



DAILY INFORMATION BULLETIN

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BEACONSFIELD HOUSE, HONG KONG. TEL.: 2842 8777

Wednesday, November 29, 1995

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Transcript of the Governor's media session

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Following is the transcript of the Governor, the Rt Hon Christopher Patten's media session after visiting the Vocational Training Council's Pokfulam Centre today (Wednesday):

Governor: Good morning. I'm delighted to see further examples of the excellent work done by the Vocational Training Council. As you know, it has a central role in providing us with the skills we need for a competitive, high employment economy. I've been impressed once again by the work being done by the VTC. We are, as you know, reviewing with the council their work to see if it needs to be re-focused in any way. We will be coming forward with agreed plans for the way ahead in the Spring or thereabouts next year. But, we know that we are building on the best possible foundations, a very good chairman and a very good team.

Question: What do you expect would come out from tomorrow's informal get-together for the Hong Kong and Chinese officials?

Governor: I hope that our officials and those who will be attending the meeting from the PRC will get to know one another better. I hope that the PRC officials will learn a little more about the excellence of our civil service and the way in which Hong Kong is governed. Obviously it's important that they should be as widely informed as possible and I hope that they will be even more convinced if that's necessary of the importance of allowing Hong Kong to get on with running its own affairs after 1997. Hong Kong has been promised a high degree of autonomy. We can all look at that promise with great confidence because the people who will be running public policy in Hong Kong are as good civil servants as you would find any where in the world. So, I hope that commitment to a high degree of autonomy can be one of the things which is underlined as a result of these getting-to-know-you meetings.

Question: Mr Governor, you said Hong Kong people should run their own car after ... and now. But one of the Chinese officials has just said any important policy concerning social welfare should... the Chinese Government has the right to intervene.

Governor: Well, if he said that, he can't have had any chance recently of reading the Joint Declaration and the Basic Law. His remarks were ill-informed and extremely ill-judged. I think that they were rebutted with courtesy and firmness by the Financial Secretary and the Secretary for the Treasury. Let's remember what these talks amount to. They are a courtesy from the Government of Hong Kong, informing, and I underline that word, Chinese officials on how we run extremely successfully our budget. In Hong Kong, and it was something that was praised only last weekend by a leading American think-tank, in Hong Kong we contained public expenditure growth to keep it in line with the rate of growth of the economy. But we believe passionately that out of the proceeds of economic growth, we should make proper provision for our elderly, for the sick, for those in need, for our children, for those like young people at this training centre who need to learn new skills for their lives. What are Chinese officials proposing? Are they proposing that after 1997, they should run Hong Kong's budget? They can't conceivably have that in mind. Are they suggesting because the reason, the main reason for our increase in welfare spending is increase provision for the elderly. Are they suggesting that we should slash programmes of care for the elderly? Are they suggesting that we should cut housing provision for the elderly? Health provision for the elderly? Social security benefits for the elderly? That's not what Hong Kong wants. That's not Hong Kong believed the elderly deserve. We are talking about the people who have made this community, who've built this community. And they deserve first class services. I repeat something that the Director of Social Welfare has said. And that is that we have a first class, a first world economy in Hong Kong and we've got to make sure that our social provision is in line with that. And that is what my administration has been doing and I would be very surprised if the Chief Executive of the SAR didn't do exactly the same thing.

Question: The Airport Authority's membership list is finalised today. Do you have any expectation on the Airport Authority?

Governor: I very much hope that once we've established the Airport Authority, it will be able to get on as rapidly as possible with the completion of this great project, probably the biggest civil engineering project in the world. I think the agreement is good news. It should enable us to move ahead smoothly to finish the work which has been so well started by the Provisional Airport Authority despite the difficulties over financing which had been raised by Chinese officials. I hope that we will be able to complete the airport now so that Hong Kong has the transport facilities which it deserves.

Question: There are strikes in the airport work sites recently. Do you think there are loopholes in the labour importation scheme?

Governor: We've been very concerned about that. I had a meeting this morning with the Secretary, Joseph Wong, to talk about that particular issue because we have been concerned about abuses in the importation of labour and we believe that those workers who are imported like our own local workers should have the full protection of the laws and regulations concerning their terms of employment as well as their safety at work. Joseph Wong has had meetings now with the Provisional Airport Authority and the MTRC so that they can know about our concern. We are intending to make sure that those workers who come in to help complete the projects are fully informed about their rights and we will take very, very rapid measures to deal with anybody that we believe is breaking the law and abusing the system. We will pursue them with all the force of the law because any abuse is bad for Hong Kong, both for its reputation and for the conditions at work of those who are building some of our great infrastructure projects.

End/Wednesday, November 29, 1995

New Chairman and members for Airport Authority announced

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The Government announced today (Wednesday) that Mr Wong Po-yan will be appointed as the chairman of the Airport Authority (AA) with effect from December 1 this year.

The Government also announced the names of 16 other members to the AA board. The full list of members and biographical notes on the non-official members are attached.

"Mr Wong who has served as the chairman of the Airport Consultative Committee since it was established in 1991 is well versed in the development of the Airport Core Programme.

"He is a well-respected community leader and we are fortunate to have a person of his experience and ability to lead the Airport Authority at this important juncture," said the Financial Secretary, Mr Donald Tsang, who is the outgoing chairman of the Provisional Airport Authority.

The announcement was made following a meeting of the Airport Committee of the Sino-British Joint Liaison Group held this morning.

Two Agreed Minutes on the membership and the AA Ordinance were signed by the two sides.

Mr Tsang said with the appointment of the members, the AA Ordinance which was passed by the Legislative Council on July 19 could now be brought into operation.

"This is a major step forward in the development of the new airport," he said.

"The Airport Authority will provide permanent institutional arrangements for the development of the new airport. It will add impetus to the excellent construction work that has begun at Chek Lap Kok."

He said the Airport Authority would be formally established on December 1.

AA and the Government will then sign the Financial Support Agreement to complete the financing arrangements for the new airport.

Separately in two further Agreed Minutes signed at this morning's Airport Committee meeting, the leaders of the two sides also reached a common view on the terms of the franchise agreements to be entered into by AA for the provision of aircraft catering and aviation fuel supply services at the new airport.

The Chinese side confirmed that these agreements shall continue to be valid and shall be recognised and protected by the Government of the Hong Kong Special Administrative Region after June 30, 1997, in accordance with the relevant provisions of the Memorandum of Understanding Concerning the Construction of the New Airport in Hong Kong and Related Questions.

Under the terms of the Agreed Minute on Aircraft Catering Services, AA will award franchises to Cathay Pacific Catering Services (HK) Ltd (CPCS), LSG Lufthansa Service Hong Kong Ltd and Gate Gourmet Hong Kong Ltd.

The aircraft catering agreements give the three franchisees the right to construct and operate facilities to provide these services for a period of 15 years from the date that the new airport opens for commercial civil aviation services.

Each of the facilities will differ in site size with CPCS' covering 38,000 square metres; LSG, 23,500 square metres; and Gate Gourmet, 18,000 square metres.

It is expected that the three franchisees together will prepare around 65,000 meals a day for airlines when the airport opens.

Under the terms of the Agreed Minute on Franchise for Aviation Fuel Supply Service, AA will award a franchise to the Aviation Fuel Supply Company for the provision of an aviation fuel service system and enter into an agreement with AFSC Operations Limited for the operation and maintenance of the aviation fuel service system.

The terms of both the franchise and the agreement is 20 years from the date of airport opening.

To ensure that there is competition in fuel supply, the franchisee and operator are required to maintain an open access policy under which all qualified fuel suppliers will be allowed to supply fuel through the system.

The Secretary for Economic Services, Mr Gordon Siu, said: "The agreement reached on the aircraft catering and aviation fuel supply franchises represents another important step forward in providing the services and facilities required for an operational airport at the target opening date of April 1998.

"The Government welcomes the significant private sector investment in the provision of these franchise facilities and services for the new airport."

Significant progress has been made on the new airport at Chek Lap Kok.

The formation of the 1,248 hectare airport island was completed in June and work on the Passenger Terminal Building foundations was finished in September. Superstructure and building service works are in progress and are over 20 per cent complete.

A total of 36 major construction contracts have been awarded at a value of \$31.2 billion.

The following is a full name list of the AA Board and biographical notes on the non-official members:

Members of the Airport Authority of Hong Kong

- 1 Chairman - Mr Wong Po-yan#
- 2 Mr Lo Chung-hing#
- 3 Chief Executive Officer (ex-officio member)
- 4 Mr David Gledhill*
- 5 Mr John Gray**
- 6 Mr Ho Sai-chu*
- 7 Mr Antony Leung Kam-chung*
- 8 Mr Vincent Lo Hong-sui*
- 9 Miss Maria Tam Wai-chu#
- 10 Mr Peter Wong King-Keung#
- 11 Mr Philip Wong Yu-hong#
- 12 Secretary for Economic Services#
- 13 Secretary for the Treasury#
- 14 Secretary for Works#
- 15 Director of Civil Aviation#
- 16 Director, New Airport Projects Co-ordination Office#
- 17 Chief Executive, Hong Kong Monetary Authority#

Note:

- # Term of office from December 1, 1995 to November 30, 1998
- * Term of office from December 1, 1995 to May 31, 1998
- ** Term of office from December 1, 1995 to May 31, 1996

Brief resume on Chairman and members of AA who are not public officers

Chairman

Mr Wong Po-yan - Chairman, United Oversea Enterprises Limited, Chairman of the Airport Consultative Committee since its establishment in 1991 until 31 October this year.

Members who are not public officers

Mr Lo Chung-hing - existing PAA member; Deputy General Manager of Bank of China, Hong Kong Branch; also member of the Board of the Mass Transit Railway Corporation.

Mr David A Gledhill - existing PAA member; also Chairman of the Hong Kong Sports Development Board and member of the Board of the Mass Transit Railway Corporation.

Mr John M Gray - existing PAA member; Member of the Executive Council and Chairman of the Hong Kong Bank; also Chairman of the Port Development Board.

Mr Ho Sai-chu - existing PAA member; Director and General Manager of Fook Lee Group of Companies; also member of the Labour Advisory Board and Employees Retraining Board. Mr Antony Leung Kam-chung - existing PAA member; Head, Asia Pacific Private Bank of Citibank; also Chairman of the University Grants Committee.

Mr Vincent Lo Hong-sui - existing PAA member; Chairman of the Shui On Group Ltd; also member of the Governor's Business Council.

Miss Maria Tam Wai-chu - Barrister-at-law; formerly Executive Council and Legislative Council Member and Chairman of the Transport Advisory Committee.

Mr Peter Wong King-keung - Chairman, Newmark Group of Companies; also member of the Airport Consultative Committee up to 31 October 1995.

Mr Philip Wong Yu-hong - Managing Director of Tai Cheng International (Holdings) Ltd; also Member of the Legislative Council and member of the Hong Kong Trade Development Council.

End/Wednesday, November 29, 1995

Disappointment over repealing of fees revision proposal

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The Director of Buildings, Mrs Helen Yu, today (Wednesday) expressed extreme disappointment over the Legislative Council's decision to repeal the proposed revision of fees for registering building professionals and contractors.

Through the Building (Administration) (Amendment) (No 3) Regulation 1995, the Administration sought an adjustment of nine per cent on the registration fees for authorised persons, registered structural engineers, registered contractors and registered ventilation contractors.

The proposed adjustment ranges from \$40 to \$790, with the majority being cases of renewal in the order of \$40 to \$75 a year.

The fees, calculated in accordance with the cost in providing the registration services, are normally adjusted annually to recover cost increases due to inflation or other factors.

"The nine per cent adjustment can hardly be said to cause any hardship to building professionals and contractors. The number of persons affected is only some 3,200. They should be well able to afford to pay.

"Now, the general taxpayers will suffer as they have to subsidise those people in their profit-making commercial activities," Mrs Yu said.

End/Wednesday, November 29, 1995

Government welcomes UN Committee Against Torture Report

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The Government today (Wednesday) welcomed the conclusions of the United Nations Committee Against Torture following its consideration of the initial report on Hong Kong on November 17, 1995.

In its written comments, the Committee noted as positive aspects:

- the creation of the Independent Police Complaints Council (IPCC); and

- the fact that no case of torture appeared to have come to light in the territory.

A government spokesman welcomed the Committee's recognition of the steps taken to implement the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

"We will continue to introduce measures to strengthen the monitoring role of IPCC," he said.

The Committee also expressed concern over the standards of detention for Vietnamese migrants.

"We have no wish to detain Vietnamese migrants but they have exhausted the status determination process and their future lies only in Vietnam," said the spokesman.

"Both the Government and the United Nations High Commissioner for Refugees have been trying to make the living conditions in the centres as amicable as possible within the resources available," he added.

Copies of the Committee's report (English only) are now available at the Marketing Office of Government Information Services on 17th floor, Siu On Centre 176-192 Lockhart Road, Wan Chai.

End/Wednesday, November 29, 1995

Chief Secretary concludes visit to Italy

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The Chief Secretary, Mrs Anson Chan, will fly to Paris later today (Wednesday) today to begin the next stage of her official visit to two European countries - Italy and France.

