCATION INTO CONFUSION.

UNDER THE SYSTEM, STUDENTS OF VARYING STANDARDS ARE PUT IN THE SAME CLASS, THUS MAKING IT IMPOSSIBLE FOR TEACHERS TO TEACH ACCORDING TO THE STANDARD OF THE CLASS.

AS SUCH, THE QUALITY OF JUNIOR SECONDARY EDUCATION IN MANY SCHOOLS IS NOT AT ALL SATISFACTORY.

+AT THE SAME TIME, WITH THE JUNIOR SECONDARY EDUCATION ASSESSMENT LOOMING LARGE OVER THE HORIZON, JUNIOR SECONDARY EDUCATION EASILY BECOMES EXAMINATION-ORIENTED,+ HE SAID.

MR WONG SAID THAT JUDGING FROM THE PRESENT SITUATION, IT IS CLEAR THAT +THE MORE WE DRAG OUR FEET IN IMPROVING THE QUALITY OF EDUCATION, THE MORE DEEP-ROOTED WILL THE PROBLEMS BECOME+.

+THEREFORE,+ HE ADDED, +THE GOVERNMENT SHOULD NOT OVERLOOK THE URGENCY OF THIS PROBLEM SIMPLY BECAUSE THE MALADIES HAVE NOT YET SURFACED.

/+I DO NOT

+I DO NOT INTEND TO ELABORATE ON THE METHODS OF IMPROVING THE QUALITY OF EDUCATION DURING THIS BUDGET DEBATE BUT I DO BELIEVE THAT THE GOVERNMENT OUGHT TO GIVE PRIORITY TO THIS MATTER AND INCREASE EXPENDITURE ON EDUCATION.+

MR WONG ALSO EXPRESSED CONCERN OVER THE UNDUE EXPANSION OF THE CIVIL SERVICE ESTABLISHMENT, ESPECIALLY AT THE DIRECTORATE LEVEL.

QUOTING STATISTICS, HE SAID THE CIVIL SERVICE HAS INCREASED FROM 94 417 POSTS IN 1971-72 TO 166 030 IN 1982-83. THE INCREASE RATE FOR 1982-83 IS 9.4 PER CENT COMPARED WITH THE ANNUAL INCREASE OF SIX PER CENT FOR THE PAST FIVE YEARS.

THE EXPANSION OF THE DIRECTORATE IS EVEN MORE SHOCKING, HE POINTED OUT.

+EXCEPT FOR THE MID AND LATE 70'S WHEN ECONOMIC RECESSION RESULTED IN SMALLER INCREASES, THE EARLY YEARS OF BOTH THE 70'S AND 80'S WITNESSED TWO-DIGIT INCREASES, ESPECIALLY IN 1980-81 AND THE EARLY PART OF 1982 WHEN THE RATES WENT UP TO ABOUT 22 AND 19 PER CENT RESPECTIVELY.

+IN OTHER WORDS, THE EXPANSION OF THE DIRECTORATE HAS BEEN FAR MORE RAPID.

+ALTHOUGH AT PRESENT THE GOVERNMENT IS STILL ABLE TO AFFORD SO LARGE AN ESTABLISHMENT AND SUCH RAPID EXPANSION, IN THE LONG RUN, HOWEVER, PROBLEMS WILL SURELY ARISE,+ HE WARNED.

MR WONG CONSIDERED THE ENTIRE ESTABLISHMENT OF THE CIVIL SERVICE AND RANKS OF ALL POSTS WERE +OVER INFLATED+ AND THAT THE ESTABLISHMENT COMMITTEES IN VARIOUS DEPARTMENTS WERE NOT FUNCTIONING EFFECTIVELY.

HE CALLED ON GOVERNMENT DEPARTMENTS TO CONDUCT PERIODICAL SELF-REVIEWS OF THEIR PERFORMANCES SO AS TO IMPROVE THEIR EFFICIENCY.

THERE SHOULD ALSO BE BETTER CONNECTION AND CO-ORDINATION AMONG GOVERNMENT DEPARTMENTS IN ORDER TO SAVE UNNECESSARY EXPENSES, HE ADDED.

MR WONG ALSO NOTED THAT THE FINANCIAL SECRETARY HAD MADE CANDID REMARKS IN HIS BUDGET SPEECH ABOUT THE EFFECTIVENESS OF THE CIVIL SERVICE AND ITS SUBSTANTIAL EXPANSION IN RECENT YEARS.

BUT HE FAILED TO UNDERSTAND WHY THE FINANCIAL SECRETARY STILL APPROVES AN INCREASE OF SOME 14 200 POSTS FOR 1982-83.

+AS THE FINANCIAL SECRETARY PUTS IT - MERELY THROWING MONEY AT PROBLEMS SOLVES NOTHING IN THE LONG RUN - I WOULD LIKE TO ADD THAT MERELY INCREASING STAFF RESOURCES SOLVES NOTHING IN THE LONG RUN EITHER,+ SAID MR WONG.

RESEARCH COUNCILS FOR INDUSTRY PROPOSED

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DR THE HON RAYSON HUANG TODAY (WEDNESDAY) CALLED FOR THE ESTABLISHMENT OF RESEARCH COUNCILS TO MEET THE NEEDS OF INDUSTRY.

