



DAILY INFORMATION BULLETIN

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ANTI-ILLEGAL IMMIGRATION LAW STRENGTHENED

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THE IMMIGRATION (AMENDMENT)(NO. 4) BILL WHICH STRENGTHENS THE GOVERNMENT'S LEGISLATIVE POWERS TO DEAL WITH THE OBNOXIOUS AND ILLEGAL TRADE BY SNAKEHEADS SMUGGLING CHILDREN FROM CHINA INTO HONG KONG WAS PASSED INTO LAW BY THE LEGISLATIVE COUNCIL TODAY.

INTRODUCING THE BILL, THE ATTORNEY GENERAL, THE HON JOHN GRIFFITHS SAID: +THE SPEEDY ENACTMENT OF THIS BILL AND THE NATURE OF ITS PROVISIONS, SHOULD RECONFIRM GOVERNMENT'S DETERMINATION TO TAKE THE FIRMEST POSSIBLE ACTION AGAINST TRAFFICKERS IN ILLEGAL IMMIGRATION,+ MR GRIFFITHS SAID.

INDEED, HE ADDED, 17 CASES INVOLVING SOME 35 ACCUSED PERSONS ARE CURRENTLY PROCEEDING IN THE COURTS AGAINST TRAFFICKERS AND AIDERS AND ABETTORS OF ILLEGAL IMMIGRATION.

MR GRIFFITHS RECALLED THAT THE MEASURES INTRODUCED ON OCTOBER 23 LAST YEAR WERE DESIGNED TO BRING HOME TO THOSE IN THE COMMUNES THE FUTILITY OF ATTEMPTING TO ENTER HONG KONG ILLEGALLY, +FOR EVEN IF THEY EVADE THE SECURITY NET ON THE BORDER, THEY ARE UNABLE TO OBTAIN WORK HERE WITHOUT POSSESSING AN ID CARD AND ARE REPATRIATED AT ONCE AS SOON AS THEY ARE APPREHENDED IN THE URBAN AREAS.+

+THE OVERWHELMING MAJORITY OF THE PEOPLE OF HONG KONG HAVE SHOWN THEMSELVES TO BE FULLY IN SUPPORT OF THIS NEW POLICY, DESPITE THE INEVITABLE INCONVENIENCE IT HAS CAUSED SOME OF THEM FROM TIME TO TIME,+ HE SAID, ADDING THAT THE MEASURES ALSO HAD MANIFESTLY HAD BENEFICIAL EFFECTS ON THE SCALE OF ILLEGAL IMMIGRATION.

EXPERIENCE DURING THE PAST YEAR HAD, HOWEVER REVEALED A SMALL GAP IN THE LAW WHICH THE BILL WOULD CLOSE.

HE EXPLAINED THAT RECENTLY IT HAD COME TO LIGHT THAT ORGANISED SYNDICATES OF SNAKEHEADS HAVE BEEN PREYING ON FAMILIES AND, IN EFFECT, TRAFFICKING IN CHILDREN, WHOM THEY SMUGGLE INTO HONG KONG ON BEHALF OF RELATIVES.

MR GRIFFITHS CITED SEVERAL FEATURES OF THIS OBNOXIOUS AND ILLEGAL TRADE:

- * IT IS ORGANISED BY SNAKEHEADS WHO CYNICALLY FOR MONEY HAVE BEEN PREYING UPON THE FAMILY LOYALTY OF RELATIVES=
- * FREQUENTLY WHERE THIS HAS OCCURRED THERE HAS BEEN ONLY ONE RELATIVE IN HONG KONG, THE WIFE STILL REMAINING IN CHINA=
- * IN SUCH CASES, THOSE WHO CAME ILLEGALLY TO HONG KONG PRIOR TO OCTOBER 23, 1980 HAD IN FACT DECIDED OF THEIR OWN VOLITION TO LEAVE THEIR FAMILIES BEHIND AND COME TO HONG KONG ALONE= AND
- * WHILE IT WAS NOT KNOWN HOW MANY OF THOSE NOW LIVING LEGALLY IN HONG KONG HAD LEFT BEHIND WIVES AND CHILDREN IN CHINA, OR HOW MANY THESE TOTAL, THE NUMBER LEFT BEHIND IN CHINA IS UNDOUBTEDLY LARGE.

+APART FROM OTHER CONSIDERATIONS, THE ACTIONS OF THOSE PARENTS OR RELATIVES WHO BUY THE SERVICES OF THESE SNAKEHEADS ARE SELFISH TO THE EXTREME, FOR THEY ARE REALLY ATTEMPTING TO JUMP THE LONG QUEUE WITHIN CHINA AWAITING LEGAL PERMISSION FOR THEIR RELATIVES OR CHILDREN TO ENTER HONG KONG,+ SAID MR GRIFFITHS.

+MOREOVER, THE THREAT IS OBVIOUS TO THE MEDICAL, EDUCATIONAL, SOCIAL WELFARE AND OTHER SERVICES OF HONG KONG WERE SUBSTANTIAL NUMBERS OF THESE RELATIVES AND CHILDREN ABLE TO AVOID THE QUEUE IN THIS WAY BY COMING ILLEGALLY TO HONG KONG.+

IN EXAMINING THE ADEQUACY OF OUR SANCTIONS AGAINST THE TRAFFICKERS WHO BRING IN THESE PEOPLE AND THOSE WHO AID AND ABET THEM, ONE AREA OF WEAKNESS HAD BEEN IDENTIFIED, HE SAID.

UNDER THE LAWS OF HONG KONG, HE EXPLAINED, A CHILD UNDER THE AGE OF SEVEN IS CONCLUSIVELY PRESUMED INCAPABLE OF COMMITTING ANY OFFENCE, AND THOSE BETWEEN THE AGES OF SEVEN AND 14 ARE PRESUMED TO BE INCAPABLE UNLESS IN THEIR INDIVIDUAL CASE THEY ARE PROVED TO HAVE THE INTENTION AND MENTAL CAPACITY TO DO SO.

ALTHOUGH SECTION 38(1) OF THE IMMIGRATION ORDINANCE MAKES IT AN OFFENCE TO LAND UNLAWFULLY IN HONG KONG, +IT FOLLOWS THAT IN THE CASE OF CHILDREN IT IS IMPOSSIBLE IN SOME CASES AND DIFFICULT IN OTHERS TO PROVE IN LAW THAT THEY HAVE COMMITTED THIS OFFENCE - EVEN THOUGH IT MAY BE EASY TO PROVE THEY ARE UNLAWFULLY IN HONG KONG.+

THE STATUTORY POWER IN SECTION 19(1)(B) OF THE IMMIGRATION ORDINANCE TO EFFECT REMOVAL OF ILLEGAL IMMIGRANTS FROM HONG KONG, HE NOTED, WAS DEPENDENT UPON BEING ABLE TO PROVE THAT THEY HAD COMMITTED THE SECTION 38(1) OFFENCE OF UNLAWFULLY LANDING IN HONG KONG.

+MOREOVER MANY OF THE SANCTIONS AGAINST SUCH ILLEGAL LANDINGS, LIKE THE FORFEITURE OF SHIPS AND VEHICLES AND EVIDENTARY PRESUMPTIONS, HAVE AT VARIOUS TIMES IN THE PAST, FOR CONVENIENCE IT WOULD SEEM, BEEN TIED TO THE COMMISSION OF AN OFFENCE UNDER SECTION 38(1).