She has wound up her visit to Rome with meetings this morning with two political leaders, the Vice President of the Chamber of Deputies, Mr Ignazio La Russa, and the President of the Foreign Affairs Commission in the Chamber of Deputies, Mr Mirko Tremaglia, as well as with the Governor of the Bank of Italy, Mr Antonio Fazio.

Mrs Chan has spent the past three days in Milan and Rome meeting with a range of senior business and political leaders and journalists to bring them up to date with the latest developments in Hong Kong on the economic front and to discuss the progress of transitional arrangements for the change of sovereignty in 1997.

The Chief Secretary said she was encouraged by the interest shown by the Italians in Hong Kong's future, both in the lead up to, and beyond, the handover.

"There is obviously a concern by the people I met of the need for a smooth transition and for Hong Kong's present lifestyle and way of doing business to continue to thrive after the reversion to Chinese sovereignty.

"A number of business people were particularly interested in the security of their investments and whether there would be any problems with joint ventures which may have been established prior to the change," she said.

Mrs Chan said it was quite understandable for these concerns to be raised, but she believed she had been able to reassure them that under the Joint Declaration and Basic Law, their investments would be safe.

This was certainly the position from Hong Kong's point of view and Chinese officials had also made similar reassuring remarks in the past.

Tonight, the Chief Secretary will begin her official visit to France as the guest of honour at a dinner in Paris hosted by the Deputy Minister for Foreign Affairs (responsible for Overseas Aid and Development), Mr Jacques Godfrain.

On Thursday, Mrs Chan will have meetings with several political leaders, including the President of the Senate, Mr Rene Monory, and the Minister for Economy and Finance, Mr Jean Arthuis.

During this latter meeting, Mrs Chan and Mr Arthuis will sign an investment promotion and protection agreement between Hong Kong and France.

End/Wednesday, November 29, 1995

Cargo working area productivity consultation to begin soon

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The Marine Department will shortly begin consulting operators at Public Cargo Working Areas (PCWAs) on proposals to improve the productivity and financial performance of cargo working areas so as to meet the increasing demand, said the Director of Marine, Mr Ian Dale.

Speaking at the opening ceremony of the new Yaumatei Marine Office and Public Cargo Working Area this (Wednesday) morning, Mr Dale noted that with the ever-increasing trade between Hong Kong and China, particularly river trade, and the difficulty of providing more PCWAs, the Marine Department had to expand the PCWAs' existing capacity and productivity.

For this purpose, early this year the department commissioned a consultancy study to recommend ways to improve the management and operation of PCWAs. The study was completed in October with various improvement measures recommended.

"One of the most promising is to contract out the management of berths to cargo operators through a tendering arrangement," Mr Dale said.

The consultancy study concluded that with long-term security of berths operators would be encouraged to invest in more modern cargo handling machinery and thus increased cargo throughput, he said.

Mr Dale noted that the Marine Department was evaluating the study results but consultation with operators would be carried out shortly.

On the newly opened Yaumatei Marine Office and PCWA, Mr Dale said as a result of various development proposals, such as the Port and Airport Development Strategy Study coupled with the growing demand, the original Yaumatei Marine Office, and the old typhoon shelter and its PCWA had to be relocated to make way for the West Kowloon Reclamation.

The new facilities are larger and more efficient than the old facilities, and they thus will enable the Marine Department to serve its customers more efficiently.

The Yaumatei Marine Office, one of the department's most important bases for local marine services, has the job of regulating marine activities, controlling safety on local vessels, and managing the Yaumatei PCWA.

The new Yaumatei PCWA, with a total area of about 13 hectares and 1,235 metres of waterfrontage, is not only the largest in the territory but also the busiest, handling 1.9 million tonnes of cargo in the first nine months of this year, an increase of 42 per cent over the same period last year.

Mr Dale said: "The Marine Department's nine PCWAs play a vital role in the overall port system of Hong Kong, meeting the demand of the general cargo and river trade operators.

"Last year all the PCWAs handled more than 14 million tonnes of cargo, an 18 per cent increase over 1993."

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Traffic management programme to cope with shipping growth

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Within five years Hong Kong's port will be handling over half a million international marine traffic movements a year. To cope with this huge growth the Marine Department has begun an ongoing Programme of Proactive Traffic Management. Details of the programme were outlined today (Wednesday) at the meeting of the Port Development Board's Container Handling Committee.

The Marine Department's General Manager, Vessel Traffic Services, Mr Roger Tupper, said the main aim of the multi-million dollar programme was to improve safety in Hong Kong's busy waters.

He told committee members that the department would build a new radar station on Ping Chau to cover Mirs Bay and the eastern approaches to Hong Kong. Costing \$75 million, the station is expected to come into operation in 1998.

A radar station covering the western approaches opened on Kau Yi Chau earlier this year. This provides coverage that had been interrupted by the building of the Tsing Ma Bridge.

Mr Tupper said the programme also included three Local Vessel Control Centres (LVCC). The first was opened in June to cover the Ma Wan Channel. The second LVCC is expected to open at Kwai Chung Port in 1998 and the third on Green Island in 1999.

Each fully-manned LVCC will cost \$35 million. This includes radar support for the stations and patrol vessels and launches which will be used to ensure that marine fairways are kept clear.

Also included in the programme is a Very High Frequency (VHF) Radio Direction Finder to be installed at Black Point by 1997. This will enable the Marine Department to pinpoint the position of ships approaching Hong Kong from the north-west.

Members of the Container Handling Committee welcomed the programme, which they described as very necessary, and urged the Marine Department to press ahead with its implementation.

End/Wednesday, November 29, 1995

Refugee Co-ordinator to hold talks in Hanoi

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In response to media enquiries, a government spokesman confirmed today (Wednesday) that the Refugee Co-ordinator, Mr Brian Bresnihan, would be holding talks with the Vietnamese authorities in Hanoi on Monday (December 4) with a view to expediting the clearance of Vietnamese migrants (VM) for return and simplifying the associated procedures.

The Refugee Co-ordinator will be accompanied by two officers of the Immigration Department - Assistant Director, Mr Choy Ping-tai; and Assistant Principal Immigration Officer, Mr Ting Wing-chuen.

UNHCR officials will also attend the meeting.

"These talks are part of our on-going dialogue with the Vietnamese authorities on VM issues," the spokesman added.

End/Wednesday, November 29, 1995

Official Receiver returns from visit to Guangdong

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An official delegation from the Official Receiver's Office, led by the Official Receiver, Mr Robin Hearder, returned to Hong Kong today (Wednesday) after a six-day visit to Guangdong Province.

The visit was a general familiarisation visit by Mr Hearder; the Assistant Official Receiver (Case Management), Mr Wong King-on; and five other senior officers from the Legal Services, Case Management and Financial Services Divisions of the department.

During their stay in China, the delegation visited Guangzhou, Dongguan and Shenzhen and had useful meetings with senior administrative and judicial officials involved in the liquidation of state-owned enterprises and joint-ventures who briefed them about the Chinese Laws and Regulations on Enterprise Bankruptcy and Civil Laws in Guangdong Province.

The senior officials represented the Administrative Office of State-owned Property, the Administration for Industry and Commerce and the Foreign Affairs Office of Guangdong Province; the Administrative Officer of State-owned Property, the Bureau of Industry and Commerce and the Foreign Affairs Office of Dongguan Municipality; and the Shenzhen Investment Administrative Co and Foreign Affairs Office of Shenzhen Municipal People's Government. The delegation also met the Vice-President and Judges of the Guangdong Higher People's Court, the Judge of the Intermediate People's Court of Dongguan, and the Vice-President and Judges of the Shenzhen Intermediate People's Court.

Mr Hearder said on his return today: "The delegation acquired a good understanding of the administrative and judicial processes of the Enterprise Bankruptcy and Civil Law Codes in Guangdong Province and were cordially received by all the officials they met, and both groups expressed the wish to maintain regular contact."

End/Wednesday, November 29, 1995

Old face of Sheung Wan and Western District to be shown

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The old face of Sheung Wan and Western District will emerge again in an exhibition at the Gallery of the Antiquities and Monuments Office (AMO) at 136 Nathan Road, Kowloon starting from Friday (December 1).

Named as the "Hong Kong Going and Gone - Views of Sheung Wan and Western District", the three-month exhibition will display about 100 photographs taken some 20 years ago capturing disappearing buildings and street scenes as well as the life styles of those who lived in the districts.

Interesting features such as hawkers stalls and fortune-tellers' booths are also some of the themes of photographs on display.

The photographs were collected by the Royal Asiatic Society Hong Kong Branch, which has joined hands with the AMO of the Recreation and Culture Branch in staging the exhibition. Other photographs and postcards depicting various parts of the territory in their old look will also be displayed.

The organisers hope that the exhibition would promote public interest and appreciation of our history, thus generating more support in the protection of heritage.

Opening hours of the AMO Gallery are as follows:

Monday, Wednesday to Saturday	9.30 am to 5 pm
Sunday and Public Holiday	1 pm to 5 pm
Tuesday	closed

To coincide with the exhibition, AMO will organise a series of lectures, normally on Saturdays, on subjects such as "Villages in the New Territories", "the Kowloon Walled City" and "Work on Historic Buildings in Hong Kong". Details can be obtained from the office on 2721 2326.

End/Wednesday, November 29, 1995

Sham Shui Po District Festival to be launched next week

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The annual Sham Shui Po District Festival will take place from December 6 to January 14 next year with a host of activities to promote this year's theme - Building A Better Sham Shui Po.

To mark the launching of the festival, a grand opening cum variety show produced by the Metro Broadcast Corporation will be staged at the Hong Kong Coliseum at 8 pm next Wednesday, which will feature performances by famous singers and local groups.

Participants will include Miss Vivian Chow, Mr Anthony Lun, Miss Cass Pang, Mr Eric Mo, Miss Karen Tong, Mr Andy Hui, Miss Christine Ng, Mr Eric Suen, Mr Edmond Leung and Mr Jeff Cheung, and the Sham Shui Po Arts Association Children's Choir as well as students of the Suen Mei Speech and Hearing Centre for the Deaf.

Admission tickets for the show will be available free on a first-come-first-served basis at the Lai Kok Community Hall in Lai Kok Estate from 10 am tomorrow (Thursday).

Apart from the show, as many as 46 cultural and recreational activities will also be organised during the district festival by local groups, including carnivals, outings, feasts to honour the elderly, singing and dancing contests, as well as photo and drawing competitions.

Residents wishing to know more about the festival activities can obtain a programme leaflet at the Sham Shui Po District Office and its sub-offices, or telephone 2720 4251 ext 35.

The festival is organised by the Sham Shui Po District Festival Co-ordinating Committee with the assistance of Sham Shui Po District Office.

It is sponsored by the Sham Shui Po District Board and the China Light and Power Company and subsidised by the Urban Council.

End/Wednesday, November 29, 1995

Assistant Commissioner for COMAC appointed

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The Office of the Commissioner for Administrative Complaints (COMAC) announced today (Wednesday) the appointment of Mr Chan Ying-lun as the Assistant Commissioner for COMAC, effective from December 1.

The new appointment is to strengthen the directorate structure of the Office to cope with the additional responsibilities arising from the extension of the Commissioner's powers and jurisdictions under the Commissioner for Administrative Complaints (Amendments) Ordinance 1994.

Mr Chan, 45, had been working as a public relations manager and a personnel and administration manager between 1972 and 1995.

He was a member of the Legislative Council from October 1983 to September 1991 and a member of the Eastern District Board from October 1982 to April 1991.

He had also undertaken extensive public service in the past including chairmanship of the Housing Authority Domestic Rent Policy Review Committee and membership of the Housing Authority, Board of Education, Land Development Corporation and Fish Marketing Advisory Board.

End/Wednesday, November 29, 1995

Tuen Mun lot to let

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The Lands Department is inviting tender for the short-term tenancy of a piece of government land in Tuen Mun.

The lot, located in Area 40, Tuen Mun New Town, has an area of 2,890 square metres for use as a fee-paying public car park for parking of private cars, coaches and goods vehicles (excluding container tractors and trailers).

It can also be used either for storage of goods including container tractors, (excluding containers and container trailers), or as a garage for the repair and maintenance of vehicles.

The tenancy is for one year, renewable quarterly.

Closing date for submission of tender is noon on December 15.

Tender form, tender notice and conditions may be obtained from the District Lands Office, Tuen Mun, sixth floor, Tuen Mun Government Offices, 1 Tuen Hi Road, Tuen Mun; the District Lands Offices, Kowloon, 10th floor, Yau Ma Tei Car Park Building, 250 Shanghai Street, Kowloon; and the Lands Department, 14th floor, Murray Building, Garden Road.

Tender plan can also be inspected at these offices.