HE TOLD THE LEGISLATIVE COUNCIL THAT ALTHOUGH THE SIZE OF OUR GROSS DOMESTIC PRODUCT HAD PUT HONG KONG IN THE LEAGUE OF DEVELOPED RATHER THAN DEVELOPING COUNTRIES, SOME OF OUR EFFORTS SHOULD BE DIRECTED AT THE MAINTENANCE OF THE TECHNOLOGICAL EXPERTISE AND ADAPTABILITY NEEDED TO COPE WITH THE INCREASINGLY SOPHISTICATED MARKET THE FUTURE MIGHT BRING.

+OBVIOUSLY SOME MEASURES HAVE ALREADY BEEN IMPLEMENTED IN AN AWARENESS OF THE SITUATION, NOTABLY THE ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT BOARD AND THE EXPANSION OF THE PRODUCTIVITY CENTRE, AS WELL AS THE PROPOSED TAX CONCESSIONS TO PROMOTE INDUSTRIAL INVESTMENT.

+BUT TOO LITTLE ENERGY AND FINANCE HAS YET BEEN DIRECTED TO THE SUPPORT OF INDUSTRIAL RESEARCH AND DEVELOPMENT ACTIVITIES AND WE FALL BEHIND OTHER DEVELOPED, AND INDEED SOME DEVELOPING, COUNTRIES IN THE EXTENT TO WHICH WE ARE PREPARED, IN THIS MATTER OF RESEARCH, TO COMMIT A PART OF OUR PRESENT PROSPERITY TOWARDS FUTURE RETURNS,+ HE SAID.

RESEARCH IS TOO OFTEN LOOKED UPON AS IDEALISTIC EXTRAVAGANCE RATHER THAN PRACTICAL INSURANCE.

BUT DR HUANG CONTENDED THAT THE ESTABLISHMENT OF RESEARCH COUNCILS TO WHICH INDUSTRY COULD LOOK FOR GUIDANCE AND WHICH COULD SPONSOR RESEARCH INTO AREAS OF VITAL COMMUNITY AND INDUSTRIAL CONCERN WOULD BE +A MEANS OF ENSURING THAT RESOURCES INJECTED INTO THIS AREA ARE WELL SPENT+.

COMMENTING ON THE TAX CONCESSIONS PROPOSED BY THE FINANCIAL SECRETARY TO IMPROVE THE LOT OF THE COMMON MAN, HE SUGGESTED THAT THE BANDS OF TAXABLE INCOME, AT PRESENT \$10 000, SHOULD BE WIDENED IN ORDER TO ACHIEVE THE REAL PURPOSE OF THE CONCESSIONS.

HE NOTED THAT DESPITE INFLATION IT WAS SOME CONSIDERABLE TIME SINCE THE TAX BANDS THEMSELVES WERE WIDENED AND, AS A RESULT, MIDDLE TO LOWER-MIDDLE INCOME TAXPAYERS WERE BEING PUSHED INTO HIGHER TAX BRACKETS WHEN THERE HAD BEEN NO REAL INCREASE IN THE PURCHASING VALUE OF THEIR INCOME.

AS REGARDS SEPARATE TAXATION FOR MARRIED WOMEN, DR HUANG SAID IT WAS MORE LIKELY TO BENEFIT THE LOWER-INCOME GROUP AND WOULD BE IN LINE WITH THE FINANCIAL SECRETARY'S EMPHASIS ON INCREASING THE LONG-TERM PRODUCTION CAPABILITY OF OUR ECONOMY BY ENCOURAGING THE LABOUR PARTICIPATION RATE OF MARRIED WOMEN.

/TURNING TO

TURNING TO THE PUBLIC SECTOR, HE NOTED THAT ANOTHER 16 500 POSTS WOULD BE CREATED IN 1982-83 ON TOP OF THE 12 000 POSTS CREATED IN 1981-82.

WHILE HOPING THAT MOST OF THESE POSTS WOULD GO INTO AREAS OF REAL NEED WHERE THEY WOULD HAVE A DIRECT IMPACT, SUCH AS MEDICAL AND HEALTH SERVICES, EDUCATION AND SOCIAL WORK, DR HUANG POINTED OUT THAT A SUBSTANTIAL NUMBER IS LIKELY TO SEEP THROUGH INTO THOSE AREAS OF THE PUBLIC SECTOR WHICH HAVE LESS WELL JUSTIFIED THEIR EXISTENCE IN TERMS OF PRODUCTIVITY OR EFFECTIVENESS.

+FREEZING OF ANY EXPANSION IN THOSE AREAS WOULD RELEASE RESOURCES INTO AREAS WHICH WARRANT A HIGHER DEGREE OF PRIORITY.+

DR HUANG ALSO EXPRESSED CONCERN THAT THE ALLOCATION FOR SECONDARY AND TECHNICAL EDUCATION WAS ONLY 12.9 PER CENT IN MONEY TERMS OR 3.9 PER CENT IN REAL TERMS MORE THAN THAT FOR LAST YEAR ON THE BASIS OF THE PREDICTED NINE PER CENT GDP DEFLATOR, PARTICULARLY SINCE THE POPULATION BULGE WAS NOW AT THE SECONDARY AND TECHNICAL INSTITUTE LEVEL. HE ALSO POINTED OUT THAT THE QUALITY OF SECONDARY SCHOOL TEACHING NEEDS TO BE IMPROVED.

