



DAILY INFORMATION BULLETIN

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WEDNESDAY, NOVEMBER 30, 1994

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WEDNESDAY, NOVEMBER 30, 1994

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RECOMMENDATIONS ON KWUN LUNG LAU INCIDENT
TO BE IMPLEMENTED RAPIDLY

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THE GOVERNMENT WILL STUDY THE REPORT PREPARED BY PROFESSOR NORBERT MORGENSTERN ON THE KWUN LUNG LAU TRAGEDY AND WILL DO EVERYTHING IT CAN TO IMPLEMENT ITS RECOMMENDATIONS AS RAPIDLY AS POSSIBLE, THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID THIS (WEDNESDAY) AFTERNOON.

SPEAKING TO REPORTERS AFTER HIS VISIT TO THE KWUN TONG DISTRICT, MR PATTEN SAID THAT ONE REASON WHY THE GOVERNMENT MUST DO THAT WAS IN ORDER TO TRY TO ENSURE TRAGEDIES LIKE THAT NOT HAPPENING AGAIN IN THE FUTURE.

"WE OWE IT NOT ONLY TO THOSE WHO SUFFERED IN THE TRAGEDY A FEW MONTHS AGO. WE ALSO OWE IT TO ALL THOSE WHO MAY BE WORRIED ABOUT SLOPES IN THEIR VICINITY OR NEIGHBOURHOOD AND WHEN IT RAINS HEAVILY IN HONG KONG, START TO FEEL ANXIOUS ABOUT THE CONSEQUENCES FOR THEM," HE ADDED.

MR PATTEN SAID THE GOVERNMENT AND THE COMMUNITY SHOULD BE VERY GRATEFUL TO PROFESSOR MORGENSTERN FOR THE WORK HE HAD DONE, FOR HIS THOROUGHNESS AND FOR HIS SPEED IN COMPLETING THE REPORT.

IN RESPONSE TO A QUESTION ABOUT A REQUEST BY SOME LEGCO MEMBERS FOR THE BRITISH GOVERNMENT TO RECEIVE ALL VIETNAMESE MIGRANTS REMAINING IN HONG KONG BY 1997, THE GOVERNOR SAID: "I THINK IT'S VERY UNHELPFUL FOR ANYONE TO GIVE THE IMPRESSION TO VIETNAMESE MIGRANTS THAT IF THEY STAY IN HONG KONG, AT SOMETIME IN THE FUTURE, THEY WILL BE GIVEN RIGHT OF ABODE IN EUROPE OR NORTH AMERICA OR AUSTRALIA OR ANYWHERE ELSE.

"THAT'S ENCOURAGING PEOPLE TO STAY WHICH IS THE LAST THING WE SHOULD WANT TO DO. THERE IS NO QUESTION OF PEOPLE GETTING RIGHT OF ABODE ELSEWHERE IF THEY SIMPLY HANG ON IN THE CAMPS. WE WANT THOSE PEOPLE TO RETURN TO VIETNAM. THERE IS NO REASON AT ALL WHY THEY SHOULDN'T DO SO."

MR PATTEN SAID EVERYBODY TALKED ABOUT VIETNAM QUITE PROPERLY AS THE NEXT TIGER ECONOMY IN ASIA. AND HONG KONG BUSINESSMEN, BANKERS, AND INVESTORS WERE INVESTING HUGE AMOUNT OF MONEY IN VIETNAM WHERE THE ECONOMY WAS STARTING TO PICK UP SPEED.

"SO, THERE'S NO REASON AT ALL WHY VIETNAMESE MIGRANTS SHOULDN'T RETURN HOME," THE GOVERNOR SAID.

"44,000 OF THEM HAVE GONE BACK SINCE 1989. WE'VE GOT A MUCH BETTER RECORD OF RETURNING MIGRANTS THAN ANY OF THE OTHER COUNTRIES THAT HAVE SIGNED UP TO THE COMPREHENSIVE PROGRAMME OF ACTION AND I THINK THAT ALL OF US IN THE COMMUNITY WANT TO SEE THE REMAINING MIGRANTS RETURN HOME AND THEY SHOULDN'T BE GIVEN FALSE PROMISES OR EXPECTATIONS OF THINGS THAT SIMPLY AREN'T GOING TO HAPPEN."

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TRANSCRIPT OF THE GOVERNOR'S MEDIA SESSION

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THE FOLLOWING IS A TRANSCRIPT OF THE MEDIA SESSION BY THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AFTER VISITING KWUN TONG DISTRICT THIS (WEDNESDAY) AFTERNOON:-

GOVERNOR: I AM PLEASED TO HAVE BEEN ABLE TO VISIT KWUN TONG AGAIN. I'VE BEEN HERE ON A NUMBER OF PREVIOUS VISITS. MY LAST OFFICIAL VISIT TO THE DISTRICT BOARD WAS IN THE SUMMER OF 1993 WHEN A NUMBER OF YOU, I THINK, CAME WITH ME TO A COUPLE OF TEMPORARY HOUSING AREAS. I AM PLEASED THAT BOTH THOSE TEMPORARY HOUSING AREAS WILL HAVE BEEN REMOVED BY NEXT SUMMER AND THE RESIDENTS REHOUSED. EIGHTY-FIVE PERCENT OF THOSE IN TEMPORARY HOUSING AREAS IN THE DISTRICT SHOULD HAVE BEEN REHOUSED BY NEXT SUMMER BUT THERE ARE STILL HOUSING PROBLEMS IN KWUN TONG. I WENT TO SEE ONE OF THE OLDER BLOCKS TODAY, ONE OF THOSE THAT WERE BUILT IN 1967 WHEN WE WERE JUST BEGINNING THE MASS PUBLIC HOUSING PROGRAMME IN HONG KONG, AND WHEN WE WERE BEGINNING THE SECOND STAGE, AND, I THINK, THAT'S A REMINDER OF HOW MUCH WE STILL HAVE TO DO. WE'VE GOT PROBLEMS IN RENOVATION AND MODERNISATION AND WE'VE GOT TO REPLACE SOME OF OUR BLOCKS WITH COMPLETELY NEW BLOCKS. I WAS STRUCK BY SOME OF THE ENVIRONMENTAL CONDITIONS THAT RESIDENTS IN THAT PARTICULAR BLOCK REFERRED TO ME. I THINK THIS IS THE VISIT WHICH HAS CONTAINED THE LARGEST NUMBER OF PETITIONS APART FROM THOSE THAT I RECEIVED IN THE RUN-UP TO THE DISTRICT BOARD ELECTIONS, WHICH IS A REMINDER OF HOW LIVELY DISCUSSION IS IN THE DISTRICT AND I'VE BEEN VERY PLEASED THAT THE CHAIRMAN OF THE DISTRICT BOARD HAS BROUGHT A NUMBER OF ISSUES TO MY PERSONAL ATTENTION INCLUDING HER CONCERN AND THAT OF A NUMBER OF OTHER DISTRICT BOARD MEMBERS ABOUT THE TOO EASY AVAILABILITY OF PORNOGRAPHIC LITERATURE NOT ONLY IN THIS DISTRICT BUT THROUGHOUT HONG KONG. IT'S ACTUALLY A SUBJECT WHICH WE TALKED ABOUT BRIEFLY IN THE EXECUTIVE COUNCIL EARLIER THIS WEEK, A SUBJECT WHICH A NUMBER OF MEMBERS FEEL STRONGLY ABOUT, IT'S ONE THAT ROSANNA WONG HAS RAISED PUBLICLY AND PRIVATELY ON A NUMBER OF OCCASIONS AND I THINK IT'S A SUBJECT WHICH WE IN THE EXECUTIVE COUNCIL WILL HAVE TO LOOK AT IN THE NEXT FEW WEEKS. I THINK THERE IS CONCERN BOTH ABOUT PORNOGRAPHIC LITERATURE AND ABOUT LITERATURE AND VIDEOS AND FILMS CONTAINING EXCESSIVE VIOLENCE WHICH CAN HAVE SUCH A CORROSIVE IMPACT ON A COMMUNITY AS WE'VE SEEN IN NORTH AMERICA AND ELSEWHERE. WE DON'T WANT THAT SORT OF THING HERE.

QUESTION: SOME LEGCO MEMBERS HAVE JUST REQUESTED THE BRITISH GOVERNMENT TO RECEIVE ALL THE VIETNAMESE BOAT PEOPLE WHO REMAIN IN HONG KONG BY 1997. DO YOU THINK THE BRITISH GOVERNMENT SHOULD DO IT?

/GOVERNOR

GOVERNOR: I THINK IT'S VERY UNHELPFUL FOR ANYONE TO GIVE THE IMPRESSION TO VIETNAMESE MIGRANTS THAT IF THEY STAY IN HONG KONG, AT SOMETIME IN THE FUTURE, THEY WILL BE GIVEN RIGHT OF ABODE IN EUROPE OR NORTH AMERICA OR AUSTRALIA OR ANYWHERE ELSE. THAT'S ENCOURAGING PEOPLE TO STAY WHICH IS THE LAST THING WE SHOULD WANT TO DO. THERE IS NO QUESTION OF PEOPLE GETTING RIGHT OF ABODE ELSEWHERE IF THEY SIMPLY HANG ON IN THE CAMPS. WE WANT THOSE PEOPLE TO RETURN TO VIETNAM. THERE IS NO REASON AT ALL WHY THEY SHOULDN'T DO SO. I WAS INVOLVED IN A PREVIOUS JOB WITH THE UNHCR IN LOOKING AT SOME OF THEIR OPERATIONS AND PLACES LIKE MOZAMBIQUE AND SOMALIA AND ETHIOPIA WHERE PEOPLE IN THE CAMPS WERE WORRIED ABOUT RETURNING TO BATTLE-TORN PARTS OF THE WORLD. THAT'S NOT THE SITUATION IN VIETNAM. EVERYBODY TALKS ABOUT VIETNAM QUITE PROPERLY AS THE NEXT TIGER ECONOMY IN ASIA. HONG KONG BUSINESSMEN, HONG KONG BANKERS, HONG KONG INVESTORS ARE INVESTING HUGE AMOUNT OF MONEY IN VIETNAM WHERE THE ECONOMY IS STARTING TO PICK UP SPEED. SO, THERE'S NO REASON AT ALL WHY VIETNAMESE MIGRANTS SHOULDN'T RETURN HOME. 44 000 OF THEM HAVE GONE BACK SINCE 1989. WE'VE GOT A MUCH BETTER RECORD OF RETURNING MIGRANTS THAN ANY OF THE OTHER COUNTRIES THAT HAVE SIGNED UP TO THE COMPREHENSIVE PROGRAMME OF ACTION AND I THINK THAT ALL OF US IN THE COMMUNITY WANT TO SEE THE REMAINING MIGRANTS RETURN HOME AND THEY SHOULDN'T BE GIVEN FALSE PROMISES OR EXPECTATIONS OF THINGS THAT SIMPLY AREN'T GOING TO HAPPEN.

QUESTION: IS THERE ANY SECRET DEAL BETWEEN THE GOVERNMENT AND MR WARWICK REID BECAUSE OF THE, CRITICISED AS THE.... ARRANGEMENT OF HIS DEPORTATION TO NEW ZEALAND? IS IT SOMETHING THAT IS SECRETIVE AND SHOULDN'T TELL THE PUBLIC?

GOVERNOR: NO, I'VE RARELY BEEN IN MY LIFE ANYWHERE WHERE THERE WAS MORE TALK OF SECRET DEALS THAN WHERE IT WAS LESS POSSIBLE TO ACTUALLY MAKE A SECRET DEAL EVEN IF YOU WANTED TO DO SO BECAUSE OF THE ENTHUSIASTIC ACTIVITIES OF OUR FREE PRESS. THE MONEY WHICH YOU WERE REFERRING TO HAS GONE INTO A TRUST FUND FOR MR REID'S WIFE AND FAMILY AND WON'T BE TOUCHED BY HIM. I HOPE THAT WHAT'S HAPPENED IS THE END OF AN EPISODE IN OUR LEGAL HISTORY WHICH WE WANT TO SEE AN END OF.

QUESTION: THAT IS A PRECEDENT FOR THE CIVIL SERVANT'S CASE, WOULD IT ENCOURAGE PEOPLE, CIVIL SERVANTS TO ENGAGE IN SOME CORRUPTION ACTIVITIES?

GOVERNOR: I DON'T THINK THAT MANY CIVIL SERVANTS WANT TO SPEND SEVERAL YEARS INSIDE. I DON'T MEAN INSIDE THE DEPARTMENT. I MEAN LOCKED UP.

QUESTION: TALKING BACK TO THE VIETNAMESE AGAIN. THE REFUGEE CONCERN GROUP IS GOING TO..... THEY THINK THEY'RE GOING TO FILE HABEAS CORPUS. IS THE GOVERNMENT VERY CONFIDENT IT'S GOING TO COPE?

/GOVERNOR:

GOVERNOR: WE BELIEVE THAT EVERYONE WHO'S IN THE CAMP IS LEGALLY HELD. IF THERE ARE CHALLENGES TO ANY INDIVIDUALS, WE WILL HAVE TO DEAL WITH THEM. I JUST WANT TO REPEAT. THIS COMMUNITY HAS BEEN EXTREMELY TOLERANT IN THE WAY THAT IT'S DEALT WITH THE SERIOUS PROBLEM OF VIETNAMESE BOAT PEOPLE. PEOPLE WHO IN MANY CASES GOT HERE, TOUCHING DOWN, GOING ON SHORE ELSEWHERE ON ROUTE, LET'S NOT FORGET THAT, THEY ARRIVE IN HONG KONG IN VERY LARGE NUMBERS AND WE HAVE COPED WITH THE PROBLEM EXTRAORDINARILY WELL, FIRMLY BUT FAIRLY. SOME OF THOSE WHO USED TO CRITICISE HONG KONG NOW FIND THEMSELVES FACING SIMILAR PROBLEMS AND I THINK THEY ARE MORE UNDERSTANDING NOW OF THE WAY WE'VE DEALT WITH THINGS HERE. THE JOB WHICH THE CORRECTIONAL SERVICES DEPARTMENT HAVE TO DO, THE JOB WHICH THE POLICE HAVE TO DO WHEN THEY ARE MOVING VIETNAMESE MIGRANTS IS NOT A PLEASANT ONE. IT'S NOT A NICE ONE. THERE ARE SOMETIME MISTAKES BUT BY AND LARGE, WE'VE LEARNED FROM THOSE MISTAKES AND WE DO THE JOB AS WELL AS ANYBODY IN THE WORLD WOULD DO IT. IN THE LAST COUPLE OF YEARS, THE NUMBER OF PEOPLE IN THE CAMPS HAS FALLEN FROM 65 000 TO ABOUT 25 000. ONE OF THE REASONS WHY PEOPLE HAVE BEEN VOLUNTEERING TO GO HOME WHEN THEY'VE BEEN SCREENED OUT IS BECAUSE WE'VE ALSO BEEN RUNNING THE MANDATORY REPATRIATION PROGRAMME. THIS YEAR, THE MANDATORY REPATRIATION PROGRAMME WAS SUSPENDED FOR A FEW MONTHS FOR REASONS WHICH YOU ALL UNDERSTAND AND I THINK ONE RESULT OF THAT WAS THAT VOLUNTARY REPATRIATION FIGURES FELL DURING THAT PERIOD. NOW WE'VE STARTED THE MANDATORY REPATRIATION PROGRAMME AGAIN. WE INTEND TO CONTINUE THE MANDATORY PROGRAMME AND UNDER THAT PROGRAMME, 1 000 PEOPLE HAVE ALREADY RETURNED HOME. I THINK THAT THE MANDATORY PROGRAMME IS ENCOURAGING OTHERS TO RETURN HOME VOLUNTARILY. 260 RETURN HOME TODAY. WE VERY MUCH HOPE THAT A FURTHER 800 WILL BE RETURNING IN DECEMBER. THAT'S HOW WE INTEND TO CONTINUE, TAKING A FIRM LINE BUT A FAIR LINE AND THAT IS THE SORT OF DECENT AND COMPETENT WAY IN WHICH PEOPLE WOULD EXPECT US IN HONG KONG TO DEAL WITH THE VERY DIFFICULT PROBLEM, WHICH THE COMMUNITY HAS BEEN VERY LONG SUFFERING IN DEALING WITH.

QUESTION: MR PATTEN, HAVE YOU HAD THE OPPORTUNITY TO LOOK AT THE KWUN LUNG LAU REPORT TODAY?

GOVERNOR: I HAD A BRIEF DISCUSSION WITH PROFESSOR MORGENSTERN ABOUT IT AT 2.15 THIS AFTERNOON. HE CAME AND PRESENTED ME WITH A COPY OF THE REPORT AND GAVE ME A BRIEF ON THE MAIN FINDINGS AND ON HIS RECOMMENDATIONS. I'D LIKE TO SAY THREE THINGS. FIRST OF ALL, THE GOVERNMENT AND, INDEED, THE WHOLE COMMUNITY SHOULD BE VERY GRATEFUL TO PROFESSOR MORGENSTERN FOR THE WORK THAT HE'S DONE, FOR HIS THOROUGHNESS AND FOR HIS SPEED. HE KNOWS A GREAT DEAL ABOUT THE PROBLEM OF LANDSLIDES IN HONG KONG BECAUSE OF HIS PAST EXPERIENCE IN HELPING US COPE WITH THE PROBLEM PARTICULARLY IN THE 1970S. HE IS AN INTERNATIONAL EXPERT IN THIS AREA AND I WAS VERY PLEASED THAT HE AGREED TO UNDERTAKE THIS ONEROUS WORK. SECONDLY AND OBVIOUSLY, I AND JAMES BLAKE AND OTHERS HAVE ONLY HAD AN OPPORTUNITY TO HAVE A CURSORY LOOK, A QUICK LOOK AT THE REPORT BUT WE MUST OBVIOUSLY DO EVERYTHING WE CAN TO IMPLEMENT ITS RECOMMENDATIONS AS RAPIDLY AS POSSIBLE AND WE INTEND TO DO THAT. WE'LL STUDY THE REPORT AND THEN WE WILL IMPLEMENT ITS RECOMMENDATIONS AS FAST AS WE CAN. THIRDLY, ONE REASON WHY WE MUST DO THAT IS IN ORDER TO TRY TO ENSURE TRAGEDIES LIKE THAT NOT HAPPENING AGAIN IN THE FUTURE. WE OWE IT NOT ONLY TO THOSE WHO SUFFERED IN THE TRAGEDY A FEW MONTHS AGO, WE ALSO OWE IT TO ALL THOSE WHO MAY BE WORRIED ABOUT SLOPES IN THEIR OWN VICINITY OR NEIGHBOURHOOD AND WHEN IT RAINS HEAVILY IN HONG KONG, START TO FEEL ANXIOUS ABOUT THE CONSEQUENCES FOR THEM. SO, I CAN ASSURE YOU THAT WE'LL BE IMPLEMENTING THOSE RECOMMENDATIONS AS QUICKLY AS POSSIBLE BUT, SINCE I'VE ONLY HAD ABOUT TWENTY FIVE MINUTES WITH PROFESSOR MORGENSTERN TO LOOK AT THE REPORT, I AM SURE YOU WON'T EXPECT ME TO SAY MORE IN DETAIL.

QUESTION: MR GOVERNOR, YOUR RECENT GO-TO-SILENCE IS INTERPRETED BY SOMEONE AS THE GESTURE OR IMAGE OF A LAME DUCK OF THE BRITISH COLONY.....

GOVERNOR: FIRST OF ALL, I, IN THE LAST WEEK, HAVE PROPERLY GIVEN FOUR OR FIVE SPEECHES IN PUBLIC WHICH HASN'T SEEMED VERY MUCH SILENCE TO ME. SECONDLY, I AM ACCUSTOMED TO BEING ACCUSED AT THE SAME TIME, SOMETIME DURING THE SAME PRESS CONFERENCE, SOMETIME IN THE SAME EDITION OF A NEWSPAPER, OF ON THE ONE HAND DOING TOO MUCH IN THE LAST 1,000 DAYS OF BRITISH SOVEREIGNTY, SECONDLY, OF BEING A LAME DUCK. I AM CERTAINLY NOT THE LATTER. I DON'T THINK THERE ARE ANY LAME DUCKS IN HONG KONG BUT THERE ARE CERTAINLY A FEW SICK PARROTS. THANK YOU VERY MUCH.

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FINDINGS ON KWUN LUNG LAU LANDSLIDE ACCEPTED

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THE SECRETARY FOR WORKS, MR JAMES BLAKE, SAID THE FINDINGS OF THE INDEPENDENT REVIEW PUBLISHED TODAY (WEDNESDAY) ON THE KWUN LUNG LAU LANDSLIDE INVESTIGATION WERE ACCEPTED.

THE RECOMMENDATIONS WOULD BE IMPLEMENTED AS QUICKLY AS POSSIBLE.

MR BLAKE SAID THE TRAGIC INCIDENT CAME ABOUT DUE TO A NUMBER OF KEY EVENTS IN COMBINATION, INCLUDING THE FACT THAT THE OLD MASONRY WALL WAS APPRECIABLY THINNER THAN USUAL FOR WALLS OF THIS TYPE.

"GIVEN THE TOPOGRAPHY, GEOLOGY, CLIMATE AND DENSITY OF DEVELOPMENT IN HONG KONG, AN EFFECTIVE PROGRAMME OF SLOPE MANAGEMENT IS REQUIRED TO KEEP THE RISK OF SLOPE FAILURE AT AN ACCEPTABLY LOW LEVEL.

"THE KWUN LUNG LAU REVIEW FINDINGS AND RECOMMENDATIONS ARE BEING LOOKED INTO AS A MATTER OF URGENCY.

"THE GOVERNMENT HAS IN PARALLEL CONDUCTED ITS REVIEW ON THE POLICY AND IMPLEMENTATION STRATEGY OF MEANS TO IMPROVE SLOPE SAFETY. IT WILL SUBMIT ITS RECOMMENDATIONS TO EXCO BEFORE THE END OF THE YEAR.

"IN THE MEANTIME, WE CANNOT COMMENT ON RESPONSIBILITY FOR THE TRAGEDY WHICH WILL COME WITHIN THE JURISDICTION OF THE CORONER WHEN THE DEATH INQUEST COMMENCES TOMORROW," MR BLAKE ADDED.

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TRANSCRIPT OF GOVERNOR'S MEDIA SESSION

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FOLLOWING IS THE TRANSCRIPT OF THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SPEAKING TO THE NEWS MEDIA AFTER PROFESSOR NORBERT MORGENSTERN PRESENTED TO HIM THE KWUN LUNG LAU LANDSLIP REPORT THIS AFTERNOON (WEDNESDAY):

GOVERNOR: ON BEHALF OF THE GOVERNMENT, INDEED ON BEHALF OF THE WHOLE COMMUNITY, I LIKE TO THANK PROFESSOR MORGENSTERN VERY WARMLY INDEED FOR PRODUCING THIS REPORT ON THE KWUN LUNG LAU LANDSLIDE SO QUICKLY AND SO COMPREHENSIVELY. OBVIOUSLY WE WILL WANT TO STUDY THE REPORT AS FAST AS WE CAN AND TO IMPLEMENT ITS RECOMMENDATIONS SO THAT WE CAN, IF POSSIBLE, AVOID ANY SIMILAR DISASTERS IN THE FUTURE. I REPEAT WE ARE GRATEFUL TO PROFESSOR MORGENSTERN WHO KNOWS A GREAT DEAL ABOUT SOME OF THE PARTICULAR PROBLEMS WE HAVE IN BUILDING AREA IN HONG KONG. HE HAS HELPED US IN THE PAST AND I AM DELIGHTED THAT HE'S BEEN ABLE TO HELP US AGAIN. WE OBVIOUSLY OWE IT TO THOSE WHO SUFFERED IN THE LANDSLIDE IN THAT TRAGEDY TO DO ALL WE CAN TO ENSURE THAT WE MAKE SAFE SITES WHEREVER POSSIBLE AS FAST AS POSSIBLE. WE KNOW THAT PROFESSOR MORGENSTERN IS GIVING A PRESS CONFERENCE LATER ON THIS AFTERNOON WHEN HE WILL BE ANSWERING YOUR QUESTIONS. ONCE AGAIN I AM VERY PLEASED WHAT HE HAS BEEN ABLE TO DO.