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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	1,856	0930	-583
Closing balance in the account	1,171	1000	-583
Change attributable to :		1100	-585
Money market activity	-585	1200	-585
LAF today	-100	1500	-585
		1600	-585

LAF rate 4.25% bid/6.25% offer TWI 122.3 *-0.1* 29.11.95

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.86	2 years	2711	5.60	99.91	5.73
1 month	5.75	3 years	3810	6.15	100.60	6.01
3 months	5.65	5 years	5009	6.95	102.04	6.55
6 months	5.63	7 years	7211	6.82	99.86	6.96
12 months	5.60	5 years	M502	7.30	101.29	7.11

Total turnover of EF bills and notes - \$21,912 million

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Abolition of first asylum policy will not help repatriation

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The Secretary for Security, Mr Peter Lai, today (Wednesday) stressed that the abolition of the policy of first asylum would absolutely not help in any way to accelerate the repatriation of the 21,000 Vietnamese migrants (VMs) in Hong Kong's camps.

On the contrary, such a move would degrade the territory's humanitarian standing in the international community, and jeopardise its efforts to seek international cooperation to draw this whole chapter to a close, he said.

Speaking in the motion debate on the VM problem in the Legislative Council, Mr Lai said Hong Kong had been a port of first asylum since the outset of the human exodus from Vietnam in 1975.

"This was the price we paid for international cooperation in resolving this problem," he noted.

Mr Lai said the problem now was no longer a massive influx of boat people but a pattern of illegal immigration and people coming to work here illegally.

"Those days of massive arrivals have long gone," he said. "Arrivals since 1992 have fallen to a few hundred a year. In any case, the profile of new arrivals has clearly changed."

Of the some 400 VMs who have arrived so far this year, only 65 put forward a claim for refugee status. And of the new arrivals now in the territory, about half have been here at least once before.

Mr Lai said the answer to that particular problem of illegal immigration lay, not in denying asylum to anyone who reached Hong Kong's shores, but in swift repatriation to Vietnam of those who had no claim to refugee status.

"Bilateral arrangements which would achieve this objective were envisaged by the Fifth CPA (Comprehensive Plan of Action) Steering Committee meeting, which agreed that Vietnamese nationals arriving in the region after February 14, 1994 should be treated in accordance with national legislation and internationally accepted practice.

"We have since put proposals to the Vietnamese authorities which, if implemented, should step up the pace of return of VMs newly arriving in the territory. These proposals will be on the agenda during the Refugee Coordinator's talks with the Vietnamese authorities in Hanoi on December 4. But that should not mean, nor does it require us to abandon the first asylum policy or does it contradict such a policy," he said.

Mr Lai said the abolition of the policy of first asylum would require the Marine Police to push off boats, which could be unseaworthy, which could have women and children on board.

"This would be contrary to the humanitarian principles on which our society is founded.

"It would also feed ammunition to our critics, who seek to undermine what we have set out to achieve - the early return to Vietnam of all 21,000 migrants in the territory in a humane way," he said.

Reiterating that abolition of the first asylum policy would only compound the difficulties, Mr Lai said he could not believe that anyone who was intent on bringing about a speedy and humane solution to the VM problem would seriously advocate that Hong Kong should go down this road.

Turning to the motion which calls for a commitment from the United Kingdom Government to take all VMs who have not been repatriated by July 1, 1997, Mr Lai pointed out that such a proposal was unhelpful.

"We have clearly seen the damage caused by legislative initiatives in the US Congress," he said.

In May, legislative initiatives introduced by some US Congressmen which, by creating false hopes of overseas resettlement for the non-refugees, caused voluntary repatriation in Hong Kong, and indeed in the Southeast Asian region to nosedive. Since May this year, only 750 migrants have chosen to go home.

Mr Lai said suggestions which encouraged the non-refugees to believe that they might be resettled elsewhere, if they delayed their return to Vietnam until 1997, undermined the repatriation efforts.

"It strikes a blow at the very heart of the CPA principle that the non-refugees must go home.

"Particularly at this juncture, we should be seeking ways to reinforce, and not to dilute that message," he said.

Mr Lai said he could well understand the community's sentiment and the wish to see an early end to the VM problem, but "we should not let our heart rule our head".

"What we need is clear thinking on the best means of achieving our objective of early repatriation of the 21,000 VMs in camps here. Calls for the UK to take every one who may be here in 1997 is guaranteed to make it impossible to achieve our common objective," he said.

Recapping the progress that has been made towards a resolution of the VM problem since the CPA was agreed, Mr Lai noted that since 1989, some 47,000 migrants had returned to Vietnam and 27,000 refugees had left Hong Kong for overseas resettlement.

Today, there are still 22,000 VMs and refugees in the territory. However, Hong Kong has come a long way since that population peaked at 64,000 in late 1991.

Mr Lai noted that almost 46,000 migrants had chosen to return voluntarily to Vietnam and that another 1,600 were returned under the Orderly Repatriation Programme (ORP) introduced in 1991.

"Already this year, over 50 per cent more migrants have been returned under the ORP than in any previous year.

"The Vietnamese Government has also agreed that the pace of ORP should be stepped up; that is evidenced by the fact that in the last ORP exercise, we had two flights of returnees instead of one in the past. At another ORP operation starting tomorrow, we can continue on this course," he said.

On the serious blow dealt to voluntary repatriation by legislative initiatives in the US Congress, Mr Lai said the Government had made representations to the US Administration, which remained committed to the CPA.

As for the US Administration's negotiations with the Vietnamese authorities on the "TRACK II" arrangements, under which non-refugees who satisfy certain criteria would be eligible for resettlement in the US after they have returned to Vietnam, Mr Lai said while this proposal per se might not necessarily prompt large numbers of VMs in Hong Kong to volunteer to go home, it would reintroduce certainty into the principle and objective of the CPA.

"We are also hopeful that TRACK II will be accompanied by an unequivocal statement from the US Administration that there will be no further concessions to VMs in camps, thus ending the current impasse in voluntary repatriation generated by false hopes of resettlement elsewhere," he said.

On the concern about the early repayment of the one billion dollars which the UNHCR owes the Hong Kong Government, Mr Lai said that was a contractual debt which the UNHCR had repeatedly assured the Government that they would discharge.

"They continue to repay annual sums which represent an increasing proportion of the amount spent, in light of the reduction of the VM population in our camps.

"Their ability to repay fully the obligated amount is, of course, dependant on the level of donations from the international community. In that connection, the attention of donor countries has been drawn to the debt at both the Fifth and the Sixth CPA Steering Committee meetings," he said.

Mr Lai said Legislative Councillors could rest assured that the Government would continue to remind the UNHCR and the international community of their obligations.

"In our efforts, we shall be assisted, as we have been in the past, by the Government of the United Kingdom, which have also contributed over one billion dollars towards the VM programme in Hong Kong and accepted more than 15,000 Vietnamese refugees from Hong Kong," he added.

End/Wednesday, November 29, 1995

Motion debate on the Vietnamese migrant problem

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Following is the speech by the Secretary for Security, Mr Peter Lai, in the motion debate on the Vietnamese migrant problem in the Legislative Council today (Wednesday):

Mr President,

General

Let me begin by recapping briefly the progress we have made towards a resolution of the Vietnamese migrant problem since the Comprehensive Plan of Action (CPA) was agreed.

Since 1989, 47,000 migrants have returned to Vietnam; over the same period, 27,000 refugees have left Hong Kong for overseas resettlement. Today, there are still 22,000 Vietnamese migrants and refugees in the territory. However, we have come a long way since that population peaked at 64,000 in late 1991.

The CPA, to which over 70 countries (incl. China) subscribe, has over the years served us well and remains the only internationally agreed framework for bringing to an end this long drawn-out saga. It provides that non-refugees must go home, and we have all along adhered to that principle. Almost 46,000 migrants have chosen to return voluntarily to Vietnam. We would prefer it if all of them chose this route. However, we also recognise that some migrants are not willing to volunteer and, in 1991, we introduced the Orderly Repatriation Programme. Up till now, we have returned 1,600 migrants under this Programme. In recent months, ORP operations have faced unprecedented violence and confrontations in the camps. But, notwithstanding these difficulties, we are determined to push ahead. Already this year, over 50% more migrants have been returned under the Orderly Repatriation Programme than in any previous year. The Vietnamese Government has also agreed that the pace of ORP should be stepped up; that is evidenced by the fact that in the last ORP exercise, we had two flights of returnees instead of one in the past. At another ORP operation starting tomorrow, we can continue on this course.

The Vietnamese migrant problem is an international problem. Hong Kong cannot go it alone. We rely heavily on the co-operation of our CPA partners in moving forward, and their actions can impinge adversely on what we are seeking to achieve. At no time has this been more evident than in 1995.

In May this year, legislative initiatives introduced by some US Congressmen which, by creating false hopes of overseas resettlement for the non-refugees, caused voluntary repatriation in Hong Kong, and indeed in the Southeast Asian region to nosedive. This was a serious blow to our work. Since May this year, only 750 migrants have chosen to go home voluntarily.

We have made representations to the US Administration, which firmly say that they remain committed to the CPA and would actively seek solutions to the problem. They are fully aware of our concerns, and those of other first asylum countries. The US Administration has now opened negotiations with the Vietnamese authorities on what has become known as TRACK II. Under these arrangements, non-refugees who satisfy certain criteria would be eligible for resettlement in the United States after they have returned to Vietnam. While the TRACK II proposal per se might not necessarily prompt large numbers of VMs in Hong Kong to volunteer to go home, it will reintroduce certainty into the principle and objective of the CPA. We are also hopeful that TRACK II will be accompanied by an unequivocal statement from the US Administration that there will be no further concessions to Vietnamese migrants in camps, thus ending the current impasse in voluntary repatriation generated by false hopes of resettlement elsewhere.

Specific Timetable

I would like to be able to set out for Honourable Members a firm timetable for the closure of our camps. However, this is not possible, because the cards in this game are not all in our hand. We rely on the cooperation of others and, in particular, that of Vietnam to step up the pace of repatriation. It is for this reason that the Refugee Coordinator will hold talks in Hanoi, on 4 December, with the Vietnamese authorities, with a view to expediting the clearance of VMs for return and simplifying the associated procedures. The rate of return is determined, to a large extent, by voluntary repatriation, the pace of which has proved to be acutely sensitive to events outside our control. However, the lack of a detailed timetable in no way calls into question our determination to bring this saga to an end as soon as possible. It remains our objective to close the camps before July 1997.

UNHCR Debt

The community and Honourable Members are rightly concerned to see the early repayment of the one billion dollars which the UNHCR owes the Hong Kong Government. We have a contractual debt which the UNHCR have repeatedly assured us that they will discharge. They continue to repay annual sums which represent an increasing proportion of the amount spent, in light of the reduction of the VM population in our camps. Their ability to repay fully the obligated amount is, of course, dependant on the level of donations from the international community. In that connection, the attention of donor countries has been drawn to the debt at both the Fifth and the Sixth CPA Steering Committee meetings. Members may rest assured that we shall continue to remind the UNHCR and the international community of their obligations and urge them to honour these obligations as soon as possible. In our efforts, we shall be assisted, as we have been in the past, by the Government of the United Kingdom, which have also contributed over one billion dollars towards the VM programme in HK and accepted more than 15,000 Vietnamese refugees from Hong Kong. The UK is also the third among countries which have taken the highest number of Vietnamese refugees from Hong Kong.

First Asylum

Let me now turn to the policy of first asylum. But I would like to respond to the Hon Chim Pui-chung's earlier remarks. When Vietnamese migrants enter Hong Kong waters, we will ask them whether they have the intention of coming to Hong Kong. If they do not want to stay in Hong Kong and would like to go to a third country, our Marine Police will provide them with some reprovisioning and then allow their boats to leave our waters. We would not blindly accept all Vietnamese migrants entering Hong Kong waters. Since the outset of the human exodus from Vietnam in 1975, Hong Kong has been a port of first asylum. This was the price we paid for international cooperation in resolving this problem. Abolition of the policy would absolutely not help in any way to accelerate the repatriation of the 21,000 migrants in our camps. On the contrary, such a move would degrade our humanitarian standing in the international community, and jeopardise our efforts to seek international cooperation to draw this whole chapter to a close.

Our problem now is no longer a massive influx of boat people. Those days of massive arrivals have long gone. Arrivals since 1992 have fallen to a few hundred and even tens a year. In any case, the profile of new arrivals has clearly changed. Of the some 400 Vietnamese migrants who have arrived so far this year, only 65 put forward a claim for refugee status. Of the new arrivals now in the territory, about half have been here at least once before. What we are now facing is a pattern of illegal immigration and people coming to work here illegally. The answer to that particular problem lies, not in denying asylum to anyone who reach our shores, but in swift repatriation to Vietnam of those who have no claim to refugee status. Bilateral arrangements which would achieve this objective were envisaged by the Fifth CPA Steering Committee meeting, which agreed that Vietnamese nationals arriving in the region after 14 February 1994 should be treated in accordance with national legislations and internationally accepted practice. We have since put proposals to the Vietnamese authorities which, if implemented, should step up the pace of return of Vietnamese migrants newly arriving in the territory. These proposals will be on the agenda during the Refugee Co-ordinator's talks with the Vietnamese authorities in Hanoi on December 4. But that should not mean, nor does it require us to abandon the first asylum policy or does it contradict such a policy.