+THIS OF COURSE MEANS MORE QUALIFIED TEACHERS AMONG OTHER THINGS, AND TECHNICAL EDUCATION AND TRAINING NEEDS TO BE EXPANDED TO COPE WITH THE CONSIDERABLE INDUSTRIAL DIVERSIFICATION WHICH HONG KONG NEEDS.

+THIS WOULD CERTAINLY NOT BE 'THROWING MONEY AT A PROBLEM', BUT PROVIDING THE WHEREWITHAL FOR A PROBLEM TO BE SOLVED,+ HE SAID.

ON SOCIAL WELFARE, DR HUANG FELT THAT THE MODEST INCREASE IN ALLOCATION FOR SOCIAL WELFARE MIGHT BE INADEQUATE IN VIEW OF THE INCREASE SINCE 1971 IN THE PERCENTAGE OF THOSE WHO ARE 65 AND OVER AND THE WIDENING INCOME INEQUALITY IN HONG KONG AS INDICATED BY THE 1981 CENSUS.

HE SAID THE DECLINING CASELOAD OF PUBLIC ASSISTANCE COULD BE TAKEN TO REFLECT THE MEAGRE ALLOWANCES AVAILABLE RATHER THAN THE REAL NEED OF THOSE OF OUR NUMBER WHO COULD NOT FEND FOR THEMSELVES.

+IN THIS CONNECTION I AM GRATIFIED TO NOTE THE TIMELY AND WELL JUSTIFIED INCREASES IN OLD AGE AND DISABILITY ALLOWANCES ANNOUNCED ONLY LAST WEEK.

+THE LOOSENING OF FAMILY TIES WHICH HAS COME ABOUT IN RECENT TIMES AND WHICH MANY OF US DEPLORE IS YET ANOTHER FACTOR TO BE TAKEN INTO ACCOUNT IN MAKING FINANCIAL PROVISION FOR THE RETIREMENT YEARS OF OUR ELDERLY PEOPLE,+ HE SAID.

WEDNESDAY, MARCH 24, 1982

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CAUTION URGED ON PUBLIC SECTOR EXPENDITURE

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THE GENEROUS TAX CONCESSIONS PROPOSED IN THE BUDGET WILL FURTHER STIMULATE INDUSTRIAL AND ECONOMIC GROWTH AND CONTRIBUTE TO THE ATTAINMENT OF PUBLIC ASPIRATIONS, THE HON CHARLES YEUNG SAID TODAY.

BUT HE WARNED THAT ITS GOOD EFFECT MIGHT NOT BE SUSTAINED FOR LONG WITHOUT OUR EXERCISING CAUTION IN OUR PUBLIC SECTOR EXPENDITURE.

MR YEUNG SUGGESTED THAT HONG KONG SHOULD FOLLOW THE EXAMPLE OF THE UNITED STATES AND THE UNITED KINGDOM WHERE THE RATE OF EXPANSION OF PUBLIC SECTOR EXPENDITURE WAS BEING REDUCED AS A MEANS OF CORRECTING INFLATIONARY AND RECESSIONARY TRENDS.

HE NOTED THAT ABOUT 80 PER CENT OF TOTAL GOVERNMENT EXPENDITURE ON CAPITAL ACCOUNT WAS ON HOUSING, ROADS AND OTHER PUBLIC WORKS PROGRAMMES WHICH WERE NECESSARY.

IN RECURRENT ACCOUNT, IT WOULD BE ILL-ADVISED TO CUT DOWN ON COMMUNITY, SOCIAL AND OTHER ESSENTIAL SERVICES WHICH DIRECTLY AFFECT THE WELL-BEING AND WELFARE OF THE COMMUNITY, HE SAID.

+ON THE CONTRARY, THE DEVELOPMENT OF SUCH SERVICES MERITS HIGH PRIORITY,+ HE STRESSED.

MR YEUNG NOTED WITH SOME ALARM THE RATE OF EXPANSION OF THE CIVIL SERVICE, WHICH MADE UP THE LARGEST SINGLE COMPONENT IN RECURRENT EXPENDITURE - ABOUT 35 PER CENT THIS YEAR.

+WHILE ARGUMENTS MAY BE ADVANCED THAT THE EXPANSION IS IN LINE WITH THE HISTORICAL RATIO AND IS NECESSARY TO COPE WITH THE GREATER SOPHISTICATION OF OUR SOCIETY AND THE ECONOMY, MY VIEW IS THAT RAPID EXPANSION IS USUALLY ACCOMPANIED BY THE UNDER-UTILISATION OF RESOURCES.

+IT IS TO THIS FACTOR THAT WE SHOULD TURN OUR ATTENTION,+ HE SAID.

REFERRING TO THE ANNUAL CIVIL SERVICE PAY ADJUSTMENTS, WHICH HE DESCRIBED AS A MAJOR FACTOR CONTRIBUTING TO THE INCREASING COST OF THE CIVIL SERVICE, MR YEUNG CALLED FOR AN ANALYTICAL REVIEW OF THE PRINCIPLES AND METHODOLOGY EMPLOYED IN THE CALCULATION OF REMUNERATIONS.

ANOTHER FACTOR CONTRIBUTING TO THE ESCALATION IN COSTS, HE SAID, WAS THE POLICY OF PROVIDING FRINGE BENEFITS TO SENIOR LOCAL OFFICERS AND ALL EXPATRIATE OFFICERS.