+IT FOLLOWS, THAT SO FAR AS CHILDREN ARE CONCERNED, THERE ARE LEGAL DIFFICULTIES IN PROSECUTING THOSE WHO BRING THEM HERE, AND INDEED ALSO IN EFFECTING THEIR REMOVAL,+ HE SAID.

THE BILL REMEDIES THAT SITUATION AND DOES SO LARGELY BY DELETING REFERENCE TO THE COMMISSION OF AN OFFENCE UNDER SECTION 38(1) AND SUBSTITUTING INSTEAD REFERENCE TO LANDING UNLAWFULLY IN HONG KONG, HE EXPLAINED.

MR GRIFFITHS SAID THE OPPORTUNITY HAD ALSO BEEN TAKEN TO MAKE THREE OTHER AMENDMENTS TO THE ORDINANCE.

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THE FIRST EMPOWERS IMMIGRATION OFFICERS TO EXAMINE A PERSON AT ANY TIME IF THERE IS REASONABLE CAUSE TO BELIEVE THAT THE PERSON HAS LANDED UNLAWFULLY SO THAT HE THEN BECOMES SUBJECT TO SUMMARY REMOVAL PROCEDURES. PREVIOUSLY, A PERSON COULD ONLY BE EXAMINED ON HIS ARRIVAL OR REPARTURE, BUT NOT IN THE INTERVAL BETWEEN, EVEN IF THERE WAS REASONABLE CAUSE AT THE TIME TO BELIEVE HE ENTERED HONG KONG UNLAWFULLY.

THE SECOND MAKES IT CLEAR THAT A PERSON REFUSED PERMISSION TO LAND AT ANY TIME MAY BE SUMMARILY REMOVED UNDER THE ORDINANCE. SINCE SUCH REFUSAL UNDER THE NEW PROVISIONS MAY OCCUR LONG AFTER A PERSON ARRIVES IN HONG KONG, MR GRIFFITHS SAID, THE AMENDMENT PROVIDED THAT A PERSON MAY BE SUMMARILY REMOVED UNDER SECTION 18 ONLY WITHIN TWO MONTHS OF THE DATE HE SO ARRIVES AS OPPOSED TO TWO MONTHS FROM THE DATE OF REFUSAL AS BEFORE.

THE THIRD PROVIDES DIRECT PENALTIES FOR ASSISTING AN ILLEGAL IMMIGRANT TO REMAIN. PRACTICAL EXPERIENCE IN PROSECUTING TRAFFICKERS, PARTICULARLY IN REGARD TO HARBOURING ILLEGAL IMMIGRANTS, MR GRIFFITHS SAID, SUGGESTED THAT SUCH A PROVISION WOULD BE FAR MORE EFFECTIVE THAN THE PRESENT INDIRECT MEANS AFFORDED BY CHARGING SUCH OFFENDERS WITH AIDING AND ABETTING AN OFFENCE OF UNLAWFUL LANDING.

PROSECUTIONS UNDER THE NEW SECTION FOR ASSISTING AN UNAUTHORISED ENTRANT TO REMAIN WOULD BE TAKEN WITH DISCRETION AND AFTER CAREFUL CONSIDERATION OF ALL CIRCUMSTANCES, HE SAID, AND WOULD REQUIRE PRIOR CONSENT FROM THE ATTORNEY GENERAL.

MR GRIFFITHS POINTED OUT THAT THE CASE OF EACH ILLEGAL IMMIGRANT CAUGHT WOULD BE DEALT WITH AS BEFORE AND IN ACCORDANCE WITH THE VARIOUS PROVISIONS FOR APPEAL WHICH CURRENTLY EXIST, AND WHICH ENSURE THAT EACH CASE IS CONSIDERED ON ITS MERITS.

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LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT)
(NO. 2) BILL 1981 - THE HON PETER C. WONG

THE LANDLORD AND TENANT (CONSOLIDATION)(AMENDMENT)(NO. 2) BILL 1981 WHICH SEEKS TO PROVIDE SECURITY OF TENURE FOR TENANTS OF DOMESTIC PREMISES EXCLUDED FROM RENT CONTROL WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY WITH SEVERAL OF ITS PROVISIONS CHANGED.

THE CHANGES WERE RECOMMENDED BY AN AD HOC GROUP OF UNOFFICIALS HEADED BY MR PETER C. WONG, AND TOOK INTO CONSIDERATION PUBLIC REPRESENTATIONS ON THE ISSUE RECEIVED.

IN HIS SPEECH DURING THE RESUMED DEBATE OF THE BILL, MR WONG SAID THE GROUP HAD HELD SEVERAL LENGTHY MEETINGS AMONG THEMSELVES AND WITH GOVERNMENT REPRESENTATIVES INCLUDING THE CHIEF SECRETARY, THE ATTORNEY GENERAL, THE SECRETARY FOR HOUSING AND THE COMMISSIONER OF RATING AND VALUATION.

THE KEY CHANGES AGREED INCLUDE:

- * FIXED TERM TENANCIES OF FIVE YEARS OR MORE CREATED AFTER DECEMBER 18, 1981 WITH NO PROVISION FOR EARLIER DETERMINATION OR RENT ESCALATION WILL BE EXCLUDED FROM CONTROL. +THIS IS IN LINE WITH THE RECOMMENDATION OF THE COMMITTEE OF REVIEW THAT SUCH TENANCIES SHOULD BE EXCLUDED FROM PART II (POST-WAR BUILDINGS) OF THE PRINCIPAL ORDINANCE AS WELL AS FROM THE NEW PART IV (SECURITY OF TENURE),+ SAID MR WONG.
- * REBUILDING WILL BE POSSIBLE EVEN THOUGH IT MAY NOT RESULT IN AN INCREASE IN THE NUMBER OF DWELLINGS OR IN ACCOMMODATION PROVIDED THE RE-DEVELOPMENT IS IN THE PUBLIC INTEREST. THIS SHOULD ALSO COVER CASES WHERE BUILDINGS OF BETTER QUALITIES ARE TO BE ERECTED.
- * A DEFINITION OF +FAIR MARKET RENT+ WILL BE INCORPORATED IN THE BILL.
- * LANDLORDS AS WELL AS TENANTS, MAKING FALSE REPRESENTATIONS OR CONCEALING MATERIAL FACTS WILL BE PENALISED.
- * ANY PERSON WHO HAS OBTAINED POSSESSION FOR SELF-OCCUPATION OR REBUILDING IS NOT PERMITTED TO RE-LET OR ASSIGN THE PREMISES FOR A PERIOD OF 24 MONTHS FROM THE DATE OF THE ORDER AND ANY CONTRAVENTION WILL BE SUBJECT TO HEAVY PENALTIES. HOWEVER, MR WONG EXPLAINED, THE BILL IS NOT SPECIFIC IN RESPECT OF THE DATE ON WHICH THE ORDER IS DEEMED TO HAVE BEEN MADE. +IT IS NOW PROPOSED THAT THE DATE SHOULD BE THE DATE OF THE APPLICATION,+ HE SAID. +THIS AMENDMENT WILL OBIVATE DIFFICULTIES WHICH MAY BE ENCOUNTERED IF PROSECUTION IS INSTITUTED.+

/* IN APPLICATIONS

* IN APPLICATIONS FOR RE-DEVELOPMENT, PLANS OF NEW BUILDINGS WILL NOT BE SUBJECT TO VARIATIONS BY THE LANDS TRIBUNAL. +WHERE APPROVAL IS REQUIRED IN RESPECT OF THE REBUILDING, THE TRIBUNAL MAY, ON STATING THAT IT IS SATISFIED THE LANDLORD INTENDS TO REBUILD, POSTPONE THE HEARING AND MAKE AN ORDER FOR POSSESSION WHEN SUCH APPROVAL IS OBTAINED, + MR WONG SAID. THE TRIBUNAL MAY, FOR GOOD CAUSE, VARY ANY ORDER MADE BY IT, EXCEPT IN RELATION TO COMPENSATION.