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1995 LUNAR NEW YEAR FIREWORKS DISPLAY APPROVED

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THE FIREWORKS VETTING COMMITTEE HAS ENDORSED AN APPLICATION FROM THE BEIJING JUNEFIELD REAL ESTATE DEVELOPMENT COMPANY LIMITED TO STAGE A 23-MINUTE FIREWORKS DISPLAY DURING THE LUNAR NEW YEAR IN 1995, A SPOKESMAN FOR THE RECREATION AND CULTURE BRANCH ANNOUNCED TODAY (WEDNESDAY).

THE SPONSOR IS A SUBSIDIARY OF JUNEFIELD (HOLDINGS) LIMITED WHICH IS A REGISTERED HONG KONG COMPANY,

"THE DISPLAY WILL BE STAGED OVER VICTORIA HARBOUR FROM 8 PM ON WEDNESDAY, FEBRUARY 1, 1995, THE SECOND DAY OF THE LUNAR NEW YEAR.

"IN CASE OF INCLEMENT WEATHER, THE DISPLAY WILL BE POSTPONED TO THURSDAY, FEBRUARY 2, 1995, WHICH IS THE THIRD DAY OF THE LUNAR NEW YEAR," THE SPOKESMAN SAID.

THE COMING DISPLAY WILL BE THE 14TH LUNAR NEW YEAR FIREWORKS DISPLAY SPONSORED BY THE PRIVATE SECTOR SINCE 1982. AS ON SIMILAR PREVIOUS OCCASIONS, THE URBAN COUNCIL WILL BE INVITED TO CO-ORGANISE THE EVENT.

"WE ARE DELIGHTED THAT WITH THIS SPONSORSHIP, THE COMMUNITY WILL ONCE AGAIN BE ABLE TO ENJOY THE SPECTACLE OF A FIREWORKS DISPLAY DURING THE LUNAR NEW YEAR FESTIVITIES," THE SPOKESMAN ADDED.

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ADDITIONAL RUNWAY EXIT FOR AIRPORT

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AN ADDITIONAL RUNWAY EXIT WILL BE PROVIDED AT THE HONG KONG INTERNATIONAL AIRPORT TO SHORTEN THE AVERAGE RUNWAY OCCUPATION TIME BY AIRCRAFT AND THEREBY INCREASE THE RUNWAY CAPACITY BY ACCOMMODATING ON AVERAGE ONE ADDITIONAL FLIGHT MOVEMENT PER HOUR.

TO REALISE THIS OBJECTIVE, THE CIVIL AVIATION DEPARTMENT WILL APPLY TO THE FINANCE COMMITTEE FOR AN ALLOCATION OF \$11.5 MILLION FOR THE CONSTRUCTION OF THE NEW AIRCRAFT PAVEMENT AND THE INSTALLATION OF ADDITIONAL TAXIWAY LIGHTS.

AT A PUBLIC WORKS SUB-COMMITTEE MEETING HELD THIS (WEDNESDAY) MORNING, MEMBERS HAD ACCEPTED THE PROJECT IN PRINCIPLE SUBJECT TO FORMAL APPROVAL BY THE FINANCE COMMITTEE LATER NEXT MONTH (DECEMBER).

AT PRESENT, THERE ARE TWO EXISTING EXITS AT THE SEAWARD END OF THE RUNWAY AT THE AIRPORT BUT THEY ARE NOT LOCATED IN AN OPTIMUM POSITION.

THE DEPARTMENT IS CURRENTLY CARRYING OUT IMPROVEMENTS TO THE AIR TRAFFIC CONTROL SYSTEM AT THE AIRPORT TO MATCH THE RUNWAY CAPACITY BY UPGRADING AND REPLACING EQUIPMENT FOR AIR NAVIGATIONAL AIDS AND AIR TRAFFIC CONTROL, AS WELL AS EXPANDING THE RADAR DATA PROCESSING AND DISPLAY SYSTEM.

THE PROPOSED ADDITIONAL RUNWAY EXIT WILL COMPLEMENT THE IMPROVED TRAFFIC CONTROL SYSTEM, AND WILL HELP INCREASE RUNWAY CAPACITY TO COPE WITH THE GROWING DEMAND FOR AIR TRAFFIC.

IT IS ESTIMATED THAT WITH THE NEW RUNWAY EXIT AND THE AIR TRAFFIC CONTROL IMPROVEMENTS NOW UNDERWAY, AN AVERAGE OF ONE ADDITIONAL FLIGHT PER HOUR CAN BE ACCOMMODATED.

THE PROPOSED WORKS IS SCHEDULED TO START NEXT MONTH FOR COMPLETION IN SEPTEMBER NEXT YEAR.

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FURTHER STEPS TO PROTECT MARINE ENVIRONMENT

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THE GOVERNMENT IS TAKING A FURTHER STEP WHICH AIMS AT ELIMINATING POLLUTION OF THE MARINE ENVIRONMENT BY OIL AND MARINE POLLUTION, ACTING DEPUTY DIRECTOR OF MARINE, MR JOHN TSE YAN-CHI, SAID TODAY (WEDNESDAY).

"AS AN ASSOCIATE MEMBER OF THE INTERNATIONAL MARITIME ORGANISATION (IMO) AND PARTY ANNEX I AND II TO THE INTERNATIONAL CONVENTION FOR THE PREVENTION OF POLLUTION FROM SHIPS 1973 (MARPOL), HONG KONG IS OBLIGED TO ADOPT IMO'S DECISION AND ADHERE TO MARPOL REQUIREMENTS AS CLOSELY AS POSSIBLE," MR TSE SAID.

THE GOVERNMENT IS THEREFORE PROPOSED TO INTRODUCE THE MERCHANT SHIPPING (PREVENTION OF OIL POLLUTION) (AMENDMENT) REGULATION 1994 AND MERCHANT SHIPPING (SAFETY) (DANGEROUS GOODS AND MARINE POLLUTANTS) REGULATION TO INCORPORATED THE AMENDED VERSION OF THE ANNEX I TO MARPOL AND TO IMPLEMENT MARPOL ANNEX III.

/THE MARPOL

THE MARPOL WAS ADOPTED BY THE INTER-GOVERNMENTAL MARITIME CONSULTATIVE ORGANISATION, THE PREDECESSOR TO THE IMO, TO ELIMINATE DELIBERATE AND NEGLIGENT POLLUTION OF THE MARINE ENVIRONMENT BY OIL AND OTHER HARMFUL SUBSTANCES AND TO MINIMISE ACCIDENTAL DISCHARGE OF SUCH SUBSTANCES.

IT HAS FIVE ANNEXES, EACH STIPULATING CONTROLS SPECIFIC TO A PARTICULAR GROUP OF POLLUTANTS.

- * ANNEX I DEALS WITH POLLUTION BY OIL FROM SHIPS;
- * ANNEX II DEALS WITH NOXIOUS SUBSTANCES CARRIED IN BULK;
- * ANNEX III DEALS WITH HARMFUL SUBSTANCE CARRIED BY SEA IN PACKAGED FORM;
- * ANNEX IV DEALS WITH SEWAGE; AND
- * ANNEX V DEALS WITH GARBAGE.

"ANNEX I OF THE CONVENTION IS APPLICABLE TO HONG KONG THROUGH THE MERCHANT SHIPPING (PREVENTION OF OIL POLLUTION) REGULATION MADE UNDER THE MERCHANT SHIPPING (PREVENTION AND CONTROL OF POLLUTION) ORDINANCE," MR TSE SAID.

ANNEX II IS IMPLEMENTED THROUGH MERCHANT SHIPPING (CONTROL OF POLLUTION BY NOXIOUS LIQUID SUBSTANCES IN BULK) REGULATION.

IN A RECENT REVIEW, THE IMO ADOPTED CERTAIN AMENDMENT TO MARPOL ANNEX I. THEY COVER NEW REQUIREMENTS FOR OIL POLLUTION EMERGENCY PLANS, NEW REQUIREMENTS DESIGN STANDARDS OF OIL TANKERS AND SPECIFICATIONS FOR TESTING EQUIPMENT.

"THE PROPOSED MERCHANT SHIPPING (PREVENTION AND CONTROL OF POLLUTION) (AMENDMENT) REGULATION 1994 WILL COVER THESE NEW REQUIREMENTS," MR TSE SAID.

ANNEX III OF THE MARPOL AIMS TO PREVENT POLLUTION OF THE MARINE ENVIRONMENT BY REGULATING THE CARRIAGE BY SHIPS OF HARMFUL SUBSTANCES IN PACKAGED FORM.

THESE SUBSTANCES ARE REGULATED AS MARINE POLLUTANTS THROUGH THE INTERNATIONAL MARITIME DANGEROUS GOODS (IMDG) CODE, WHICH LAYS OUT SPECIFIC STANDARDS FOR CONSTRUCTION OF PACKAGES CONTAINING HARMFUL SUBSTANCES; MARKING AND LABELLING WITH REGARD TO DURABILITY AND IDENTIFICATION OF HARMFUL SUBSTANCES; AND DOCUMENTATION AND STOWAGE REQUIREMENTS.

THOSE SECTIONS OF THE IMDG CODE RELATING TO CARRIAGE BY SEA OF DANGEROUS GOODS IN BULK OR PACKAGED FORM ARE ALREADY IMPLEMENTED IN HONG KONG BY THE MERCHANT SHIPPING (SAFETY) (DANGEROUS GOODS) REGULATIONS.

"TO IMPLEMENT THOSE SECTIONS OF THE CODE RELATING MARPOL ANNEX III POLLUTANTS, THE GOVERNMENT PROPOSES TO INTRODUCE NEW LEGISLATION TO CONSOLIDATE THE EXISTING REQUIREMENTS AND EXTEND COVERAGE TO MARINE POLLUTANTS," MR TSE SAID.

"THE IMPLEMENTATION OF THESE REQUIREMENTS WILL BE BENEFICIAL TO THE MARINE ENVIRONMENT AND WILL ALSO REDUCE POLLUTION HAZARDS WITHIN HONG KONG WATERS," HE ADDED.

THE TWO REGULATIONS, WHICH GIVE EFFECT TO THE IMPLEMENTATION OF THE AMENDED ANNEX I AND ANNEX III TO MARPOL, WILL APPLY TO HONG KONG REGISTERED SHIPS WHEREVER THEY MAY BE AND TO ALL SHIPS ANYWHERE WITHIN HONG KONG WATERS.

THEY WILL BE GAZETTED THIS FRIDAY (DECEMBER 2) AND WILL BE EFFECTIVE ON THE DAY OF GAZETTAL.

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COMMUNITY BUILDING ESSENTIAL FOR DISTRICT ADMINISTRATION: RS
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COMMUNITY BUILDING IS AN ESSENTIAL FACTOR CONTRIBUTING TO THE SUCCESS OF DISTRICT ADMINISTRATION, THE REGIONAL SECRETARY FOR HONG KONG, KOWLOON/NEW TERRITORIES, MR JOSEPH WONG, SAID THIS (WEDNESDAY) EVENING .

SPEAKING AT THIS YEAR'S SHAM SHUI PO DISTRICT FESTIVAL OPENING CEREMONY CUM VARIETY SHOW, MR WONG POINTED OUT THAT THE CITY AND NEW TERRITORIES ADMINISTRATION WAS RESPONSIBLE FOR DISTRICT ADMINISTRATION WHILE THE DISTRICT BOARDS WERE STATUTORY BODIES WITH THE ROLE OF MONITORING GOVERNMENT POLICIES AT DISTRICT LEVEL.

HE SAID DISTRICT OFFICES AND DISTRICT BOARDS WORKED TOGETHER TO DEVISE MEASURES THAT WERE GENERALLY ACCEPTABLE TO THE PEOPLE IN THE DISTRICT.

IN THIS WAY, HE ADDED, THE GOVERNMENT'S EFFICIENCY IN MANAGING DISTRICT AFFAIRS WOULD BE GREATLY ENHANCED.

MR WONG STRESSED THAT DBS WERE THE CENTRAL ELEMENT OF COMMUNITY BUILDING.

HE SAID: "DISTRICT OFFICES ASSIST IN THE SETTING UP OF VARIOUS TYPES OF DISTRICT BODIES SUCH AS AREA COMMITTEES (ACS), MUTUAL AID COMMITTEES (MACS) AND OWNERS' CORPORATIONS (OCS)."

MR WONG NOTED THAT ACS HAD EXPRESSED INVALUABLE VIEWS ON ISSUES INVOLVING PEOPLE'S LIVELIHOOD AND SUCH OPINIONS HAD LED TO MARKED IMPROVEMENTS IN THE LIVING ENVIRONMENT AND LAW AND ORDER IN THEIR DISTRICTS.

MACS AND OCS, MEANWHILE, ALSO ENCOURAGE RESIDENTS' PARTICIPATION IN MAINTAINING A DESIRABLE LIVING ENVIRONMENT AND ACHIEVING EFFECTIVE BUILDING MANAGEMENT.

MR WONG SAID, IN ADDITION TO DISTRICT ORGANISATIONS, DISTRICT OFFICERS ALSO INVITED LOCAL PEOPLE WITH VARIOUS ABILITIES TO SIT ON NUMEROUS COMMITTEES.

FOR EXAMPLE, VIEWS EXPRESSED BY THE SHAM SHUI PO FIGHT CRIME COMMITTEE HAVE CONSIDERABLY HELPED POLICE COMBAT CRIME IN THE DISTRICT.

TURNING TO THE CIVIC EDUCATION COMMITTEE, MR WONG SAID IT ORGANISED A LOT OF ACTIVITIES TO PROMOTE CIVIC AWARENESS AND PEOPLE'S UNDERSTANDING OF THE ELECTORAL SYSTEM, ENVIRONMENT PROTECTION, HUMAN RIGHTS AND THE BASIC LAW.

THE ANNUAL SHAM SHUI PO DISTRICT CIVIC EDUCATION CARNIVAL, FOR INSTANCE, WAS INSTRUMENTAL IN HELPING HONG KONG PEOPLE GET TO KNOW MORE ABOUT THEIR OBLIGATIONS AND RIGHTS THROUGH EXHIBITIONS AND FUN GAMES.

MR WONG SAID: "ALL OF THESE COMMITTEES HAVE BEEN DOING A GREAT DEAL IN COMMUNITY BUILDING AND IN ENCOURAGING PEOPLE'S PARTICIPATION IN DISTRICTS AFFAIRS."

YET ANOTHER IMPORTANT ROLE OF DISTRICT OFFICES AND LOCAL ORGANISATIONS, HE SAID, WAS TO JOINTLY ORGANISE ACTIVITIES TO INCREASE PEOPLE'S SENSE OF BELONGING TO THEIR DISTRICTS.

MR WONG CITED THE SHAM SHUI PO DISTRICT FESTIVAL AS "AN EXCELLENT EXAMPLE" OF COMMUNITY BUILDING PROJECT.

THE FESTIVAL, HE ADDED, HAD BEEN ON-GOING FOR MORE THAN 10 YEARS.

THIS YEAR'S SHAM SHUI PO DISTRICT FESTIVAL WILL LAST FOR 40 DAYS UNTIL JANUARY 8 NEXT YEAR WITH A RANGE OF ENTERTAINMENT TO CATER TO TASTES OF PEOPLE OF ALL AGES.

THESE WILL INCLUDE A VARIETY SHOW ON OPENING NIGHT, KARAOKE SINGING COMPETITION, A SPORTS DAY AND DANCE COMPETITIONS.

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MONETARY STATISTICS FOR OCTOBER 1994

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THERE HAS BEEN A SMALL MOVEMENT FROM SAVINGS DEPOSITS INTO TIME DEPOSITS, ACCORDING TO STATISTICS PUBLISHED TODAY (WEDNESDAY) BY THE HONG KONG MONETARY AUTHORITY.

THIS PROBABLY REFLECTS THE REMOVAL OF SOME INTEREST RATE CAPS ON HONG KONG DOLLAR DEPOSITS.

DEPOSITS

THE GROWTH OF TOTAL HONG KONG DOLLAR DEPOSITS MODERATED FROM 2.4% IN SEPTEMBER TO 0.3% IN OCTOBER.

THERE WAS A MODEST SWITCH FROM HONG KONG DOLLAR SAVINGS DEPOSITS INTO HONG KONG DOLLAR TIME DEPOSITS IN OCTOBER.

THE FORMER FELL BY 2.3% WHILE THE LATTER RECORDED A 1.5% GROWTH. THE SWITCHING WAS LIKELY TO BE RELATED TO THE REMOVAL OF THE HONG KONG ASSOCIATION OF BANKS' INTEREST RATE RULES ON HONG KONG DEPOSITS (FOR DEPOSITS FIXED FOR MORE THAN ONE MONTH) EFFECTIVE FROM OCTOBER 1.

FOREIGN CURRENCY SWAP DEPOSITS, A SUBSTITUTE FOR SMALL-SIZED HONG KONG DOLLAR TIME DEPOSITS BEFORE THE REMOVAL OF INTEREST RATE CAPS, WHICH HAD BEEN GROWING RAPIDLY DURING RECENT MONTHS, RECORDED A MARGINAL DECLINE.

FOREIGN CURRENCY DEPOSITS GREW BY THE SAME RATE AS HONG KONG DOLLAR DEPOSITS AND THEIR RESPECTIVE SHARES IN TOTAL DEPOSITS REMAINED AT 52% AND 48%.

THE RISE IN FOREIGN CURRENCY DEPOSITS WAS TOTALLY ATTRIBUTABLE TO NON-U.S. DOLLAR DEPOSITS, POSSIBLY BECAUSE OF THE APPRECIATION OF MAJOR THIRD CURRENCIES AGAINST THE U.S. DOLLAR AND HENCE THE HONG KONG DOLLAR.

LOANS AND ADVANCES

TOTAL OUTSTANDING LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS ROSE BY 1.3% IN OCTOBER COMPARED WITH A 0.2% DECLINE IN SEPTEMBER.

THE INCREASE WAS DUE TO GROWTH IN FOREIGN CURRENCY LOANS. THESE GREW BY 1.8%, AT LEAST PARTLY REFLECTING THE APPRECIATION OF MAJOR NON-U.S. DOLLAR FOREIGN CURRENCIES.

THE GROWTH OF HONG KONG DOLLAR LOANS, ON THE OTHER HAND, CONTINUED TO MODERATE.

ITS MONTHLY GROWTH SLIPPED FROM 1.4% IN AUGUST TO 0.8% AND 0.4% IN SEPTEMBER AND OCTOBER RESPECTIVELY.

IN PARTICULAR, THE GROWTH OF HONG KONG DOLLAR LOANS FOR USE IN HONG KONG OTHER THAN FOR TRADE FINANCING, OF WHICH MORTGAGE LOANS ACCOUNT FOR ABOUT A QUARTER, SLOWED DOWN FROM 1.0% IN SEPTEMBER TO 0.4% IN OCTOBER.

MONEY SUPPLY

NOTES AND COINS IN CIRCULATION AS WELL AS HONG KONG DOLLAR DEMAND DEPOSITS HAD STABLE GROWTH OF 0.3% AND 1.0% IN OCTOBER RESPECTIVELY. CONSEQUENTLY, HK\$M1 RECORDED A STEADY INCREASE OF 0.8%.

WITH SUBDUED GROWTH IN HONG KONG DOLLAR CREDIT, BOTH HK\$M2 AND HK\$M3 RECORDED LOW GROWTH OF 0.1% IN OCTOBER.

AS THERE HAD BEEN RAPID GROWTH OF HK\$M3 IN OCTOBER 1993, REFLECTING A LARGE INITIAL PUBLIC OFFERING, THE HK\$M3 ANNUAL GROWTH RATE FELL MARKEDLY TO 13.6% FROM 25.7% IN SEPTEMBER.

NOTE TO EDITORS:

FOR FURTHER PRESS ENQUIRIES, PLEASE CONTACT THE PRESS AND PUBLICATIONS SECTION, HONG KONG MONETARY AUTHORITY, ON TEL 878 8261.

TABLE 1 : MONETARY STATISTICS - OCTOBER 1994.

	(HK\$mn)			
	Oct 1994	Earlier months (% change to Oct 1994)		
		Sep 1994	Jul 1994	Oct 1993
Money Supply				
M1 - HK\$	170,325	169,027 (0.8)	162,423 (4.9)	203,878 (-16.5)
Foreign currency	17,163	17,199 (-0.2)	19,669 (-12.7)	18,746 (-8.4)
Total	187,488	186,226 (0.7)	182,092 (3.0)	222,624 (-15.8)
M2 - HK\$@	1,059,315	1,058,768 (0.1)	1,021,827 (3.7)	930,390 (13.9)
Foreign currency*	871,130	867,600 (0.4)	852,245 (2.2)	840,923 (3.6)
Total	1,930,445	1,926,368 (0.2)	1,874,072 (3.0)	1,771,312 (9.0)
M3 - HK\$@	1,076,015	1,075,378 (0.1)	1,038,712 (3.6)	946,987 (13.6)
Foreign currency*	930,731	926,316 (0.5)	903,248 (3.0)	876,183 (6.2)
Total	2,006,747	2,001,694 (0.3)	1,941,960 (3.3)	1,823,169 (10.1)
Notes and coins in circulation	74,088	74,160 (-0.1)	73,468 (0.8)	68,752 (7.8)
of which held by public	65,549	65,326 (0.3)	64,932 (1.0)	60,462 (8.4)
Total Deposits				
Total Demand deposits	121,940	120,900 (0.9)	117,161 (4.1)	162,161 (-24.8)
Total Savings deposits	400,461	408,734 (-2.0)	411,259 (-2.6)	410,358 (-2.4)
Total Time deposits with licensed banks	1,306,225	1,292,690 (1.0)	1,241,415 (5.2)	1,117,826 (16.9)
Total Time deposits with restricted licence banks	34,260	34,369 (-0.3)	33,407 (2.6)	28,043 (22.2)
Total Time deposits with deposit-taking companies	19,532	19,389 (0.7)	16,391 (19.2)	17,417 (12.1)
HK\$ deposits@	986,997	983,724 (0.3)	944,704 (4.5)	871,171 (13.3)
Demand deposits	104,776	103,701 (1.0)	97,492 (7.5)	143,416 (-26.9)
Saving deposits	276,653	283,197 (-2.3)	282,389 (-2.0)	270,189 (2.4)
Time deposits@	605,568	596,826 (1.5)	564,823 (7.2)	457,567 (32.3)
US\$ deposits*	473,130	475,328 (-0.5)	471,038 (0.4)	412,990 (14.6)
Other foreign currency deposits*	422,290	417,031 (1.3)	403,891 (4.6)	451,644 (-6.5)
All deposits	1,882,417	1,876,082 (0.3)	1,819,633 (3.5)	1,735,805 (8.4)
Foreign currency swap deposits	101,976	102,003 (-0.0)	95,992 (6.2)	68,274 (49.4)
Total Loans and advances				
To finance H.K.'s visible trade	126,917	126,444 (0.4)	121,813 (4.2)	103,056 (23.2)
To finance merchandising trade not touching H.K.	13,496	13,179 (2.4)	12,099 (11.5)	12,079 (11.7)
Other loans for use in H.K.	1,233,996	1,224,179 (0.8)	1,199,000 (2.9)	1,107,082 (11.5)
Other loans for use outside H.K.	1,830,654	1,799,595 (1.7)	1,806,688 (1.3)	1,616,305 (13.3)
Other loans where the place of use is not known	45,874	45,037 (1.9)	45,894 (-0.0)	41,578 (10.3)
Loans in HK\$	1,095,744	1,091,008 (0.4)	1,067,694 (2.6)	990,694 (10.6)
Loans in foreign currencies	2,155,193	2,117,427 (1.8)	2,117,800 (1.8)	1,889,406 (14.1)
Total loans and advances	3,250,937	3,208,434 (1.3)	3,185,494 (2.1)	2,880,100 (12.9)

* Adjusted to exclude foreign currency swap deposits. Starting from April 1991, swap deposits can further be broken down into US dollar and non-US dollar foreign currency swap deposits.