+WHILE I WHOLE-HEARTEDLY SUPPORT THE POLICY OF LOCALISATION AND BELIEVE THAT PREFERENCE AND INCREASED JOB OPPORTUNITIES SHOULD BE GIVEN TO LOCAL OFFICERS, I AM CONCERNED AT THE ENORMOUS COST WHICH RESULTS FROM THE PAYMENT OF SUCH BENEFITS ACROSS THE BOARD.

/+MY VIEW IS

+MY VIEW IS THAT THE SALARY FOR INDIVIDUAL POSTS SHOULD BE COMPETITIVE IN ITSELF IN THE OPEN MARKET BOTH LOCALLY AND OVERSEAS SO THAT THE RIGHT CALIBRE OF APPLICANT IS ATTRACTED BUT I DO NOT BELIEVE THAT THE PROVISION OF SUCH A PLETHORA OF FRINGE BENEFITS IS A SUITABLE WAY TO ENCOURAGE THE BEST BRAINS AND TALENTS BOTH HERE AND OVERSEAS TO ENTER OUR CIVIL SERVICE,+ MR YEUNG SAID.

THE CONTINUED PAYMENT OF SUBSTANTIAL FRINGE BENEFITS, HE ADDED, MIGHT PROVE DIFFICULT FOR THE GOVERNMENT TO JUSTIFY ESPECIALLY AS THEY ARE FUNDED FROM THE PUBLIC PURSE.

WHILE IT WAS DIFFICULT TO REVERSE A TREND, HE FELT THAT A SENSIBLE AND MUTUALLY ACCEPTABLE FORMULA COULD BE FOUND IN THE CONTEXT OF A REVIEW OF THE FUNCTION, RECRUITMENT, PAY AND CONDITIONS OF SERVICE OF CIVIL SERVANTS.

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CONCERN ABOUT CHILD ABUSE

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DR THE HON HO KAM-FAI URGED THE GOVERNMENT TO APPOINT A SENIOR RANKING OFFICIAL TO CHAIR THE INTER-DEPARTMENTAL CHILD ABUSE CO-ORDINATING COMMITTEE TO EXAMINE ALL CASES OF CHILD ABUSE.

AS HE UNDERSTOOD IT, THE COMMITTEE IS CURRENTLY CHAIRED BY A REGIONAL SOCIAL WELFARE OFFICER OF THE SOCIAL WELFARE DEPARTMENT.

SINCE CHILD PROTECTIVE SERVICES ARE OF NECESSITY COMPLEX IN NATURE AND WIDE-RANGING IN KIND, HE SAID, THE CHAIRMANSHIP OF THIS VERY USEFUL COMMITTEE SHOULD BE HIGH RANKING ENOUGH TO COMMAND THE FULL CO-OPERATION OF ALL DEPARTMENTS CONCERNED, AND ITS TERMS OF REFERENCE CONSIDERABLY EXPANDED.

+THE COMMITTEE SHOULD BE VESTED WITH THE RESPONSIBILITY OF INITIATING AND REVIEWING POLICIES, CO-ORDINATING PLANNING, ESTIMATING FINANCIAL AND MANPOWER REQUIREMENTS IN THE PUBLIC AND PRIVATE SECTORS, AND MONITORING PROGRAMME EFFECTIVENESS IN SAFEGUARDING THE WELFARE OF BATTERED CHILDREN.

+THE EARLY ESTABLISHMENT OF A CENTRAL REGISTRY OF ALL CHILD ABUSE VICTIMS AND POTENTIAL CHILDREN AT RISK SHOULD BE GIVEN SERIOUS CONSIDERATION.

+LEGISLATION MAY HAVE TO BE ENACTED TO MAKE STATUTORY REPORTING BY DOCTORS AND TEACHERS OF SUSPECTED CASES OF CHILD MALTREATMENT,+ HE SAID.

DR HO TOLD THE LEGISLATIVE COUNCIL THAT ALTHOUGH THERE ARE NO STATISTICS TO SHOW THE MAGNITUDE OF THE PROBLEM, OBSERVATIONS FROM INFORMED SOURCES - SUCH AS MAGISTRATES, PAEDIATRICIANS, SOCIAL WORKERS AND THE POLICE -TEND TO INDICATE THAT CHILD MALTREATMENT IS MUCH MORE SERIOUS AND WIDESPREAD THAN GENERALLY PRESUMED.

THIS HAS BEEN AMPLY BORNE OUT BY THE OCCASIONAL REPORTINGS BY THE NEWS MEDIA, HE ADDED.

IN ANALYSING THE VARIOUS FACTORS ATTRIBUTED TO CHILD ABUSE, DR HO FELT THAT CHILD PROTECTIVE MEASURES MUST BE TAILORED IN ACCORDANCE WITH EACH FAMILY'S INDIVIDUAL BACKGROUND AND CHARACTERISTICS.

THE FOREMOST AIM OF THESE PROTECTIVE SERVICES IS NOT TO PUNISH THE ABUSING PARENTS NOR TO DIVIDE THE FAMILY.

+INSTEAD, THEY SHOULD BE DIRECTED TO ENHANCE THE PARENTS' ABILITY TO CARE FOR THEIR CHILDREN.+

DR HO ALSO EXPRESSED CONCERN THAT PROFESSIONALS IN ALLIED DISCIPLINES ARE STILL UNCERTAIN OF THE EXISTING PROCEDURES IN HANDLING SUSPECTED CHILD ABUSE CASES AND IN APPLYING FOR A CARE AND PROTECTION ORDER.