* PROVISION WILL BE MADE FOR THE TRANSFER OF POSSESSION CAUSES FROM THE DISTRICT COURT TO THE LANDS TRIBUNAL ON A DATE TO BE GAZETTED.

WHILE APPRECIATING THAT THE GOVERNMENT HAD NOT BEEN ABLE TO MEET ALL THE POINTS RAISED BY UNOFFICIAL MEMBERS, MR WONG URGED IT TO CONSIDER ACTIVELY AS SOON AS POSSIBLE THE ISSUES THAT WERE STILL UNRESOLVED.

THESE WERE: (I) TIME LIMIT ON THE PERIOD FOR WHICH A TENANCY CAN BE RENEWED UNDER THE NEW PART IV- (II) PROVISION IN THE NEW PART IV TO ENABLE PROPERTY OWNERS, PARTICULARLY SMALL INVESTORS, TO DISPOSE OF THEIR PROPERTY WITH VACANT POSSESSION- (III) THE POSITION OF THE CORPORATE LANDLORD WHO REQUIRES THE PREMISES FOR THE OCCUPATION OF ITS OWN EMPLOYEES- (IV) SPECIFIC TIME LIMITS FOR DETERMINATION OF RENT UNDER THE NEW SECTION 119K- AND (V) PROVISION OF SOME FORM OF APPEAL AGAINST DECISIONS OF THE LANDS TRIBUNAL GENERALLY.

MR WONG ALSO CALLED ON THE GOVERNMENT TO CONSIDER EXTENDING LEGAL AID TO THE LANDS TRIBUNAL TO COVER MATTERS RELATING TO LANDLORD AND TENANT IN VIEW OF THE TRANSFER OF JURISDICTION.

IN ADDITION, HE SAID, THOUGHT SHOULD BE GIVEN TO REDRAFTING THE PRINCIPAL ORDINANCE AS A WHOLE WITH A VIEW TO PRODUCING A MORE COHERENT STATUTE.

+AS A RESULT OF THE CHANGES NOW UNDER DISCUSSION, THE LAW WILL BECOME EVEN MORE COMPLICATED AND DIFFICULT TO FIND.

+I WOULD THEREFORE SEEK ASSURANCES FROM THE GOVERNMENT THAT THE REVISED ORDINANCE WILL BE REPRINTED AT THE EARLIEST POSSIBLE DATE AND FURTHER THAT THE COMPLETE OVERHAUL OF THE ORDINANCE RECOMMENDED BY THE COMMITTEE OF REVIEW WILL NOT BE PIGEON-HOLED FOR CONSIDERATION AT SOME DISTANT UNSPECIFIED FUTURE DATE, + MR WONG SAID.

UNOFFICIALS SUPPORT BILL

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FOUR OTHER UNOFFICIALS ALSO SPOKE DURING THE RESUMED DEBATE ON THE LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) (NO.2) BILL.

THE REV. PATRICK MCGOVERN SAID HE SUPPORTED THE BILL CHIEFLY BECAUSE IT GIVES A GREATER ASSURANCE OF SECURITY OF TENURE TO SOME TENANTS.

HE SAID HE HAD CONSIDERABLE SYMPATHY FOR A LANDLORD, WHO FOR GOOD REASONS SUCH AS MARRIAGE OR RETIREMENT, WISHES TO REPOSSESS HIS PROPERTY FOR HIS OWN USE, AND FINDS HIMSELF UNABLE TO DO SO.

+IF THE PROPOSED PROCESSING BY THE LANDS TRIBUNAL, RATHER THAN THE DISTRICT COURT, WORKS AS SIMPLY AS INEXPENSIVELY AND AS FAIRLY INTENDED, SUCH A GENUINE DEPRIVED LANDLORD HAS A BETTER MEANS OF REDRESS THAN BEFORE,+ HE SAID.

+FOR THE TENANT TOO, THE LESS EXPENSIVE LANDS TRIBUNAL SHOULD PROVIDE A SIMPLER AND LESS TIME CONSUMING PROCESS BY WHICH HE CAN GET A FAIR HEARING.+

HOWEVER, FR. MCGOVERN EXPRESSED RESERVATION OVER THE PROPOSED FIVE-YEAR FIXED TERM TENANCY WHICH HE SAID +MAY BECOME THE RULE THAN THE EXCEPTION AND THUS PROVIDE A MEANS BY WHICH ALL CONTROLLED TENANCIES MAY BE CHANGED INTO UNCONTROLLED ONES.+

SOME MIGHT SAY THIS IS A GOOD THING IN THAT IT WILL INDIRECTLY GET RID OF RENT CONTROL, HE SAID.

+I DO NOT AGREE, NOR DO I BELIEVE THAT WE CAN IGNORE THE FACT THAT SOME LANDLORDS ARE STILL OF THE RAPACIOUS BREED.

+THAT SUCH PEOPLE STILL EXIST WOULD APPEAR TO BE BORNE OUT BY THE FACT THAT BETWEEN 1976 AND 1981, IN SPITE OF A PERIOD OF PARTIAL RENT CONTROL, AND A PERIOD OF BLANKET RENT CONTROL, RENTS, AS REFLECTED IN THIS YEAR'S ASSESSMENT FOR THE PURPOSES OF PROPERTY TAX, INCREASED BY AS MUCH AS 300 TO 500 PER CENT FROM THEIR ALREADY VERY HIGH LEVELS.

+HOWEVER, I AM WILLING TO WAIT AND SEE HOW IT WORKS.+

WHATEVER THE FUTURE MAY BRING IN THE WHOLE SAGA OF THE HOUSING PROBLEMS OF HONG KONG, FR MCGOVERN STRESSED THAT IT IS A GOOD THING TO ENCOURAGE HOME OWNERSHIP AND TO ENCOURAGE SMALL LANDLORDS TO POSSESS SOME PROPERTY AS AN INVESTMENT IN THE FUTURE OF HONG KONG.

A ROOF OVER ONE'S HEAD IS A NECESSITY OF LIFE, HE POINTED OUT.

BUT HE WARNED: +A LANDLORD OF ANY SORT, BE HE BIG OR SMALL, CANNOT EXPECT TO MAXIMISE HIS PROFITS AT EVERY OPPORTUNITY IF BY DOING SO HE IS INJURING PEOPLE.