@ Adjusted to include foreign currency swap deposits. Starting from April 1991, swap deposits can further be broken down into US dollar and non-US dollar foreign currency swap deposits.

Note : 1. 'Restricted licence banks' and 'deposit-taking companies' were known as 'licensed deposit-taking companies' and 'registered deposit-taking companies' respectively before 1 February 1990.

2. Data may not be added to total due to rounding.

POLYTECHNIC (CONSEQUENTIAL AMENDMENTS) BILL TO BE GAZETTED
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THE POLYTECHNIC (CONSEQUENTIAL AMENDMENTS) BILL WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL NEXT WEDNESDAY (DECEMBER 7) TO AMEND SEVERAL ORDINANCES RELEVANT TO THE CONFERRAL OF QUALIFICATIONS OF THE TERTIARY INSTITUTION AFTER IT HAS BECOME AN UNIVERSITY.

THE BILL SEEKS TO REPLACE THE OLD TITLE OF THE INSTITUTION WITH ITS NEW UNIVERSITY NAME IN THE FOLLOWING LEGISLATION: THE APPRENTICESHIP ORDINANCE, PENSION (SPECIAL PROVISIONS) (HONG KONG POLYTECHNIC) ORDINANCE, THE LEGAL PRACTITIONER ORDINANCE, THE LIFTS AND ESCALATORS (SAFETY) ORDINANCE AND THE SUPPLEMENTARY MEDICAL PROFESSIONS ORDINANCE.

THE BILL WILL BE GAZETTED THIS FRIDAY (DECEMBER 2).

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MID-TERM REVIEW OF RADIO LICENCE

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THE BROADCASTING AUTHORITY (BA) HAS DECIDED THAT ITS MID-TERM REVIEW OF THE RADIO LICENCE HELD BY COMMERCIAL RADIO, TO BE UNDERTAKEN IN 1995, WILL BE SIMILAR IN APPROACH AND SCOPE TO THE CURRENT MID-TERM REVIEW OF THE COMMERCIAL TV LICENCES OF ATV AND TVB.

THE BA WILL CONDUCT A RADIO BROADCASTING SURVEY IN LATE 1994 TO EARLY 1995 TO HELP IT DETERMINE PUBLIC PREFERENCES AND LISTENING HABITS AND VIEWS ON THE QUANTITY AND QUALITY OF RADIO PROGRAMMES AND SERVICES.

THE BA ALSO DECIDED THAT THERE SHOULD BE PUBLIC PARTICIPATION IN THE REVIEW PROCESS, AND IT WILL ORGANISE ONE OR MORE PUBLIC HEARINGS TO FACILITATE THE OBTAINING OF FEEDBACK ON COMMERCIAL RADIO'S PERFORMANCE SINCE ITS LICENCE WAS GRANTED IN 1989.

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HONG KONG - THE PREMIER BROADCASTING HUB IN ASIA

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HONG KONG IS PROBABLY THE PREMIER BROADCASTING HUB IN ASIA AND A LEADING TELEVISION PROGRAMME AND FILM PRODUCTION CENTRE IN THE FAR EAST, THE SECRETARY FOR RECREATION AND CULTURE, MR JAMES SO, SAID TODAY (WEDNESDAY).

ADDRESSING THE FIRST MIP SCREENINGS AND CONFERENCES IN THE FAR EAST, MR SO SAID HONG KONG WAS A MEETING POINT BETWEEN EAST AND WEST, WHERE THE TECHNICAL EXPERTISE AND KNOW-HOW OF THE WEST FUSED SUCCESSFULLY WITH THE DRIVE, ENTREPRENEURIALISM AND CULTURAL RICHNESS OF THE EAST, TO PRODUCE WHAT WAS, IN MANY WAYS, A UNIQUELY ENTERPRISING ECONOMY AND HUGELY SUCCESSFUL AND DYNAMIC MARKET PLACE.

FOUNDED ON FREE TRADE AND THE RULE OF LAW, SUPPORTED BY A FAVOURABLE LAISSEZ-FAIRE BUSINESS ENVIRONMENT, THE TERRITORY SAT, FAVOURED BY GEOGRAPHY, AS A GATEWAY TO THE LARGEST BUDDING MARKET IN THE WORLD, HE SAID.

"IT IS NO ACCIDENT THAT HONG KONG IS PLAYING SUCH AN IMPORTANT ROLE IN BROADCASTING IN THE REGION AND HAS LED THE WAY IN PIONEERING THE INTRODUCTION OF SIGNIFICANT NEW DEVELOPMENTS IN THE TELEVISION FIELD WHICH AFFECT THE WHOLE OF ASIA," HE SAID.

ON HONG KONG'S CONTRIBUTION TO THE DEVELOPMENT OF TELEVISION IN ASIA, MR SO NOTED THE REVOLUTION IN TELEVISION IN ASIA ORIGINATED FROM HONG KONG.

MR SO SAID THE VISION AND DARING OF THE FOUNDERS OF STAR TV, COMBINED WITH THE GOVERNMENT'S FORWARD LOOKING BROADCASTING POLICY, JOINED TO CREATE A CATALYST THAT ALMOST OVERNIGHT REVOLUTIONISED TELEVISION VIEWING TO OVER HALF OF THE WORLD'S POPULATION.

"IT CUTS ACROSS THE TRADITIONAL BOTTLENECKS OF STATE PROVIDED TELEVISION VIEWING, WHERE THIS WAS NORMALLY THE CASE, AND OPENED UP A WHOLE NEW WORLD TO THE PEOPLES OF THIS REGION.

"RECENT FIGURES INDICATE THE STAR CHANNELS ARE RECEIVED IN 53 COUNTRIES BY SOME 220 MILLION VIEWERS," MR SO SAID.

MR SO NOTED THAT HONG KONG HAD ALSO PLAYED A CATALYSING ROLE IN BRINGING SUBSCRIPTION TV POSSIBLE IN THE REGION IN VERY SHORT TIME.

HE SAID STAR TV'S FREE-TO-AIR BROADCASTS HAD MADE ASIAN GOVERNMENTS DO SOMETHING ABOUT IMPROVING THE BROADCASTING INFRASTRUCTURE WITHIN THEIR OWN COUNTRIES, SO AS NOT TO LOSE THE HEARTS AND MINDS OF THEIR OWN PEOPLE.

CABLE SYSTEMS, BOTH OFFICIALLY AND COMMERCIALY PROVIDED, HAVE SPRUNG UP ALL OVER ASIA, HE SAID.

"SO THE SOLUTION TO SATELLITE SUBSCRIPTION TV IN THE REGION IS SIMPLE.

"SINCE IT IS THE CABLE OPERATORS WHO NEED THE PROGRAMMING TO INCREASE THEIR SUBSCRIBER BASE AND ARE THE ONES WHO CAN PAY SUBSCRIPTIONS ON A REGULAR BASIS, THERE IS NO NEED FOR THE SATELLITE TV OPERATORS TO TARGET THE INDIVIDUAL HOUSEHOLDERS," MR SO EXPLAINED.

A COMBINATION OF SUBSCRIPTION SATELLITE TEAMED UP WITH LOCALISED CABLE SYSTEMS THEREFORE SEEMED TO BE THE IMMEDIATE FUTURE FOR TELEVISION IN ASIA AND HONG KONG CONTINUED TO PLAY A PIVOTAL ROLE IN THIS REGARD, MR SO SAID.

ON TELEVISION PROGRAMME PRODUCTION, MR SO SAID HONG KONG HAD ONE OF THE LARGEST AND MOST SOPHISTICATED FILM AND TV PRODUCTION INDUSTRIES OUTSIDE OF HOLLYWOOD.

IT PRODUCED SOME 41,000 HOURS OF TELEVISION PROGRAMMING AND 430 FILMS A YEAR AND HAD THE LARGEST LIBRARY STOCK OF CHINESE LANGUAGE PROGRAMMING IN THE WORLD.

MR SO NOTED TVB AND ATV'S PROGRAMMES WERE SOLD TO CABLE OPERATORS IN CHINA, TAIWAN, SINGAPORE, MALAYSIA, AS WELL AS THE U.S., CANADA AND AUSTRALIA.

"IT IS NOT SURPRISING, THEREFORE, THAT HONG KONG IS A SUCCESSFUL MARKET PLACE FOR PROGRAMMING," HE ADDED.

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GOVERNOR TOURS KWUN TONG

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, TOURED KWUN TONG DISTRICT THIS (WEDNESDAY) AFTERNOON FOR AN UPDATE ON DEVELOPMENTS IN THE AREA.

AT HIS FIRST STOP AT THE BUDDHIST SUM MA SHUI YING CARE AND ATTENTION HOME FOR THE ELDERLY, MR PATTEN WAS INFORMED THAT THE GOVERNMENT-SUBVENTED INSTITUTION CARES FOR MORE THAN 200 SENIOR CITIZENS.

AT LAM TIN ESTATE, HE VISITED A FAMILY LIVING IN ONE OF THE HOUSING BLOCKS.

ON HIS ARRIVAL AT A LOOKOUT POINT IN HONG PAK COURT, THE GOVERNOR WAS GIVEN AN UPDATE OF THE TYPES OF COMMUNITY FACILITIES IN THE ESTATE.

MR PATTEN THEN PROCEEDED TO THE POK OI HOSPITAL CHAN HSU FONG LAM DAY NURSERY IN KWONG TIN ESTATE - A DAY CARE CENTRE FOR CHILDREN.

BEFORE CONCLUDING HIS VISIT, MR PATTEN MET WITH KWUN TONG DISTRICT BOARD MEMBERS AND REPRESENTATIVES OF DISTRICT BODIES AT A RECEPTION AT THE LAM TIN (SOUTH) INDOOR GAMES HALL.

THE GOVERNOR WAS ACCOMPANIED ON HIS WALKABOUT BY THE REGIONAL SECRETARY FOR HONG KONG, KOWLOON/NEW TERRITORIES, MR JOSEPH WONG, AND THE KWUN TONG DISTRICT OFFICER, MR WONG HON-HO.

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TWO LOTS TO LET

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THE LANDS DEPARTMENT IS INVITING TENDERS FOR THE SHORT-TERM TENANCIES OF TWO LOTS OF GOVERNMENT LAND IN THE NEW TERRITORIES.

THE FIRST LOT, LOCATED AT TSING YI ROAD, AREA 17, TSING YI, HAS AN AREA OF 1,950 SQUARE METRES FOR USE AS A FEE-PAYING PUBLIC CAR PARK FOR GOODS VEHICLES, EXCLUDING CONTAINER TRACTORS AND TRAILORS.

THE TENANCY IS FOR TWO YEARS, RENEWABLE QUARTERLY.

COVERING AN AREA OF 1,810 SQUARE METRES, THE SECOND LOT, LOCATED AT KONG PUI STREET, AREA 5B, SHA TIN NEW TOWN, NEW TERRITORIES, IS ALSO FOR USE AS A FEE-PAYING PUBLIC CAR PARK FOR PRIVATE CARS AND LIGHT VANS.

THE TENANCY IS FOR ONE YEAR, RENEWABLE QUARTERLY.

CLOSING DATES FOR SUBMISSION OF TENDERS FOR THE TWO LOTS ARE NOON ON DECEMBER 9 AND DECEMBER 16 RESPECTIVELY.

TENDER FORMS, TENDER NOTICE AND CONDITIONS MAY BE OBTAINED FROM THE DISTRICT LANDS OFFICES, KWAI TSING AND SHA TIN; THE LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD; AND THE DISTRICT LANDS OFFICE KOWLOON, 10TH FLOOR, YAU MA TEI CAR PARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

TENDER PLANS ARE ALSO AVAILABLE AT THESE OFFICES.

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WIT SCHEME IMPROVES EFFICIENCY

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THE WORK IMPROVEMENT TEAM (WIT) SCHEME OF THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT (EMSD) HAS HELPED TO ENHANCE THE DEPARTMENT'S EFFICIENCY AND QUALITY OF SERVICE, THE DEPARTMENT'S DIRECTOR, MR HUGH PHILLIPSON, SAID TODAY (WEDNESDAY).

SPEAKING AT THE OPENING CEREMONY OF EMSD'S THIRD ANNUAL PRESENTATION OF THE WIT AND STAFF SUGGESTION SCHEME AT THE HONG KONG SCIENCE MUSEUM THIS AFTERNOON, MR PHILLIPSON SAID SINCE THE SCHEME WAS INTRODUCED THREE YEARS AGO, A LARGE NUMBER OF PROJECTS HAD BEEN SUCCESSFULLY COMPLETED AND IMPLEMENTED.

HE NOTED THAT 13 NEW WITS WERE SET UP IN THE DEPARTMENT'S OPERATIONS AND MAINTENANCE DIVISION TOWARDS THE END OF LAST YEAR.

"I AM PLEASANTLY SURPRISED TO SEE THAT EACH OF THESE TEAMS HAS ALREADY COMPLETED ITS FIRST CASE STUDY.

"ALL OF THE IMPROVEMENTS MADE HAVE GONE A LONG WAY TOWARDS ENHANCING OUR SERVICE TO OUR CUSTOMERS," MR PHILLIPSON SAID.

ON THE STAFF SUGGESTION SCHEME, MR PHILLIPSON SAID HE HAD RECEIVED 26 SUGGESTIONS, A NUMBER WHICH HAD INCREASED YEAR BY YEAR.

POINTING OUT THAT CONSIDERABLE HARD WORK AND DEVOTION HAD GONE INTO THESE PROJECTS, MR PHILLIPSON SAID ALL THE STAFF'S EFFORTS WERE GREATLY APPRECIATED AND HE WAS SURE THEY WOULD ALL PROVIDE A VALUABLE CONTRIBUTION TO EMSD'S FUTURE BUSINESS.

THE WIT SCHEME WAS FIRST INTRODUCED AT THE EMSD'S WORKS DIVISION AT THE END OF 1991 ON A TRIAL BASIS.

THE CONCEPT OF THE SCHEME IS SETTING UP VOLUNTARY TEAMS AMONG EMPLOYEES WHOSE WORKS ARE OF A SIMILAR NATURE.

THROUGH REGULAR MEETINGS AND OTHER ACTIVITIES, TEAM MEMBERS INITIATED DISCUSSIONS AND STUDIES PROBLEMS IN THE AREA OF THEIR WORK WITH THE AIM OF IMPROVING THEIR PRODUCTIVITY.

/THE MANAGEMENT

THE MANAGEMENT STAFF, ON THE OTHER HAND, ARE RESPONSIBLE FOR THE PLANNING AND GUIDANCE WORK.

APART FROM PROVIDING TEAM MEMBERS ADEQUATE TRAINING, THEY MADE ARRANGEMENT FOR THEM TO PARTICIPATE IN LOCAL AND INTERNATIONAL SEMINARS TO ENHANCE THEIR KNOWLEDGE ON THE ENTIRE CONCEPT AND TO DEVELOP THEIR POTENTIALS.

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FIGHT CRIME AND ANTI-NARCOTICS CONCERT

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A FIGHT CRIME AND ANTI-NARCOTICS CONCERT FEATURING "FIGHT CRIME STAR" MR ANDY LAU WILL BE STAGED AT SOUTHERN PLAYGROUND IN WAN CHAI BETWEEN 1.30 PM AND 4 PM ON CHRISTMAS EVE.

ORGANISED BY THE WAN CHAI DISTRICT FIGHT CRIME COMMITTEE, THE CONCERT AIMS TO DISSEMINATE FIGHT CRIME AND ANTI-NARCOTICS MESSAGES TO THE PUBLIC, IN PARTICULAR YOUNGSTERS.

THE SPECIAL EVENT IS CO-ORGANISED BY THE RADIO TELEVISION HONG KONG AND WARNER MUSIC HK LTD.

FRIENDS OF MR ANDY LAU AND DISC JOCKEYS FROM RADIO TWO OF RTHK WILL ALSO TAKE PART IN THE PERFORMANCE.

SOME OF THE FREE ADMISSION TICKETS ARE NOW AVAILABLE AT THE WAN CHAI DISTRICT OFFICE'S PUBLIC ENQUIRY SERVICES CENTRE AT 2 O'BRIEN ROAD. TICKETS ARE DISTRIBUTED ON A FIRST-COME, FIRST-SERVED BASIS.

THE CONCERT IS CO-SPONSORED BY THE WAN CHAI DISTRICT BOARD, THE ACTION COMMITTEE AGAINST NARCOTICS, THE FIGHT CRIME COMMITTEE AND HUTCHISON TELEPHONE CO. LTD.

ENQUIRIES CAN BE MADE ON TEL 835 1970.

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266 VIETNAMESE RETURN HOME VOLUNTARILY

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A GROUP OF 266 VIETNAMESE MIGRANTS TODAY (WEDNESDAY) RETURNED TO VIETNAM UNDER THE VOLUNTARY REPATRIATION PROGRAMME OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES.

COMPRISING 98 MEN, 77 WOMEN, 48 BOYS AND 43 GIRLS, THEY WERE THE 220TH BATCH TO GO BACK UNDER THE PROGRAMME.

THE GROUP BROUGHT TO 4,789 THE TOTAL NUMBER OF VIETNAMESE MIGRANTS WHO HAD RETURNED VOLUNTARILY THIS YEAR, AND TO 43,402 THE TOTAL NUMBER OF RETURNEES SINCE THE PROGRAMME STARTED IN MARCH 1989.

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WEDNESDAY, NOVEMBER 30, 1994

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HONG KONG MONETARY AUTHORITY
MONEY MARKET OPERATIONS

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	\$ MILLION	TIME (HOURS)	CUMULATIVE CHANGE (\$ MILLION)
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OPENING BALANCE IN THE ACCOUNT	1,282	0930	-679
CLOSING BALANCE IN THE ACCOUNT	2,904	1000	+1,079
CHANGE ATTRIBUTABLE TO :		1100	+2,329
MONEY MARKET ACTIVITY	+2,032	1200	+2,229
LAF TODAY	-410	1500	+2,234
		1600	+2,032
LAF RATE 3.75% BID/5.75% OFFER	TWI 121.7	**+0.1*	30.11.94

HONG KONG MONETARY AUTHORITY

EF BILLS

EF NOTES/HONG KONG GOVERNMENT BONDS

TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	4.93	18 MONTHS	2605	6.35	99.48	6.84
1 MONTH	4.99	24 MONTHS	2611	6.90	99.58	7.26
3 MONTHS	5.36	29 MONTHS	3704	6.15	97.30	7.53
6 MONTHS	5.75	35 MONTHS	3710	7.25	99.00	7.78
12 MONTHS	6.44	58 MONTHS	5909	7.45	97.06	8.36

TOTAL TURNOVER OF BILLS AND BONDS - 30,442 MN

CLOSED 30 NOVEMBER 1994

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DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 842 8777

SUPPLEMENT

WEDNESDAY, NOVEMBER 30, 1994

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MOTION DEBATE ON STOCK FUTURES CONTRACT

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FOLLOWING IS THE SPEECH BY THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, IN THE MOTION DEBATE ON STOCK FUTURES CONTRACT IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR PRESIDENT,

LET ME SET THE RECORD STRAIGHT FROM THE OUTSET ON THE WORDING OF THIS MOTION. IT IS INACCURATE AND WIDE OF THE MARK IN ALMOST EVERY MATERIAL RESPECT. THE GOVERNMENT IS NOT INVOLVED, AS THIS MOTION SUGGESTS, IN DECIDING ON THE INTRODUCTION OF NEW PRODUCTS TO THE EXCHANGES. AS LONG AS NEW PRODUCTS MEET THE APPROPRIATE STATUTORY DEFINITIONS, QUESTIONS OF WHETHER TO HAVE THEM, WHAT THEY SHOULD BE AND WHEN AND HOW TO INTRODUCE THEM ARE ENTIRELY MATTERS WITHIN THE DISCRETION OF THE RESPECTIVE EXCHANGES, SUBJECT ONLY TO THE APPROVAL OF THE SECURITIES AND FUTURES COMMISSION AS TO THE REGULATORY AND RISK MANAGEMENT ARRANGEMENTS.

IT IS QUITE WRONG THEREFORE TO SUGGEST THAT IT IS GOVERNMENT'S DECISION AS TO WHETHER OR NOT THIS PRODUCT SHOULD BE INTRODUCED. IT IS NOT. INDEED THE PRODUCT HAS NOT YET BEEN INTRODUCED AT ALL. THE FUTURES EXCHANGE HAS ANNOUNCED THE PRODUCT BUT DOES NOT INTEND TO INTRODUCE IT UNTIL AFTER THE COMPLETION OF THE CONSULTATION EXERCISE ON WHICH IT HAS NOW EMBARKED. AT THE TIME THIS MOTION WAS PUT DOWN, THEREFORE, THE SUGGESTION THAT THERE HAD NOT BEEN FULL CONSULTATION WAS PREMATURE. A NUMBER OF HONOURABLE MEMBERS HAVE TODAY LAID EMPHASIS ON THE DESIRABILITY OF CONSULTATION. I AM GLAD THEREFORE THAT THE FUTURES EXCHANGE IS CONDUCTING A THOROUGH EXERCISE AND WILL CAREFULLY ASSESS THE COMMENTS AND REACTIONS BEFORE FINALISING THE DETAILS AND INTRODUCING THE PRODUCT. WHATEVER THE FORMAL REQUIREMENTS, IT IS ALWAYS WISE TO PREPARE THE GROUND CAREFULLY BEFORE PROCEEDING WITH MATTERS OF THIS NATURE AND IT IS ALWAYS POSSIBLE AFTER THE EVENT TO CONCLUDE THAT MATTERS COULD HAVE BEEN HANDLED BETTER. IT WOULD CLEARLY BE WRONG, HOWEVER, TO ADOPT A MOTION CONDEMNING GOVERNMENT FOR INTRODUCING A PRODUCT ON THE FUTURES EXCHANGE WITHOUT CONSULTATION, AT A TIME WHEN THE RESPONSIBLE BODY, THE EXCHANGE AND NOT THE GOVERNMENT, WAS ACTUALLY CONDUCTING SUCH CONSULTATION PRIOR TO INTRODUCTION OF ITS PRODUCT.

/A FURTHER

A FURTHER POINT ON THE WORDING OF THE MOTION CONCERNS THE SUPPOSED REQUIREMENT TO ASSESS CRITICALLY THE MERITS AND DEMERITS OF THE PRODUCT. THIS AGAIN IS MISLEADING. IT IS NOT FOR GOVERNMENT TO CONDUCT SUCH AN ASSESSMENT ITSELF BUT RATHER FOR THE EXCHANGE AND THE SFC TO DO SO. THIS THEY HAVE DONE AND ADVISED THE GOVERNMENT ACCORDINGLY. THEIR ASSESSMENT RELATES TO THREE QUITE DIFFERENT TYPES OF RISK. LET ME EXPLAIN THESE TYPES OF RISK AND THE SEPARATE RESPONSIBILITIES FOR THEM. FIRST OF ALL IS THE COMMERCIAL RISK THAT ANY COMMERCIAL OPERATION HAS TO ACCEPT IN DECIDING TO LAUNCH A NEW PRODUCT ONTO THE RELEVANT MARKET. THIS DEPENDS ENTIRELY ON THE EXERCISE OF COMMERCIAL JUDGEMENT : THE CONSEQUENT SUCCESS OR FAILURE OF THE PRODUCT WILL BE ENTIRELY DOWN TO THE ORGANISATION CONCERNED, IN THIS CASE THE FUTURES EXCHANGE. CLEARLY THEY MUST CARRY OUT THEIR OWN CRITICAL ASSESSMENT OF THE MERITS AND DEMERITS OF THE PRODUCT, AND IT IS APPARENT THAT THEY HAVE DONE SO. THEY HAVE ALSO TAKEN THE VIEW THAT THE PRODUCT WILL BE BENEFICIAL TO THE DEVELOPMENT AND OPERATION OF THE HONG KONG MARKET, A VIEW THAT HAS BEEN ENDORSED BY THE SFC. DERIVATIVES SUCH AS THESE ARE AN IMPORTANT PART OF THE RANGE OF PRODUCTS THAT MUST BE AVAILABLE IN A MODERN, SOPHISTICATED FINANCIAL CENTRE, PARTICULARLY ONE LIKE HONG KONG THAT ASPIRES TO MAINTAIN AND DEVELOP ITS FUND MANAGEMENT INDUSTRY IN THE FACE OF COMPETITIVE CHALLENGES FROM ELSEWHERE IN THE REGION.