HE CALLED FOR PERIODIC SEMINARS AND SHOWS TO PUBLICISE THESE PROCEDURES TO ALL PERSONNEL WORKING IN THE CHILD WELFARE FIELD.

+THE MOST CRUCIAL THING IS TO DESIGNATE A FAMILY SERVICES SOCIAL WORKER IN EACH DISTRICT, TO BE RESPONSIBLE FOR CO-ORDINATING AND FOLLOWING UP ACTION UNTIL THE PARENTS CONCERNED ARE CONSIDERED FIT TO RESUME CARE OF THEIR CHILD,+ HE ADDED.

TURNING TO THE SHORTAGE OF TRAINED SOCIAL WORKERS, DR HO SUGGESTED A NUMBER OF MEASURES TO TACKLE THE PROBLEM.

FIRST, HE SAID, THE CONVENTIONAL METHOD OF FIELD TEACHING IN SOCIAL WORK EDUCATION SEVERELY RESTRICTS THE OUTPUT CAPACITY OF THE TRAINING PROGRAM.

THE GOVERNMENT SHOULD THEREFORE FOCUS ITS DELIBERATIONS ON MINIMISING THE EFFECTS OF THIS TRAINING BOTTLENECK WHEN MAKING ARRANGEMENTS WITH THE EDUCATIONAL INSTITUTIONS TO EXPAND STUDENT ENROLMENT.

SECONDLY, DR HO CALLED FOR A FINER RE-DEFINITION OF THE DUTIES AND RESPONSIBILITIES OF CERTAIN SOCIAL WORK POSTS SO AS TO REDEPLOY A NUMBER OF GRADUATE SOCIAL WORKERS TO OTHER POSTS WHICH GENUINELY REQUIRE THIS LEVEL OF ACADEMIC QUALIFICATION.

TO INDUCE GRADUATE SOCIAL WORKERS TO STAY ON TO PROVIDE DIRECT AND SPECIALIST SERVICES, HE SUGGESTED THAT A NEW RANK OF SOCIAL WORK PRACTITIONER BE CREATED.

THIRDLY, CONSIDERATION SHOULD BE GIVEN TO LENGTHEN THE SALARY SCALE OF THE ASSISTANT SOCIAL WELFARE OFFICER RANK (ASWO), EXPAND ITS PROMOTION PROSPECTS AND IMPROVE THE FRINGE BENEFITS FOR PRACTITIONERS IN THE VOLUNTARY SECTOR TO PREVENT TRAINED PERSONNEL FROM DROPPING OUT OF THE PROFESSION.

/FOURTHLY, DR

FOURTHLY, DR HO THOUGHT THE FOLLOWING SAFEGUARDS SHOULD BE EXERCISED IN ORDER TO MAINTAIN AN ACCEPTABLE LEVEL OF SERVICE STANDARDS:

- * SET A MAXIMUM NUMBER OF UNIVERSITY GRADUATES WITHOUT SOCIAL WORK TRAINING TO BE RECRUITED INTO THE ASWO RANK EACH YEAR SO THAT THE PROPORTION OF UNTRAINED SOCIAL WORKERS TO THE TOTAL NUMBER OF TRAINED ASWO'S IS SMALL ENOUGH TO MAKE CLOSE SUPERVISION PRACTICABLE;
- * PROVIDE THEM WITH AN INDUCTION COURSE ON THE RUDIMENTARY SOCIAL WORK PRINCIPLES, PRACTICES, SKILLS AND CASE STUDIES PRIOR TO THEIR ACTUAL POSTING, FOLLOWED BY A PART-TIME, DAY-RELEASE COURSE LEADING TO PROFESSIONAL QUALIFICATION; AND
- * ASSIGN THEM INITIALLY TO THOSE SOCIAL WORK POSTS WHICH DO NOT NORMALLY REQUIRE THE INCUMBENTS TO RENDER DIRECT, SPECIALIST SERVICES.

ON THE SUBJECT OF HOUSING, DR HO URGED THE GOVERNMENT TO EXTEND THE CONCEPT OF HOME OWNERSHIP TO THE FULL RANGE OF THE SANDWICHED CLASS +WHICH IS EXCLUDED FROM OTHER FORMS OF SUBSIDISED PUBLIC SERVICES AND BENEFITS AND IS OFTEN OVERLOOKED AND TREATED WITH MUCH LESS SYMPATHY+.

HE ARGUED THAT A CONTENTED, SETTLED MIDDLE-INCOME CLASS WOULD CONSTITUTE A STABILISING INFLUENCE IN THE COMMUNITY, AND COUNTERACT THE DRAIN OF PROFESSIONAL AND TECHNICAL EXPERTISE.

ONE OF THE MEASURES TO THIS END, HE SAID, IS TO PROVIDE TAX RELIEF FOR HOME MORTGAGE PAYMENTS FOR THOSE PURCHASERS OF FLATS IN THE PRIVATE PROPERTY MARKET.