+PEOPLE ARE MORE IMPORTANT THAN PROPERTY. PEOPLE ARE MORE IMPORTANT THAN PROFITS.

+LANDLORD TOO ARE PEOPLE. BUT THEY MUST IN A CIVILIZED SOCIETY EXERCISE RESTRAINT IN THEIR DEALINGS WITH OTHER PEOPLE.

/+IF THEY DO

+IF THEY DO NOT EXERCISE SUCH RESTRAINT, THEN IT IS THE DUTY OF THE GOVERNMENT TO RESTRAIN THEM REASONABLY,+ HE ADDED.

MR BILL BROWN EXPRESSED MISGIVINGS AT THE SPEED WITH WHICH THE BILL WAS BEING PASSED +FOR IT HAS LEFT LITTLE TIME TO CONSIDER ITS POSSIBLE CONSEQUENCES NOT ONLY TO LANDLORDS AND TENANTS BUT ALSO TO THE OVERALL INVESTMENT CLIMATE AND THE ECONOMY AS A WHOLE.

WHILE RECOGNISING THE NEED FOR URGENCY, HE CONTENDED THAT IT MUST BE LOOKED UPON AS AN INTERIM MEASURE ONLY.

+IN THE LONG TERM THE BEST METHOD OF PROTECTING TENANTS IS TO ENSURE THAT THERE IS AN ADEQUATE SUPPLY OF NEW RENTED ACCOMMODATION, AND WHEN FRAMING OUR LAWS FOR RENT CONTROL AND SECURITY OF TENURE WE MUST ENSURE THAT OUR ACTIONS DO NOT RUN CONTRARY TO THIS VITAL CONSIDERATION,+ HE SAID.

MR BROWN POINTED OUT THAT THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE COMMITTEE OF REVIEW IN A PIECEMEAL MANNER IS CAUSING UNCERTAINTY WHICH WOULD ONLY LEAD TO UNEASE ON THE PART OF TENANTS AND PERHAPS UNWILLINGNESS OF INVESTORS TO CONSTRUCT NEW DOMESTIC ACCOMMODATION.

+ALTHOUGH WE ARE TODAY DISCUSSING SECURITY OF TENURE, AS OPPOSED TO RENT CONTROL PER SE, THE MAN IN THE STREET MAY PERHAPS BE FORGIVEN IF HE CAN SEE LITTLE DIFFERENCE BETWEEN THE TWO, FOR BOTH REPRESENT AN INTERFERENCE WITH MARKET FORCES THE CONSEQUENCES OF WHICH ARE DIFFICULT TO PREDICT.

+GIVEN PRESENT CONDITIONS I DO NOT THINK ANY OF US WOULD DISPUTE THAT SOME FORM OF RENT CONTROL WILL BE NECESSARY FOR SOMETIME TO COME.

+HOWEVER, THE LONG TERM OBJECTIVE MUST BE DECONTROL, AND IT WOULD BE HELPFUL IF THE GOVERNMENT WOULD BRING THIS ABOUT AS SOON AS POSSIBLE AND RECONFIRM THAT THE RECOMMENDATIONS OF THE COMMITTEE OF REVIEW ON FUTURE POLICY FOR RENT CONTROL AND SECURITY OF TENURE REMAIN GENERALLY ACCEPTABLE,+ MR BROWN URGED.

MISS MARIA TAM SUPPORTED THE MAIN PROVISION OF THE BILL BUT WITH ONE RESERVATION.

SHE WAS PARTICULARLY WORRIED BY THE CLAUSE WHICH STIPULATES THAT +WHERE A LANDLORD APPLIES TO THE LANDS TRIBUNAL FOR AN ORDER FOR POSSESSION ON THE GROUND THAT HE REQUIRES IT FOR HIS OWN USE, HE CANNOT SELL OR LET OUT THE PREMISES FOR TWO YEARS WITHOUT THE PRIOR CONSENT OF THE TRIBUNAL, EVEN IF HE SETTLES THE CASE WITH HIS TENANT OUT OF COURT AND THE TENANT DELIVERS UP VACANT POSSESSION OF THE PREMISES.+

SHE NOTED THE VARIOUS REASONS GIVEN FOR INCORPORATING THIS CLAUSE IN THE BILL, BUT IN HER VIEW, +IT IS IMPOSING PROTECTION ON TENANTS WHO DO NOT NEED IT AND RESTRICTION ON BOTH LANDLORDS AND TENANTS WHO WISH TO SOLVE THEIR OWN PROBLEMS WITHOUT LITIGATION.+

MISS TAM POINTED OUT THAT A TENANT RARELY SETTLES A CASE WITH THE LANDLORD IF HE BELIEVES HE CAN WIN THE CASE, OR HE HAS NO ALTERNATIVE ACCOMMODATION, HIS LOSS CANNOT BE COMPENSATED BY MONEY, THE AMOUNT OF COMPENSATION IS NOT SATISFACTORY AND HE WISHES TO AVOID LITIGATION.

+IN SUCH CIRCUMSTANCES, IT IS NOT JUST AND/OR FAIR TO ASSUME THAT BECAUSE THE PARTIES SETTLE OUT OF COURT THE LANDLORD IS NECESSARILY LYING TO THE COURT, OR THAT THE TENANT IS NECESSARILY THREATENED,+ SAID MISS TAM.

+ALSO, THE LANDLORD'S GROUND OF RECOVERING POSSESSION MAY NO LONGER BE AN OPERATIVE OR THE SOLE OPERATIVE FACTOR THAT PERSUADED THE TENANT TO SETTLE THE CASE.+

FURTHERMORE, SHE ADDED, WHEN A LANDLORD SETTLES THE CASE WITH THE TENANT BY EX-GRATIA PAYMENT OF COMPENSATION HE PAYS TO RECOVER POSSESSION OF HIS PREMISES AND NOT BECAUSE HE THREATENED THE TENANT INTO DELIVERING VACANT POSSESSION.

MISS TAM THEN SPELLED OUT THE REASONS IN FAVOUR OF ACCEPTING SETTLEMENT OUT OF COURT WITHOUT THE LANDLORD SUFFERING RESTRICTION OVER HIS PROPERTY:

- * THE TENANT IS GIVEN THE ALTERNATIVES THAT HE CAN FIGHT THE CASE IF HE HAS NOWHERE ELSE TO LIVE OR TAKES THE COMPENSATION PAYMENT. THE LANDLORD WILL BE PREPARED TO PAY WHAT HE CAN AFFORD, AND THE TENANT CAN ALSO ASK FOR A LONGER PERIOD TO PLAN HIS MOVE TO THE NEW HOME=
- * IN NO OTHER CIVIL PROCEEDINGS CAN IT BE FORMED A PARTY (LANDLORD) PENALISED FOR SETTLING OUT OF COURT, OR THE COURT ENTERTAINING AN ASSUMPTION THAT A PARTY (TENANT) IS NECESSARILY WORSE OFF, OR THAT A PARTY (LANDLORD) HAS LIED TO THE COURT, ESPECIALLY WHERE BOTH PARTIES ARE SUI JURIS AND ADDED BY LAWYERS=
- * A SETTLEMENT CAN SAVE THE COURT'S TIME AND/OR LITIGANTS' COSTS=
- * WHERE THE TENANT ACCEPTS MONEY INSTEAD OF PROTECTION IT INDICATES THAT HE NEEDS NO PROTECTION, I.E. HE HAS OTHER FEASIBLE PLANS= AND
- * ALTHOUGH THE LANDLORD CAN ASK FOR THE TRIBUNAL'S CONSENT TO LIFT THE RESTRICTIONS HE WILL HAVE TO SHOW A CHANGE OF CIRCUMSTANCES WHICH JUSTIFIES HIS APPLICATION. WHERE HE OBTAINS POSSESSION OF THE PREMISES BY SETTLING OUT OF COURT THERE IS NO EVIDENCE ON RECORD TO CONTRADICT OR SUPPORT HIM. THE TRIBUNAL CAN ONLY MAKE A DECISION ON HIS WORDS, WHETHER TRUE OR FALSE.