SECONDLY IS THE RISK TO THE INDIVIDUAL INVESTOR WHEN HE DECIDES TO BUY OR SELL ANY PARTICULAR INVESTMENT PRODUCT. THIS "INVESTMENT RISK" IS ENTIRELY A MATTER FOR THE INVESTOR AND HIS OR HER BROKER TO ASSESS. IT IS THE BROKER'S OBLIGATION TO EXERCISE DUE DILIGENCE IN ENSURING THE SUITABILITY OF THE INVESTMENT FOR THE CLIENT. THE RESPONSIBILITY OF THE EXCHANGE, UNDER THE SUPERVISION OF THE SFC, IS TO ENSURE THAT ALL THE RELEVANT FACTS ABOUT THE PRODUCT, INCLUDING THE POTENTIAL LOSSES IN TRADING SUCH A PRODUCT, ARE FULLY DISCLOSED AND AVAILABLE TO INVESTORS. THIS WILL ALREADY BE THE CASE IN RESPECT OF STOCK FUTURES, BUT IT SHOULD ALSO BE NOTED THAT THIS IS A SPECIALISED LEVERAGED PRODUCT DESIGNED MAINLY FOR THE USE OF PROFESSIONAL INVESTORS AS HEDGING INSTRUMENTS. SMALL INVESTORS AND OTHERS WHO DO NOT WELL UNDERSTAND THE RISKS INVOLVED MIGHT WELL BE ADVISED TO AVOID THEM, AND THAT SHOULD APPLY EQUALLY TO STOCK OPTIONS AS IT DOES TO FUTURES AND OTHER SUCH PRODUCTS. HEALTH WARNINGS ARE ISSUED FROM TIME TO TIME IN RESPECT OF ALL INVESTMENT PRODUCTS AND CLEARLY THAT MUST BE DONE AT THE INCEPTION OF ANY NEW PRODUCT.

THE THIRD TYPE OF RISK WHICH ARISES WITH ANY INVESTMENT PRODUCT IS SYSTEMIC RISK, THAT IS THE RISK TO THE MARKET SYSTEMS INHERENT IN TRADING, CLEARING AND SETTLEMENT. THIS IS THE TYPE OF RISK THAT IS THE FOCUS AND PURPOSE OF THE RISK MANAGEMENT SYSTEMS OPERATED BY THE EXCHANGES UNDER THE SUPERVISION OF THE SFC. THESE SYSTEMS HAVE BEEN THOROUGHLY OVERHAULED AND REFORMED SINCE THE EVENTS OF 1987, A REFORM PROCESS THAT INCLUDED THE ESTABLISHMENT OF THE SFC ITSELF. TODAY HONG KONG'S RISK MANAGEMENT IS WIDELY RECOGNISED AS BEING SOUND, WELL-RUN AND FULLY UP TO INTERNATIONAL STANDARDS. INDEED THIS IS ONE OF THE MORE IMPORTANT FACTORS THAT HAS ENCOURAGED SO MANY INTERNATIONAL PLAYERS TO RE-ENTER OUR MARKET IN RECENT YEARS. THE RISK MANAGEMENT ARRANGEMENTS PROPOSED FOR STOCK FUTURES ARE BASED ON THE TRIED AND TESTED SYSTEMS ALREADY APPLIED SUCCESSFULLY TO INDEX FUTURES. THE SFC, AS THE MARKET REGULATOR, IS FULLY SATISFIED THAT THE FUTURES EXCHANGE HAS THE ABILITY, THE EXPERIENCE AND THE RIGHT PROCEDURES TO HANDLE THE SYSTEMIC RISKS ASSOCIATED WITH THE TRADING OF STOCK FUTURES. IN THIS PARTICULAR CASE, THE SFC HAS, HOWEVER, EXPRESSED A PREFERENCE FOR AN ADDITIONAL ASPECT OF REGULATION AND RISK MANAGEMENT, NAMELY THE APPLICATION OF POSITION LIMITS, TO HAVE THE STATUTORY BACKING OF THE COMMODITIES TRADING ORDINANCE IN ORDER THAT CRIMINAL SANCTIONS WILL APPLY TO THOSE WHO BREACH THE LIMITS AND THUS TO PROVIDE BETTER PROTECTION TO INVESTORS. THE CONSEQUENT DECISION OF THE GOVERNOR-IN-COUNCIL TO ADD THE NAME OF THIS PRODUCT TO THE SCHEDULE OF THE ORDINANCE REPRESENTS GOVERNMENT'S ONLY, AND NECESSARILY VERY LIMITED, INVOLVEMENT IN WHAT IS ESSENTIALLY A MARKET DEVELOPMENT MATTER. THIS MINOR LEGISLATIVE AMENDMENT IS NOT A PRE-REQUISITE TO THE TRADING OF THE PRODUCT, WHICH NEEDS ONLY THE APPROVAL OF THE SFC, BUT IT DOES REPRESENT THE REGULATOR'S CONCERN THAT THE LEVEL OF REGULATION AND RISK MANAGEMENT SHOULD BE AS HIGH AS POSSIBLE.

I HAVE GONE TO SOME LENGTH TO CLARIFY THE RESPONSIBILITY OF DIFFERENT PARTIES FOR THE CRITICAL ASSESSMENT OF THE MERITS AND DEMERITS OF AN INVESTMENT PRODUCT IN ORDER TO ILLUSTRATE THE CONFUSION AND OVER-SIMPLIFICATION THAT UNDERLIES THE WORDING OF THIS MOTION.

LET ME NOW TURN TO SOME OF THE OTHER POINTS WHICH HAVE COME UP ON THIS SUBJECT, INCLUDING IN TODAY'S DEBATE.

FIRST ARE THE SUGGESTIONS THAT STOCK FUTURES WOULD INCREASE THE VOLATILITY OF SHARE PRICES, AFFECT THE CASH MARKET'S ABILITY TO RAISE CAPITAL AND COMPETE WITH STOCK OPTIONS. ON VOLATILITY, THE EXPERIENCE OF TRADING SIMILAR PRODUCTS ELSEWHERE AND THE WEIGHT OF EXPERT OPINION, BOTH LOCALLY AND INTERNATIONALLY, DO NOT SUPPORT THE PROPOSITION THAT DERIVATIVE TRADING SERVES TO INCREASE VOLATILITY IN THE CASH MARKET. ON THE CONTRARY, IT HAS BEEN SHOWN THAT DERIVATIVES TEND TO INCREASE THE OVERALL LIQUIDITY, WHICH IN TURN SERVES TO RAISE THE LEVEL OF MARKET ACTIVITY GENERALLY. AS REGARDS COMPETITION WITH SECURITIES AND STOCK OPTIONS, THE PRODUCTS OUGHT NOT TO COMPETE WITH EACH OTHER SINCE THEY HAVE A DIFFERENT RISK PROFILE AND WILL SATISFY THE NEEDS OF DIFFERENT TYPES OF INVESTORS. THE EVIDENCE OF THIS IS ALREADY CLEARLY VISIBLE IN THE FUTURES EXCHANGE ITSELF : THE PRE-EXISTENCE OF HANG SENG INDEX FUTURES HAS NOT DETRACTED FROM THE SUCCESSFUL DEVELOPMENT OF THE MARKET FOR HANG SENG INDEX OPTIONS SINCE THE INTRODUCTION OF THE LATTER IN MARCH 1993. NOR, CONVERSELY, HAVE INDEX OPTIONS DETRACTED FROM THE MARKET FOR THE INDEX FUTURES. THERE IS ROOM FOR THE TWO PRODUCTS TO CO-EXIST AS THERE WILL BE FOR STOCK FUTURES AND STOCK OPTIONS. NOR WOULD THE STOCK EXCHANGE PROCEED WITH STOCK OPTIONS, AS IT HAS NOW COMMITTED TO DO, IF IT THOUGHT THAT CONCERNS OF CONSEQUENTIAL EFFECTS ON THE CASH MARKET WERE WELL-FOUNDED.

/SOME HAVE

SOME HAVE ALLEGED THAT THE GOVERNMENT HAS BEEN "TOO HASTY AND POSITIVE" IN PROMOTING THE PRODUCT. I HAVE DIFFICULTIES WITH THE CRITICISM MR PRESIDENT. THE GOVERNMENT'S POLICY IS TO SUPPORT MARKET DEVELOPMENT AND PRODUCT INNOVATION ON BOTH EXCHANGES. WE WILL BE NO LESS ENTHUSIASTIC ABOUT STOCK OPTIONS ALTHOUGH THERE IS NO NECESSARY REASON FOR THEM TO BE INTRODUCED AT THE SAME TIME. WE WILL CONTINUE TO ASSIST THE REGULATOR IN EXERCISING HIS REGULATORY FUNCTIONS AS FAR AS NEW FINANCIAL INSTRUMENTS ARE CONCERNED. IN THIS PARTICULAR CASE, THE INVOLVEMENT OF THE GOVERNMENT HAS BEEN CONFINED TO MAKING THE NECESSARY CHANGES TO SCHEDULE 1 OF THE COMMODITIES TRADING ORDINANCE TO FACILITATE BETTER REGULATION OF STOCK FUTURES. THERE IS THEREFORE NO QUESTION THAT THE GOVERNMENT IS INTERVENING IN THE LAUNCHING OR PROMOTION OF THE PRODUCT, RATHER WE ARE ENCOURAGING PRODUCT DEVELOPMENT IN GENERAL.

IT HAS BEEN SUGGESTED THAT THE WORRIES OF THE FUTURES EXCHANGE ABOUT COMPETITION FROM OTHER MARKETS WERE UNFOUNDED SINCE SUCH MARKETS SIMPLY CANNOT TRADE A FUTURES CONTRACT ON HONG KONG STOCKS WITHOUT THE CO-OPERATION OF THE STOCK EXCHANGE IN HONG KONG. THOSE SUPPORTING THIS ARGUMENT, I MUST SAY, HAVE GROSSLY UNDER-ESTIMATED THE COMPETITIVENESS OF EXCHANGES ELSEWHERE.

THERE ARE PLENTY OF EXAMPLES SHOWING THAT THE TRADING OF DERIVATIVES CAN BE CONDUCTED WITHOUT THE CO-OPERATION OF THE HOME MARKET FOR THE UNDERLYING SECURITIES. SIMEX IN SINGAPORE HAS ALREADY PROVEN ITS WILLINGNESS AND ABILITY SUCCESSFULLY TO TRADE PRODUCTS SUCH AS FUTURES AND OPTIONS ON NIKKEI STOCK AVERAGE, FUTURES ON JAPANESE GOVERNMENT BONDS, ETC. DESPITE THE ACTIVE AND VOCAL OPPOSITION OF THE TOKYO STOCK EXCHANGE. SYDNEY HAS ALSO ANNOUNCED, PUBLICLY AND IN WRITING, ITS INTENTION TO TRADE FUTURES ON INDIVIDUAL INTERNATIONAL STOCKS. OTHER MARKETS ARE ALSO KNOWN TO BE DEVELOPING STOCK FUTURES AND IT IS ONLY A MATTER OF TIME BEFORE THEY ARE TRADED AROUND THE WORLD. HONG KONG SHOULD NOT ALLOW ITSELF TO FALL BEHIND.

IT HAS FURTHER BEEN SUGGESTED THAT THE INTRODUCTION OF STOCK FUTURES IN EFFECT ENCOURAGES INVESTORS TO BECOME MORE SPECULATIVE. SOME HAVE EVEN DESCRIBED THE PRODUCT AS A "GAMBLING INSTRUMENT". SUCH KIND OF LABELLING IS NOT CONDUCTIVE TO A RATIONAL DISCUSSION ON THE ISSUE.

AS WITH ALL OTHER INVESTMENT INSTRUMENTS, INCLUDING SECURITIES THEMSELVES, STOCK FUTURES CAN HAVE A SPECULATIVE ANGLE. BUT THE MERE FACT THAT SOME INVESTORS MAY USE AN INSTRUMENT FOR THE PURPOSE OF SPECULATION SHOULD NOT BE A REASON FOR NOT DEVELOPING OUR MARKET. OTHERWISE, WE WOULD HAVE TO BAN INVESTMENT PRODUCTS FROM TRADING IN HONG KONG ALTOGETHER, WHICH IS PLAINLY ABSURD.

THE HONOURABLE CHIM PUI-CHUNG HAS ASKED FOR AN UNDERTAKING FROM THE GOVERNMENT THAT, SHOULD STOCK FUTURES LEAD TO A COLLAPSE OF THE FUTURES MARKET, OTHER SECTORS OF OUR FINANCIAL MARKETS SHOULD NOT BE ASKED TO BAIL OUT THE FUTURES EXCHANGE.

FIRST, WE DO NOT BELIEVE THAT THE TRADING OF STOCK FUTURES WILL LEAD TO A REPEAT OF THE 1987 INCIDENT. WHILE THE 1987 EXPERIENCE IS STILL VIVIDLY IN OUR MIND, ONE SHOULD REMEMBER THAT THE RISK MANAGEMENT SYSTEM OF THE FUTURES EXCHANGE HAS BEEN COMPLETELY REVAMPED SINCE THE CRASH. THE EXCHANGE NOW ADOPTS SOPHISTICATED RISK MANAGEMENT TECHNIQUES AND ARRANGEMENTS AND THE SYSTEM IS REGARDED AS ONE OF THE MOST EFFECTIVE AND CONSERVATIVE BY THE INTERNATIONAL FINANCIAL COMMUNITY. THE EXCHANGE'S ABILITY TO HANDLE EXCEPTIONAL MARKET FLUCTUATIONS HAS BEEN FREQUENTLY DEMONSTRATED, MOST RECENTLY BY THE MAJOR ADJUSTMENT OF OUR MARKET ONLY LAST WEEK, WHEN THE HANG SENG INDEX LOST ABOUT 6% WITHIN THE FIRST 15 MINUTES OF A TRADING DAY. INTRA-DAY MARGIN CALLS MADE BY THE FUTURES EXCHANGE WERE, AS USUAL, ALL PROMPTLY MET.

I MUST REITERATE THAT THE SECURITIES AND FUTURES COMMISSION, IN EXAMINING THE STOCK FUTURES PLAN, HAS SATISFIED ITSELF THAT THE CURRENT RISK MANAGEMENT SYSTEM OF THE FUTURES EXCHANGE CAN ADEQUATELY COPE WITH THE SYSTEMIC RISKS ARISING FROM THE PRODUCT. DURING THE CONSULTATION, ALL INTERESTED PARTIES HAVE THE OPPORTUNITY TO SCRUTINISE THE DETAILED PROPOSALS. SO FAR, NO CONCRETE ARGUMENTS HAVE BEEN ADVANCED TO SUBSTANTIATE ANY ALLEGED INADEQUACY IN THE SYSTEM.

IN A WAY, THE EXISTENCE OF SUCH AN EXCELLENT RISK MANAGEMENT SYSTEM ALREADY ADDRESSES THE CONCERNS EXPRESSED BY SOME MARKET PRACTITIONERS, THAT THE FUTURES EXCHANGE SHOULD ITSELF BE ABLE TO ABSORB FINANCIAL LOSSES TO THE MARKET ARISING FROM THE PRODUCT, EVEN UNDER VERY TAXING CIRCUMSTANCES. THE CHANCES OF A REPETITION OF A CATASTROPHIC FAILURE ON THE SCALE WHICH OCCURRED IN 1987 ARE NOW VERY REMOTE AND ALL OUR EFFORTS IN THE REFORMS OF RECENT YEARS HAVE BEEN TO REDUCE THEM TO THE ABSOLUTE MINIMUM. WHAT WOULD BE DONE IN THE UNLIKELY EVENT OF ANYTHING SIMILAR OCCURRING IN FUTURE WOULD NECESSARILY HAVE TO DEPEND ON THE NATURE AND CIRCUMSTANCES OF THE PROBLEM. NO RESPONSIBLE GOVERNMENT COULD EVER GIVE ANY BLANKET ASSURANCES TO RESCUE THE MARKET OR TO USE ANY PARTICULAR METHOD TO DO SO. IN PRINCIPLE, HOWEVER, EACH MARKET INSTITUTION, THE STOCK EXCHANGE, THE CENTRAL CLEARING AND SETTLEMENT SYSTEM AND THE FUTURES EXCHANGE, SHOULD HAVE, AND DOES HAVE, ITS OWN SUBSTANTIAL RESERVE FUND TO PROVIDE A CUSHION AGAINST ANY FAILURE ARISING FROM ITS OWN OPERATIONS.

MR PRESIDENT, SOME HAVE CRITICISED THE FACT THAT THE FUTURES EXCHANGE CHOSE TO MAINTAIN CONFIDENTIALITY AT THE PRODUCT DEVELOPMENT PHASE. AS POINTED OUT ON VARIOUS OCCASIONS RECENTLY, THIS PROCEDURE WAS FOLLOWED BECAUSE THE FUTURES EXCHANGE WAS AWARE THAT OTHER MARKETS WERE DEVELOPING SIMILAR PRODUCTS USING HONG KONG LISTED STOCKS AS THE UNDERLYING SECURITIES. PRE-MATURE ANNOUNCEMENT OF THE PLAN COULD HAVE RESULTED IN OTHER MARKETS SPEEDING UP THEIR PRODUCT DEVELOPMENT AND THUS FRUSTRATING THE EFFORTS OF THE FUTURES EXCHANGE. HONOURABLE MEMBERS SHOULD NOTE THAT WE ARE TALKING ABOUT COMPETITION WITH HIGHLY SUCCESSFUL EXCHANGES WITH AN AGGRESSIVE TRACK RECORD OF TRADING INTERNATIONALISED PRODUCTS. IT IS ONLY PRUDENT NOT TO TAKE SUCH A COMPETITIVE THREAT LIGHTLY.

AS I HAVE ALREADY POINTED OUT, THE IMPORTANT POINT IS THAT THE FUTURES EXCHANGE HAS NOT YET INTRODUCED THE PRODUCT. IT IS DISCUSSING THE DETAILS WITH THE STOCK EXCHANGE AND IS GAUGING THE VIEWS OF PROFESSIONAL BODIES ON THE MATTER. THE FUTURES EXCHANGE WILL TAKE INTO ACCOUNT THE VIEWS OF THE MARKET BEFORE FIRING UP THE DETAILS OF THE PRODUCT.

SOME HAVE URGED THAT THE INTRODUCTION OF THE PRODUCT SHOULD BE DEFERRED PENDING THE OUTCOME OF THE FUTURES EXCHANGE'S DISCUSSION WITH THE PROFESSIONAL BODIES. AS I SAID, THE PRODUCT HAS NOT YET BEEN INTRODUCED, AND THE FUTURES EXCHANGE WILL NOT INTRODUCE IT UNTIL IT HAS COMPLETED ITS CONSULTATION AND TAKEN INTO ACCOUNT THE COMMENTS OF THE MARKET. ONLY THEN WILL IT FINALISE THE DATE FOR LAUNCHING THE PRODUCT. HOWEVER, FROM THE POINT OF VIEW OF MARKET DEVELOPMENT AND THE NEED TO MAINTAIN HONG KONG'S COMPETITIVE EDGE, THE ADMINISTRATION'S VIEW IS THAT THE EXCHANGE SHOULD INTRODUCE THE PRODUCT AS SOON AS POSSIBLE, CONSISTENT WITH ITS COMMITMENT TO CONSULT AND WITH THE SATISFACTION OF THE SFC. SO FAR, HOWEVER, THE SFC HAS EXPRESSED NO REGULATORY CONCERN THAT WOULD JUSTIFY FURTHER DELAY.

MR. PRESIDENT, DR THE HONOURABLE PHILIP WONG EXPRESSED THE OPINION THAT WE SHOULD LEAVE IT TO OTHER MARKETS TO TRADE SUCH HIGH RISK PRODUCTS. THIS ARGUMENT IS BASED ON THE MISGUIDED ASSUMPTION THAT THE PRODUCT IS BOUND TO CREATE A PROBLEM FOR THE LOCAL MARKET. IT SHOULD BE CLEAR FROM ALL THAT I HAVE SAID SO FAR THAT SUCH "PERCEIVED THREATS" ARE NOT SUPPORTED BY ANY OBJECTIVE AND RATIONAL CONSIDERATION OF THE CASE.

IN ANY EVENT, DERIVATIVE PRODUCT DEVELOPMENT IS A GLOBAL PHENOMENON. TO ALLOW SUCH POTENTIAL LOCAL BUSINESS TO DRIFT OFF-SHORE SIMPLY RUNS CONTRARY TO OUR POLICY OF MAINTAINING THE GENERAL COMPETITIVENESS OF OUR MARKET AND THE STATUS OF HONG KONG AS AN INTERNATIONAL FINANCIAL CENTRE VIS-À-VIS OTHER MARKETS KEEN TO ENHANCE THEIR OWN ATTRACTIVENESS TO INTERNATIONAL INVESTORS.

MR PRESIDENT, IT IS CLEAR FROM ALL THE FOREGOING THAT WHATEVER THE MERITS AND DEMERITS OF STOCK FUTURES, THE WORDING OF THIS MOTION IS MISPLACED AND INAPPROPRIATE. TO CARRY THE MOTION WOULD SEND AN UNFORTUNATE MESSAGE TO THE MARKET THAT THE LEGISLATURE BELIEVES THAT THE GOVERNMENT SHOULD INTERVENE IN MARKET DEVELOPMENT EVEN IF THE REGULATOR IS SATISFIED WITH THE RISK MANAGEMENT AND INVESTOR PROTECTION ASPECTS. THE SUCCESS OF HONG KONG AS ONE OF THE MOST IMPORTANT CAPITAL MARKETS IN THE WORLD HAS BEEN BUILT ON, AMONG OTHER THINGS, OUR POLICY OF FREE MARKET OPERATION WITH THE MINIMUM INTERVENTION FROM GOVERNMENT. THIS POLICY HAS SERVED HONG KONG WELL. THERE IS NO REASON TO ABANDON THIS POLICY, AS WOULD BE IMPLIED IF MEMBERS WERE TO SUPPORT THE MOTION AND TAKE STEPS TO SUBJECT MARKET OPERATION AND DEVELOPMENT ISSUES TO GOVERNMENT INTERVENTION, THUS STIFLING ANY MARKET INITIATIVES.

IN THE CIRCUMSTANCES, MR PRESIDENT, THE ADMINISTRATION IS NOT IN A POSITION TO SUPPORT THE MOTION. I WOULD URGE HONOURABLE MEMBERS TO JOIN THE OFFICIAL MEMBERS IN VOTING AGAINST IT.

PRISONERS' EDUCATION TRUST FUND BILL

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FOLLOWING IS THE SPEECH BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN MOVING THE SECOND READING OF THE PRISONERS' EDUCATION TRUST FUND BILL IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR PRESIDENT,

I MOVE THAT THE PRISONERS' EDUCATION TRUST FUND BILL BE READ A SECOND TIME. THIS BILL SEEKS TO ESTABLISH A TRUST FUND TO HELP PRISONERS WHO WISH TO PURSUE ACADEMIC COURSES WHILE IN PRISON.

HONG KONG HAS A PENAL SYSTEM WHICH PLACES EMPHASIS ON REHABILITATION. AS PART OF THEIR REHABILITATION, PRISONERS ARE ENCOURAGED TO PURSUE ACADEMIC AND VOCATIONAL STUDIES TO PREPARE THEMSELVES FOR REINTEGRATION INTO THE COMMUNITY UPON RELEASE. THIS IS BASED ON THE PREMISE THAT PRISONERS WITH BETTER EDUCATION AND VOCATIONAL SKILLS ARE BETTER ABLE TO REINTEGRATE SUCCESSFULLY INTO SOCIETY UPON THEIR RELEASE.

THE CORRECTIONAL SERVICES DEPARTMENT HAS DEVELOPED DIFFERENT PROGRAMMES OF EDUCATION AND VOCATIONAL TRAINING FOR INMATES AS PART OF THE REHABILITATION PROCESS. YOUNG OFFENDERS AGED BETWEEN 14 AND 21 ARE REQUIRED TO ATTEND EDUCATIONAL AND VOCATIONAL TRAINING CLASSES CONDUCTED IN THE CORRECTIONAL INSTITUTIONS.