HOWEVER, TO RESTRICT THE BENEFITS OF THE PROPOSED TAX RELIEF TO THE BONA-FIDE MIDDLE-INCOME HOME BUYER, DR HO SAID THE BENEFICIARY'S HOUSEHOLD INCOME MUST BE BEYOND THE ELIGIBILITY LIMIT FOR HOME OWNERSHIP SCHEME AND NOT EXCEED \$13 000 A MONTH- HE MUST BE BUYING A NON-SUBSIDISED FLAT IN THE OPEN MARKET ON COMMERCIAL MORTGAGE FOR SELF-OCCUPATION- OWN NO OTHER PROPERTY- NEITHER THE BENEFICIARY NOR THE SPOUSE RECEIVES ANY FORMS OF HOUSING ASSISTANCE FROM THEIR EMPLOYERS- AND HE MUST BE A PERMANENT RESIDENT, OR HAVE LIVED IN HONG KONG FOR FIVE YEARS.

+DETAILED REGULATIONS CAN BE DRAWN UP LATER ONCE THE GOVERNMENT AGREES TO THE PROPOSAL IN PRINCIPLE.

+IN THE MEANTIME, I EARNESTLY URGE THE GOVERNMENT TO CONSIDER THIS PROPOSED TAX RELIEF SCHEME IN THE CONTEXT OF USING 'TAXATION AS A SUPPLEMENTARY MEANS OF ACHIEVING OTHER POLICY ENDS',+ DR HO SAID.

MEDICAL AND HEALTH BUDGETING PROCEDURE UNDER REVIEW
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A COMPREHENSIVE REVIEW OF THE MEDICAL AND HEALTH DEPARTMENT'S BUDGETING AND ACCOUNTING PROCEDURES IS BEING TAKEN BY A TEAM OF TREASURY ACCOUNTANTS, THE CHIEF SECRETARY, THE HON SIR PHILIP HADDON-CAVE TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING ON THE GOVERNMENT MINUTE IN RESPONSE TO THE FOURTH REPORT OF THE PUBLIC ACCOUNTS COMMITTEE, SIR PHILIP SAID IT IS HOPED THAT BY APRIL 1, 1983 A COMPUTERISED ON-LINE FINANCIAL INFORMATION SYSTEM WILL BE IN OPERATION AND WILL PROVIDE THE DIRECTOR OF MEDICAL AND HEALTH SERVICES WITH DATA AND ANALYSES NEEDED TO EXERCISE EFFECTIVE CONTROL OVER EXPENDITURE.

SIR PHILIP WAS COMMENTING ON OBSERVATIONS MADE BY THE DIRECTOR OF AUDIT AND THE PUBLIC ACCOUNTS COMMITTEE ON THE CONTROL OF EXPENDITURE IN THE MEDICAL AND HEALTH DEPARTMENT.

SIR PHILIP POINTED OUT THAT THE MANAGEMENT OF THE FINANCES OF THE DEPARTMENT DEMANDS FINANCIAL INFORMATION AND CONTROL SYSTEMS WHICH ENABLE THE CONTROLLING OFFICERS TO DEFINE AND ALLOCATE RESPONSIBILITIES APPROPRIATELY AND TO MEASURE PERFORMANCE ACCURATELY AND SPEEDILY.

HE SAID THE DEPARTMENT IS RESPONSIBLE FOR A COMPLEX OF SERVICES SUBJECT TO MANY AND VARIED AND FREQUENTLY UNEXPECTED PRESSURES, ADMINISTERING A LARGE NUMBER OF SEPARATE INSTITUTIONS.

+IT HAS BECOME APPARENT THAT THE SYSTEMS PRESENTLY OPERATED HAVE NOT KEPT PACE WITH THE RAPID GROWTH OF SERVICES IN RECENT YEARS, IN BOTH QUANTITATIVE AND QUALITATIVE TERMS.+

THE EXPENDITURE UNDER THE CONTROL OF THE DIRECTOR OF MEDICAL AND HEALTH SERVICES, FOR INSTANCE, HAS INCREASED BY MORE THAN SIX TIMES OVER THE PAST 10 YEARS, HE ADDED.

ON THE GOVERNMENT MINUTE, SIR PHILIP SAID ITS PURPOSE IS TO COMMENT AS APPROPRIATE ON THE CONCLUSIONS AND RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE AND TO INDICATE WHAT ACTION THE ADMINISTRATION HAS TAKEN, OR PROPOSES TO TAKE, TO REMEDY IRREGULARITIES AND TO IMPROVE PROCEDURES AND, IF NECESSARY, TO EXPLAIN WHY IT INTENDS TO TAKE NO ACTION.

+THE GOVERNMENT ATTACHES IMPORTANCE TO THE PART PLAYED BY THIS SEQUENCE OF EVENTS IN THE PRUDENT AND EFFECTIVE MANAGEMENT OF THE PUBLIC FINANCES- AND I TRUST THAT MEMBERS WILL AGREE WITH ME THAT THE GOVERNMENT MINUTE REPRESENTS A POSITIVE RESPONSE TO THE PUBLIC ACCOUNTS COMMITTEE'S REPORT,+ HE SAID.

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PLB LIMITATION EXTENDED
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THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) EXTENDED FOR TWO YEARS UNTIL APRIL 10, 1984, THE PERIOD DURING WHICH THE NUMBER OF VEHICLES WHICH MAY BE LICENSED AS PUBLIC LIGHT BUSES, IS LIMITED.

MOVING THE ROAD TRAFFIC ORDINANCE (CHAPTER 220), THE SECRETARY FOR TRANSPORT, THE HON ALAN SCOTT, SAID THE TOTAL PERMISSIBLE NUMBER OF PUBLIC LIGHT BUSES WOULD REMAIN AT 4 350.