MR CHAN KAM-CHUEN SAID PROLONGED USE OF RENT CONTROL WOULD CLEARLY BE A SERIOUS DISINCENTIVE TO THE LAND INVESTORS AND DEVELOPERS.

+THIS WOULD EVENTUALLY STRANGLE THE SUPPLY OF RENTED ACCOMMODATION IN THE PRIVATE SECTOR AND EVEN IF AVAILABLE THE FIRST OR FRESH LETTINGS WOULD BE SET AT EXTREMELY HIGH LEVELS TO TAKE INTO ACCOUNT THE CONTROLLED RETURNS ON RENT AND HIGH INFLATION.+

+WE MAY WELL BE FACED WITH A LARGE RESERVE OF EMPTY FLATS FOR SALE ONLY, BUT NOT FOR LETTING.

+BUT, AT SUCH HIGH PRICES HOW MANY OF OUR SALARIED WORKERS ARE ABLE TO AFFORD EVEN THE SMALLEST AND REMOTELY LOCATED FLATS?+ HE ASKED.

MR CHAN BELIEVED THAT THE FINAL SOLUTION TO THE HOUSING PROBLEM LIES IN THE BUILDING OF MORE PUBLIC HOUSING AND HOME OWNERSHIP FLATS.

THE RECENT INCREASE BY AN AVERAGE 3.3 TIMES OF THE +ASSESSABLE VALUE+ WOULD NET AN ESTIMATED \$800 MILLION IN PROPERTY TAX THIS YEAR, HE NOTED.

+THIS IS A RIGHT STEP IN TAXING RENTAL INCOME TO THE FULL RATE.

+THIS AND FUTURE CONTRIBUTIONS TO THE PUBLIC COFFERS WOULD, I HOPE, BE USED FOR THE BUILDING OF EVEN MORE PUBLIC HOUSING AND HOME OWNERSHIP UNITS WHICH ARE A STABILISING FACTOR TO OUR SOCIETY BOTH ECONOMICALLY AND SOCIALLY,+ MR CHAN SAID.

TURNING TO THE BILL, MR CHAN POINTED OUT THAT THERE IS NO PROVISION LIMITING THE MAXIMUM NUMBER OF THE RENEWALS OF TENANCIES.

PERPETUAL SECURITY OF TENURE FORCES A WORKER-OWNER WHO WORKS AND SAVES HARD FOR A FLAT TO IRONICALLY LEAVE IT ON DEATH NOT TO HIS BELOVED ONES, BUT TO HIS PARASITICAL TENANT, HE SAID.

NOR IS HE ABLE TO RECOVER IT FOR SALE WITH VACANT POSSESSION AT FULL MARKET VALUE WHEN IN SERIOUS FINANCIAL DIFFICULTIES OR WHEN HE AND HIS FAMILY EMIGRATE.

MR CHAN THOUGHT THAT THE ADOPTION OF THE +FAIR MARKET RENT+ TO BE DETERMINED BY THE LANDS TRIBUNAL IS AN IMPROVEMENT BUT WHETHER THIS IS RENT CONTROL OR OTHERWISE DEPENDS ON WHETHER THE +FAIR MARKET RENT+ IS EQUIVALENT TO OR NOT LESS THAN THE RECENTLY UPDATED +ASSESSABLE VALUE+ OF THE SAME DOMESTIC PREMISES FOR TAX PURPOSES.

THE LAW ALSO STIPULATES THAT ONCE A WRIT IS ISSUED IN A REPOSSESSION CASE, THE LANDLORD CANNOT CHANGE HIS MIND AND WITHDRAW THE WRIT TO SETTLE OUTSIDE THE COURT WITHOUT BEING CONSTRAINED BY THE TWO-YEAR NO-LETTING-OR-SELLING RESTRICTION.

BUT HE FELT THAT SETTLEMENT OUTSIDE THE COURT SHOULD BE ENCOURAGED.

+ENCOURAGEMENT FOR SETTLEMENT OUT OF COURT IS NOT AGAINST THE SPIRIT OF JUSTICE,+ HE SAID.

+MOREOVER, LESS TRIBUNAL AND LEGAL AID CASES ARE REQUIRED, AND TIME IS SAVED FOR ALL PARTIES CONCERNED.

+ABOVE ALL, THERE WOULD BE LESS BITTERNESS IN SOCIETY.+

MR CHAN NOTED THAT CONCILIATION SERVICES ARE PROVIDED IN THE LABOUR TRIBUNALS BEFORE AN OFFICIAL JUDGMENT IS MADE.

+IF ONE IS NOT ALREADY IN EXISTENCE, I WONDER WHETHER A SIMILAR SYSTEM CAN BE PROFITABLY APPLIED TO THE LANDS TRIBUNAL CASES.

+THE LANDLORD SHOULD BE ABLE TO GIVE NOTICE TO HIS TENANT IN A PRESCRIBED FORM TO THE EFFECT THAT HE WISHES TO APPLY FOR A WRIT BUT BEFORE SO DOING BOTH PARTIES SHOULD GO TO THE RATING AND VALUATION DEPARTMENT FOR RECONCILIATION SERVICE FOR SETTLEMENT,+ HE SAID.

AVENUE FOR LANDLORDS

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LANDLORDS WHO LET THEIR PROPERTY FOR A FIXED TERM OF NOT LESS THAN FIVE YEARS AT A CONSTANT RENT MAY RECOVER VACANT POSSESSION OF THEIR PROPERTY AT THE EXPIRY OF THE LEASE, THE SECRETARY FOR HOUSING, THE HON DONALD LIAO SAID TODAY.

SPEAKING AT THE RESUMED DEBATE ON THE LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) (NO. 2) BILL 1981 IN THE LEGISLATIVE COUNCIL, MR LIAO SAID THAT BY PROVIDING THIS AVENUE FOR LANDLORDS TO AVOID ANY LEGISLATION IMPINGING ON THE CONTRACTUAL RELATIONSHIP BETWEEN THEM AND THEIR TENANTS, SOME WHO MIGHT OTHERWISE AVOID RENTING OUT PREMISES, WOULD RELEASE THEIR PROPERTY ONTO THE RENTAL MARKET.