Abolition of the policy of first asylum would require our marine police to push off boats, which could be unseaworthy, which could have women and children on board. This would be contrary to the humanitarian principles on which our society is founded. It would also feed ammunition to our critics, who seek to undermine what we have set out to achieve - the early return to Vietnam of all 21,000 migrants in the territory in a humane way. I cannot believe that anyone who is intent on bringing about a speedy and humane solution to the Vietnamese migrant problem would seriously advocate that we should go down this road. It is self-contradictory to say on the one hand that we should resolve the Vietnamese migrant problem and repatriate all Vietnamese migrants as soon as possible and on the other hand advocate the abolition of the first asylum policy. Abolition of the first asylum policy would only compound our difficulties.

UK to take VMs still in the Territory in June 1997

The motion before this Council calls again for a commitment from the United Kingdom Government to take all migrants who have not been repatriated by 1 July 1997. This proposal is unhelpful. We have clearly seen the damage caused by legislative initiatives in the US Congress. Suggestions which encourage the non-refugees to believe that they may be resettled elsewhere, if they delay their return to Vietnam until 1997, undermines our repatriation efforts; it strikes a blow at the very heart of the CPA principle that the non-refugees must go home. Particularly at this juncture, we should be seeking ways to reinforce, and not to dilute that message. I can well understand the community and Hon Members' sentiment, and we all share the wish to see an early end to the VM problem. But we should not let our heart rule our head. What we need is clear thinking on the best-means of achieving our objective of early repatriation of the 21,000 VMs in camps here. Calls for the UK to take every one who may be here in 1997 is guaranteed to make it impossible to achieve our common objective.

Conclusion

The Administration share the deeply felt concerns of Honourable Members about the Vietnamese migrant problem. We shall continue to do everything possible to accelerate the repatriation of all the Vietnamese in our camps. I hope that we will get the cooperation, which we have been promised in Geneva in March this year, from the Vietnamese authorities as well as the international community in bringing this long drawn out saga to an early close.

End/Wednesday, November 29, 1995

Entry visa for Taiwan visitors

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Following is the speech by the Secretary for Security, Mr Peter Lai, in the motion debate on entry visa for Taiwan visitors in the Legislative Council today (Wednesday):

Mr President,

Honourable Members have spoken on the importance of Taiwanese visitors to Hong Kong's tourist industry, and on the possible competition generated by the new airport in Macau. There is no doubt that tourism is a very important economic activity for Hong Kong, and that earnings from tourism contribute significantly to our economy. Let me assure Honourable Members that our policy, in so far as immigration aspects are concerned, is to facilitate as far as possible the ease of travel of visitors in a manner consistent with the need to secure the integrity of our immigration control.

We handled over 9.3 million visitors last year. Of this number, about one fifth, or 1.65 million were Taiwanese visitors. According to the Hong Kong Tourist Association, Taiwanese visitors spent \$13.8 billion in Hong Kong in 1994. This represented, in percentage terms, 22% of total tourist spending in 1994. In other words, for every dollar spent by tourists, about 22 cents came from a Taiwanese visitor. It is important for Hong Kong to remain an attractive, and easily accessible city for Taiwanese and other tourists and business travellers. We aim to remove unnecessary barriers to their travel to Hong Kong, while maintaining the necessary safeguards to our security. To these ends, we have progressively taken steps to simplify procedures to facilitate travellers, including those from Taiwan. Before I talk about the improvements we have made, I would first like to explain our entry requirements for visitors in general, and for Taiwanese visitors in particular.

Hong Kong has a very liberal visa regime. People from more than 170 countries and territories do not need visas to visit Hong Kong. Visitors from these countries and territories may travel to Hong Kong without visas for short visits, normally ranging from 14 days to 3 months. This liberal visa-regime goes a long way towards attracting people from all over the world to visit Hong Kong and to do business here. Ease of travel encourages contact at all levels between people from different parts of the world. This, I believe, has contributed in no small manner to the economic development of Hong Kong in recent years.

At present, only about 30 countries and territories are subject to visit visa or permit requirements. These include 11 administrations, including Taiwan, which are not recognised by the British Government. People from these countries and territories have to apply for visas or permits before they travel to Hong Kong. Visitors from Taiwan apply for Taiwan visit permits, which are issued by the Hong Kong Immigration Department.

Since January this year, we have streamlined application procedures for Taiwan visit permits, and computerised the processing and issue of these permits. As a result, the processing time of applications has been shortened from seven working days to five working days. We have also simplified classification of Taiwan visit permits. We used to issue seven different types of Taiwan visit permits. Now, we issue only three types. These three types are single journey permits, multiple journey permits valid for one year, and multiple journey permits valid for two years. Multiple journey permits offer a great deal of convenience to frequent travellers from Taiwan, and have proved to be the most popular choice. Over 90% of Taiwan visitors to Hong Kong apply for multiple journey permits.

Besides simplifying pre-entry procedures, we have also improved immigration clearance procedures upon entry. Since the end of September, computer-assisted optical character readers have been installed at immigration control points. We use these readers to scan machine-readable travel documents, including Taiwan visit permits which are now issued in machine-readable format. With this improvement, the immigration clearance time for holders of Taiwan visit permits issued from January this year is reduced by 20 seconds per person. The total savings in clearance time are significant, considering that Taiwanese visitors account for almost one-fifth of all visitors to Hong Kong.

All of these changes have made travel to Hong Kong easier and more comfortable for Taiwanese visitors. There is no evidence of a downward trend in the arrival of Taiwanese visitors due to our permit requirement. As a matter of fact, the number of Taiwan visitors has increased by an average of over 6% a year since 1991. Furthermore, in the first eight months this year, the number of Taiwanese visitors to Hong Kong has risen by about 8%, compared with the same period last year.

Of course, we are aware of the potential diversion of air traffic to Macau following the opening of its new airport, as a result of capacity constraints of the airport at Kai Tak. This problem would of course be eased considerably when the new Chek Lap Kok airport comes into operation in about 2 years time. The permit requirement per se should not constitute a major reason for diversion of China-bound Taiwanese transitees: China-bound Taiwanese residents do not need permits for airside transit through Kai Tak, so it should be just as convenient for them to transit through Hong Kong as it is through Macau. Besides, since there are many more connecting flights to China from Hong Kong than from Macau, it will give transitees more choices. As for Taiwanese travellers who, in addition to visiting China, also wish to visit Hong Kong, I remain optimistic that they would not miss the opportunity of doing so even though their first point of landing is Macau. As Honourable Members know, Macau is just a short hop by sea and takes only an hour, shorter than it takes to travel, for example, from Narita airport to Tokyo City. We are exploring means to make this short trip even more convenient. We will also closely monitor the new trend of Taiwanese travellers coming to Hong Kong.

As regards the Macau Government's policy of granting Taiwanese travellers visa-free visits of up to 20 days, we understand that this arrangement has been in place for many years. It has not affected the number of Taiwanese visitors to Hong Kong. The situation in Macau is of course different from that of Hong Kong, and I do not foresee that a similar arrangement will be replicated here for the immediate future. However, I can assure Honourable Members that we will continue to look for ways to simplify further the existing entry point procedures. The object is to make life easier for genuine visitors and businessmen from Taiwan, and thus facilitate tourism and business.

End/Wednesday, November 29, 1995

Public Bus Services Ordinance

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Following is the speech by the Secretary for Transport, Mr Haider Barma, in moving the resolution of the Public Bus Services Ordinance in the Legislative Council today (Wednesday):

Mr President,

China Motor Bus Company Limit

I move the resolution standing in my name on the Order Paper.

The Public Bus Services Ordinance provides for a profit control scheme which limits the profit that can be earned by a franchised bus operator. Our current policy for processing applications for fare increase is to take various factors into account, particularly operating costs, performance and public affordability rather than provide for a profit level based on a percentage rate of return on average net fixed assets. Therefore, in negotiating new bus franchises, our conscious approach has been to exclude all references to a profit control scheme.

We were successful in adopting such arrangements in CMB's previous franchise and, likewise, CMB's current franchise, which commenced on 1 September 1995, also contains no profit control scheme.

Accordingly, in so far as CMB is concerned, we need to disapply those sections of the Public Bus Services Ordinance governing the profit control scheme whilst retaining those sections which enable the Government to specify depreciation rates in respect of franchise related assets and require the company to produce accounts and other information needed for effective monitoring of its bus operations. The resolution before Honourable Members seek to give effect to these arrangements.

Mr President, with these remarks, I move the resolution.

End/Wednesday, November 29, 1995

Factory and Industrial Undertakings Ordinance

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Following is the speech by the Secretary for Education and Manpower, Mr Joseph W P Wong, in moving the resolution of the Factories and Industrial Undertakings Ordinance to amend the Factories and Industrial Undertakings Regulations in the Legislative Council today (Wednesday):

Mr President,

I move the motion standing in my name in the Order Paper.

The purpose of moving this resolution and the other two resolutions I am going to move is to provide for consequential amendments to the Regulations under the Factories and Industrial Undertakings Ordinance upon the full implementation of the Builders' Lifts and Tower Working Platforms (Safety) Ordinance.

The Builders' Lifts and Tower Working Platforms (Safety) Ordinance was enacted in April this year. It provides for more specific and effective control over builders' lifts and tower working platforms to protect the safety of workers concerned. The first part of the Ordinance which deals with procedural matters such as registration of equipment maintenance contractors have become effective since July 1995.

However, builders' lifts and tower working platforms also fall under the definition of "hoists" in the Regulations under the Factories and Industrial Undertakings Ordinance. Thus, the equipment are concurrently controlled under the aforesaid Regulations and the Builders' Lifts and Tower Working Platforms (Safety) Ordinance. To avoid overlapping of authority, the amendments to be moved today seeks to transfer the authority vested in the Commissioner for Labour to the Director of Electrical and Mechanical Services who already regulates the safety of passenger lifts and escalators in domestic and commercial premises under the Lifts and Escalators (Safety) Ordinance. Upon these amendments, the remaining parts of the Builders' Lifts and Tower Working Platforms (Safety) Ordinance are expected to come into operation in late December.

This resolution seeks to dispense the requirement of reporting a collapse or failure of builders' lift or tower working platform to a factory inspector as the reporting should be made to the Director of Electrical and Mechanical Services under the Builders' Lifts and Tower Working Platforms (Safety) Ordinance.

Thank you, Mr President.

End/Wednesday, November 29, 1995

Betting Duty (Amendment) Bill

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Following is the speech by the acting Secretary for Home Affairs, Mrs Stella Hung, in moving the second reading of the Betting Duty (Amendment) Bill 1995 in the Legislative Council today (Wednesday):

Mr President,

I move the Second Reading of the Betting Duty (Amendment) Bill 1995.

The Bill has three objectives: first, to introduce a Quinella Place bet at the betting duty rate of 11.5%; second, to impose rates of duty in respect of overseas bets on Hong Kong races into the Hong Kong pools at half of the prevailing rates; and third, to transfer the power to make regulations under section 7 of the Ordinance from the Governor in Council to the Secretary for the Treasury.

The Quinella Place bet is an extension of the existing Quinella bet. It requires the punter to select two horses to finish in any order in the first three places to be eligible for a dividend. Since the pool of the Quinella Place bet has to be split three ways, the bet will be introduced at the lower betting duty rate of 11.5% to make it financially viable. The Administration considers that its introduction would sustain punters' interest in horse racing, but would not induce non-punters to start betting. The resultant increase in Government revenue from betting duty is estimated at \$760 million per annum. Clause 2 of the Bill amends section 6(1)(a) to include the Quinella Place bet.

At present, there are separate betting pools on Hong Kong races in Canada and the west coast of the United States, and the betting duty goes to the respective governments. The Royal Hong Kong Jockey Club proposes that the Hong Kong Government should allow the acceptance of overseas bets into the Hong Kong pools at half of the prevailing rates. The other half will be allocated to the respective host governments, subject to the Club's negotiations with them. This proposal aims to tap the overseas markets. It will not have the effect of encouraging gambling in Hong Kong. Government revenue from betting duty on overseas bets from North America is estimated at over \$100 million per season. In addition to betting duty, Hong Kong will benefit in terms of an increase in the allocation of funds from the Royal Hong Kong Jockey Club to local charities. Clause 2 of the Bill amends section 6(1) of the Ordinance to impose rates of duty in respect of overseas bets at half of the prevailing rates.

The power conferred under section 7 of the Ordinance relates to the making of regulations to govern the manner for the collection of betting duty. It is minor in nature and is rarely exercised. It is proposed that the aforesaid power should be transferred from the Governor in Council to the Secretary for the Treasury, in line with prevailing practice. Clause 3 of the Bill amends section 7 of the Ordinance to achieve the above purpose.

Mr President, the Bill imposes rates of duty in respect of the Quinella Place bet and the overseas bets on Hong Kong races into the Hong Kong pools. The Bill is in line with our gambling policy and will result in additional betting duty which could be allocated to Hong Kong's social services. I recommend the Bill to Members.

Thank you, Mr President.

End/Wednesday, November 29, 1995

Estate Agents Bill

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Following is the speech by the Secretary of Housing, Mr Dominic Wong, in moving the second reading of the Estate Agents Bill in the Legislative Council today (Wednesday):

Mr President,

I move the Second Reading of the Estate Agents Bill.