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CIVIL SERVICE PAY ADJUSTMENT

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THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL TODAY APPROVED A 15 PER CENT ADJUSTMENT TO CIVIL SERVICE SALARIES WITH EFFECT FROM APRIL 1. NEW SALARIES WILL BE IN THE APRIL PAY PACKET.

IN DECIDING ON THE PAY ADJUSTMENT THIS YEAR, THE GOVERNMENT HAD REGARD TO THE RESULTS OF A SURVEY OF PAY TRENDS IN THE PRIVATE SECTOR FOR THE PERIOD APRIL 1981 TO JANUARY 1982.

DISCUSSIONS ON THE PAY ADJUSTMENT WERE HELD WITH THE STAFF SIDE OF THE SENIOR CIVIL SERVICE COUNCIL BEFORE A FINAL DECISION WAS MADE.

THE ESTIMATED TOTAL ADDITIONAL COST OF THE ADJUSTMENT FOR 1982-83 IS ABOUT \$1 630 MILLION, MADE UP OF \$1 091 MILLION FOR THE CIVIL SERVICE (INCLUDING STAFF SECONDED TO THE HOUSING AUTHORITY AND URBAN COUNCIL) AND \$539 MILLION TO PROVIDE FOR APPROPRIATE INCREASES IN GRANTS TO SUBVENTED ORGANISATIONS.

STAFF ON MODEL SCALE 1 WILL RECEIVE REVISED SALARIES RANGING FROM \$1 910 TO \$3 160, COMPARED WITH THE PRESENT \$1 660 TO \$2 750.

THE NEW SALARIES OF CIVIL SERVANTS ON THE MASTER PAY SCALE RANGE FROM \$1 605 AT POINT ONE TO \$20 685 AT POINT 51, COMPARED WITH THE EXISTING RANGE OF \$1 395 TO \$17 990.

THE REVISED DIRECTORATE PAY SCALES RANGE FROM \$22 200 TO \$46 900 , COMPARED WITH THE EXISTING RANGE OF \$19 350 TO \$40 850.

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NOTE TO EDITORS:

SIR PHILIP TO VISIT CENTRE

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THE CHIEF SECRETARY, SIR PHILIP HADDON-CAVE, WILL VISIT THE SOCIAL WELFARE DEPARTMENT'S ABERDEEN REHABILITATION CENTRE ON FRIDAY AFTERNOON (MARCH 26) TO SEE HOW IT HELPS DISABLED PEOPLE IN SOCIAL AND VOCATIONAL TRAINING.

SIR PHILIP WILL ARRIVE AT THE CENTRE (IN WELFARE ROAD, WONG CHUK HANG) AT 2.40 PM, ACCOMPANIED BY THE DIRECTOR OF SOCIAL WELFARE, MR SELWYN ALLEYNE.

YOU ARE WELCOME TO COVER SIR PHILIP'S VISIT.

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GOVERNMENT REPLIES TO HCAA PETITION

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A REPLY HAS BEEN GIVEN TO THE HONG KONG AUTOMOBILE ASSOCIATION ON ITS PETITION WHICH MADE CERTAIN CLAIMS REGARDING THE MANAGEMENT OF THE CROSS HARBOUR TUNNEL.

IN ACCORDANCE WITH THE CROSS HARBOUR TUNNEL ORDINANCE UNDER WHICH THE PETITION WAS SUBMITTED, THE CROSS HARBOUR TUNNEL COMPANY WAS ENTITLED TO SUBMIT TO THE GOVERNOR-IN-COUNCIL ITS REPRESENTATIONS IN WRITING IN RESPONSE TO THE VARIOUS POINTS RAISED IN THE PETITION.

THE POINTS WERE ALSO INVESTIGATED THROUGH A FORMAL SITE VISIT BY THE COMMISSIONER FOR TRANSPORT, MEETINGS WITH REPRESENTATIVES OF THE COMPANY AND CONSULTATIONS WITH VARIOUS GOVERNMENT DEPARTMENTS.

AFTER CAREFUL CONSIDERATION OF ALL THE FACTS, THE GOVERNOR-IN-COUNCIL WAS NOT PERSUADED THAT THE COMPANY HAD FAILED OR WAS FAILING TO PROVIDE OR MAINTAIN ADEQUATE, EFFICIENT OR SAFE FACILITIES FOR THE PASSAGE OF MOTOR VEHICLES THROUGH THE TUNNEL.

ON THIS BASIS, THEREFORE, THE GOVERNOR-IN-COUNCIL DID NOT ACCEPT THE SUGGESTION IN THE PETITION THAT THE TUNNEL SHOULD BE TAKEN OVER AND RUN BY THE GOVERNMENT.

ONE OF THE CLAIMS IN THE PETITION WAS THAT NO ATTEMPT HAD BEEN MADE TO DEAL WITH CONGESTION CAUSED BY THE NORTH POINT EXIT ON HONG KONG ISLAND.

A GOVERNMENT SPOKESMAN SAID THIS WAS A MATTER FOR THE GOVERNMENT RATHER THAN THE COMPANY. HE COMMENTED THAT WORK ON AN ADDITIONAL SLIP ROAD, WHICH HAD BEEN PLANNED SOME TIME AGO, WOULD BEGIN SHORTLY AND THE PROJECT WOULD BE COMPLETED IN ABOUT SIX MONTHS.