+FROM THE TENANT'S POINT OF VIEW, HE WILL HAVE AT LEAST FIVE YEARS OF SECURE TENURE AT A CONSTANT RENT, AND KNOWING FROM THE OUTSET THAT HE HAS NO RIGHT TO RENEWAL AT THE END OF THE LEASE, WILL HAVE AMPLE TIME TO MAKE ALTERNATIVE ARRANGEMENTS,+ HE SAID.

MR LIAO SAID THE MAJORITY OF LANDLORDS, WHOSE PRIMARY CONCERN WAS RENTAL INCOME RATHER THAN CAPITAL VALUE WITH VACANT POSSESSION, WOULD NOT INSIST ON LEASES OF THIS LENGTH AT A FIXED RENT.

+MY BELIEF IS RATHER THAT SUCH LEASES WILL APPEAL TO THE SMALLER LANDLORD, WHO REGARDS THE BENEFIT OF HAVING HIS OPTIONS OPEN AT A FIXED TIME IN THE FUTURE MORE HIGHLY THAN MAXIMISING RENTAL INCOME IN THE INTERVENING PERIOD.+

ON THE LANDS TRIBUNAL, MR LIAO SAID IT HAD NOW BEEN DECIDED TO TAKE THE OPPORTUNITY OF THIS BILL TO TRANSFER THE FUNCTION OF DEALING WITH ALL LANDLORD AND TENANT MATTERS, OTHER THAN THOSE INVOLVING CRIMINAL OFFENCES, FROM THE DISTRICT COURT TO THE TRIBUNAL, INSTEAD OF A SEPARATE BILL AT A LATER DATE.

HOWEVER, HE SAID IN VIEW OF THE SUBSTANTIAL VOLUME OF SUCH CASES NOW DEALT WITH BY THE DISTRICT COURT, IT WOULD NOT BE PRACTICABLE FOR THE TRANSFER OF JURISDICTION TO TAKE PLACE IMMEDIATELY.

+THE AMENDMENT I SHALL BE PROPOSING AT THE COMMITTEE STAGE WILL THEREFORE PROVIDE FOR THE TRANSFER TO TAKE EFFECT AT A FUTURE DATE TO BE DETERMINED WHEN THE RELATED PRACTICAL AND POLICY ISSUES HAVE BEEN RESOLVED,+ HE ADDED.

ON APPEAL AGAINST LANDS TRIBUNAL DECISIONS, MR LIAO SAID THERE IS PROVISION FOR APPEALS ON A POINT OF LAW, BUT IN ALL OTHER MATTERS, THE DECISION OF THE TRIBUNAL IS FINAL.

+WHETHER OR NOT IT MAY BE DESIRABLE TO PROVIDE FOR APPEALS GENERALLY IS SOMETHING THAT CAN BE JUDGED ONLY IN THE FULLNESS OF TIME, WHEN THE LANDS TRIBUNAL HAS GAINED EXPERIENCE OF THE LANDLORD AND TENANT MATTERS THAT WILL NOW FALL TO ITS JURISDICTION.+

MR LIAO SAID THE SPEECHES MADE BY UNOFFICIALS DURING THE DEBATE HAD ONCE AGAIN DEMONSTRATED THE DIFFICULTY WHICH THE GOVERNMENT FACED IN FORMULATING BALANCED PROPOSALS IN CONTROL OVER RENTS AND SECURITY OF TENURE.

HE REMINDED MEMBERS THAT NO SET OF RECOMMENDATIONS AND NO LEGISLATION COULD BE REGARDED AS PROVIDING THE ANSWER TO THE PROBLEM FOR ALL TIME.

+THE SITUATION AND THE CONTROLS IMPOSED ON IT WILL BE KEPT UNDER CONSTANT REVIEW, AND AS THE OPPORTUNITY ARISES, FURTHER CHANGES WILL BE INTRODUCED AIMED AT ACHIEVING THE LONG TERM OBJECTIVE OF AN EVENTUAL RETURN TO A FREE MARKET IN RENTED A DOMESTIC ACCOMMODATION.+

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STRICTER CONTROLS OF GAS INDUSTRY LIKELY
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THE SECRETARY FOR SECURITY WARNED TODAY (WEDNESDAY) THAT THE GOVERNMENT INTENDS TO IMPOSE STRICTER CONTROLS OVER THE GAS INDUSTRY BUT LEFT OPEN THE POSSIBILITY FOR SELF-REGULATION BY THE INDUSTRY.

REPLYING TO A QUERY FROM THE HON LYDIA DUNN IN THE LEGISLATIVE COUNCIL ON GOVERNMENT REACTION TO THE GAS SAFETY CONSULTANT'S RECOMMENDATIONS ON THE SAFETY OF GAS WATER HEATERS, THE HON LEWIS DAVIES SAID THAT +IT HAS BEEN DECIDED THAT THE GOVERNMENT SHOULD, AS A MATTER OF POLICY, INTERVENE MORE POSITIVELY THAN BEFORE IN THE CONTROL OF THE INDUSTRY. TO THIS END A NEW GAS STANDARDS ORGANISATION WILL BE ESTABLISHED UNDER A GAS ADVISER WITH THE NUCLEUS OF A SMALL STAFF.+

BUT HE ADDED THAT ALTHOUGH RECRUITMENT OF STAFF UNDER THE GAS ADVISER WAS UNDERWAY, +DISCUSSIONS HAVE BEEN HELD WITH THE INDUSTRY TO IDENTIFY AREAS IN WHICH VOLUNTARY IMPROVEMENTS COULD BE INTRODUCED IN ADVANCE OF, OR PREFERABLY EVEN IN LIEU OF, GOVERNMENT CONTROLS.+

IN THE INTERIM, IT HAS BEEN PROPOSED TO PROVIDE A +BRIDGING CONSULTANCY+, MR DAVIES SAID.

HE ALSO REVEALED THAT THE FINAL REPORT OF THE CONSULTANTS WOULD BE COMPLETED NEXT WEEK AND PRESENTED TO THE EXECUTIVE COUNCIL EARLY NEXT YEAR.

HE COULD NOT NOW SAY WHAT GOVERNMENT ACTIONS WOULD BE TAKEN ON THE REPORT BUT DISCLOSED THAT THE CONSULTANTS' PRELIMINARY RECOMMENDATIONS WERE FOR PERMANENT SOLUTIONS +INVOLVING THE EVENTUAL REPLACEMENT, OR THE RESITING AND UPGRADING, OF MORE THAN A QUARTER OF A MILLION EXISTING HEATERS.+

HE ALSO WARNED THAT EVEN IF OWNERS OF THESE HEATERS WERE WILLING TO PAY FOR SAFETY IMPROVEMENTS, IT WOULD TAKE TIME AND A SUBSTANTIAL INCREASE IN MANPOWER IN THE GAS INDUSTRY TO COPE WITH SUCH A MASSIVE IMPROVEMENT PROGRAMME.

NOTING THE CURRENT PUBLICITY CAMPAIGN TO DRAW PUBLIC ATTENTION TO THE IMPORTANCE OF ENSURING THAT THERE IS ADEQUATE VENTILATION IN THE BATHROOM WHENEVER THE HEATER IS ON, MR DAVIES SAID +THERE IS NO REASON WHY EXISTING HEATERS CANNOT CONTINUE TO BE USED WITHOUT ACCIDENT+ IF SUCH A SAFETY PRECAUTION IS FOLLOWED.