The purpose of the Bill is to improve the standard of services provided by estate agents and to give greater protection to consumers involved in property transactions, thereby also enhancing the image and status of the trade.

The Bill has its origins in a Working Group established in late 1993, with representatives from the Government, the trade, the Law Society, the Consumer Council and the ICAC, and others, in response to growing public concern about malpractice by some estate agents. The Working Group's recommendations were published for public consultation in late 1994 and they received wide support. The Government has accepted the recommendations generally.

The Bill now presented to this Council seeks to:

- * first, set up a licensing and regulatory system for the trade, through the establishment of a statutory, self-financing Estate Agents Authority and a licensing system for estate agents;
- * second, define the duties of estate agents, which include duties to provide essential information about a property to a client, to inform a vendor of any offer made, to fully disclose his interests, and to conduct transactions in a fair, open and honest manner;
- * third, ensure that estate agents meet certain standards of competence such as those related to education, qualifications and working experience, and regulate their conduct and practices;
- * fourth, provide sanctions against estate agents for non-compliance;
- * fifth, provide a venue for aggrieved consumers to complain about estate agents' unsatisfactory services or malpractices;
- * sixth, provide a channel for settling disputes relating to the payment of commission or fees to an estate agent by a client;
- * seventh, set up an independent appeal panel to handle appeals against the decision of the Estate Agents Authority on licensing matters ; and
- * lastly, permit the EAA to make regulations and rules, subject to the approval of the Secretary for Housing.

In order to ensure impartiality, EAA members will be drawn from the trade, related professions and the community. Representation from the trade will not exceed one-third of members, excluding the Chairman and the Vice-chairman.

I would like to point out that the proposed licensing system will be introduced in a gradual and planned manner to ensure that it will not cause unnecessary anxieties in the trade or disruption of service to the public. Initially, transitional licences will be issued. There will be sufficient time for estate agents to meet the full licensing requirements to be set by the EAA.

Mr President, I beg to move.

End/Wednesday, November 29, 1995

Inland Revenue (Amendment) Bill

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Following is the speech by the acting Secretary for the Treasury, Mr Alan Lai, in moving the second reading of the Inland Revenue (Amendment) (No 3) Bill 1995 in the Legislative Council today (Wednesday):

Mr President,

I move that the Inland Revenue (Amendment) (No. 3) Bill 1995 be read a second time.

It is our policy to include provisions on double taxation relief for airline income into the Air Services Agreements which we have negotiated with our bilateral aviation partners on a case by case basis, subject to the endorsement of the Chinese side. Due to the international nature of their operations, airline operators are more prone to double taxation than other taxpayers. The taxation of income from aircraft operation is a "grey area" because the income is mainly derived from activities carried on in the "no man's land" of international air space. This makes it difficult to allocate, on a meaningful basis, income amongst the countries visited in the course of an international flight. For this reason, many countries have introduced special rules for computing an airline's income, particularly for non-resident airline operators.

Unlike Hong Kong which adopts a territorial source principle, most countries tax their residents on a world-wide basis. It is therefore common for airline operators to suffer double taxation. To address this, many countries seek to conclude double taxation agreements on airline income which give them exclusive taxing rights in respect of their resident airlines.

By virtue of the double taxation relief article we seek to include in the Air Services Agreements, Hong Kong will tax the income generated from international traffic of Hong Kong airlines derived from an agreement country and which has been granted full tax relief by that country. In return, we will forgo the right to tax the income of airlines of the agreement country derived from Hong Kong if such income is subject to tax in the agreement country. This will mean that Hong Kong airlines will pay tax only in Hong Kong, which in general has a lower tax rate, on income attributable to an agreement country. They will also benefit from not having to deal with the tax authorities in an agreement country. We are currently discussing and negotiating such arrangements with various countries.

However, the Inland Revenue Ordinance at present only allows us to tax income that is sourced in Hong Kong. The Bill therefore seeks to enable us to tax the income of Hong Kong airlines which is earned from international traffic attributable to an agreement country.

The Bill also introduces miscellaneous amendments to update the Ordinance, to rectify minor irregularities and to adapt the Ordinance to ensure compatibility with the Basic Law.

Mr President, with these remarks, I commend the Bill to Members.

End/Wednesday, November 29, 1995

Manpower in farming industries

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Following is a question by the Hon Lo Suk-ching and a reply by the Secretary for Education and Manpower, Mr Joseph W P Wong, in the Legislative Council today (Wednesday):

Question:

In view of the serious shortfall of manpower in the chicken and pig farming industry, a training programme was organised by the authorities concerned early this year. It was learnt that initially some 500 people applied for enrolment, but only some 180 of them actually took part in the programme. There were about 30 trainees who joined the chicken and pig farming industry after completing the training programme. Of this group, nine stayed on in their jobs after two months, among whom three were between 30-49 years of age and six were over 50. In this connection, will the Government inform this Council:

(a) of the estimated shortfall of workers in the industry at present;

(b) whether the Government has any plan to set a special quota for the importation of labour for the industry; if so, how many workers are scheduled to be imported under the plan and when the plan will be implemented; if not, how the problem of labour shortage in the industry will be solved, and what remedial measures will be taken to prevent the industry vanishing from the territory due to labour shortage; and

(c) of the reasons for the unsatisfactory results of the training programme; and whether the Government will carry out a review of the programme and organise another one in the near future?

Reply:

Mr President,

The training programme which the Hon Lo Suk-ching referred to was a pilot retraining programme for pig farm workers launched jointly by the Employees Retraining Board (ERB) and the Agriculture and Fisheries Department (AFD), in collaboration with the Federation of Pig Raising Co-operative Societies of Hong Kong in August 1995. Under this programme, ERB reimbursed the employers of pig farm workers 50% of the \$5,000 monthly salary paid to the retrainees during the 6 months of their on-the-job training. This included 8 days of intensive training on the latest pig rearing technology provided by AFD. These employers also undertook to employ the retrainees on completion of their 6-month programme at a monthly salary of not less than \$7,000. The programme was open for applications by persons between 40 and 60 years of age. This retraining programme did not cover chicken farm workers.

I now reply to each of the three specific parts of the Question.

(a) The Government has no statistics on whether there is any shortfall of workers in the livestock farm industry, as the employment and unemployment statistics compiled by the Census & Statistics Department do not contain a breakdown to such a finite level. The number of reported vacancies from employers of pig farms participating in the pilot retraining programme was 70 in August 1995.

(b) The Government has no plan to set up a special quota for the importation of workers specifically for the livestock farm industry. However, we have proposed the introduction of a Supplementary Labour Scheme (SLS) with a quota ceiling of 5,000 to assist employers who have genuine need to import workers to take up jobs which cannot be filled locally. It would be open to applications from all industries, including the livestock farm industry. Each application would be considered on its own merits and there would not be any industry sub-quotas. Meanwhile, we would advise employers in the livestock farm industry with job vacancies to continue to recruit suitable local workers through all possible employment channels, including the Job Matching Programme of the Labour Department and any retraining programmes which may be organised by the ERB.

Apart from organising the above retraining programme with ERB, the AFD has been taking the following measures to address the manpower problem and other development needs of the livestock farm industry :

- i) provision of short training courses to farmers geared to enhance the productivity of the industry;
- ii) provision of technical advice on the adoption of labour-saving practices and machinery; and
- iii) provision of technical support to promote modern, efficient, safe and environmentally acceptable farming methods.

(c) According to feedback from retrainees who have left the programme, the primitive living conditions, the long and irregular working hours, and the difficulty of adapting to the laborious nature of work on a pig farm have deterred them from staying on in the programme.

The ERB has conducted a thorough review of the pilot retraining programme. It is now discussing with both the AFD and the two leading pig farmers associations the possibility of organising a second programme in early 1996.

End/Wednesday, November 29, 1995

Plot ratios for hotels

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Following is a question by the Hon Howard Young and a reply by the Secretary for Planning, Environment and Lands, Mr Bowen Leung, in the Legislative Council today (Wednesday):

Question:

Regarding frequent calls over the last few years for a relaxation of plot ratios for hotels, will the Government inform this Council whether any decisions have been made by the Government in this regard; if so, what are the details and how will such a relaxation affect the status of floor basements, plant rooms and other facilities which were previously granted concessions in the calculation of plot ratios for hotels?

Answer:

Mr President,

The administration has decided to raise the plot ratio limits in the Building (Planning) Regulations for hotel developments up to non-domestic standards from previous domestic standards. This has generally increased plot ratios from a range of 8 to 10 to a maximum of 15, subject to the overall plot ratio limits under the statutory Outline Zoning Plans. This took effect in September 1995 when a revised practice note for authorised persons and registered structural engineers was issued. Concessions for hotels were previously granted in respect of non-domestic basement areas for back-of-house facilities and other hotel compatible uses. These have now been withdrawn following the increase in the plot ratio limits for hotel developments. Nevertheless, concessions for suitably designed vehicular setting-down and picking-up areas, plant rooms and dedicated public passage areas will continue to be considered on their own merits for exemption from gross floor area calculations.

End/Wednesday, November 29, 1995

Demolition of new library block

Following is a question by the Hon Cheung Bing-leung and a reply by the Secretary for Education and Manpower, Mr Joseph Wong, in the Legislative Council today (Wednesday):

Question:

It is learnt that the newly completed library block of the Northcote College of Education may have to be demolished in 1997. In this connection, will the Government inform this Council :

(a) of the reasons why no mention was made in the discussion paper on funding request submitted to the Finance Committee of this Council in June 1993 that the site on which the library block was located would be used for other purposes in 1997; and

(b) whether there was any co-ordination between the departments concerned at the time when the construction of the library block was being planned; if so, what are the details ?

Reply:

Mr President,

The requirement for an expansion project of the former Northcote College of Education (NCE), which includes the re-development of the existing library into a new library block, was first identified in 1983 to cater for the increase in student enrolment and to enhance the quality of teacher education. The project was included as a Category D project in 1984 and upgraded to Category B in 1985. Detailed drawings for the project were prepared in 1991 and funds were secured in the 1993-94 Estimates to enable the project to commence.

In February 1993, the Provisional Governing Council (PGC) for the Hong Kong Institute of Education (HKIED) was established with a view to taking over the four Colleges of Education and the Institute of Language in Education (ILE). One of the early tasks of the PGC was to examine the requirements of the campus of HKIED, the development capacities of the existing Colleges of Education, and the possibility of developing a unified main campus or retention/redevelopment of the existing Colleges of Education. The Architectural Services Department was requested to conduct a study on the development capacities of the sites of the existing Colleges of Education. A site search was initiated in parallel to identify possible sites for development of a unified campus.

As regards part (a) of the question, when the request for funding of the NCE expansion project was submitted to the Finance Committee of this Council in June 1993, no decision had been taken by the PGC on the future campus of the Hong Kong Institute of Education. Also, there was no application to acquire the NCE site. Hence the possibility that the library block might be used for other purposes in 1997 did not arise.

In July 1993, the PGC was informed of the various proposed interim improvement measures at ILE and the Colleges of Education including the NCE expansion project. In August 1993, the PGC decided that a site at Tai Po Area 34 was suitable for the development of a unified HKIED campus. In September 1993, the PGC confirmed to the Administration that there was still a justified need for the construction works of the NCE expansion project to commence in order to improve the substandard facilities at the College and raise the quality of teacher training in the intervening years.

In May 1994, in seeking the Finance Committee's approval in principle for the HKIED campus development project, the Administration informed Members that interim improvement works would be carried out in the existing campuses (including the NCE site) to upgrade the standard of accommodation and facilities.

As regards part (b) of the question, like all other government building projects, the NCE expansion project was required to go through a series of established procedures in its planning stage. The development of the project was co-ordinated by the Architectural Services Department. Relevant government branches and departments, namely the Education and Manpower Branch, the Education Department, Works Branch, Finance Branch, and the Government Property Agency were consulted and required to indicate their support, before the project was recommended for upgrading.

In response to a reference in the question that the completed library block of NCE may have to be demolished, I would like to say the following. In July 1994, the University of Hong Kong (HKU) submitted an initial proposal to acquire the NCE site for redevelopment of the Faculty of Medicine. In July 1995, the Administration agreed in principle to HKU's proposal. The Administration plans to allocate the NCE site to HKU for the redevelopment of the Faculty of Medicine once the site is vacated by the College.

We will make a submission to the Finance Committee of this Council shortly seeking approval in principle for this development project and a sum of \$4 million for the University to carry out detailed site investigation and preliminary design. The feasibility and cost-effectiveness of retaining the existing NCE buildings, especially the new library block will be part of the proposed study and will be carefully considered.

End/Wednesday, November 29, 1995

Rent allowance of CSSA Scheme

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Following is a question by the Hon Fred Li Wah-ming and a reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

As the rent allowance under the Comprehensive Social Security Assistance (CSSA) Scheme has not been adjusted since July 1993, will the Government inform this Council of:

(a) the reasons why the Government has not adjusted the rent allowance in the past two years ;

(b) the rate of rent increase in private residential buildings in urban areas during the same period ;

(c) the size of a flat which a family of two to three members can rent in the urban areas with the existing monthly maximum rent allowance of \$2,265 ; and

(d) the average monthly rent allowance at present received by CSSA recipients living in private residential buildings ; and how many such households have to use part of their monthly standard allowance to cover the shortfall in the rent allowance?