OPPORTUNITIES FOR STUDY ARE OFFERED TO ADULT OFFENDERS ON A VOLUNTARY BASIS. THESE ARE PROVIDED IN THE FORM OF REMEDIAL CLASSES, CORRESPONDENCE COURSES AND SPECIAL SELF-STUDY COURSES. IN 1993, 420 PRISONERS WERE ENROLLED IN CORRESPONDENCE COURSES; 93 IN TECHNICAL COURSES AND 29 IN EXTERNAL DEGREE COURSES. THE RESULTS OF ADULT AND YOUNG OFFENDERS IN EXTERNAL EXAMINATIONS ARE VERY ENCOURAGING. IN 1993, THEY ACHIEVED AN 81% PASS RATE IN THE HONG KONG CERTIFICATE OF EDUCATION EXAMINATION, AND BETWEEN 60% AND 70% PASS RATE IN MOST OF THE SUBJECTS IN THE LONDON CHAMBER OF COMMERCE AND INDUSTRY EXAMINATION. THESE RATES ARE BETTER THAN THOSE ACHIEVED BY STUDENTS IN OPEN SOCIETY.

IN VIEW OF THE BENEFITS TO PRISONERS OF PURSUING ACADEMIC STUDIES, EVERY ASSISTANCE IS PROVIDED BY THE CORRECTIONAL SERVICES DEPARTMENT TO ENCOURAGE MORE PRISONERS TO STUDY. LIBRARY BOOKS ARE AVAILABLE IN ALL PENAL INSTITUTIONS, WHILE PART-TIME AND FULL-TIME TEACHERS ARE RECRUITED TO CONDUCT CLASSES AND TO ASSIST PRISONERS IN THEIR SELF-STUDY COURSES.

HOWEVER, IT IS NOT POSSIBLE FOR THE CORRECTIONAL SERVICES DEPARTMENT TO CATER FOR THE NEEDS OF EACH AND EVERY PRISONER. IT IS WITH THIS IN MIND THAT I PUT FORWARD THE PRISONERS' EDUCATION TRUST FUND BILL. UNDER THIS BILL, A PRISONERS' EDUCATION TRUST FUND WILL BE ESTABLISHED TO PROVIDE FINANCIAL RESOURCES TO PRISONERS FOR ACADEMIC STUDIES. IT WILL ALSO BE USED TO SET UP EDUCATIONAL FACILITIES, SUCH AS A LANGUAGE LABORATORY AND A COMPUTER ROOM, FOR PRISONERS' USE. THE FUND WILL BE AVAILABLE FOR ALL PRISONERS, ALTHOUGH IT IS INTENDED PRIMARILY TO ASSIST THOSE ADULT PRISONERS WITH NO ALTERNATIVE EDUCATIONAL OPPORTUNITIES AVAILABLE TO THEM.

THE COMMISSIONER OF CORRECTIONAL SERVICES WILL BE THE TRUSTEE OF THE FUND, AND A TRUST FUND COMMITTEE WILL BE SET UP TO MANAGE THE FUND. TO ADVISE ON THE INVESTMENT OF THE FUND, I WILL APPOINT AN INVESTMENT ADVISORY COMMITTEE.

MR PRESIDENT, FOR PRISONERS, EDUCATION IS A VERY IMPORTANT PART OF THEIR REHABILITATION AND EVENTUAL REINTEGRATION INTO THE COMMUNITY. I THEREFORE COMMEND THIS BILL TO THE COUNCIL.

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MERCHANT SHIPPING (SEAFARERS) BILL

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FOLLOWING IS THE SPEECH BY THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, IN MOVING THE MERCHANT SHIPPING (SEAFARERS) BILL IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR PRESIDENT,

I MOVE THAT THE MERCHANT SHIPPING (SEAFARERS) BILL BE READ A SECOND TIME.

THE PURPOSE OF THE BILL IS TO

- (A) LOCALISE THOSE ITEMS OF UK MERCHANT SHIPPING LEGISLATION WHICH APPLY TO HONG KONG; AND
- (B) TO CONSOLIDATE EXISTING HONG KONG LEGISLATION WHICH REGULATES THE EMPLOYMENT AND CONDITIONS OF WORK OF SEAFARERS,

INTO ONE SINGLE ENACTMENT. THIS IS PART OF AN ON-GOING LOCALISATION OF LAWS EXERCISE WHICH AIMS TO ENSURE THAT THE EXISTING SYSTEM OF LAWS WILL CONTINUE AFTER 1997. THE SYSTEMATIC LOCALISATION OF MERCHANT SHIPPING LEGISLATION HAS BEEN UNDERWAY FOR SOME YEARS. THE PROCESS INVOLVES THE ENACTMENT OF PRIMARY AND SUBSIDIARY LEGISLATION ADDRESSING SUCH ISSUES AS MARINE POLLUTION, SHIPPING SAFETY AND THE ESTABLISHMENT OF THE HONG KONG SHIPPING REGISTER.

THE SEAFARERS BILL IS IN 15 PARTS. IT IS DRAWN UP WITH THE VIEW TO ACHIEVING FOUR OBJECTIVES -

- (A) IT CONSOLIDATES EXISTING HONG KONG LAWS RELATING TO THE EMPLOYMENT AND CONDITIONS OF WORK OF SEAFARERS, INCLUDING THE MERCHANT SHIPPING (RECRUITMENT OF SEAMEN) ORDINANCE;
- (B) IT REPEALS CERTAIN UK ENACTMENTS WHICH APPLY TO HONG KONG, IN PARTICULAR, THE MERCHANT SHIPPING (HONG KONG) ORDER 1936, AND OTHER RELATED STATUTORY INSTRUMENTS;
- (C) IT PROVIDES POWERS TO MAKE, IN HONG KONG, REGULATIONS EQUIVALENT TO THOSE MADE UNDER THE UK MERCHANT SHIPPING ACT 1970; AND

/(D) IT MODERNISES

- (D) IT MODERNISES AND RATIONALISES THE LAW RELATING TO SEAFARERS SO THAT IT BECOMES FULLY COMPLEMENTARY TO THE MERCHANT SHIPPING (REGISTRATION) ORDINANCE WHICH ESTABLISHED THE HONG KONG SHIPPING REGISTER.

MR PRESIDENT, SEAFARING IS A LONG ESTABLISHED PROFESSION. HONG KONG NOW HAS A VERY COMPREHENSIVE SYSTEM OF LAWS DEALING WITH THE EMPLOYMENT AND CERTIFICATION OF SEAFARERS. THIS IS IN LINE WITH THE STANDARDS AND PROCEDURES WHICH ARE WIDELY RECOGNISED AND PRACTISED IN OTHER MAJOR MARITIME JURISDICTIONS. IT IS NECESSARY THAT WE CONTINUE ALL THESE EXISTING WELL PROVEN ARRANGEMENTS AFTER 1997 SO THAT WE CAN MAINTAIN HONG KONG'S POSITION AS ONE OF THE WORLD'S MAJOR MARITIME CENTRES. THE BILL WILL HELP TO ACHIEVE THAT END.

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OCCUPATIONAL DEAFNESS (COMPENSATION) BILL

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FOLLOWING IS THE SPEECH BY THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR LAM WOON-KWONG, IN MOVING THE SECOND READING OF THE OCCUPATIONAL DEAFNESS (COMPENSATION) BILL IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR PRESIDENT,

I MOVE THE SECOND READING OF THE OCCUPATIONAL DEAFNESS (COMPENSATION) BILL.

THE BILL SEEKS TO SET UP A SCHEME FOR COMPENSATING EMPLOYEES SUFFERING FROM OCCUPATIONAL DEAFNESS DUE TO PROLONGED EXPOSURE TO EXCESSIVE NOISE IN THE WORKPLACE, AND TO ESTABLISH THE OCCUPATIONAL DEAFNESS COMPENSATION BOARD TO ADMINISTER THE SCHEME. TO BE ELIGIBLE FOR COMPENSATION, AN APPLICANT SHOULD BE SUFFERING FROM SUBSTANTIAL HEARING LOSS WHICH AMOUNTS TO SEVERE DIFFICULTY IN UNDERSTANDING HUMAN SPEECH AND MUST HAVE AT LEAST TEN YEARS OF EMPLOYMENT IN SPECIFIED NOISY OCCUPATIONS IN HONG KONG. BESIDES, HE SHOULD HAVE A PERIOD OF CONTINUOUS EMPLOYMENT IN A SPECIFIED NOISY OCCUPATION WITHIN THE 12 MONTHS PRECEDING THE APPLICATION FOR COMPENSATION.

IN ADDITION, A PERSON WHO HAS BEEN UNDER CONTINUOUS EMPLOYMENT IN A SPECIFIED NOISY OCCUPATION WITHIN THE 24 MONTHS IMMEDIATELY PRECEDING THE COMMENCEMENT OF THE SCHEME WOULD BE ELIGIBLE FOR COMPENSATION IF HE FULFILS THE OTHER DISABILITY AND OCCUPATIONAL REQUIREMENTS. THE INTENTION IS TO COVER PERSONS WHO HAVE BEEN ENGAGED IN NOISY OCCUPATIONS BUT HAVE LEFT SUCH EMPLOYMENT IN THE PERIOD OF TWO YEARS BEFORE THE COMMENCEMENT OF THE SCHEME.

/REGARDING THE

REGARDING THE DETERMINATION AND PAYMENT OF COMPENSATION, WE PROPOSE THAT THE COMPUTATION OF COMPENSATION FOR OCCUPATIONAL DEAFNESS SHOULD FOLLOW THE FORMULA FOR COMPENSATING PERMANENT INCAPACITY UNDER THE EMPLOYEES' COMPENSATION ORDINANCE. COMPENSATION WOULD BE PAID A LUMP SUM PAYMENT CALCULATED ACCORDING TO AN APPLICANT'S AGE, EARNINGS AND DEGREE OF PERMANENT INCAPACITY. UNDER THE SCHEME, TOTAL DEAFNESS, AS AN OCCUPATIONAL DISEASE, WOULD BE EQUATED TO 60% PHYSICAL INCAPACITY.

AS TO THE FUNDING OF THE SCHEME, WE PROPOSE THAT THE SCHEME SHOULD BE ESTABLISHED ON THE BASIS OF COLLECTIVE LIABILITY OF EMPLOYERS. THE REASON IS THAT OCCUPATIONAL DEAFNESS DEVELOPS OVER A PERIOD OF SEVERAL YEARS AND IT IS VERY DIFFICULT TO TRACK DOWN ALL PREVIOUS EMPLOYERS FOR THE PURPOSE OF DETERMINING COMPENSATION ON AN INDIVIDUAL LIABILITY BASIS.

AN OCCUPATIONAL DEAFNESS COMPENSATION FUND, TO BE FINANCED BY A 1.5% LEVY ON EMPLOYEES COMPENSATION INSURANCE PREMIUMS, WILL BE ESTABLISHED TO PAY COMPENSATION TO ELIGIBLE CLAIMANTS. GOVERNMENT, AS AN EMPLOYER, WOULD CONTRIBUTE TO THE FUND. TO ENABLE CLAIMANTS TO RECEIVE THEIR COMPENSATION AS EARLY AS POSSIBLE WITHOUT AWAITING THE BUILD-UP OF INCOME FOR THE FUND, GOVERNMENT HAS DECIDED TO INJECT \$100 MILLION AS START-UP FUND AND TO PROVIDE A FURTHER \$115 MILLION INTEREST FREE LOAN TO THE FUND.

I SHOULD EMPHASISE THAT THIS COMPENSATION SCHEME IS ONLY A REMEDIAL MEASURE FOR DEALING WITH THE PROBLEM OF OCCUPATIONAL DEAFNESS. AS AN ESTABLISHED POLICY, THE GOVERNMENT IS COMMITTED TO ADDRESSING THE ISSUE OF PREVENTION OF OCCUPATIONAL DEAFNESS. EMPLOYERS ARE REQUIRED BY LAW TO TAKE NECESSARY STEPS TO REDUCE NOISE AT SOURCE IN THE WORKPLACE AND TO PROVIDE EAR PROTECTORS TO EMPLOYEES. EMPLOYEES ALSO HAVE THE RESPONSIBILITY UNDER THE LAW TO USE EAR PROTECTORS WHEN THEY ARE LIKELY TO BE EXPOSED TO EXCESSIVE NOISE AT THE WORKPLACE. IN PARALLEL WITH ENFORCEMENT ACTION, THE GOVERNMENT WILL CONTINUE WITH PROMOTIONAL ACTIVITIES AND EDUCATION ON HEARING CONSERVATION. WITH THE SUPPORT OF THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL, MEASURES WILL CONTINUE TO BE TAKEN TO INCULCATE AN AWARENESS AMONG EMPLOYERS AS WELL AS EMPLOYEES OF THE IMPORTANCE OF HEARING PROTECTION.

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SECURITY AND GUARDING SERVICES BILL

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FOLLOWING IS THE SPEECH BY THE SECRETARY FOR SECURITY, MR ALISTAIR APSREY, IN THE RESUMED DEBATE ON SECURITY AND GUARDING SERVICES BILL IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

MR PRESIDENT,

I WOULD LIKE TO THANK MR WONG AND MEMBERS OF THE BILLS COMMITTEE FOR THEIR THOROUGH STUDY OF THE SECURITY AND GUARDING SERVICES BILL. THE COMMITTEE STAGE AMENDMENTS WHICH I AM GOING TO MOVE LATER THIS AFTERNOON ARE THE AGREED OUTCOME OF DISCUSSIONS IN THE BILLS COMMITTEE.

/THE BILL

THE BILL SEEKS TO IMPROVE THE STANDARD OF SERVICE PROVIDED BY THE SECURITY AND GUARDING SERVICES INDUSTRY THROUGH A LICENSING SYSTEM ON TWO LEVELS, THE GRANTING OF PERMITS TO SECURITY PERSONNEL AND THE LICENSING OF SECURITY COMPANIES. IT ALSO PROVIDES FOR THE ESTABLISHMENT OF AN INDEPENDENT AUTHORITY TO DETERMINE THE CONDITIONS AND CRITERIA FOR ISSUING LICENCES AND PERMITS, AND TO PROCESS APPLICATIONS FOR LICENCES. I AM PLEASED THAT THESE BASIC PRINCIPLES HAVE THE SUPPORT OF THE BILLS COMMITTEE. THERE WERE NONETHELESS CERTAIN ASPECTS OF THE BILL WHICH WERE THE SUBJECT OF DISCUSSION BY THE BILLS COMMITTEE.

ONE QUESTION WHICH WAS RAISED WAS WHETHER THERE SHOULD BE AN UPPER AGE LIMIT FOR SECURITY PERSONNEL, IN PARTICULAR THOSE WORKING IN SINGLE RESIDENTIAL BUILDINGS. SECURITY PERSONNEL, BY THE NATURE OF THEIR WORK, REQUIRE ALERTNESS, VIGILANCE, PERSONAL COMMITMENT, AND FITNESS FOR THE JOB. AN UPPER AGE LIMIT MAY WELL BE NECESSARY IN ORDER TO ENSURE THAT THEY ARE CAPABLE OF CARRYING OUT THEIR DUTIES. WHETHER AN UPPER AGE LIMIT IS NECESSARY FOR PARTICULAR SECURITY DUTIES SHOULD BE DETERMINED BY THE INDEPENDENT SECURITY AND GUARDING SERVICES INDUSTRY AUTHORITY TO BE SET UP FOLLOWING ENACTMENT OF THE BILL. IT IS CERTAINLY NOT OUR INTENTION TO DEPRIVE EXISTING WATCHMEN AND CARETAKERS OF THEIR ABILITY TO WORK WHILE THEY ARE FIT TO DO SO. BUT WE MUST RECALL THAT THE PURPOSE OF REGULATING THE SECURITY INDUSTRY IS TO IMPROVE THE STANDARDS AND THE SERVICE WHICH THE PUBLIC IS ENTITLED TO EXPECT. IT IS NOT THE PURPOSE OF THIS LAW TO PROVIDE INCOME ASSISTANCE FOR THE ELDERLY, WORTHY THOUGH THAT PURPOSE IS. NEVERTHELESS, TO ADDRESS THE CONCERN OF SOME MEMBERS OF THE BILLS COMMITTEE ON THE IMPACT OF AN UPPER AGE LIMIT FOR SECURITY PERSONNEL WORKING IN SINGLE DOMESTIC BUILDINGS AND GIVEN THE GENERALLY SENTRY NATURE OF THEIR PARTICULAR DUTIES, WE WILL PROPOSE TO THE AUTHORITY THAT THERE SHOULD NOT BE A FIXED AGE LIMIT FOR SECURITY PERSONNEL WORKING IN SUCH BUILDINGS. RATHER, WHEN SUCH SECURITY PERSONNEL REACH A CERTAIN AGE, THEY SHOULD BE REQUIRED TO TAKE AND PASS A REGULAR MEDICAL EXAMINATION TO SHOW THAT THEY ARE FIT TO UNDERTAKE THEIR DUTIES.

SOME BILLS COMMITTEE MEMBERS HAVE ALSO SUGGESTED THAT THE CRITERIA FOR ISSUING PERMITS, WHICH SPECIFY DETAILED REQUIREMENTS FOR SECURITY PERSONNEL ENGAGING IN DIFFERENT TYPES OF SECURITY WORK, SHOULD BE SUBJECT TO THIS COUNCIL'S SCRUTINY. WE ACCEPT THIS. THE CRITERIA FOR ISSUING PERMITS WILL BE SUBMITTED TO THIS COUNCIL FOR APPROVAL.

THE QUESTION WAS ALSO RAISED WHETHER THE TERM "CONTROLLER" SHOULD BE REDEFINED IN THE BILL. SOME MEMBERS POINTED OUT THAT THE DIFFICULTIES CAUSED BY THE PRESENT DEFINITION AROSE FROM THE FACT THAT IT RELIED ON THE DEFINITION OF "CONTROLLER" IN THE BANKING ORDINANCE, WHICH WAS THE SAME FOR ALL REFERENCES TO "CONTROLLER" IN THAT ORDINANCE. THIS LACK OF UNIFORMITY THEN INTRODUCED UNCERTAINTY INTO WHAT THE TERM MEANT FOR THE PURPOSES OF THIS BILL. WE AGREE WITH THIS AND HAVE REDEFINED THE TERM. I AM PLEASED THAT THE REVISED DEFINITION OF "CONTROLLER" HAS THE SUPPORT OF THE BILLS COMMITTEE.

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THERE WAS ALSO DISCUSSION IN THE BILLS COMMITTEE OF WHETHER APPEALS UNDER THE BILL COULD BE MADE TO THE ADMINISTRATIVE APPEALS BOARD SET UP IN JULY THIS YEAR. WE CONSIDER THIS APPROPRIATE BECAUSE THE NATURE OF APPEALS UNDER THE BILL FALLS WITHIN THE SCOPE OF THE ADMINISTRATIVE APPEALS BOARD; BECAUSE THE MAJOR PROVISIONS FOR THE APPEAL BOARD UNDER THIS BILL ARE SIMILAR TO THOSE FOR THE ADMINISTRATIVE APPEALS BOARD; AND BECAUSE IT WILL BE MORE EFFICIENT IF THE ADMINISTRATIVE APPEALS BOARD HEARS THIS APPEAL AS IT HAS ALREADY BEEN ESTABLISHED AND IT IS NOT NECESSARY TO SET UP ANOTHER BOARD OF SIMILAR NATURE AND COMPOSITION. I AM PLEASED THAT THIS ALSO HAS THE SUPPORT OF THE BILLS COMMITTEE.

MR PRESIDENT, I BELIEVE IT WILL BE HELPFUL IF I WILL AT THIS STAGE EXPLAIN BRIEFLY TO THE AMENDMENTS WHICH I WILL MOVE AT THE COMMITTEE STAGE. THE FIRST AMENDMENT RELATES TO CLAUSE 2 OF THE BILL. SINCE APPEALS UNDER THE BILL WILL BE MADE TO THE ADMINISTRATIVE APPEALS BOARD, IT IS NOT NECESSARY TO SET UP AN APPEAL BOARD UNDER THIS BILL. WE THEREFORE PROPOSE TO DELETE THE DEFINITION OF 'APPEAL BOARD' IN CLAUSE 2. WE ALSO PROPOSE TO AMEND CLAUSE 26(1) TO SPECIFY THAT APPEALS UNDER THE BILL WILL BE MADE TO THE ADMINISTRATIVE APPEALS BOARD; TO DELETE CLAUSES 26(2) AND 27 TO 30, WHICH PROVIDE FOR DETAILS OF THE APPEAL BOARD UNDER THE BILL; AND TO DELETE THE REFERENCE TO APPEAL BOARD AND ITS CHAIRMAN UNDER CLAUSE 35.

CLAUSE 6 PROVIDES FOR THE FUNCTIONS OF THE AUTHORITY. SUB-CLAUSE 6(1) PROVIDES THAT THE AUTHORITY CAN SPECIFY THE CRITERIA THAT MUST BE SATISFIED BY A PERSON BEFORE THE COMMISSIONER OF POLICE MAY, WITHOUT THE APPROVAL OF THE AUTHORITY, ISSUE A PERMIT TO HIM. SOME MEMBERS CONSIDER IT NOT NECESSARY TO INCLUDE THE PHRASE 'WITHOUT THE APPROVAL OF THE AUTHORITY' IN THIS SUB-CLAUSE BECAUSE CLAUSE 14 HAS ALREADY PROVIDED THAT AN APPLICATION FOR A PERMIT SHALL BE MADE TO THE COMMISSIONER OF POLICE. I ACCEPT THESE POINTS AND WILL PROPOSE TO DELETE THE PHRASE. I WILL ALSO PROPOSE, AS I HAVE EARLIER EXPLAINED, TO CREATE A NEW SUB-CLAUSE 6(3) TO PROVIDE THAT THE CRITERIA FOR ISSUING PERMITS WILL BE SUBMITTED TO THIS COUNCIL FOR APPROVAL. HOWEVER, TO ALLOW FLEXIBILITY FOR AMENDING THE CRITERIA, WE PROPOSE THAT THIS SHOULD NOT BE IN A FORM OF SUBSIDIARY LEGISLATION.

IN RESPECT OF CLAUSE 21(6), THE TERM OF "CONTROLLER" WILL BE REDEFINED TO AVOID UNCERTAINTY.

WE ALSO PROPOSE TO REPLACE THE AMOUNT OF FINES SPECIFIED IN CLAUSES 35(1), (2) AND (3) WITH THE EQUIVALENT FINE LEVELS AS SET OUT IN THE CRIMINAL PROCEDURE ORDINANCE.

THE LAST AMENDMENT, TO ITEM 1 OF SCHEDULE 3, MAKES A NUMBERING CORRECTION.

MR PRESIDENT, WITH THESE REMARKS, I RECOMMEND THE BILL TO MEMBERS.

THANK YOU, MR PRESIDENT.

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REGULATIONS FOR PRIVATE HOSPITALS

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FOLLOWING IS A QUESTION BY DR THE HON CONRAD LAM KUI-SHING AND A REPLY BY THE SECRETARY FOR HEALTH AND WELFARE, MRS KATHERINE FOK, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : IN REGARD TO PRIVATE HOSPITALS BUILT UNDER LAND GRANTS BY THE GOVERNMENT FREE OF PREMIUM, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) OF THE CRITERIA FOR MAKING SUCH LAND GRANT FOR THE PURPOSE OF BUILDING PRIVATE HOSPITALS;
- (B) OF THE MECHANISM THROUGH WHICH THE OPERATION OF SUCH HOSPITALS IS MONITORED TO ENSURE THAT THEY MEET THE STANDARDS SET BY THE GOVERNMENT; AND
- (C) WHETHER ANY STANDARDS OR GUIDELINES HAVE BEEN DRAWN UP TO GOVERN THE RATIO BETWEEN MEDICAL/NURSING STAFF AND BEDS IN SUCH HOSPITALS?