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NEW SCHEME TO INFLUENCE MONEY MARKET RATES
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THE GOVERNMENT HAS DESIGNED A NEW SCHEME WHICH ENABLES IT TO INFLUENCE THE LEVEL OF MONEY MARKET RATES THROUGH THE EXCHANGE FUND.

THIS WAS REVEALED BY THE FINANCIAL SECRETARY, THE HON JOHN BREMRIDGE IN A SPEECH IN THE LEGISLATIVE COUNCIL TODAY SUPPORTING A MOTION TO RAISE THE AGGREGATE AMOUNT OF BORROWINGS OF THE EXCHANGE FUND FROM \$20 000 MILLION TO \$30 000 MILLION.

MR BREMRIDGE SAID THE SCHEME ENABLES THE EXCHANGE FUND TO BID THROUGH ONE OR ANOTHER OF ITS MAJOR BANKERS IN HONG KONG FOR DEPOSITS IN THE MONEY MARKET IN THE SHORT END.

THIS WILL INCREASE THE DEMAND FOR FUNDS IN THE MARKET.

+ THE EXCHANGE FUND THEN HOLDS THE FUNDS IT HAS TAKEN OFF THE MARKET FOR ONE OR TWO WEEKS, OR EVEN LONGER, SO THAT THE SUPPLY IN THE MARKET IS NOT INCREASED TO MATCH THE INCREASE IN DEMAND.

+ THAT WILL TEND TO PUSH UP, OR TO HOLD UP, INTEREST RATES AT THE SHORT END,+ HE SAID.

MR BREMRIDGE SAID WHEN THE MARKET PARTICIPANTS COME TO ACCEPT THAT THE TIGHTNESS IN THE MARKET IS NOT A TEMPORARY ABERRATION, THE EXCHANGE FUND WILL LEND OUT THE DEPOSITS IT HAS TAKEN AT THE LONGER END OF THE MARKET.

IF THE TIGHTNESS IN THE DOMESTIC MONEY MARKET PUSHES INTEREST RATES TO A HIGHER LEVEL THAN BANKS OR DEPOSIT-TAKING COMPANIES NEEDING LOCAL FUNDS ARE WILLING TO PAY, THEY WILL HAVE TO BORROW FOREIGN CURRENCY, USUALLY U.S. DOLLARS, WITH WHICH TO BUY HONG KONG DOLLARS.

+ THAT WILL DIRECTLY SUPPORT THE EXCHANGE RATE OF HONG KONG DOLLAR. AT THE SAME TIME THE HIGHER LEVEL OF THESE INTEREST RATES WILL BE PASSED ON TO THE COST-OF-FUNDS (HIBOR) CUSTOMERS AS THEIR DRAWINGS ARE ROLLED OVER,+ MR BREMRIDGE SAID.

HE SAID THIS MECHANISM WILL BE MOST EFFECTIVE WHEN LOCAL INTEREST RATES ARE RISING, OR WHEN THEY ARE STABLE AND NO DOWNWARD MOVEMENT IS EXPECTED IN THE NEXT FEW WEEKS OR MONTHS.

+ IF AN IMMINENT DOWNWARD MOVEMENT IS EXPECTED THERE IS LITTLE INCENTIVE FOR A BANK OR DEPOSIT-TAKING COMPANY TO BORROW FUNDS IN THE THREE TO SIX MONTH RANGE, AND SO TO LOCK IN WHAT MAY PROVE TO BE AN EXPENSIVE INTEREST RATE.

+ CONVERSELY WHEN RATES ARE RISING THEY MAY BE GLAD TO LOCK IN AN INTEREST RATE WHICH MAY PROVE TO BE CHEAP.+

MR BREMRIDGE EMPHASISED THAT THE GOVERNMENT IS USING, AND WILL USE, THIS NEW WEAPON IN ITS MONETARY ARMOURY SELECTIVELY AND CAUTIOUSLY.

+ IT IS CERTAINLY NOT A PANACEA. NOR DO WE INTEND TO BE OPERATING CONSTANTLY IN THE MONEY MARKET,+ HE ADDED.

EARLIER, THE FINANCIAL SECRETARY SAID THAT THE INTEREST RATE MECHANISM WAS THE ONLY MONETARY WEAPON CURRENTLY AVAILABLE TO PROVIDE AN EFFECTIVE SHORT-TERM INFLUENCE ON THE EXCHANGE VALUE OF THE HONG KONG DOLLAR AND THE RATE OF GROWTH OF THE MONEY SUPPLY AND OF DOMESTIC CREDIT.

+RELIANCE ON INTEREST RATES IS NOT TOTALLY EFFECTIVE, AND THERE MAY BE CIRCUMSTANCES IN WHICH THE USE OF OTHER DEVICES HAS TO BE CONSIDERED.

+BUT IN THE MEANTIME WE HAVE FELT IT IMPORTANT TO TRY TO STRENGTHEN THE INTEREST RATE MECHANISM,+ HE SAID.

MR BREMRIDGE POINTED OUT THAT THE MECHANISM HITHERTO AVAILABLE HAD BEEN RESTRICTED TO GOVERNMENT INVOLVEMENT ON A CONSULTATIVE BASIS IN THE SETTING BY THE HONG KONG ASSOCIATION OF BANKS OF MAXIMUM RATES OF INTEREST PAYABLE ON DEPOSITS WITH LICENSED BANKS.

+THIS MECHANISM HAS NOT HOWEVER BEEN ABLE TO EXERT A RIGID INFLUENCE OVER THE LEVEL OF MONEY MARKET RATES, WHICH ARE INFLUENCED AS MUCH BY THE SUPPLY AND DEMAND FOR FUNDS IN THE MONEY MARKET AS THEY ARE BY CHANGES IN THE HKAB DEPOSIT RATES.+

+CONSEQUENTLY AN INCREASE IN BEST LENDING RATE INDUCED FOR MACRO-ECONOMIC REASONS BY AN INCREASE IN HKAB DEPOSIT RATES, MAY NOT BE FOLLOWED BY AN INCREASE IN MONEY MARKET RATES= AND CONVERSELY MONEY MARKET RATES MAY DECLINE FASTER THAN IS, FOR MACRO-ECONOMIC REASONS, APPROPRIATE FOR BEST LENDING RATE.+

MR BREMRIDGE SAID THE LEVEL OF MONEY MARKET RATES IS IMPORTANT FOR THREE REASONS :

* FIRSTLY THIS MARKET PROVIDES ALMOST THE ONLY OPPORTUNITY FOR LOCAL BANKS WITH A HONG KONG DOLLAR DEPOSIT BASE TO MAKE PROFITABLE USE LOCALLY OF THE EXCESS (UNLENT) ELEMENT OF THAT DEPOSIT BASE=

* SECONDLY IT ALSO ENABLES THOSE BANKS AND DEPOSIT-TAKING COMPANIES WHICH DO NOT HAVE A HONG KONG DOLLAR DEPOSIT BASE TO OBTAIN HONG KONG DOLLARS TO LEND TO CUSTOMERS= AND

* THIRDLY A GROWING NUMBER OF BANKS AND DEPOSIT-TAKING COMPANIES ARE LENDING TO INCREASINGLY AWARE AND FINANCIALLY SOPHISTICATED CUSTOMERS ON FACILITIES WITH THE INTEREST RATE SET AT A MARGIN OVER THE COST OF FUNDS TO THE LENDER.