Reply:

Mr President,

Under the Comprehensive Social Security Assistance (CSSA) Scheme, a rent allowance is payable to enable recipients to meet the cost of accommodation. The allowance is set at levels which can fully cover the actual rent paid by all families living in public housing estates and the great majority of those living in private housing. The existing maximum levels of the monthly rent allowance range from \$1,118 for a single person, \$2,265 for a 2-3 person household, \$2,858 for a 4-5 person household to \$3,420 for a household with 6 or more persons.

The average monthly rent allowances received by CSSA recipients living in private housing in 1995 are not yet available. They will be ready early next year. But as at the end of December 1994, the average monthly rent allowance received by those living in private housing was about \$700 for a single person household, \$1,300 for a 2 person household, \$1,500 for a 3 person household and \$1,700 for a household with 4 or more persons. There were about 86,000 CSSA households receiving rent allowance, of which about 22% were living in private housing. Only about 2% of all households receiving rent allowance were paying rent above the existing maximum levels of rent allowance at that time.

CSSA households living in private housing and paying a rent higher than the relevant maximum rent allowance are usually short-term cases. In the event that it would be unreasonable to require CSSA recipients in this situation to move to cheaper accommodation in the short term, their cases may be referred to the Housing Department for compassionate rehousing or in the case of elderly persons, possibly for admission into a residential institution instead. The Director of Social Welfare has the discretionary power to approve payment of rent allowances up to two times that of the relevant maximum rent allowance while the CSSA household concerned is awaiting allocation of a public housing unit or admission into a residential institution.

We have no directly relevant statistics relating to the rate of rent increase in the urban areas for the type of accommodation used by CSSA recipients. We publish two indices which give some indication of rent trends. Neither distinguishes between urban and non-urban areas and neither yet has firm figures for 1995. According to the Consumer Price Index (A) rent index, private housing rentals increased by 12.4% from 1993 to 1994. According to the private domestic rental index prepared by Rating and Valuation Department, rents for the smallest properties increased by 15% over the same period. We have no data on the size of flat that a family of two to three persons could rent in the urban areas with a rent allowance of \$2,265. This would depend on market forces at the time and would vary greatly depending on the location and condition of the accommodation.

The maximum levels of rent allowance are reviewed and adjusted regularly to ensure that they cover the actual rent paid by all families living in public housing units and by the great majority of those living in private housing. We know that this objective was still being achieved at the end of 1994 and hence no increase over the level set in 1993 was justified at that time.

For 1995, we are reviewing the rent allowance as part of our ongoing comprehensive Review of the CSSA Scheme. Any increases arising as a result of this exercise will be implemented at the same time as other recommendations arising from the Review after it has been completed early next year.

End/Wednesday, November 29, 1995

Sex education in schools

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Following is a question by Dr the Hon John Tse Wing-ling and a reply by the Secretary for Education and Manpower, Mr Joseph W P Wong, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council of the following:

(a) how the Government determines the definition, content and curriculum of sex education; what reviewing mechanism it has put in place and when a review will be conducted;

(b) how many primary and secondary schools provide sex education on a systematic basis and what is its mode of teaching; and

(c) what measures does the Government have to enhance the quality of sex education and make it more readily available in schools, and how much is expected to be spent by the Government for these purposes in the current financial year?

Reply:

Mr President,

(a) As stated in the Guidelines on Sex Education in Secondary Schools issued by the Education Department in 1986, sex education in schools covers three main aspects of personal development, namely physical growth, emotional maturation and inter-personal relationships. It encompasses sexuality, feelings about being male or female, a person's ability to trust and love, attitude towards family, and the understanding of personal and social meanings of relationships.

Under a cross-curricular approach in the teaching of sex education, the Education Department encourages schools to integrate sex education in relevant subjects in the formal curriculum, to be supplemented by topic-related extra-curricular activities. For primary schools, sex education is taught through Health Education to provide pupils with a basic knowledge of the development of the human body. It is also taught through Social Studies to help pupils develop caring attitudes within and outside family. At the secondary level, sex education is usually taught through Integrated Science, Biology, and Human Biology on physical growth; Home Economics on practical aspects of family life; Religious Studies and Liberal Studies on moral values; and Social Studies on adolescent development and family and peer relationships.

The content and curriculum related to sex education are drawn up and reviewed regularly by the relevant subject committees under the Curriculum Development Council. A major review of the Guidelines will take place in 1996.

(b) Nearly all the primary schools and about 75% of the secondary schools are teaching sex education through their formal curriculum as described in paragraph (a) above. They also make use of school assemblies, moral education periods, extra-curricular activities etc to supplement the formal teaching.

(c) The Education Department has actively promoted and enhanced the quality of sex education in schools by -

(i) tendering advice on sex education during regular school visits;

(ii) conducting in-service teacher training on sex education.

(iii) upgrading the multimedia and computer facilities at the two sex education resource centres in North Point and Hung Hom. Teaching kits or display materials are produced to help teachers update the sex education programmes in their schools;

(iv) undertaking surveys and research on sex education. In October 1994, the Chinese University of Hong Kong was commissioned to conduct a research study on the knowledge, attitude and behaviour of secondary school students relating to sex. It is hoped that the research findings available in early 1996 will provide useful input for the 1996 review on the guidelines; and

(v) encouraging schools to avail themselves of leaflets, booklets and audio-visual materials on sex education produced by the Central Health Education Unit of the Department of Health.

The total amount of funds allocated to promoting sex education in schools in 1995/96 is about \$3 million.

End/Wednesday, November 29, 1995

Censuses and figures on household income

Following is a question by the Hon Tsang Kin-shing and a reply by the Secretary for Financial Services, Mr Rafael Hui, in the Legislative Council today (Wednesday):

Question:

At present the Census and Statistics Department conducts a population census every ten years and a by-census every five years, using the Gini coefficient to indicate diversity in household income distribution. Will the Government inform this Council:

- (a) whether, in the face of a continuing rise in value of the Gini coefficient in recent years which points to a widening gap between the rich and the poor, the Government has analysed the reasons behind this phenomenon, and what measures the Government has put in place to improve the situation;
- (b) whether the Government will consider shortening the interval between censuses to ensure that the relevant figures on household income are updated more regularly; and
- (c) whether the Government will conduct longitudinal studies on certain families, such as families which are long-term comprehensive social security assistance recipients, families consisting of people with long-term unemployment or underemployment problems, families with handicapped member(s), families of new immigrants, low-income families and so on, so that the situation of social mobility can be reflected; if not, what the reasons are?

Reply:

Mr President,

In response to the Honourable Tsang Kin-shing's question which comprises 3 parts, the reply below accordingly is divided into 3 parts. Since part 1 covers a very broad area, the reply is correspondingly longer.

(a) The value of the Gini coefficient as compiled on the basis of the 1991 Population Census was 0.476, while those as shown by the 1981 Population Census and 1986 By-census were 0.453 and 0.451 respectively. Since the 1996 By-census will not be conducted until next March, a more updated estimate of the Gini coefficient is not available at present.

Commenting on the diversity in household income distribution in the community, we should place more emphasis on overall economic growth as this provides the prime driving force for improvements to the income of the community as a whole. In the past 10 to 15 years, our economy has maintained a steady growth. Statistics have also indicated that the income of the general public has increased significantly in real terms. For households at the bottom 20% of the income spectrum, their median household income showed an accumulated increase of 237% from 1981 to 1991, far higher than the 116% increase of the CPI(A) over the same period, reflecting substantial growth in the income of these households in real terms. The median income of the middle income households had a more or less similar growth. It was only because the median income of the high income households had a far greater accumulated growth of 270% that resulted in a higher Gini coefficient in 1991 over a decade ago. However, it is obvious from the statistics that the income of every member in each stratum of society has improved with the continued development of the economy in Hong Kong.

Our economy has been undergoing a rapid structural transformation in the past 10 years. Apart from bringing more business opportunities to Hong Kong, it has also provided more employment opportunities to the local workforce. With the change in the requirements of jobs, there has been a greater demand for professional, managerial, supervisory and technical personnel in our economy. This has led to a faster growth in the wages of these jobs than those of the non-skilled ones. The widening diversity in income distribution as witnessed in recent years is attributable to this. Experiences in other places also show that diversity in income distribution tends to widen in an economy with fast development or rapid structural transformation.

Hong Kong is a free market economy. It is a natural phenomenon that structural transformation will bring different economic impacts on different sectors. Through adjustments in demand and supply in the market, naturally there will be different effects on earnings in different sectors. Sectors, in particular, the financial, trade and various service sectors, which have greater development potential and expanded continuously in response to the increase in demand, will correspondingly require more workers. And workers who have the professional knowledge required by these newly emerging sectors will enjoy better employment opportunities as well as faster and higher increases in earnings. Such development precisely reflects the high degree of flexibility of the labour market and of the market adjustment mechanism of the Hong Kong economy.

The Government has a package of consistent policies, such as subsidised education, vocational training and retraining, and job matching scheme, to ensure that everyone has ample opportunity to improve his/her economic conditions. By meeting the needs of economic transformation on the one hand, and helping workers to change employment on the other, the Government ensures that the competent ones will attain higher positions and improve their income and living conditions while society can make the best possible use of its people's talents.

The Government has been providing nine years of free and compulsory education since 1978. The Government's basic principle is to ensure that no one will be denied access to education because of a lack of means. Apart from the nine years of free education, fee remission schemes are also available to ensure that students from low income families may also be provided with education at kindergarten and senior secondary levels. As far as tertiary education is concerned, needy students are eligible for a range of loans and grants. Those from the middle to low income families should benefit from these schemes. The Government, in recent years, has also increased heavily the resources for improvement in education. The present level of investments in education accounts for over one-fifth of the recurrent expenditure, clearly reflecting the Government's emphasis on both quality and quantity of education.

In addition, the Government, through the implementation of the long established public housing policies, provides housing for needy families. The basic principle is to ensure that no one will be homeless. Presently, 51% of the total population are living in public housing. An additional 316 000 units will be available in the coming 6 years.

As regards social welfare, no means tests are imposed on the majority of social services. These services, therefore, are open for all. In respect of medical services, the Government's current policy is that no one should be denied adequate medical treatment through lack of means. Furthermore, the Government provides a safety net of social welfare for the needy and the disadvantaged.

To sum up, the Government, through subsidised education, public housing, social welfare services, and health and medical services, have greatly improved the living standard of the general public, thus narrowing the income gap in real terms among people from various strata of society. Hence the Gini coefficient calculated from the household income information obtained from a Population Census or By-census cannot reflect the whole picture. We, therefore, should not simply take this figure by itself and ignore the material effects of the concrete measures implemented to improve people's livelihood.

(b) It requires substantial financial and human resources to conduct a Population Census or a By-census. Besides, the general public will be required to spend time in providing the necessary information. So Population Census or By-census should not be conducted too frequently. In addition, the change in the pattern of income distribution is usually relatively slow. It is therefore appropriate to conduct such Population Censuses once in every 5 years.

(c) The nature and purpose of Population Census or By-census is mainly to collect, on a broader scale, information on the social and economic characteristics of the entire population in Hong Kong, to be used by Government departments as reference in formulating related policies. It is also very useful in assessing overall social changes. Apart from overall information, it also provides information by major category, though relatively general in nature. Such information has already played a role in the formulation and implementation of overall policies. Longitudinal studies are in fact quite different. It is technically incompatible with the various existing statistical work.

It is, of course, in some ways useful to focus longitudinal studies more specifically on some particular issues. I am willing to refer the suggestion to the policy branches concerned to see whether it will help them in formulating policies. However, as regards each of the social problems the Honourable Tsang Kin-shing mentioned, the various departments concerned at present already possess information on a large number of cases and officers of these departments have been conducting follow-ups on them regularly. To a certain extent, longitudinal studies are in place to help them understand the situation. Nevertheless, I will propose to departments concerned to adopt a more structured approach and conduct more thorough longitudinal studies on the cases.

End/Wednesday, November 29, 1995

Plan to extend the use of Community Service Order

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Following is a question by the Hon James To Kun-sun and a written reply by the Secretary for Health and Welfare, Mrs Katherine Fok, in the Legislative Council today (Wednesday):

Question:

Last year, an official of the Social Welfare Department stated publicly that it was planning to extend the scope of Community Service Orders so that they could apply to District Court cases as a form of correctional measure. However, this plan has yet to be implemented. In this connection, will the Government inform this Council:

(a) whether there is a specific timetable for the implementation of the plan; if not, what are the reasons; and

(b) whether it has estimated the resources required for the implementation of the plan; if so, what is the estimated amount required ?

Reply:

A Community Service Order (CSO) is a form of sentence provided in the Community Service Orders Ordinance (Cap. 378). The order aims at being both punitive and rehabilitative. Under the order, an offender is required to perform unpaid work of benefit to the community under the supervision of a probation officer who also provides rehabilitative counselling and guidance to the offender. Through community service and guidance from the probation officer, the aim is to encourage the offender to gain a more constructive outlook on life and an enriched sense of self-worth. If this is achieved, the offender should be much less inclined to commit further crimes in the future.