REPLY :

MR PRESIDENT,

THERE ARE 13 PRIVATE HOSPITALS IN HONG KONG, OF WHICH NINE ARE NON-PROFITMAKING AND FOUR ARE PROFITMAKING. ONLY NON-PROFITMAKING HOSPITALS ARE ELIGIBLE TO APPLY FOR THE GRANT OF LAND AT NOMINAL PREMIUM.

THE CONDITIONS FOR GRANTING LAND TO NON-PROFITMAKING PRIVATE HOSPITALS ARE :

- (A) THE PROPOSAL MUST CONFORM WITH LOCAL DEVELOPMENT PLANS;
- (B) IT MUST REPRESENT FULL USE OF THE SITE APPLIED FOR; AND
- (C) THE APPLICANT IS FINANCIALLY CAPABLE OF COMPLETING THE PROJECT.

THE CONDITIONS UNDER WHICH THE LAND IS GRANTED PROHIBIT THE GRANTEE FROM ASSIGNING, MORTGAGING AND SUBLETTING THE LAND FOR PROFIT. THE GRANTEE IS ALSO REQUIRED TO COMMENCE TO OPERATE THE HOSPITAL BY A STIPULATED DATE.

ONLY A HOSPITAL AND SUCH ANCILLARY FACILITIES AS APPROVED BY THE DIRECTOR OF LANDS MAY BE BUILT ON THE GRANTED SITE. BUILDING PLANS FOR THE HOSPITAL MUST BE APPROVED BY THE DIRECTOR OF HEALTH AND ANY SUBSEQUENT MAJOR CHANGES TO THE BUILDINGS OR USE OF FACILITIES ALSO REQUIRE THE DIRECTOR'S APPROVAL BEFORE FORMAL SUBMISSION TO THE BUILDING AUTHORITY. IF THE GRANT CEASES TO SERVE ITS ORIGINAL PURPOSE, THE SITE WILL BE TAKEN BACK BY GOVERNMENT.

SINCE 1981, PRIVATE NON-PROFITMAKING HOSPITALS HAVE BEEN REQUIRED TO SET ASIDE NOT LESS THAN 20% OF THEIR BEDS TO BE LOW-CHARGE BEDS, TO WHICH THE DIRECTOR OF HEALTH AND THE CHIEF EXECUTIVE OF THE HOSPITAL AUTHORITY MAY BY MUTUAL AGREEMENT REFER PATIENTS, OTHER THAN CHRONIC LONG-TERM CASES.

PRIVATE HOSPITALS ARE REQUIRED UNDER THE HOSPITALS, NURSING HOMES AND MATERNITY HOMES REGISTRATION ORDINANCE (CAP 165) TO BE REGISTERED WITH THE DIRECTOR OF HEALTH, SUBJECT TO CONDITIONS RELATING TO ACCOMMODATION, STAFFING AND EQUIPMENT. THEY ARE ALSO SUBJECT TO OTHER STATUTORY CONTROLS INCLUDING REGISTRATION OF MEDICAL AND PARAMEDICAL PERSONNEL, AND REQUIREMENTS AS MAY BE IMPOSED BY OTHER GOVERNMENT DEPARTMENTS LIKE FIRE SAFETY, BUILDING REQUIREMENTS AND DANGEROUS GOOD STORAGE.

AFTER THE LICENCE IS GRANTED, THE HOSPITAL WILL CONTINUE TO BE MONITORED THROUGH THE VARIOUS ORDINANCES WHICH ARE IN FORCE. IN ADDITION, THE HOSPITALS WILL BE REQUIRED TO SUBMIT REGULAR STATISTICS AND OTHER RELEVANT INFORMATION TO THE DEPARTMENT OF HEALTH AND THE INSTITUTIONS WILL BE INSPECTED BY THE DEPARTMENT OF HEALTH BEFORE RENEWAL OF LICENCE AND AS AND WHEN NECESSARY.

ALL PRIVATE HOSPITALS, WHETHER IN RECEIPT OF LAND GRANT OR NOT, ARE ALSO EXPECTED TO COMPLY WITH THE "GUIDE TO HOSPITAL STANDARDS" WHICH WAS ISSUED BY THE DIRECTOR OF HEALTH IN APRIL 1992.

THE APPROPRIATE LEVEL OF STAFFING FOR A HOSPITAL DEPENDS ON THE NATURE AND SCOPE OF SERVICE PROVIDED, THE CASE-MIX AND THE NUMBER OF PATIENTS SERVED. ACCORDINGLY IT IS CONSIDERED NOT PRACTICAL TO IMPOSE A RIGID STAFFING RATIO ON PRIVATE HOSPITALS. THESE HOSPITALS ARE ALLOWED TO EXERCISE DISCRETION AND FLEXIBILITY TO DEPLOY HUMAN RESOURCES TO MEET THE NEEDS OF PATIENTS SUBJECT TO THE SATISFACTION OF THE DIRECTOR OF HEALTH.

PUBLIC STATEMENTS BY CIVIL SERVANTS

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FOLLOWING IS A QUESTION BY THE HON NGAI SHIU-KIT AND A REPLY BY THE SECRETARY FOR THE CIVIL SERVICE, MR MICHAEL SZE, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : THE CHAIRMAN OF THE LOCAL INSPECTORS ASSOCIATION WAS EARLIER REPRIMANDED BY THE SENIOR MANAGEMENT OF THE POLICE FORCE FOR MAKING A PUBLIC STATEMENT APPEALING FOR THE REINSTATEMENT OF THE DEATH PENALTY. IN CONNECTION WITH THIS, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) WHETHER THERE ARE ANY INTERNAL GUIDELINES RESTRICTING THE OPEN EXPRESSION OF OPINION BY CIVIL SERVANTS' UNIONS OR INDIVIDUAL CIVIL SERVANTS; AND
- (B) IF THE ANSWER TO (A) IS IN THE AFFIRMATIVE, WHAT FACTORS HAVE BEEN TAKEN INTO ACCOUNT AS THE BASIS FOR FORMULATING SUCH GUIDELINES?

REPLY :

MR PRESIDENT,

THERE ARE NO GUIDELINES ISSUED TO CIVIL SERVICE UNIONS RESTRICTING THEM FROM MAKING PUBLIC STATEMENTS. HOWEVER, AS PROVIDED FOR IN THE CIVIL SERVICE REGULATIONS, INDIVIDUAL CIVIL SERVANTS MAY NOT PUBLISH ANYTHING WHICH MAY REASONABLY BE REGARDED AS A POLITICAL OR ADMINISTRATIVE NATURE WITHOUT PRIOR APPROVAL. THE DEFINITION OF 'PUBLISH' INCLUDES MAKING PUBLIC BY INTERVIEWS AND SPEECHES, BY LETTERS AND ARTICLES IN THE PRESS, OR BY TALKS AND DISCUSSIONS ON RADIO AND TELEVISION PROGRAMMES. THE PURPOSE OF THIS PROVISION IS TO ENSURE THAT SUCH PUBLICATIONS DO NOT :

- (A) CONFLICT WITH THE INTERESTS OF THE DEPARTMENT CONCERNED;
- (B) BRING THE DEPARTMENT, OR THE CIVIL SERVICE GENERALLY, INTO DISREPUTE; AND
- (C) BRING INTO QUESTION THE IMPARTIALITY OF THE CIVIL SERVICE.

OLD AGE PENSION SCHEME

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FOLLOWING IS A QUESTION BY THE HON JIMMY MCGREGOR AND A REPLY BY THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR LAM WOON-KWONG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : IN VIEW OF THE REMARKS MADE RECENTLY BY THE DIRECTOR OF THE NCNA WHICH SUGGESTED THAT THE CHINESE GOVERNMENT WAS NOT IN FAVOUR OF THE PROPOSED OLD AGE PENSION SCHEME, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) HOW THE GOVERNMENT WILL ASSESS THE POSITION OF THE CHINESE GOVERNMENT TOWARDS THE PROPOSED SCHEME; AND
- (B) WHETHER THE GOVERNMENT WILL PROCEED WITH THE PROPOSED SCHEME OR CONSIDER OTHER ALTERNATIVES OF PROVIDING THE TERRITORY'S ELDERLY CITIZENS WITH AN INSTITUTIONAL SYSTEM OF RETIREMENT BENEFITS?

REPLY :

MR PRESIDENT,

ON 15 DECEMBER 1993 I ANNOUNCED IN THIS COUNCIL THAT GOVERNMENT WOULD PURSUE AN OLD AGE PENSION SCHEME SUBJECT TO THREE PROVISOS, ONE OF WHICH IS CONSULTATION WITH THE CHINESE GOVERNMENT BEFORE REACHING A DECISION. THE FORUM FOR SUCH CONSULTATION SHOULD BE THE SINO-BRITISH JOINT LIAISON GROUP. IT IS THROUGH DISCUSSIONS AT THE JOINT LIAISON GROUP THAT GOVERNMENT WILL ASSESS THE VIEWS OF THE CHINESE GOVERNMENT TOWARDS THE PROPOSED SCHEME. WE REMAIN READY TO DISCUSS WITH THEM DETAILS OF THE PROPOSED SCHEME AND TO PROVIDE ANY ADDITIONAL INFORMATION THAT MAY BE REQUIRED.

TURNING TO THE SECOND PART OF THE QUESTION, GOVERNMENT IS STILL ANALYSING AND EVALUATING THE WIDE SPECTRUM OF PUBLIC OPINIONS EXPRESSED IN THE MORE THAN 6,000 SUBMISSIONS THAT WE RECEIVED IN THE CONSULTATION PERIOD. WE ARE THEREFORE NOT YET IN THE POSITION TO ANNOUNCE A DECISION ON THE WAY AHEAD.

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SHOP EXTORTION REPORTS

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FOLLOWING IS A QUESTION BY THE HON SELINA CHOW AND A REPLY BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : WILL THE GOVERNMENT INFORM THIS COUNCIL:

- (A) OF THE NUMBER OF REPORTS OF EXTORTIONS THAT HAVE BEEN MADE BY BUSINESSES AND SHOPS IN THE LAST THREE YEARS; OF THESE, HOW MANY ARE TRIAD RELATED;
- (B) OF THE NUMBER OF PROSECUTIONS RESULTING FROM THESE REPORTS; AND
- (C) WHETHER THE GOVERNMENT INTENDS TO STEP UP PUBLICITY ACTION TO STAMP OUT SUCH ACTIVITIES SO AS TO DETER CRIMINAL ELEMENTS FROM FURTHER ATTEMPTS TO VICTIMIZE INNOCENT BUSINESS OPERATIVES AND OWNERS?

REPLY:

MR PRESIDENT,

THE NUMBER OF REPORTS OF EXTORTION MADE TO THE POLICE BY BUSINESSES AND SHOPS IN 1991 WAS 92, OF WHICH 63 WERE TRIAD-RELATED; IN 1992, IT WAS 108, OF WHICH 86 WERE TRIAD-RELATED; IN 1993, IT WAS 87, OF WHICH 59 WERE TRIAD-RELATED; AND IN THE FIRST TEN MONTHS OF 1994, IT WAS 70, OF WHICH 57 WERE TRIAD-RELATED.

WE DO NOT HAVE STATISTICS ON THE NUMBER OF PROSECUTIONS RESULTING FROM THESE REPORTS. HOWEVER, THE NUMBER OF PERSONS ARRESTED IN RELATION TO THESE REPORTS IN 1991 WAS 60, OF WHOM 59 WERE CHARGED WITH BLACKMAIL; IN 1992, IT WAS 67, OF WHOM 66 WERE CHARGED WITH BLACKMAIL; IN 1993, IT WAS 101, ALL OF WHOM WERE CHARGED WITH BLACKMAIL; AND IN THE FIRST TEN MONTHS OF 1994, IT WAS 58, ALL OF WHOM WERE CHARGED WITH BLACKMAIL.

THE POLICE CONDUCT REGULAR VISITS TO BUSINESS OPERATORS AND OWNERS, TO ENCOURAGE THEM TO REPORT CASES OF EXTORTION AND TO OBTAIN THEIR COOPERATION IN COMBATING SUCH ACTIVITIES. THE GOVERNMENT CONDUCTS REGULAR PUBLICITY CAMPAIGNS AGAINST ALL TRIAD-RELATED CRIME, INCLUDING EXTORTION, THROUGH TELEVISION AND RADIO, POSTERS, LEAFLETS AND MOBILE DISPLAYS. THIS IS ONE OF THE MAIN THEMES OF THE FIGHT CRIME COMMITTEE PUBLICITY CAMPAIGN THIS YEAR.

POLICE REVIEW REPORT AVAILABLE NEXT YEAR

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FOLLOWING IS A QUESTION BY THE HON JAMES TO KUN-SUN AND A REPLY BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : WITH REGARD TO THE REPORT ON THE COMMAND STRUCTURE AND MANNING LEVEL REVIEW OF THE ROYAL HONG KONG POLICE FORCE, WHICH WAS COMPLETED AFTER A TWO-YEAR STUDY, WILL THE GOVERNMENT INFORM THIS COUNCIL :-

- (A) WHEN WILL THE DETAILS OF THE REPORT BE DISCLOSED, SO THAT THE PUBLIC AND MEMBERS OF THIS COUNCIL CAN HAVE SPECIFIC AND ACCURATE INFORMATION FOR ANALYSIS AND DISCUSSION AND WILL THUS BE ABLE TO REFLECT THEIR VIEWS TO THE GOVERNMENT; AND
- (B) WHETHER THE GOVERNMENT CONSIDERS THAT THE APPROPRIATE TIME TO RELEASE DETAILS OF THE REPORT IS WHEN IT APPLIES TO THE FINANCE COMMITTEE FOR FUNDS TO IMPLEMENT THE MEASURES RECOMMENDED IN THE REPORT; IF SO, WHAT THE REASONS ARE AND WHETHER THE REPORT WILL BE PROMULGATED IN FULL THEN?

REPLY :

MR PRESIDENT,

THE POLICE MANAGEMENT REVIEW, WHICH SEEKS TO DETERMINE THE APPROPRIATE LEVEL OF MANAGEMENT WHICH THE FORCE NEEDS TO CARRY OUT ITS FUNCTIONS, CONSISTS OF SOME 42 DETAILED REPORTS. IT IS A COMPREHENSIVE EXAMINATION OF THE ESTABLISHMENT OF THE POLICE FORCE, INCLUDING THE SCOPE FOR FURTHER CIVILIANISATION AND GREATER USE OF TECHNOLOGY. WE ARE FINALISING OUR STUDY OF ALL THESE REPORTS, AND WOULD EXPECT TO HAVE REACHED OUR CONCLUSIONS IN THE NEXT TWO MONTHS. WE WILL THEN BE READY TO REPORT TO THIS COUNCIL, PROBABLY IN THE FIRST QUARTER OF NEXT YEAR. AT THAT STAGE, WE WILL MAKE AVAILABLE THE DETAILED REPORTS.

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OVERSEAS PROFESSIONALS' JOB APPLICATIONS

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FOLLOWING IS A QUESTION BY THE HON FREDERICK FUNG KIN-KEE AND A WRITTEN REPLY BY THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR LAM WOON-KWONG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) OF THE NUMBER OF OVERSEAS PROFESSIONALS WHO HAVE APPLIED TO WORK IN THE TERRITORY, AND THE NUMBER OF SUCH APPLICATIONS WHICH HAVE BEEN APPROVED, IN EACH OF THE PAST THREE YEARS;
- (B) OF THE NATIONALITIES OF THOSE OVERSEAS PROFESSIONALS WHERE APPLICATIONS HAVE BEEN APPROVED;
- (C) WHETHER THERE ARE ANY QUOTA RESTRICTIONS ON THE EMPLOYMENT OF OVERSEAS PROFESSIONALS FOR THE PRIVATE SECTOR; AND
- (D) OF THE CRITERIA USED FOR APPROVING OVERSEAS PROFESSIONALS TO WORK IN THE TERRITORY?

REPLY :

MR PRESIDENT,

- (A) OUR CURRENT STATISTICS DO NOT CONTAIN A BREAKDOWN BY PROFESSIONS. THE BEST POSSIBLE INFORMATION WE CAN PROVIDE IS THE NUMBER OF APPLICATIONS FOR ENTRY FOR EMPLOYMENT (EXCLUDING APPLICATIONS TO WORK AS DOMESTIC HELPERS, AND AS SKILLED LABOURS UNDER THE GENERAL IMPORTATION OF LABOUR SCHEME OR THE AIRPORT SCHEME) FOR THE PAST THREE YEARS :-

	APPLICATION -----	APPROVAL -----
1991	17,547	12,867
1992	18,525	13,859
1993	22,019	17,202

/(B) A BREAKDOWN

(B) A BREAKDOWN BY THE NATIONALITIES OF THE SUCCESSFUL APPLICANTS IS SHOWN BELOW :-

	1991	1992	1993
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AUSTRALIAN	617	652	1042
CANADIAN	330	409	491
FILIPINO	859	968	1147
GERMAN	391	385	521
INDIAN	546	479	697
JAPANESE	1991	2368	2508
KOREAN(S)	472	559	644
SINGAPORE	418	456	605
TAIWANESE	699	813	1122
USA	1632	1661	2229
OTHERS	4912	5109	6196
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TOTAL	12867	13859	17202
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(C) THE EMPLOYMENT OF THESE EXPATRIATES ARE NOT SUBJECT TO ANY QUOTA. HOWEVER, THE EMPLOYERS HAVE TO JUSTIFY THE NEED FOR RECRUITMENT FROM OUTSIDE HONG KONG.

(D) THE POLICY GOVERNING THE ENTRY FOR EMPLOYMENT IS THAT THE APPLICANT MUST POSSESS A SPECIAL SKILL, KNOWLEDGE, OR EXPERIENCE OF VALUE TO AND NOT READILY AVAILABLE IN HONG KONG, OR THAT HE IS IN A POSITION TO MAKE A SUBSTANTIAL CONTRIBUTION TO THE ECONOMY OF HONG KONG. CONSIDERATION WILL ALSO BE GIVEN TO WHETHER THE APPLICANT'S QUALIFICATIONS OR EXPERIENCE IS RELEVANT TO THE POSITION OFFERED. IT IS ALSO OF IMPORTANCE THAT HE WILL BE PAID THE GOING MARKET RATE. THIS IS TO ENSURE THAT THE LOCAL WORKFORCE WILL NOT BE SUBJECT TO UNFAIR COMPETITION FROM OVERSEAS.

SUBSIDY TO YOUTH AND ELDERLY CENTRES

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FOLLOWING IS A QUESTION BY DR THE HON CONRAD LAM KUI-SHING AND A WRITTEN REPLY BY THE SECRETARY FOR HEALTH AND WELFARE, MRS KATHERINE FOK, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : AT PRESENT, THE OPERATING COSTS OF YOUTH CENTRES RUN BY SUBVENTED NON-GOVERNMENT ORGANISATIONS ARE FULLY SUBSIDISED BY THE GOVERNMENT, WHEREAS SOCIAL CENTRES FOR THE ELDERLY RUN BY THESE ORGANISATIONS ARE GRANTED SUBSIDY TO MEET 80 PER CENT OF THEIR OPERATING COSTS. IN VIEW OF THIS, WILL THE GOVERNMENT INFORM THIS COUNCIL:

- (A) OF THE REASONS FOR THE DIFFERENCE IN THE LEVEL OF SUBSIDY GIVEN TO THESE TWO TYPES OF SERVICE CENTRES;
- (B) WHETHER THE CURRENT SUBVENTION POLICY WILL BE REVIEWED IN ORDER TO DISPEL ANY PUBLIC PERCEPTION OF THE GOVERNMENT NEGLECTING THE WELL-BEING OF ELDERLY PEOPLE; AND
- (C) OF THE RESPECTIVE UTILISATION RATES OF YOUTH CENTRES AND SOCIAL CENTRES FOR THE ELDERLY IN THE PAST THREE YEARS?

REPLY:

THE REPLY IS AS FOLLOWS:

- (A) DIFFERENT LEVELS OF SUBVENTION FOR THE TWO SERVICES WERE BASED ON THE FINDINGS OF A MAJOR REVIEW ON WELFARE SUBVENTIONS CONDUCTED IN 1981. YOUTH CENTRES, WHICH AIM TO FOSTER THE DEVELOPMENTAL NEEDS OF YOUNG PEOPLE, WERE PLACED UNDER THOSE SERVICES WHICH RECEIVE 100 PER CENT SUBVENTION. FINANCIAL SUPPORT FOR SOCIAL CENTRES FOR THE ELDERLY, WHICH PROVIDE SOCIAL AND RECREATIONAL ACTIVITIES FOR THE ELDERLY, WAS FIXED AT 70 PER CENT OF THE OPERATING COSTS. SUBSEQUENTLY, THE LEVEL OF SUPPORT FOR SOCIAL CENTRES FOR THE ELDERLY WAS RAISED TO 80 PER CENT IN 1990 IN VIEW OF THE INCREASING ROLE THE CENTRES PLAYED IN MEETING THE SOCIAL AND RECREATIONAL NEEDS OF ELDERLY PEOPLE.
- (B) THE WORKING GROUP ON THE CARE FOR THE ELDERLY HAS RECOMMENDED THAT A SEPARATE CONSULTANCY STUDY ON THE OBJECTIVES AND FUNCTIONS OF SOCIAL CENTRES BE CONDUCTED. THE GOVERNMENT WILL EXAMINE THE QUESTION OF SUBVENTION FOLLOWING THE COMPLETION OF THIS STUDY. IT SHOULD BE NOTED, HOWEVER, THAT THE PROPOSED PROVISION OF 100 PER CENT SUBVENTION TO SOCIAL CENTRES FOR THE ELDERLY WOULD CONSTITUTE A FUNDAMENTAL CHANGE TO THE SUBVENTION POLICY AND THAT THE GOVERNMENT WOULD NEED TO CONSIDER THE IMPLICATIONS IN DETAIL.

- (C) YOUTH CENTRES AND SOCIAL CENTRES FOR THE ELDERLY HAVE NO FIXED CAPACITY. UTILISATION RATES OF THE TWO SERVICES IN TERMS OF AVERAGE ATTENDANCE PER SESSION IN THE LAST THREE YEARS ARE AS FOLLOWS :

TYPE OF SERVICE		NO. OF CENTRES	AVERAGE MEMBERSHIP PER MONTH	AVERAGE ATTENDANCE PER SESSION
SOCIAL CENTRES FOR THE ELDERLY	91/92	123	321	50
	92/93	126	335	54
	93/94	137	360	55

YOUTH CENTRES	91/92	48	603	68
	92/93	44	631	77
	93/94	41	593	72

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ENFORCEMENT OF TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE

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FOLLOWING IS A QUESTION BY DR THE HON LEONG CHE-HUNG AND A WRITTEN REPLY BY THE SECRETARY FOR TRADE AND INDUSTRY, MR T H CHAU, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : AS THE TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE CAME INTO OPERATION ON JULY 1, 1993, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) OF THE TOTAL NUMBER OF SAMPLES OF TOYS AND CHILDREN'S PRODUCTS TESTED FROM JULY 1, 1993 TO JUNE 30, 1994;
- (B) OF THE PROPORTION OF THE NUMBER OF TESTED SAMPLES TO THE NUMBER OF ITEMS AVAILABLE FOR SALE IN THE LOCAL MARKET IN THE SAME PERIOD;
- (C) OF THE RESPECTIVE TOTAL NUMBER OF PROHIBITION NOTICES AND RECALL NOTICES SERVED IN THE SAME PERIOD;
- (D) OF THE TOTAL NUMBER OF PROSECUTIONS IN THE SAME PERIOD, HOW MANY OF SUCH PROSECUTIONS HAVE RESULTED IN CONVICTION AND WHAT IS THE HIGHEST, LOWEST AND AVERAGE PENALTY IMPOSED BY THE COURT; AND
- (E) WHETHER THE ADMINISTRATION WILL CONSIDER PROVIDING MORE MANPOWER TO CARRY OUT SPOT CHECKS SO AS TO STRENGTHEN ENFORCEMENT MEASURES?