+THE NEW ROAD WILL CARRY TRAFFIC FOR NORTH POINT ONTO THE OFF SIDE LANE OF VICTORIA PARK ROAD, LEAVING THE EXISTING SLIP ROAD FOR TRAFFIC TO CAUSEWAY BAY. TRAFFIC MOVEMENT WILL BE SIMPLIFIED AND IT SHOULD INCREASE CAPACITY ON GLOUCESTER ROAD BY 20 PER CENT,+ HE EXPLAINED.

THE SPOKESMAN SAID GOVERNMENT DEPARTMENTS HAD REGULAR CONTACT WITH THE COMPANY ON WAYS TO IMPROVE THE OPERATION OF THE TUNNEL AND THERE WOULD BE NO LET-UP IN THE EFFORT TO ENSURE OPTIMUM UTILISATION IN THE DIFFICULT CIRCUMSTANCES OF CONTINUING HIGH DEMAND.

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OPEN DAY AT KWUN TONG TECHNICAL INSTITUTE
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THE KWUN TONG TECHNICAL INSTITUTE WILL BE OPEN TO THE PUBLIC ON FRIDAY (MARCH 26).

THE PURPOSE OF THE OPEN DAY IS TO GIVE LOCAL RESIDENTS, INDUSTRIALISTS, PARENTS AND STUDENTS A CHANCE TO SEE THE RUNNING OF THE TECHNICAL INSTITUTE, WHERE YOUNG PEOPLE CAN GET A SOUND TECHNICAL EDUCATION AND TRAINING FOR THE MANY BRANCHES OF MANUFACTURING INDUSTRIES.

COURSES OFFERED BY THE INSTITUTE RANGE FROM BASIC CRAFT TO TECHNICIAN DIPLOMA LEVELS.

SUBJECTS OF STUDY INCLUDE ELECTRICAL AND MECHANICAL ENGINEERING, TEXTILES, CLOTHING AND PRINTING. STUDENTS CAN SPECIALISE IN LIGHT VEHICLE ENGINEERING, MICROPROCESSOR TECHNOLOGY, KNITTING AND KNITWEAR MANUFACTURE, CLOTHING DESIGN AND PATTERN MAKING, AND LITHOGRAPHIC AND LETTERPRESS PRINTING.

ALL TEACHING DEPARTMENTS WILL HAVE THEIR MACHINES AND EQUIPMENT OPERATING ON THAT DAY AND STAFF AND STUDENTS WILL BE ON HAND TO DEMONSTRATE AND TO EXPLAIN.

THE HIGHLIGHT OF THE AFTERNOON WILL BE TWO FASHION SHOWS TO BE PRESENTED BY THE CLOTHING DEPARTMENT.

ALL MEMBERS OF THE PUBLIC ARE WELCOME TO ATTEND THE OPEN DAY TO BE HELD FROM 12 NOON TO 5 PM AT THE INSTITUTE LOCATED AT 25 HIU MING STREET, KWUN TONG.

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IMMIGRATION OFFICERS PASSING-OUT PARADE
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EIGHTEEN ASSISTANT IMMIGRATION OFFICERS AND 147 IMMIGRATION ASSISTANTS WILL PASS OUT AT A PARADE TO BE HELD AT THE ROYAL HONG KONG REGIMENT PARADE GROUND IN SPORTS ROAD, HAPPY VALLEY, ON FRIDAY (MARCH 26).

THE HON CHEUNG YAN-LUNG, AN UNOFFICIAL MEMBER OF THE LEGISLATIVE COUNCIL, WILL TAKE THE SALUTE AT THE PASSING-OUT PARADE.

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NOTE TO EDITORS :

YOU ARE WELCOME TO SEND YOUR REPRESENTATIVES TO COVER THE PASSING-OUT PARADE AT THE ROYAL HONG KONG REGIMENT SPORTS GROUND IN HAPPY VALLEY ON FRIDAY (MARCH 26). THE PARADE WILL TAKE PLACE AT 9.35 AM. COPIES OF THE PARADE PROGRAMME AND THE INSPECTING OFFICER'S SPEECH WILL BE AVAILABLE FOR COLLECTION IN THE GIS PRESS BOXES LATER ON THAT DAY.

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WEDNESDAY, MARCH 24, 1982

- 25 -

NEW TRAFFIC ARRANGEMENTS IN SHEUNG WAN
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NEW TRAFFIC ARRANGEMENTS WILL BE INTRODUCED IN SHEUNG WAN FROM 10 AM ON FRIDAY (MARCH 26) FOR THE CONSTRUCTION OF THE MTR ISLAND LINE.

THEY ARE :

- * A SECTION OF WING LOK STREET BETWEEN RUMSEY STREET AND MORRISON STREET AND A SECTION OF RUMSEY STREET BETWEEN WING LOK STREET AND CONNAUGHT ROAD CENTRAL WILL BE DESIGNATED URBAN CLEARWAYS FROM 7 AM TO 10 AM AND FROM 4 PM TO 7 PM DAILY EXCEPT FOR FRANCHISED BUSES, NO VEHICLES WILL BE ALLOWED TO STOP FOR PASSENGERS ALONG THESE SECTIONS.
- * THE 24-HOUR PROHIBITED ZONE IN WESTBOUND DES VOEUX ROAD CENTRAL BETWEEN HILLIER STREET AND MORRISON STREET WILL BE LIFTED, EXCEPT FOR PUBLIC LIGHT BUSES WHICH WILL NOT BE ALLOWED TO ENTER THAT SECTION.

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