The CSO Scheme was introduced in 1987 on a pilot basis and was extended to all magistrate courts in 1992. So far, about 2,200 offenders have served CSO's and about 90% completed them satisfactorily. In view of the value of the CSO Scheme, we intend to extend its use to the District Courts in 1997-98, subject to the availability of resources. The extension would cost about \$1.9 million per year (at 1995-96 prices).

End/Wednesday, November 29, 1995

Personal allowance for salary tax

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Following is a question by the Hon Eric Li Ka-cheung and a written reply by the acting Secretary for the Treasury, Mr Alan Lai, in the Legislative Council today (Wednesday):

Question:

In view of the concern expressed by this Council over the amount of personal allowance for salaries tax, will the Government inform this Council whether, on the basis of the number of taxpayers in 1995-96, it has estimated the respective numbers of persons who will fall out of the tax net if the amount of basic personal allowance for both individuals and married couples is to be raised by 5%, 10%, 15%, 20% or 25%; if so, what are the respective numbers of taxpayers remaining and what are the respective percentages out of the working population of nearly 3 million people; if not, why not?

Answer:

Based on a working population of roughly 3 million people in 1995-96, our estimate of the number of taxpayers who would fall out of the tax net if the amount of single person and married person allowance were increased by 5%, 10%, 15%, 20% or 25%, and the number of taxpayers who would then remain in the tax net, is broadly as follows:

Increase in basic personal allowance	Number of taxpayers who will drop out of tax net	Remaining taxpayers	
		Number	Percentage of working population
5%	76,000	1,324,000	44%
10%	150,000	1,250,000	42%
15%	221,000	1,179,000	39%
20%	287,000	1,113,000	37%
25%	350,000	1,050,000	35%

End/Wednesday, November 29, 1995

Manning scales for airport immigration control

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Following is a question by the Hon Paul Cheng Ming-fun and a written reply by the Secretary for Security, Mr Peter Lai, in the Legislative Council today (Wednesday):

Question:

In regard to the problem of arriving passengers forming long queues to await immigration clearance at the immigration counters at the Hong Kong International Airport, will the Government inform this Council :

- (a) of the criteria adopted in determining the manning scales for immigration control at the airport;
- (b) when these criteria were last reviewed; and
- (c) what measures the Government will take to improve the situation?

Reply:

Mr President,

(a) The manning level for immigration control at the Airport is based on two factors:

- (i) the passenger traffic flow, which fluctuates daily depending on flight arrival and departure schedules, and seasonal variations (with higher traffic during festive seasons and holidays); and
- (ii) our performance pledge of clearing 92% of passengers within a waiting time of 30 minutes.

(b) We keep the first factor under review, and make staff deployment changes to meet the changing demand. Under normal times, the number of counters manned is 54 for the departure level and 72 for the arrival level. The number of arrival counters manned can be increased by 12 to 13 during peak periods. Immigration Department can also vary the staffing shifts to cope with daily fluctuations in demand.

The second factor has not been changed since its introduction in 1993. We have been able to meet the performance pledge for 100% of departing passengers, but only 86.4% of the time for arriving passengers during the first eight months of 1995. In September and October, the performance for arriving passengers has improved to 88.9% and 91.7% respectively.

(c) Steps have been taken to improve the situation in recent months. These include:

- (i) the addition of 44 staff to increase the number of counters that are manned from 116 to 126;
- (ii) adjusting the roster and meal breaks of counter staff over a longer period to maximise the number of counters that can be manned at any one time;
- (iii) referrals of more difficult cases to off-counter, secondary checks in order not to hold up the queue;
- (iv) implementation of a new computer system in end-September to enable us to process machine readable passports by optical scanners. This results in a saving of 20 seconds for each such transaction. We will be taking the following steps to improve the situation in the coming year:
 - (i) 7 more posts created in mid November will be filled shortly to man 1-2 additional counters.
 - (ii) The Civil Aviation Department is seeking funds to implement a serpentine queuing arrangement (single queue for multiple counters) at the departure level;
 - (iii) We have commissioned a consultancy study on the current operational system in order to identify scope for efficiency savings and improvement. The study began in October and will be completed before the end of the year. We will consider further improvement measures in the light of the findings of the study; and

- (iv) Immigration Department's task force, which was doubled in size from 46 to 92 in October, will be flexibly deployed to re-inforce control points during the busy festive seasons.

End/Wednesday, November 29, 1995

Sales of new \$20 notes issued by HKSBC

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Following is a question by Dr the Hon Law Cheung-kwok and a written reply by the Secretary for Financial Services, Mr Rafael Hui, in the Legislative Council today (Wednesday):

Question:

In his reply to a written question which I raised in this Council on 25 October 1995 regarding the Hongkong Bank's recent sale of new \$20 notes at a price in excess of their face value, the Secretary for Financial Services stated that the action of the Hongkong Bank was not in breach of the Bank Notes Issue Ordinance. It was subsequently known that such transaction was approved by the Hong Kong Monetary Authority (HKMA) and that certain high-ranking officials of the Bank and of the HKMA had also emphasised on different occasions that the profits from the transaction would go to charity. In this connection, will the Government inform this Council whether:

- (a) the Hongkong Bank is required to apply to the HKMA before proceeding with the transaction; if so, what are the criteria for approving the application and under which Ordinance is such approval granted;
- (b) the Hongkong Bank has provided the relevant government department with receipts certifying that the profits so generated have been donated to charity; if so, whether records of such donations will be made available for public inspection; and
- (c) consideration will be given to amending the Bank Notes Issue Ordinance so as to regulate the sale of new bank notes by notes issuing banks at a price in excess of their face value?

Reply:

(a) There are no provisions in the existing Bank Notes Issue Ordinance which require the Hongkong Bank or any other note issuing bank to apply to the HKMA before proceeding with the transaction. However, as a matter of practice, the note issuing banks consult with the HKMA on a wide range of matters concerning their note issues. The consultation between Hongkong Bank and the HKMA in this particular instance was part of this established and on-going practice.

(b) The question of donations to charity is entirely a matter for the bank concerned. The Government does not require receipts of the nature described, though donations will in the normal way be reflected in the bank's published accounts in due course.

(c) The Bank Notes Issue (Amendment) Ordinance 1995 does contain a provision which enables the Government to impose terms and conditions as necessary on the note issuing banks in the conduct of their note issues.

End/Wednesday, November 29, 1995

Detachment of bus wheels incidents

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Following is a question by the Hon Miriam Lau and a written reply by the Secretary for Transport, Mr Haider Barma, in the Legislative Council today (Wednesday):

Question:

There have been several accidents involving the detachment of wheels from buses of franchised bus companies on the road in recent months, one of which has even resulted in the bus driver concerned being prosecuted by the Police. In view of this, will the Government inform this Council :

(a) of the causes of such accidents;

(b) what measures will be taken to prevent the occurrence of similar accidents in the future; and

(c) of the reasons why bus drivers should be held responsible for such accidents?

Reply:

Mr President,

Over the past four months, there have been three incidents in which wheels came off buses during service. A KMB bus was involved in the first incident and a CMB bus in the second incident, whilst the third involved a non-franchised residential bus run by Citybus.

In response to the specific questions :

(a) The 3 buses involved in these incidents were inspected immediately by staff from the Vehicle Examination Division of Transport Department. The findings revealed that the first and the third incident were caused by the failure of wheel bearings. The second incident arose because the nut-locking bolt on the wheel had not been fitted properly.

(b) Following discussion with the bus companies, agreement has been reached for the companies to revise their maintenance procedures to tackle this particular problem. The wheel bearings will be changed more frequently whilst bolts on wheels will be checked monthly. Training of technicians and quality control of maintenance works will also be strengthened. On its part, Transport Department is paying particular attention to bus wheels during regular roadworthiness inspections and daily random checks.

(c) It is for the Police to investigate traffic accidents and consider whether and whom to prosecute. In two of the incidents, KMB and CMB have been summonsed for "using a motor vehicle with fittings not in good and serviceable condition". In the CMB case, the Police considered that, apart from the bus company, the bus driver should also be held responsible and he was, therefore, summonsed for a similar offence.

End/Wednesday, November 29, 1995

Measures to simulate economy

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Following is a question by Dr the Hon David Li Kwok-po and a written reply by the Secretary for Financial Services, Mr Rafael Hui, in the Legislative Council today (Wednesday):

Question:

It is reported that the volume of retail sales in the first eight months of 1995 and the volume of restaurant receipts in the first half of 1995 have declined by 1.3% and 3.3% respectively as compared with the corresponding figures in the same period last year. There are also signs of a weak demand in other sectors of the service industry which might result in the closure of more business establishments, thereby aggravating our unemployment problem. In view of this, will the Administration inform this Council whether measures are being taken or planned to stimulate domestic demand as a means to avert a further rise in unemployment?

Reply:

As indicated very clearly by the Financial Secretary in his reply to this Council at the Motion Debate on 8.11.95 on measures to stimulate the economy, any arbitrary measures by the Government to counter short-term fluctuations in the economy would be ineffective or counter-productive. On cutting taxes as a stimulus, experience shows that its success in stimulating the economy is doubtful. On increasing public expenditure, the Government should spend money only when there is a real justification and need, and the increase should not be designed just to boost economic growth in the short term. In any case, given the relatively small size of the public sector, the increase in public spending would have to be very large -- too large to be accommodated by our prudent spending guideline -- in order to achieve any noticeable impact on the economy.

The retail and restaurant sectors have been facing a downturn following a period of booming business in the past few years. It has been our established economic policy that the market process, rather than the Government directing intervention measures, should best be left to adjust to such cyclical fluctuations. This policy will not change. In the longer run, the solution with regard to raising economic growth lies in greater productivity, enhanced competitiveness and greater flexibility, not in more Government intervention in the economy.

End/Wednesday, November 29, 1995

Objective of the Governor's Business Council

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Following is a question by the Hon Allen Lee and a written reply by the Secretary for Trade and Industry, Miss Denise Yue, in the Legislative Council today (Wednesday):

Question:

As the objective of the Governor's Business Council is to examine ways to improve the territory's economy, will the Government inform this Council of the following:

(a) what suggestions the Council has made to the Government to improve the economy since its establishment;

(b) whether the Council has made any suggestions to tackle the present unemployment problem; and

(c) whether the Government has adopted the Council's suggestions, if so, what are the results of implementing such suggestions?

Reply:

Mr President,

Since its establishment three years ago, the Governor's Business Council has discussed a wide range of issues affecting the economy, including land supply and harbour reclamations, inflation, the Consumer Council's competition studies, retirement protection, the economic implications of the Uruguay Round of multilateral trade negotiations, policy on financial services, promotion of services, container terminal handling charges, double taxation agreements and the recent situation of the Hong Kong economy. Members of the Council have offered valuable comments and advice on all these issues from the business perspective.

The Governor's Business Council has discussed the labour situation in recent meetings. The views expressed by Council members have been helpful in the Government's review of the labour situation in Hong Kong and in the formulation of measures to deal with it.

End/Wednesday, November 29, 1995

Supply of petroleum products

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Following is a question by Dr the Hon Samuel Wong Ping-wai and a written reply by the Secretary for Economic Services, Mr Gordon Siu, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

(a) of the number of companies presently operating as agents for the supply of petroleum products to petrol filling stations which in turn provide fuels, such as petrol and diesel, to motorists;

(b) whether the prices of petroleum products supplied by these companies are set at a uniform level; if so, whether these companies are offering services on the basis of fair competition; and

(c) how these companies can be prevented from monopolising the market, so as to safeguard the interests of consumers?

Reply:

(a) There are five companies supplying diesel fuel and petrol to 178 filling stations operated by 119 dealers.

(b) Currently, the prices charged by four of the companies supplying these products are identical. The prices charged by the fifth company are currently some 3 to 7% lower than those charged by the other companies. The similarity of prices is the result of the companies supplying nearly identical products and having similar cost structures and operating characteristics. The markets for diesel and petrol are price sensitive and each company is conscious of and responsive to the actions of its competitors. Though these factors militate against differential prices, they bring about competition for market share, expressed through advertising, creating product differentiation, and a variety of customer services.

(c) There is no evidence that the interests of consumers are being compromised by the mode of operation of the market for the supply of diesel and petrol. There are five companies operating in the market and evident competition between them. The Government believes that market forces can be relied upon to ensure healthy competition.

End/Wednesday, November 29, 1995

Land premium of Cathay Pacific's new headquarters

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Following is a question by the Hon Lee Wing-tat and a written reply by the Secretary for Economic Services, Mr Gordon Siu, in the Legislative Council today (Wednesday):

Question:

With regard to the land granted by the Provisional Airport Authority (PAA) to the Cathay Pacific Airways Limited (CPA) for the construction of the CPA headquarters, will the Government inform this Council :

- (a) of the land premium which the CPA is required to pay to the Government;
- (b) how the land premium is determined; whether it is determined on the basis of recovering the full market value of the land; and
- (c) whether the PAA will make known to the public and the Consultative Committee on the New Airport and Related Projects the land premium paid by the CPA; if not, why not?