/REPLY :

REPLY :

MR PRESIDENT,

- (A) IN THE PERIOD JULY 1, 1993 TO JUNE 30, 1994, THE CUSTOMS AND EXCISE DEPARTMENT SENT 1,835 SAMPLES OF TOYS AND CHILDREN'S PRODUCTS TO THE GOVERNMENT LABORATORY FOR TESTING.
- (B) WE HAVE NO INFORMATION ON THE NUMBER OF ITEMS OF TOYS AND CHILDREN'S PRODUCTS AVAILABLE FOR SALE IN THE LOCAL MARKET. THE CUSTOMS AND EXCISE DEPARTMENT IDENTIFIES POTENTIAL UNSAFE TOYS AND CHILDREN'S PRODUCTS BASED ON COMPLAINTS OR INFORMATION RECEIVED. THE DEPARTMENT HAS DEVELOPED ADMINISTRATIVE GUIDELINES TO ENSURE THAT SUFFICIENT AND REPRESENTATIVE SAMPLES OF TARGET TOYS AND CHILDREN'S PRODUCTS ARE SELECTED FOR TESTING THEIR COMPLIANCE WITH THE SAFETY STANDARDS PRESCRIBED IN THE ORDINANCE.
- (C) IN THE SAME PERIOD, 76 PROHIBITION NOTICES AND TWO RECALL NOTICES WERE SERVED.
- (D) TWO IMPORTERS OF UNSAFE TOYS WERE PROSECUTED AND CONVICTED. THEY WERE FINED \$1,500 AND \$2,000 RESPECTIVELY.
- (E) WHEN THE ORDINANCE WAS BROUGHT INTO EFFECT IN JULY 1993, THE CUSTOMS AND EXCISE DEPARTMENT ESTABLISHED A DEDICATED TEAM OF 11 OFFICERS TO ENFORCE THE ORDINANCE. IN JUNE 1994 ANOTHER TEAM OF 11 OFFICERS WAS CREATED TO STRENGTHEN THE ENFORCEMENT EFFORTS. WE WILL KEEP UNDER REVIEW WHETHER ADDITIONAL ENFORCEMENT RESOURCES ARE REQUIRED FOR THE BETTER PROTECTION OF CONSUMERS.

FIXED TELECOM NETWORKS
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FOLLOWING IS A QUESTION BY THE HON ALBERT CHAN WAI-YIP AND A WRITTEN REPLY BY THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : AS THE GOVERNMENT HAS AGREED IN PRINCIPLE TO LICENSE THREE CONSORTIA TO OPERATE FIXED TELECOMMUNICATIONS NETWORKS, WILL THE GOVERNMENT INFORM THIS COUNCIL :

(A) HOW IT CAN ENSURE THAT THE THREE CONSORTIA WILL START THEIR SERVICE AS EARLY AS POSSIBLE IN A FAIR AND COMPETITIVE ENVIRONMENT; AND

(B) WHAT IS THE PROGRESS IN THE NEGOTIATION BETWEEN THE THREE CONSORTIA AND HONG KONG TELECOM ON THE SETTING UP OF A JOINT NETWORK?

REPLY:

MR PRESIDENT,

THE FIXED TELECOMMUNICATION NETWORK SERVICES (FTNS) LICENCES TO BE GRANTED TO THE FOUR OPERATORS, INCLUDING HONG KONG TELEPHONE COMPANY, TO PROVIDE COMPETITIVE LOCAL FIXED NETWORK SERVICES AFTER THE EXPIRY OF HONG KONG TELEPHONE'S MONOPOLY ON JUNE 30, 1995 WILL INCLUDE A COMPREHENSIVE SET OF COMPETITIVE SAFEGUARDS TO PROMOTE AND ENFORCE FAIR COMPETITION. THESE INCLUDE :

- OBLIGATIONS ON EACH OPERATOR TO INTERCONNECT WITH ALL OTHER NETWORKS EFFICIENTLY, PROMPTLY AND ON A NON-DISCRIMINATORY BASIS; IN THE EVENT OF DISPUTE, THE TELECOMMUNICATIONS AUTHORITY (TA) IS EMPOWERED TO INTERVENE AND DETERMINE FAIR TERMS AND CONDITIONS FOR INTERCONNECTION.
- DETAILED PROVISIONS TO PROTECT CONSUMER INTERESTS TOGETHER WITH POWERS FOR THE TA TO PROHIBIT ANTI-COMPETITIVE PRACTICES SUCH AS COLLUSION BETWEEN OPERATORS, BUNDLING OF SERVICES TO RESTRICT CONSUMER CHOICE, ABUSE OF MARKET POWER, PREDATORY PRICING, DISCRIMINATORY PRACTICES, ETC.
- REQUIREMENTS TO COMPLY WITH THE TELEPHONE NUMBERING PLAN ADMINISTERED BY THE TA TO ENSURE FAIR ALLOCATION AND USE OF TELEPHONE NUMBERS BY THE FOUR COMPETING OPERATORS.
- ARRANGEMENTS TO ENFORCE THE PRICE CAPPING OF HONG KONG TELEPHONE'S BASIC CHARGES AND TO REQUIRE ANY OPERATOR WHO IS IN A DOMINANT POSITION TO PROVIDE A SERVICE TO SUBMIT THE CHARGES FOR THAT SERVICE FOR APPROVAL BY THE TA.

/IN ADDITION,

IN ADDITION, TO ENSURE THAT THE NEW OPERATORS WILL INTRODUCE THEIR SERVICES EXPEDITIOUSLY ONCE THEY HAVE BEEN GRANTED THE LICENCES, SPECIAL CONDITIONS HAVE BEEN INCLUDED IN THEIR LICENCES COMMITTING THEM TO A SPECIFIC PROGRAMME OF INVESTMENT AND NETWORK ROLL-OUT. AS A CONDITION FOR THE GRANT OF THEIR LICENCES THE NEW OPERATORS WILL BE REQUIRED TO TAKE OUT A PERFORMANCE BOND WHICH WILL BE FORFEITED IF THEY FAIL TO MEET COMMITMENTS WITHOUT A VALID REASON. ALL FOUR LICENCES WILL BE MADE PUBLIC AND AVAILABLE FOR INSPECTION AFTER THEY HAVE BEEN GRANTED.

AS REGARDS INTERCONNECTION, THE FOUR OPERATORS ARE BEING ENCOURAGED TO REACH AGREEMENT THROUGH COMMERCIAL NEGOTIATION. THIS IS TO PROVIDE THEM WITH THE MAXIMUM FLEXIBILITY TO REACH INTERCONNECTION ARRANGEMENTS THAT BEST MEET THEIR INDIVIDUAL OPERATIONAL AND COMMERCIAL REQUIREMENTS. SHOULD THE NEGOTIATIONS FAIL, OR THE AGREEMENTS REACHED BETWEEN ANY OF THE OPERATORS BE DEEMED TO BE ANTI-COMPETITIVE OR AGAINST CONSUMER INTERESTS, THE TA IS EMPOWERED UNDER THE TELECOMMUNICATION ORDINANCE (CAP 106) AND IN THE LICENCE CONDITIONS TO INTERVENE AND DETERMINE FAIR TERMS AND CONDITIONS FOR INTERCONNECTION. THE TA IS MONITORING THE PROGRESS OF THE INTERCONNECTION NEGOTIATIONS CLOSELY AND WILL CONSIDER TAKING A MORE ACTIVE ROLE IF HE FEELS THAT THE NEGOTIATIONS ARE NOT PROCEEDING SATISFACTORILY.

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GOVERNMENT NOT COMPLACENT ABOUT INFLATION

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FOLLOWING IS A QUESTION BY DR THE HON DAVID LI KWOK-PO AND A WRITTEN REPLY BY THE FINANCIAL SECRETARY, SIR HAMISH MACLEOD, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : THE CORE INFLATION (EXCLUDING SUCH ITEMS AS FOOD AND ENERGY) DURING THE SECOND QUARTER OF 1994 HAS REMAINED STABILISED AT 9.1 PER CENT, SUGGESTING THAT INFLATION MAY NOT BE SUBSIDING DESPITE RECENT MODERATIONS IN THE INFLATION RATE. WILL THE GOVERNMENT INFORM THIS COUNCIL OF THE CONCRETE ACTION TO BE TAKEN IN THE NEAR FUTURE TO TACKLE INFLATION AS A MEANS OF MAINTAINING AND IMPROVING HONG KONG'S COMPETITIVENESS IN THE REGION?

/ANSWER:

ANSWER:

PRIMARILY BECAUSE OF ON-GOING RESOURCE LIMITATIONS, THE UNDERLYING INFLATIONARY PRESSURES IN THE ECONOMY REMAIN STRONG NOTWITHSTANDING THE RECENT EASING IN THE INFLATION RATE AS FOOD PRICES SETTLE TO A NORMAL LEVEL. THIS IS BORNE OUT BY THE COMPONENTS IN THE LATEST CONSUMER PRICE INDICES. IN GENERAL, CONSUMER PRICE INFLATION CONTINUES TO BE DRIVEN MOSTLY BY THE DOMESTICALLY-ORIENTED COMPONENTS SUCH AS HOUSING, CONSUMER SERVICES AND TRANSPORT, THE PRICES OR COSTS OF WHICH CONTINUE TO RISE FASTER THAN AVERAGE. IMPORTED INFLATION SEEMS TO HAVE INCREASED IN RELATIVE SIGNIFICANCE MORE RECENTLY, AS REFLECTED BY THE MORE RAPID INCREASES IN THE PRICES OF CLOTHING AND MISCELLANEOUS CONSUMER GOODS WHICH ARE LARGELY IMPORTED. BUT RELATIVE TO DOMESTICALLY GENERATED INFLATION, IMPORTED INFLATION IS STILL OF ONLY MINOR INFLUENCE.

IT IS CLEAR THAT DOMESTICALLY GENERATED INFLATION IS CLOSELY LINKED TO CONSTRAINTS IN THE KEY RESOURCES, NOTABLY LAND AND LABOUR. MEASURES TO ALLEVIATE THE RESOURCE CONSTRAINTS WILL THEREFORE NOT ONLY HELP TO ALLEVIATE INFLATION, BUT WILL ALSO ENHANCE HONG KONG'S PRODUCTIVE CAPACITY, THEREBY CONTRIBUTING TO HONG KONG'S ECONOMIC GROWTH AND COMPETITIVENESS.

ON LAND RESOURCES, THE TWO REPORTS OF THE GOVERNMENT'S TASK FORCE HAVE LED TO CONSCIOUS ACTION BEING TAKEN, INCLUDING THE ESTABLISHMENT OF THE HOUSING BRANCH, TO ENSURE THAT THERE WILL BE ADEQUATE SUPPLY OF HOUSING AND LAND TO MEET DEMAND. UP TO 120 HECTARES OF NEW LAND HAVE BEEN IDENTIFIED OVER AND ABOVE THE NORMAL LAND DISPOSAL PROGRAMME FOR RESIDENTIAL DEVELOPMENT IN THE MEDIUM TO LONGER TERM. AS TO COMMERCIAL DEVELOPMENT, ADDITIONAL LAND FOR OFFICE PREMISES WILL BE MADE AVAILABLE FROM THE CENTRAL AND WAN CHAI RECLAMATION AND ALONG THE AIRPORT RAILWAY. MOREOVER, THE NEW CATEGORY OF INDUSTRIAL/OFFICE (I/O) BUILDING PROJECTS WILL PROVIDE A COMPLEMENTARY SOURCE OF SUPPLY OF NEW OFFICE SPACE. IN GENERAL, WHERE DEVELOPMENT PLANS ARE LODGED THE GOVERNMENT WILL SEE TO IT THAT THEY ARE PROCESSED EXPEDITIOUSLY.

ON LABOUR RESOURCES, ALTHOUGH THE ECONOMY IS CURRENTLY BENEFITING FROM A FASTER INCREASE IN THE LABOUR FORCE DUE TO MORE FORMER EMIGRANTS RETURNING AND MORE EXPATRIATES COMING TO HONG KONG, THE DEMAND FOR LABOUR IS PERSISTENTLY STRONG GIVING A TIGHT LABOUR MARKET OVERALL. FOR THE LONGER TERM, RAISING LABOUR PRODUCTIVITY OFFERS THE BEST SOLUTION TO THE LABOUR SHORTAGE. BUT IN THE INTERIM, ADDITIONAL LABOUR SUPPLIES FROM IMPORTED SOURCES ARE HELPFUL. THIS IS INDEED THE CASE WITH OUR AIRPORT CORE PROGRAMME, WHERE THE MASSIVE WORKLOAD AND THE TIGHT TIME SCHEDULE, ALONG WITH AN ALREADY HEAVILY LOADED CONSTRUCTION INDUSTRY AT PRESENT, DICTATE THAT A SUBSTANTIAL AMOUNT OF IMPORTED LABOUR WILL BE REQUIRED TO ENSURE SMOOTH AND TIMELY COMPLETION OF THE PROJECTS. WE BRING IN FOREIGN WORKERS JUDICIOUSLY ACCORDING TO NEED, AND IN A CONTROLLED MANNER SO THAT THE INTEREST OF LOCAL WORKERS WILL NOT BE UNDULY AFFECTED. INASMUCH AS A LESS CONSTRAINED LABOUR SUPPLY CAN HELP TO ENHANCE CAPACITY FOR ECONOMIC GROWTH AND LOWER INFLATION, THE COMMUNITY AT LARGE WILL BENEFIT.

THE GOVERNMENT ALSO STRIVES TO AVOID TAKING MEASURES WHICH COULD HAVE THE EFFECT OF AGGRAVATING INFLATION. OUR BUDGETARY GUIDELINE OF KEEPING PUBLIC EXPENDITURE GROWTH IN LINE WITH THE TREND RATE OF ECONOMIC GROWTH HAS THIS CRUCIAL CONSIDERATION IN MIND. MOREOVER, NECESSARY INCREASES IN GOVERNMENT FEES AND CHARGES ARE SPREAD OUT TO THE EXTENT POSSIBLE, WITH THE LIKELY IMPACT ON INFLATION ASSESSED IN EACH CASE.

HONG KONG'S COMPETITIVENESS AS A MAJOR BUSINESS CENTRE IN THE REGION HINGES ON MANY FACTORS. THE COST OF DOING BUSINESS IS ONE AMONGST MANY IMPORTANT FACTORS. MEASURES ON THE SUPPLY OR RESOURCE SIDE ARE INSTRUMENTAL IN ADDRESSING IT. BUT HONG KONG DOES POSSESS ATTRACTIVENESS ON MANY OTHER SCORES - OUR BASICALLY NON-INTERVENTIONIST POLICY ON BUSINESS, A LOW AND SIMPLE TAX SYSTEM, SOUND REGULATORY ENVIRONMENT, OUR EFFICIENT INFRASTRUCTURE AND SERVICES, OUR ENTREPRENEURSHIP, OUR COMPETENT WORKFORCE, ETC - UPON WHICH OUR COMPETITIVENESS IS UNDERPINNED. THE GOVERNMENT IS NOT LOSING SIGHT OF THESE FACTORS, JUST AS IT IS NOT COMPLACENT ABOUT INFLATION, IN THE INTEREST OF MAINTAINING AND WHEREVER POSSIBLE IMPROVING THE COMPETITIVE EDGE OF HONG KONG.

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USE OF CAR PARKS

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FOLLOWING IS A QUESTION BY THE HON STEVEN POON KWOK-LIM AND A WRITTEN REPLY BY THE SECRETARY FOR SECURITY, MR ALISTAIR ASPREY, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : IT WAS LEARNT THAT SHOOTING OCCURRED IN THE COURSE OF A POLICE OPERATION CARRIED OUT RECENTLY IN THE CAR PARK OF A BUILDING IN KOWLOON TONG WHICH WAS SUSPECTED OF BEING USED BY A VEHICLE-STEALING SYNDICATE FOR PARKING STOLEN VEHICLES. IN CONNECTION WITH THIS, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) WHETHER THE USE OF PARKING SPACES IN CAR PARKS INSIDE BUILDINGS FOR PARKING STOLEN VEHICLES BY VEHICLE-STEALING SYNDICATES IS A COMMON PHENOMENON; AND WHAT ARE THE STATISTICS ON SUCH CASES FOR THE PAST 12 MONTHS;
- (B) WHETHER, IN THE LIGHT OF SUCH CASES, THE GOVERNMENT WILL DRAW UP GUIDELINES AND DISTRIBUTE THEM TO BUILDING OWNERS' CORPORATIONS AND COMMITTEES TO ASSIST THEIR MANAGEMENT OFFICES IN MONITORING THE USE OF CAR PARKS INSIDE THEIR BUILDINGS; AND
- (C) WHETHER THE POLICE HAS PUBLICISED ANY ADVICE IN ITS RADIO OR TELEVISION PROGRAMMES (SUCH AS "POLICE MAGAZINE") ON HOW BUILDING MANAGEMENT OFFICES SHOULD HANDLE SUCH CASES?

/REPLY :

REPLY :

MR PRESIDENT,

- (A) WE DO NOT BELIEVE THAT CAR PARKS IN RESIDENTIAL BUILDINGS ARE COMMONLY USED BY CAR THEFT SYNDICATES FOR PARKING STOLEN VEHICLES. THE CASE REFERRED TO IN THE QUESTION WAS AN ISOLATED INCIDENT. IT IS UNLIKELY THAT CAR THEFT SYNDICATES WOULD RENT PRIVATE PARKING SPACES, AS THE RECORDS MAINTAINED BY THE BUILDING MANAGEMENT COULD HELP THE POLICE TO TRACE THEM. THERE IS NO RECORD OF ANY OTHER SUCH CASES IN THE PAST 12 MONTHS.
- (B) THE CRIME PREVENTION BUREAU OF THE POLICE FORCE OFFERS GUIDANCE TO PROPERTY MANAGEMENT OFFICES TO ENSURE VEHICLE AND CAR PARK SECURITY. SUCH ADVICE, IN THE FORM OF A CAR PARK SECURITY MANUAL DRAWN UP IN CONSULTATION WITH THE CARPARK OPERATORS' ASSOCIATION HAS BEEN DISTRIBUTED TO OPERATORS OF PRIVATE AND COMMERCIAL CAR PARKS.
- (C) THE POLICE PROVIDE REGULAR ADVICE TO CAR PARK OPERATORS AND PROPERTY MANAGEMENT OFFICES ON CRIME PREVENTION AND SPECIFICALLY, ON SECURITY IN CAR PARKS. THIS INCLUDES THE POSSIBLE USE OF CAR PARKS IN PRIVATE BUILDINGS FOR CRIMINAL PURPOSES. PUBLICITY BY THE POLICE TO COMBAT CAR THEFT IN CAR PARKS HAS BEEN INCLUDED IN RADIO AND TELEVISION PROGRAMMES. THE ADOPTION OF IMPROVED SECURITY MEASURES BY PROPERTY MANAGEMENT OFFICES AND CAR PARK OPERATORS, WITH THE ASSISTANCE OF THE POLICE, HAS CONTRIBUTED TO THE OVERALL DECLINE IN CAR THEFTS OVER THE PAST YEAR.

NUMBER OF DIRECTORATE OFFICERS

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FOLLOWING IS A QUESTION BY THE HON ALLEN LEE PENG-FEI AND A WRITTEN REPLY BY THE SECRETARY FOR THE CIVIL SERVICE, MR MICHAEL SZE, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : WILL THE GOVERNMENT INFORM THIS COUNCIL OF:

- (A) THE NUMBER OF LOCAL AND EXPATRIATE OFFICERS AT THE DIRECTORATE LEVEL IN EACH OF THE DEPARTMENTS AND POLICY BRANCHES OF THE GOVERNMENT; AND
- (B) THE NUMBER AND NAME OF LOCAL AND EXPATRIATE DIRECTORATE STAFF AT THE DEPARTMENT HEAD/DEPUTY DEPARTMENT HEAD AND THE SECRETARY/DEPUTY SECRETARY LEVELS IN EACH OF THOSE DEPARTMENTS AND POLICY BRANCHES?

ANSWER:

WITH REFERENCE TO (A), THERE WERE 740 LOCAL AND 419 EXPATRIATE OFFICERS AT THE DIRECTORATE LEVEL IN THE GOVERNMENT AS AT 1 JULY 1994 (THE LATEST AVAILABLE FIGURES), COMPRISING A TOTAL OF 1,159 OFFICERS. A BREAKDOWN OF THESE OFFICERS BY DEPARTMENTS AND POLICY BRANCHES IS AT ANNEX 1.

WITH REFERENCE TO (B), THERE WERE AS AT 24 NOVEMBER 1994, 178 OFFICERS AT BRANCH SECRETARY/HEAD OF DEPARTMENT AND DEPUTY SECRETARY/DEPUTY HEAD OF DEPARTMENT LEVEL. OF THESE, 118 ARE LOCAL AND 60 EXPATRIATE OFFICERS. A NAME LIST OF THESE OFFICERS BY DEPARTMENTS AND POLICY BRANCHES IS AT ANNEX 2. THESE INCLUDE OFFICERS BOTH SUBSTANTIVE AND ACTING.

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COURT WAITING TIMES REDUCED

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FOLLOWING IS A QUESTION BY THE HON EMILY LAU WAI-HING AND A WRITTEN REPLY BY THE ACTING CHIEF SECRETARY, THE HON MICHAEL LEUNG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : AT THE SPECIAL MEETING OF THE FINANCE COMMITTEE ON MARCH 18, 1994, THE CHIEF SECRETARY, IN HER CAPACITY AS THE CHAIRMAN OF THE COMMITTEE, REQUESTED THE REGISTRAR, SUPREME COURT TO REFER THE QUESTION RAISED AT THE MEETING ABOUT STATISTICS ON THE WORKING HOURS OF JUDGES TO THE CHIEF JUSTICE TO REPLY, BUT SO FAR NO REPLY HAD BEEN RECEIVED. IN VIEW OF THIS, WILL THE GOVERNMENT INFORM THIS COUNCIL :

/(A) WHEN WILL

- (A) WHEN WILL THE CHIEF JUSTICE BE ABLE TO PRODUCE SUCH STATISTICS; AND
- (B) WHAT MEASURES HAVE BEEN TAKEN TO SHORTEN THE RESPECTIVE WAITING TIME FOR CASES TO BE HEARD IN THE HIGH COURT, DISTRICT COURTS AND MAGISTRACIES?

REPLY :

MR PRESIDENT,

- (A) FOLLOWING THE SPECIAL MEETING OF THE FINANCE COMMITTEE ON MARCH 18, 1994, THE JUDICIARY HAS CONDUCTED A SURVEY OF THE WORKING HOURS OF JUDGES OF THE HIGH COURT AND DISTRICT COURT. THE FINDINGS ARE BEING ANALYSED AND MEMBERS OF THE LEGISLATIVE COUNCIL WILL BE INFORMED OF THE RESULTS SHORTLY.
- (B) THE JUDICIARY HAS TAKEN A NUMBER OF MEASURES TO REDUCE COURT WAITING TIMES IN THE HIGH COURT, THE DISTRICT COURTS AND THE MAGISTRATES' COURTS, INCLUDING -
 - (I) LAUNCHING A SECOND CRIMINAL RUNNING LIST IN THE HIGH COURT AND IN THE DISTRICT COURT AS FROM JULY 1, 1994 AND SEPTEMBER 26, 1994, RESPECTIVELY;
 - (II) INTRODUCING A PILOT SCHEME FOR A COMPUTERISED AUDIO RECORDING AND TRANSCRIPT PRODUCTION SERVICE FOR THE DISTRICT COURT WITH EFFECT FROM OCTOBER 7, 1994. THE SCHEME AIMS TO RELIEVE DISTRICT JUDGES OF THE NEED TO TAKE HAND-WRITTEN NOTES OF PROCEEDINGS THEMSELVES, THEREBY SPEEDING UP HEARINGS;
 - (III) INTRODUCING A PILOT SCHEME FOR HEARING PERSONAL INJURIES CASES IN THE HIGH COURT WITH EFFECT FROM OCTOBER 17, 1994. ALL CASES IN CONTRACT OR TORT WHERE A CLAIM IS MADE FOR DAMAGES FOR PERSONAL INJURIES MAY NOW BE ASSIGNED TO THE LIST;
 - (IV) DESIGNATING A HIGH COURT JUDGE TO BE RESPONSIBLE FOR LISTING MATTERS IN THE HIGH COURT AS FROM NOVEMBER 1, 1994;
 - (V) APPOINTING 13 BARRISTERS IN PRIVATE PRACTICE TO SIT AS DEPUTY DISTRICT JUDGES, EACH FOR ABOUT A MONTH, SINCE THIS SUMMER; AND

/(VI) APPOINTING

- (VI) APPOINTING THREE TEMPORARY MAGISTRATES TO EASE THE PRESSURE ON THE MAGISTRATE'S COURTS AND TO COPE WITH THE INCREASING CASELOAD.