Reply:

Mr President,

The airport island at Chek Lap Kok (CLK) will be granted by Government to the Airport Authority for airport operations, support and airport related uses. Under the Land Grant, the Authority may sub-lease land as and when necessary for airport related development.

Under an agreement reached with Cathay Pacific Airways Limited (CPA) for the construction of its headquarters at CLK, CPA will be granted a sub-lease by the Authority and will be required to pay a premium to the Authority, not to the Government.

Since the sub-lease of land was requested by CPA for a specific purpose, namely the construction of its headquarters, the land premium was determined through negotiation between the Provisional Airport Authority and CPA. The Authority had worked on the basis of recovering the full market value of the land.

After the sub-lease is executed by CPA and the Authority, it will be registered at the District Land Registry, Islands. Information in the sub-lease including the land premium will be available for public inspection on request.

End/Wednesday, November 29, 1995

Studies on use of geosynthetic materials

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Following is a question by Dr the Hon Huang Chen-ya and a written reply by the Secretary for Works, Mr H S Kwong, in the Legislative Council today (Wednesday):

Question:

It is reported that the Singapore Government will conduct a study on a new geosynthetic material which can prevent landslides as the material is capable of strengthening the soil and improving the drainage. In this connection, will the Government inform this Council whether it has done any research on this or other similar materials; if so, what the findings are; if not, whether it will carry out such a research soon?

Reply:

Mr President,

The principles of using geosynthetic materials to reinforce and drain soil are well known. The use of such materials to reinforce compacted soil slopes has been in practice in Hong Kong since the mid-1980s. In 1989 the Geotechnical Engineering Office (GEO) published an engineering standard entitled Geospec 2: Model Specification for Reinforced Fill Structures. At the same time we established an Endorsement Certificate System for the acceptance of proprietary products for use in permanent reinforced fill structures. The GEO has also commissioned a substantial number of studies with a prominent UK research institute into the engineering properties of various generic types of geosynthetics, to assess their acceptability and permissible design loadings for Hong Kong conditions.

It is not clear from the information provided by the Honourable Member whether the particular geosynthetic material referred to represents a new application of geosynthetics, or whether it is simply a new product for use in known applications. The GEO is following up with enquiries to professional colleagues in Singapore to obtain more information.

End/Wednesday, November 29, 1995

Continuing education for adults

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Following is a question by the Hon Henry Tang Ying-yen and a written reply by the Secretary for Education and Manpower, Mr Joseph Wong, in the Legislative Council today (Wednesday):

Question:

With regard to continuing education for adults, will the Government inform the Council:

(a) of the 155,000 adults estimated by the Government who will benefit from some form of part-time education this year, how many will take part in training schemes, part-time courses and distance learning courses respectively;

(b) whether any financial assistance is provided to such schemes or courses; if so, how much is expected to be spent in this financial year; and

(c) whether consideration will be given to offering tax concession to encourage working adults to take part in higher education/professional courses at their own expense, thereby enhancing the quality and competitiveness of our work force; if not, why not?

Reply:

Mr President,

(a) A breakdown of the 155,490 adults estimated in October 1995 to be benefiting from some form of part-time education in 1995-96 is at Annex A, together with the latest available enrolment figures on training schemes, part-time courses and distance learning courses respectively amounting to 72,181.

(b) A breakdown of the estimated Government expenditure on these courses in 1995-96 for the available statistics on student numbers is at Annex B, totalling about \$216.82 million; and

(c) During the Financial Secretary's recent consultation with Members of the Legislative Council on revenue measures for the 1996-97 Budget, some Members proposed tax concessions to encourage training in respect of employers to provide such schemes or courses to their employees or for employees to attend such training courses at their own expense. These will be carefully considered in the process of formulating the revenue measures for the coming Budget.

Annex A

**Estimated number of adults who will benefit
from some form of part-time education in 1995-96**

<u>Courses/Institutions</u>	<u>Estimated no. of adult students (based on 1994-95 figures)</u>	<u>Latest available enrolment figures 1995-96</u>
(a) UGC-funded part-time programmes	22 000	Not available until February/March 96
(b) Self-financed part-time and distance learning programmes leading to qualifications organised by UGC-funded institutions	35 000	Not available until February/March 1996
(c) Distance learning courses offered by the Open Learning Institute of Hong Kong	19 500	20 000
(d) Part time training courses and part-time technical education courses offered by the Vocational Training Council	66 600	41 736
(e) Formal Adult Education Courses organised by Education Department	12 390	10 445
Total	155 490	72 181

Annex B

**Estimated Government expenditure
on part-time education for adults for 1995-96**

<u>Courses/Institutions</u>	<u>Estimated Government expenditure</u>
(a) UGC-funded part-time programmes	Not available
(b) <u>Self-financed</u> part-time and distance learning programmes leading to qualifications organised by UGC-funded institutions	-
(c) <u>Self-financed</u> distance learning courses offered by the Open Learning Institute of Hong Kong	-
(d) Part time training courses and part-time technical education courses offered by the Vocational Training Council	\$174.62 million
(e) Formal Adult Education Courses organised by Education Department	\$42.2 million
Total	\$216.82 million

Notes

- (a) Students enrolled in UGC-funded part-time programmes are counted within the target full-time-equivalent (fte) student numbers. Their places are subsidised through the recurrent grants allocated to the institutions by the UGC.
- (b) The UGC-funded institutions operate these courses on a self-financing basis, recovering their full direct costs through tuition fees charged to students. No direct Government subvention is provided for these courses.

- (c) Government has not provided any recurrent subvention to the Open Learning Institute (OLI) since it became self-financing on its recurrent account in 1993. Nevertheless, in order to avoid passing certain capital costs to the students, Government has over the year granted \$300 million to the OLI establishing specific funds for course development, construction of permanent campus and provision of low-interest loans to students.
- (d) Of the \$174.62 million to be spent by the VTC on part-time vocational training and technical education of adult students, \$26.6 million will be used to subsidise the training courses conducted by VTC's training centre from 75% to 100%. \$146.9 million will be spent on the part-time courses conducted by VTC's technical colleges and technical institutes, which are between 50% and 93% subsidised by Government. Another \$1.12 million will be used to cover in general 50% of the costs of the out-centre training courses organised by VTC's training boards.
- (e) Government subsidises the Adult Education Course (General Background) and the Government Evening Secondary School Course organised by the Education Department at primary and junior secondary levels on a 100% basis. At senior secondary level, Government pays for 82% of the recurrent costs of these courses. Students who are enrolled in the English Course will, on the other hand, pay the full recurrent costs of the course through fees.

End/Wednesday, November 29, 1995

Air Pollution Index readings

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Following is a question by the Hon Leung Yiu-chung and a written reply by the Secretary for Planning, Environment and Lands, Mr Bowen Leung, in the Legislative Council today (Wednesday):

Question:

The Air Pollution Index (API) readings published by the Government have registered new highs in recent days, particularly those taken in Tuen Mun, Yuen Long, Sha Tin, Tai Po, Islands District and Southern District where the levels were forecast to reach as high as 100. In the light of this, the Government has publicly advised people with respiratory and heart problems to avoid outdoor activities. In this connection, will the Government inform this Council:

(a) of the reasons why the API readings are especially high in the above-mentioned districts;

(b) whether it has conducted a survey on the incidence of respiratory and heart diseases on those days when the API readings were particularly high, and whether it has studied the correlation between air pollution levels and the incidence of these diseases; and

(c) whether, apart from giving advice to the public, it has any other measures to assist people with respiratory and heart problems, especially those who need to work outdoors, on the days when the API readings in certain districts are exceptionally high, so as to reduce the chance of such diseases afflicting them; if not, what the reasons are?

Reply:

Mr President,

(a) The air pollution levels have recently increased generally throughout Hong Kong as a result of the dry weather which tends to cause fine dust and particulates to suspend in the air for a longer time. The areas mentioned in the Question have experienced slightly higher dust levels, and therefore higher API readings, because of the level of construction activities in these areas.

(b) We have not conducted a survey as suggested in the Question. However, in 1991/92 a study was conducted jointly between the Administration and the University of Hong Kong on air pollution and respiratory health among primary school children. The results showed a positive correlation between the incidence of respiratory diseases and air pollution. Nonetheless, the study also indicated that other environmental factors, such as smoking, would also have to be taken into account. To further our understanding of the relationship between air pollution and health, we draw regularly on the findings of overseas studies and information promulgated by organisations such as the World Health Organisation and the Environmental Protection Agency of the United States. Such information indicates that an increase in hospital admissions and the aggravation of symptoms among patients with asthma, allergic respiratory diseases and chronic lung diseases is associated with increased air pollution.

(c) The advice given to the public on days of high Air Pollution Index readings is of a precautionary nature. The present levels of air pollution in Hong Kong will unlikely cause immediate health damage to those who are vulnerable and there is no need for additional protective measures for them although they should, of course, seek medical advice if they feel uncomfortable. To prevent possible adverse health impacts of chronic exposure to air pollution, the Administration proposes to continue to extend the number of industrial processes specified under the Air Pollution Control Ordinance for licensing control, to minimise the impact of dust on air pollution, especially from construction sites, and to control open burning. Our current proposal to require diesel vehicles under 4 tonnes to be gradually replaced by vehicles using unleaded petrol and catalytic converters will have a substantial impact on air pollution on which we are consulting the public.

End/Wednesday, November 29, 1995

Surrendering of Home Ownership Scheme flats

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Following is a question by the Hon Zachary Wong and a written reply by the Secretary for Housing, Mr Dominic Wong, in the Legislative Council today (Wednesday):

Question:

Will the Government inform this Council:

(a) of the breakdown of the number of 'green form' or 'white form' Home Ownership Scheme (HOS) flat owners who surrendered their flats to the Housing Authority in each of the past three years, and whether there is an upward trend in such cases;

(b) of the reasons why these HOS flat owners surrendered their flats; and

(c) whether the Government has considered providing assistance to those HOS flat owners who have surrendered their flats because of financial difficulties but who are facing a housing problem?

Answer:

Mr President,

The number of Home Ownership Scheme flats and Private Sector Participation Scheme flats bought back by the Housing Authority from owners in recent years, under the resale restrictions stipulated in the Housing Ordinance, is set out below:

1992-93	238
1993-94	286
1994-95	214
1995-96	190
(April - September)	

No separate statistics are kept on whether these flats were originally purchased by Green Form or White Form applicants.

There is no evidence of a general upward trend. The number of flats bought back each year represents a very small percentage (under 0.5%) of total stock.

Flat owners are not obliged to give reasons for the sale of flats. The major reasons given are financial difficulties, emigration, divorce and changes in family circumstances.

Any such owners who face immediate housing difficulties because of financial problems may apply for compassionate rehousing. Their applications will be assessed by the Social Welfare Department to establish whether there is a genuine and immediate housing need, before recommendations are made to the Housing Department for appropriate rehousing arrangements.

End/Wednesday, November 29, 1995

Ranking of Hong Commissioner in London

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Following is a question by the Hon Emily Lau and a written reply by the Secretary for Trade and Industry, Miss Denise Yue, in the Legislative Council today (Wednesday):

Question:

In his reply to a question in this Council on 22 February 1995, the Secretary for Trade and Industry indicated that the ranking of the post of Hong Kong Commissioner, London, was under review but that it would be regraded to a rank below D8 on the Directorate Pay Scale. He also indicated that there was no plan to regrade the post of Hong Kong Commissioner for Economic and Trade Affairs, USA. In this connection, will the Government inform this Council:

(a) of the exact date of retirement of the incumbent Hong Kong Commissioner, London; whether the Government has completed the review of the ranking of this post; if so, to what rank will this post be regraded and what is the justification for doing so;

(b) whether the regrading of the post of the Hong Kong Commissioner, London will affect the establishment of the London Office, including the posts filled by staff posted from Hong Kong and those filled by local staff; if so, what are the details; and

(c) when the incumbent Hong Kong Commissioner for Economic and Trade Affairs, USA will retire; whether the Government will consider regrading the post, which is now ranked at D8 on the Directorate Pay Scale, to a lower rank upon the retirement of the present incumbent; if not, why not?

Reply:

Mr President,

The incumbent Hong Kong Commissioner, London will complete his posting in December 1996. The future rank of the post is under review and, while no decision has yet been taken, we still think that it will certainly be lower than D8 on the Directorate Pay Scale.

The ranking of the post of the Hong Kong Commissioner, London and the establishment of the London Office need to have regard to the progressive restructuring of the London Office into an economic and trade office by 1997. An exercise to rationalise the establishment of the London Office has already started. During the current financial year, 14 posts have so far been deleted, comprising nine officers posted from Hong Kong and five locally employed officers. Another 12 posts comprising five officers posted from Hong Kong and seven locally employed officers are earmarked for deletion in 1996-97.

The incumbent Hong Kong Commissioner for Economic and Trade Affairs, USA will complete his posting in mid 1996. There are no plans at this stage to re-grade this post because the reasons for creating the post at D8 level continue to apply.

End/Wednesday, November 29, 1995