AS A RESULT, THE COURT WAITING TIMES AT DIFFERENT LEVELS HAVE REDUCED CONSIDERABLY. FOR EXAMPLE, WHEREAS IN 1993 IT TOOK AN AVERAGE OF SEVEN MONTHS FOR A CRIMINAL CASE TO COME TO TRIAL IN THE HIGH COURT FROM THE FILING OF AN INDICTMENT, THE AVERAGE WAITING TIME HAS NOW DROPPED TO SLIGHTLY OVER FIVE MONTHS. INDEED, FOR CASES ON THE CRIMINAL RUNNING LIST, THE WAITING TIME IS ONLY DOWN TO SLIGHTLY OVER TWO MONTHS. AS REGARDS THE DISTRICT COURT, THE WAITING TIME FOR CIVIL CASES FELL SIGNIFICANTLY FROM AN ALL-TIME HIGH OF 420 DAYS IN FEBRUARY THIS YEAR TO 177 DAYS IN OCTOBER. CONTINUING EFFORTS ARE BEING MADE BY THE JUDICIARY ON ALL FRONTS TO KEEP COURT WAITING TIMES WITHIN REASONABLE LIMITS.

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RECOGNITION OF TERTIARY INSTITUTION DEGREES

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FOLLOWING IS A QUESTION BY THE HON HENRY TANG YING-YEN AND A WRITTEN REPLY BY THE ACTING SECRETARY FOR EDUCATION AND MANPOWER, MR LAM WOON-KWONG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : IN VIEW OF THE CONCERN EXPRESSED BY THE PUBLIC OVER THE RECOGNITION OF DEGREES AWARDED BY THE 560 ACCREDITED TERTIARY INSTITUTIONS IN MAINLAND CHINA, WILL THE GOVERNMENT INFORM THIS COUNCIL WHETHER :

- (A) CONSIDERATION WILL BE GIVEN TO ALTERING THE CURRENT CONSULTATIVE ROLE OF THE HONG KONG COUNCIL FOR ACADEMIC ACCREDITATION, WHICH IS LIMITED TO THE EXCHANGE OF VIEWS WITH OVERSEAS ACCREDITATION ORGANISATIONS ONLY, BY EXTENDING ITS ACCREDITATION AUTHORITY TO COVER OVERSEAS TERTIARY INSTITUTIONS (INCLUDING THOSE IN MAINLAND CHINA AND TAIWAN); IF SO, IN WHAT WAY THIS WILL BE DONE; IF NOT, WHAT THE REASONS ARE, AND WHAT ARRANGEMENTS THE GOVERNMENT WILL ADOPT TO ASSESS THE STANDARD OF ACADEMIC QUALIFICATIONS OBTAINED FROM THESE INSTITUTIONS; AND
- (B) ANY GRADUATES FROM TERTIARY INSTITUTIONS RECOGNISED IN MAINLAND CHINA HAVE APPLIED FOR CIVIL SERVICE POSTS AND TEACHING POSTS IN THE PUBLIC SECTOR IN THE TERRITORY IN THE PAST THREE YEARS; IF SO, WHAT IS THE TOTAL NUMBER OF APPLICANTS AND HOW MANY ARE SUCCESSFUL IN THEIR APPLICATIONS, AND WHAT ARE THE CRITERIA ADOPTED BY THE CIVIL SERVICE BRANCH AND THE ADVISORY COMMITTEE ON TEACHER EDUCATION AND QUALIFICATIONS IN ASSESSING THEIR QUALIFICATIONS; IF NOT, WHAT ARE THE REASONS FOR REJECTING THESE APPLICATIONS?

/REPLY :

REPLY :

MR PRESIDENT,

- (A) THE HONG KONG COUNCIL FOR ACADEMIC ACCREDITATION (HKCAA) ACTS AS AN INDEPENDENT ACCREDITING AUTHORITY TO ASSESS THE STANDARDS OF DEGREE PROGRAMMES OFFERED OR TO BE OFFERED BY LOCAL NON-UNIVERSITY TERTIARY INSTITUTIONS. IT ALSO PROVIDES ADVICE AND INFORMATION ON THE COMPARABILITY OF ACADEMIC STANDARDS AND ACCREDITATION SYSTEMS IN OTHER COUNTRIES. IT WOULD NOT BE APPROPRIATE FOR A LOCAL ACCREDITING AUTHORITY TO ACCREDIT COURSES THAT ARE OFFERED AND APPROVED ELSEWHERE IN THE WORLD. THERE IS NO PLAN, THEREFORE, TO EXTEND THE HKCAA'S ACCREDITING AUTHORITY TO COVER NON-LOCAL TERTIARY INSTITUTIONS.

THE RECOGNITION OF NON-LOCAL QUALIFICATIONS ARE MATTERS IN WHICH THE TERTIARY INSTITUTIONS, THE PROFESSIONAL BODIES, AND EMPLOYERS ARE FREE TO EXERCISE THEIR OWN DISCRETION ON THE BASIS OF THEIR OWN ACADEMIC, PROFESSIONAL AND EMPLOYMENT NEEDS. HKCAA IS, HOWEVER, A USEFUL SOURCE OF INFORMATION TO FACILITATE ASSESSMENT OF THE STANDARD OF NON-LOCAL QUALIFICATIONS FOR THE PURPOSE OF APPOINTMENTS TO THE CIVIL SERVICE.

- (B) ON APPLICATIONS FOR CIVIL SERVICE POSTS, GOVERNMENT DOES NOT KEEP A RECORD ON THE NUMBER OF APPLICANTS WHO HOLD QUALIFICATIONS FROM A PARTICULAR COUNTRY. IN GENERAL, ASSESSMENT OF NON-LOCAL QUALIFICATIONS ARE MADE ON A CASE-BY-CASE BASIS HAVING REGARD TO THE STANDING OF THE ISSUING INSTITUTION, THE CONTENT OF THE ACADEMIC PROGRAMME, AS WELL AS THE ADVICE FROM THE ACCREDITATION AUTHORITY CONCERNED OR THE RELEVANT PROFESSIONAL AND EDUCATIONAL BODIES, WHERE SUCH ADVICE IS CONSIDERED NECESSARY. THE BENCHMARK IS WHETHER THE NON-LOCAL QUALIFICATION IS OF A COMPARABLE STANDARD TO THAT OF A LOCAL QUALIFICATION.

AS REGARDS APPLICATIONS FOR TEACHER POSTS IN THE PUBLIC SECTOR, AGAIN NO SEPARATE RECORD IS KEPT ON THE NUMBER OF APPLICANTS WHO HOLD NON-LOCAL QUALIFICATIONS ONLY. IN GENERAL, HOLDERS OF NON-LOCAL QUALIFICATIONS THAT ARE NOT REGARDED AS OF A COMPARABLE STANDARD TO LOCAL QUALIFICATIONS MAY BECOME TEACHERS IN THE PUBLIC SECTOR EITHER -

- (I) THROUGH COMPLETING A POST-GRADUATE CERTIFICATE IN EDUCATION OR DIPLOMA IN EDUCATION AT A LOCAL UNIVERSITY, THE SUCCESSFUL COMPLETION OF WHICH WILL ENABLE THE PERSON TO BECOME A NON-GRADUATE TEACHER IN LOCAL SECONDARY SCHOOLS. CURRENTLY THERE ARE 25 SUCH PERSONS HOLDING PRC DEGREES SO EMPLOYED IN THE PUBLIC SECTOR; OR

/(II) THROUGH PASSING

- (II) THROUGH PASSING THE NON-GRADUATE TEACHER QUALIFICATION ASSESSMENT (NGTQA) SCHEME, FOLLOWING WHICH THE PERSON CAN BE EMPLOYED AS A CERTIFICATED MASTER OR MISTRESS IN LOCAL PRIMARY SCHOOLS. ACCORDING TO QUESTIONNAIRE SURVEYS UNDERTAKEN BY THE EDUCATION DEPARTMENT IN 1993 AND 1994, OF THOSE CANDIDATES WHO SUCCEEDED IN THE NGTQA SCHEME IN THOSE YEARS AND WHO HOLD POST-SECONDARY AND DEGREE QUALIFICATIONS FROM PRC INSTITUTIONS, 30 AND 15 RESPECTIVELY WERE IN EMPLOYMENT AS TEACHERS IN PUBLIC SECTOR SCHOOLS; OR
- (III) THROUGH DIRECT EMPLOYMENT BY AIDED SCHOOLS TO TEACH SPECIFIC SUBJECTS SUCH AS PUTONGHUA, MUSIC OR PHYSICAL EDUCATION. THEY ARE NOT ELIGIBLE FOR GOVERNMENT SALARY SUBSIDY BECAUSE THEIR QUALIFICATIONS DO NOT MEET THE REQUIREMENTS FOR APPOINTMENT UNDER THE RELEVANT CODE OF AID. IT IS NOT KNOWN HOW MANY SUCH PERSONS ARE SO EMPLOYED.

THE ADVISORY COMMITTEE ON TEACHER EDUCATION AND QUALIFICATION DOES NOT ASSESS INDIVIDUAL QUALIFICATIONS. HOWEVER, IT WILL SHORTLY FORWARD TO GOVERNMENT ITS ADVICE CONCERNING THE POST-GRADUATE QUALIFICATIONS NECESSARY FOR APPOINTMENT AS GRADUATE TEACHERS IN LOCAL SECONDARY SCHOOLS.

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WRITS OF POSSESSION EXECUTED UNDER COURT ORDER

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FOLLOWING IS A QUESTION BY THE HON MRS SELINA CHOW LIANG SHUK-YEE AND A WRITTEN REPLY BY THE ACTING CHIEF SECRETARY, THE HON MICHAEL LEUNG, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : WILL THE GOVERNMENT INFORM THIS COUNCIL OF THE FOLLOWING :

- (A) WHAT ARE THE GUIDELINES WHICH BAILIFFS HAVE TO FOLLOW WHEN REGISTERING ITEMS COLLECTED IN THE COURSE OF TAKING POSSESSION OF PREMISES; AND
- (B) WHETHER THERE ARE ANY COMPLAINTS AGAINST BAILIFFS FOR NOT CARRYING OUT THEIR DUTIES PROPERLY IN THE PAST THREE YEARS; IF SO, WHAT IS THE NUMBER OF SUCH COMPLAINTS?

/REPLY :

REPLY :

MR PRESIDENT,

- (A) IN EXECUTING WRITS OF POSSESSION, BAILIFFS ACT UNDER THE PROVISIONS OF THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE, CAP 7, AND RULES OF THE SUPREME COURT, CAP 4, AND FOLLOW STRICTLY ORDERS MADE BY THE COURT. THERE ARE ALSO ADMINISTRATIVE GUIDELINES IN RESPECT OF SEIZURE OF GOODS AND TAKING OF INVENTORIES OF SEIZED GOODS -
- (I) BAILIFFS SHOULD TAKE DETAILED INVENTORY AND MAKE APPRAISAL OF ALL GOODS AND CHATTELS OF THE JUDGMENT DEBTOR ON THE PREMISES;
- (II) IF RECOVERY OF RENT OR MESNE PROFIT IS INCLUDED IN THE WRIT OF POSSESSION, BAILIFFS ARE EMPOWERED TO SEIZE GOODS AND CHATTELS, UP TO THE AMOUNT CLAIMED PLUS THE ESTIMATED COST OF EXECUTION, INCLUDING POSSESSION GUARD FEES AND EXPENSES OF AUCTIONEERS;
- (III) PERSONAL CLOTHING, BEDDING AND TOOLS OF TRADE OF JUDGMENT DEBTORS ARE NORMALLY EXEMPT FROM SEIZURE; AND
- (IV) IF THE APPRAISED VALUE OF SEIZEABLE GOODS AND CHATTELS FALLS BELOW THE ESTIMATED COSTS OF EXECUTION, BAILIFFS WILL SEEK INSTRUCTIONS FROM JUDGMENT CREDITORS OR LANDLORDS AS TO WHETHER SEIZURE SHOULD STILL BE EFFECTED.
- (B) IN THE PAST THREE YEARS, BAILIFFS MADE A TOTAL OF 75,000 ATTEMPTS OF EXECUTION OF ORDERS AND WARRANTS. TWO COMPLAINTS INVOLVING BAILIFFS WERE INVESTIGATED BY THE COMMISSIONER FOR ADMINISTRATIVE COMPLAINTS. ONE OF THEM WAS FOUND PARTIALLY SUBSTANTIATED AND THE OTHER WAS FOUND NOT SUBSTANTIATED. THERE WERE FIVE OTHER COMPLAINTS WHICH WERE SATISFACTORILY RESOLVED BETWEEN THE COMPLAINANTS AND THE JUDICIARY. MOST OF THESE COMPLAINTS WERE DUE TO MISUNDERSTANDING OF THE FUNCTIONS AND DUTIES OF THE BAILIFFS, IN PARTICULAR THE SCOPE AND LIMITS OF THEIR POWERS.

KMB RESTRUCTURING PROPOSALS

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FOLLOWING IS A QUESTION BY THE HON FRED LI WAH-MING AND A WRITTEN REPLY BY THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : THE KOWLOON MOTOR BUS COMPANY'S PLAN TO RESTRUCTURE 23 OF ITS URBAN BUS ROUTES TO 13 ROUTES WILL AFFECT PASSENGERS IN THAT THEY WILL HAVE TO USE MORE EXPENSIVE MODES OF TRANSPORT, CHANGE BUSES MORE FREQUENTLY OR PAY HIGHER FARES. IN VIEW OF THIS, WILL THE GOVERNMENT INFORM THIS COUNCIL OF THE FOLLOWING -

- (A) THE ACTUAL EFFECTS OF THE RESTRUCTURING ON THE PASSENGERS TRAVELLING ON THE ORIGINAL 23 ROUTES, SUCH AS THE NUMBER OF PASSENGERS AFFECTED ON EACH ROUTE, THE NUMBER OF BUS STOPS TO BE ADDED OR CANCELLED ON EACH ROUTE AFTER RESTRUCTURING AND ITS FARE CHANGES;
- (B) THE CRITERIA USED BY THE GOVERNMENT IN EXAMINING THE RESTRUCTURING PLAN AND WHETHER MEMBERS OF THIS COUNCIL WILL BE CONSULTED; AND
- (C) WHAT CORRESPONDING MEASURES THE GOVERNMENT WILL TAKE TO REDRESS THE INCONVENIENCE CAUSED TO THE PUBLIC AS A RESULT OF THE RESTRUCTURING, SUCH AS INTRODUCING NEW GREEN MINIBUS ROUTES IN THE AFFECTED AREAS?

REPLY :

MR PRESIDENT,

THE KOWLOON MOTOR BUS COMPANY LIMITED (KMB) HAS TAKEN THE INITIATIVE IN CONDUCTING A THOROUGH REVIEW OF ITS BUS SERVICES IN URBAN KOWLOON AND HAS COME UP WITH A NUMBER OF PROPOSALS TO RESTRUCTURE 23 ROUTES. ITS RECOMMENDATION IS TO RATIONALISE SERVICES WITH A VIEW TO IMPROVING OPERATING EFFICIENCY, FREQUENCIES, ROUTEINGS AND SERVICE QUALITY.

KMB HAS ADVISED THAT THE VAST MAJORITY OF THE EXISTING 160,000 PASSENGERS TRAVELLING ON THESE 23 ROUTES EACH DAY WOULD NOT BE AFFECTED. MOST RESTRUCTURING PROPOSALS INVOLVE ROUTE COMBINATIONS WHICH DO NOT NECESSARILY MEAN A CUT IN SERVICE. ON THE CONTRARY, THOSE USING THE RESTRUCTURED ROUTES WOULD FIND THE SERVICES MORE FREQUENT AND RELIABLE AND SOME PASSENGERS WOULD ENJOY LOWER SECTION FARES. THERE WOULD ALSO BE EXTENSIONS ON SOME ROUTES TO PROVIDE NEW LINKS. SOME ROUTES WOULD BE UPGRADED TO AIR-CONDITIONED SERVICES. IF THE RESTRUCTURING PROPOSALS ARE IMPLEMENTED, THERE WOULD BE SUBSTANTIAL SAVINGS IN OPERATING COSTS FOR KMB AND LESS PRESSURE ON KMB BUS FARES.

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KMB IS NOW CONSULTING RELEVANT DISTRICT BOARDS ON THESE PROPOSALS AND WILL TAKE INTO ACCOUNT LOCAL VIEWS AND SUGGESTIONS. AT THE SAME TIME, KMB HAS ALSO SUBMITTED ITS PROPOSALS TO THE ADMINISTRATION. WE WILL AWAIT THE OUTCOME OF KMB'S CONSULTATION EXERCISE WITH DISTRICT BOARDS BEFORE PROCESSING THESE PROPOSALS AND, IN THIS RESPECT, WILL TAKE INTO ACCOUNT THE FOLLOWING FACTORS -

- (A) THE TRANSPORT NEEDS OF THE TRAVELLING PUBLIC;
- (B) GENERAL IMPACT ON CURRENT FARE AND SERVICE LEVELS;
- (C) MORE BALANCED ALLOCATION AND MORE EFFICIENT UTILISATION OF BUS RESOURCES;
- (D) FREQUENCY AND CAPACITY ENHANCEMENT RESULTING FROM RESTRUCTURED SERVICES; AND
- (E) THE NEED FOR ALTERNATIVE TRANSPORT SERVICES, EG GREEN MINIBUS ROUTES, TO SUPPLEMENT REVISED BUS SCHEDULES.

THE ADMINISTRATION WILL ALSO BRIEF THE TRANSPORT ADVISORY COMMITTEE AND THE LEGISLATIVE COUNCIL PANEL ON TRANSPORT ON THE RESTRUCTURING PROPOSALS, AND FULLY TAKE INTO ACCOUNT THE VIEWS EXPRESSED BEFORE ANY DECISIONS ARE MADE.

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24-HOUR CLEARANCE SERVICE AT BORDER

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FOLLOWING IS A QUESTION BY THE HON TIK CHI-YUEN AND A WRITTEN REPLY BY THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : REGARDING THE INTRODUCTION OF 24-HOUR CLEARANCE SERVICE FOR GOODS VEHICLES AT THE LOK MA CHAU BORDER CROSSING POINT, WILL THE GOVERNMENT INFORM THIS COUNCIL WHETHER THE GOVERNMENT WILL CONSIDER INTRODUCING SIMILAR ARRANGEMENT AT OTHER BORDER CROSSING POINTS?

REPLY

MR PRESIDENT,

THERE IS AT PRESENT NO DEMAND FOR OPENING THE MAN KAM TO AND THE SHA TAU KOK BORDER ROAD CROSSINGS ROUND THE CLOCK AND WE HAVE NO PLANS TO DO SO. HOWEVER, IN REVIEWING THE 24-HOUR SERVICE AT THE LOK MA CHAU BORDER CROSSING POINT EARLY NEXT YEAR TOGETHER WITH THE CHINESE AUTHORITIES, WE WILL CONSIDER THE NEED FOR AND THE FEASIBILITY OF EXTENDING THE OVERNIGHT FACILITIES AT THAT CROSSING POINT TO VEHICLES WITH PERMITS TO USE THE FACILITIES AT MAN KAM TO AND SHA TAU KOK.

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OFF-COURSE BETTING CENTRES

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FOLLOWING IS A QUESTION BY THE HON ZACHARY WONG WAI-YIN AND A WRITTEN REPLY BY THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : REGARDING BETTING CENTRES OPERATED BY THE ROYAL HONG KONG JOCKEY CLUB, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) WHAT IS THE EXISTING NUMBER OF OFF-COURSE BETTING CENTRES IN THE TERRITORY; WHETHER THE GOVERNMENT HAS LAID DOWN ANY LIMIT TO THE NUMBER OF SUCH CENTRES, AND WHETHER THE GOVERNMENT HAS ANY PLAN TO RELAX THE LIMIT; AND
- (B) WHETHER THE GOVERNMENT WILL SUPPORT THE PROPOSAL OF THE JOCKEY CLUB TO SET UP MOBILE BETTING CENTRES?

REPLY

MY REPLY IS AS FOLLOWS :

- (A) AT PRESENT, THERE ARE 124 OFF-COURSE BETTING CENTRES IN HONG KONG. THE TOTAL LIMIT LAID DOWN BY THE GOVERNMENT FOR THE ESTABLISHMENT OF OFF-COURSE BETTING CENTRES IS 134. THE GOVERNMENT DOES NOT HAVE ANY PLAN TO RELAX THE LIMIT.
- (B) THE GOVERNMENT HAS SO FAR NOT RECEIVED ANY APPLICATION FROM THE JOCKEY CLUB TO SET UP MOBILE BETTING CENTRES.

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BUS LANES

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FOLLOWING IS A QUESTION BY THE HON LEE WING-TAT AND A WRITTEN REPLY BY THE SECRETARY FOR TRANSPORT, MR HAIDER BARMA, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY):

QUESTION : REGARDING THE BUS LANES ISSUE, WILL THE GOVERNMENT INFORM THIS COUNCIL :

- (A) OF THE TOTAL NUMBER OF BUS LANES IN USE THROUGHOUT THE TERRITORY;
- (B) WHETHER IT WILL CONSIDER CONDUCTING A COMPREHENSIVE STUDY TO LOOK INTO THE FEASIBILITY OF PROVIDING MORE BUS LANES IN VARIOUS DISTRICTS; AND

/(C) OF THE

- (C) OF THE AVERAGE PERCENTAGE OF TRAVELLING TIME SAVED BY BUSES RUNNING ON BUS LANES AS COMPARED WITH THOSE NOT USING SUCH LANES?

REPLY

MR PRESIDENT,

- (A) AT PRESENT, THERE ARE 65 BUS PRIORITY SCHEMES IN OPERATION, INCLUDING 49 BUS ONLY LANES. THESE CAN BE USED BY BOTH FRANCHISED AND PRIVATE BUSES, INCLUDING SCHOOL BUSES AND RESIDENTIAL COACHES.
- (B) THE REVIEW OF TRAFFIC MANAGEMENT MEASURES BY THE TRANSPORT DEPARTMENT IS A CONTINUOUS PROCESS AND, IN LINE WITH OUR POLICY TO GIVE PRIORITY TO PUBLIC TRANSPORT, NEW BUS PRIORITY SCHEMES ARE PROVIDED WHENEVER PRACTICAL. SIX NEW BUS ONLY LANES WILL BE INTRODUCED BY THE END OF THE YEAR AND ANOTHER 12 BUS PRIORITY SCHEMES ARE NOW UNDER CONSIDERATION. DISTRICT BOARDS ARE CONSULTED ON TRAFFIC MANAGEMENT SCHEMES, FOR EXAMPLE, ON THE FEASIBILITY OF PROVIDING A BUS ONLY LANE ON TUEN MUN ROAD.
- (C) IT IS DIFFICULT TO BE SPECIFIC ABOUT THE TIME SAVED BY BUSES, SINCE IT IS NOT POSSIBLE TO HAVE BUS ONLY LANES FOR ENTIRE ROUTES I.E. FROM ONE DESTINATION TO ANOTHER. MUCH DEPENDS ON THE LENGTH OF LANES, THE LOCAL TRAFFIC SITUATION AND THE EXTENT OF CONGESTION. AS A ROUGH INDICATION IT IS BELIEVED THAT THE TIME SAVED IS ABOUT TWO TO THREE MINUTES PER KILOMETRE. AS EXAMPLES, THE 2.5 KM BUS ONLY LANE IN LION ROCK TUNNEL ROAD REDUCES BUS JOURNEY TIMES DURING PEAK HOURS FROM 15 TO EIGHT MINUTES, AND THE 1.4 KM BUS ONLY LANE IN POK FU LAM ROAD REDUCES JOURNEY TIMES DURING PEAK HOURS FROM 19 TO EIGHT MINUTES.

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