MR BREMRIDGE ALSO REVEALED EARLIER THAT THE TOTAL OF EXCHANGE FUND DEBT CERTIFICATES ISSUED TO THE TREASURY ON NOVEMBER 30, 1981 AMOUNTED TO \$16 697 MILLION.

HE SAID PRESENT INDICATIONS ARE THAT BY THE END OF FEBRUARY 1982 THE TREASURY WILL HAVE PLACED NEARLY \$20 000 MILLION WITH THE EXCHANGE FUND, AND THE FISCAL RESERVES WILL CONTINUE TO ACCUMULATE IN THE NEXT FEW MONTHS.

THE GOVERNMENT'S FISCAL RESERVE ARE HELD WITH THE EXCHANGE FUND IN ORDER TO AVOID THESE RESERVES HAVING TO BEAR EXCHANGE RISKS AND, TO THE EXTENT THAT THESE RESERVES REPRESENT PART OF THE EXCHANGE FUND'S HOLDINGS OF HONG KONG DOLLARS, THEY PLAY A PART IN THE EXERCISE OF LEVERAGE ON THE NEED FOR THE BANKING SYSTEM TO HOLD LIQUID ASSETS.

MID-LEVELS BUILDING BAN EXTENDED

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THE LEGISLATIVE COUNCIL TODAY EXTENDED THE TEMPORARY RESTRICTION ON BUILDING DEVELOPMENT IN THE MID-LEVELS FOR A FURTHER THREE MONTHS, UP TO THE END OF MARCH NEXT YEAR.

THE EXTENSION WILL ALLOW TIME FOR AMENDMENTS TO BE MADE TO THE BUILDINGS ORDINANCE FOLLOWING COMPLETION OF A DETAILED GEOTECHNICAL SURVEY TO ESTABLISH WHAT CONTROLS WERE NEEDED FOR FUTURE BUILDING WORKS IN THE AREA.

THE ACTING SECRETARY FOR LANDS AND WORKS, THE HON NICKY CHAN TOLD THE COUNCIL THAT THE PERIOD AVAILABLE WAS QUITE SHORT FOR A GEOTECHNICAL STUDY OF THIS NATURE AND EXTENT AND BECAUSE OF THE IMPORTANCE OF HAVING GOOD INFORMATION ON THE GROUND WATER CONDITIONS, IT HAD TO EXTEND OVER THE TWO WET SEASONS OF 1980 AND 1981.

HE SAID THAT IN ORDER TO ENSURE THAT SAFE DEVELOPMENT COULD PROCEED IN THE AREA THE CONSULTANTS HAD RECOMMENDED A NUMBER OF GEOTECHNICAL CONTROLS WHICH TAKE ACCOUNT OF THE OVERALL STABILITY OF THE HILLSIDE AS WELL AS THE LOCAL STABILITY AT INDIVIDUAL LOTS.

+THESE CONTROLS CONCERN STANDARDS OF GEOTECHNICAL DESIGN, SITE SUPERVISION, DEMOLITION, TEMPORARY WORKS AND GROUND WATER DRAINAGE.

+PROVIDED NEW BUILDING WORKS ARE DESIGNED, SUPERVISED AND CONSTRUCTED IN ACCORDANCE WITH THESE GEOTECHNICAL CONTROLS, THERE WILL BE NO NEED TO CONTINUE THE BAN ON BUILDING DEVELOPMENTS IN THIS AREA FOR GEOTECHNICAL REASONS,+ HE SAID.

MR CHAN HOPED THAT IT WOULD BE POSSIBLE TO HAVE THE NEW REGULATIONS MADE AND TO INTRODUCE AN AMENDING BILL WITHIN THE EXTENDED RESTRICTION PERIOD.

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RELIEF FROM AD VALOREM DUTY

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A BILL INTENDED TO PROVIDE HONG KONG UNIT TRUST MANAGERS RELIEF FROM AD VALOREM DUTY AND TO EXEMPT BEARER INSTRUMENT DUTY FROM INTERNATIONAL BOND ISSUES, ESPECIALLY ASIA DOLLAR BONDS, WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE STAMP DUTY (AMENDMENT) BILL 1981, THE FINANCIAL SECRETARY, THE HON JOHN BREMRIDGE SAID THAT SUCH RELIEF IS JUSTIFIED, SINCE ALL UNIT TRUST MANAGERS ARE REQUIRED BY THE TRUST DEEDS TO BUY AND SELL UNITS WITHIN A NARROW RANGE OF PRICES.

THE BILL ALSO PROVIDES FOR EXEMPTION FROM STAMP DUTY IN RESPECT OF FOREIGN CURRENCY LOANS.

THE PROVISIONS OF THE BILL ARE TO COME INTO FORCE AT THE SAME TIME AS THOSE OF THE PRINCIPAL ORDINANCE RELATING TO UNIT TRUSTS, PROBABLY ON JANUARY 1, NEXT YEAR.

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WEDNESDAY, DECEMBER 9, 1981

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MATERNITY PAY LAW TO BE REVIEWED

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THE LABOUR DEPARTMENT WILL BE REVIEWING THE OPERATION OF THE NEW MATERNITY PAY LEGISLATION TO SEE WHETHER IT IS WORKING SATISFACTORILY AND WHETHER LEGAL PROBLEMS HAVE ARISEN.

THE COMMISSIONER FOR LABOUR, THE HON J.N. HENDERSON, SAID THIS AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) IN REPLY TO QUESTIONS ABOUT PAID MATERNITY LEAVE LEGISLATION BY THE HON ANDREW SO KWOK-WING.

MR HENDERSON POINTED OUT THAT THE DEPARTMENT NORMALLY REVIEWS THE OPERATION OF NEW LEGISLATION ABOUT SIX TO TWELVE MONTHS AFTER ENACTMENT TO SEE WHETHER IT IS WORKING SATISFACTORILY AND WHETHER LEGAL PROBLEMS HAVE ARISEN.

DURING THE REVIEW OF THE MATERNITY PAY LEGISLATION IN THE NEXT FEW MONTHS, THE DEPARTMENT WILL BE STUDYING THE POSITION IN THE LIGHT OF EXPERIENCE AND WILL BE TAKING INTO ACCOUNT USEFUL SUGGESTIONS TO IMPROVE THE LAW THAT HAVE BEEN PUT FORWARD.

MR HENDERSON WENT ON TO SAY THAT SINCE THE INTRODUCTION OF PAID MATERNITY LEAVE ON JUNE 1, 1981, 39 COMPLAINTS OF ALLEGED INFRINGEMENTS OF THE LEGISLATION HAD BEEN REPORTED TO THE LABOUR RELATIONS SERVICE OF THE DEPARTMENT.

OF THESE COMPLAINTS, 22 WERE SETTLED BY CONCILIATION, THREE WERE WITHDRAWN BY THE EMPLOYEES CONCERNED AND FOUR WERE REFERRED TO THE LABOUR TRIBUNAL FOR ADJUDICATION. THE LATTER FOUR WERE SUBSEQUENTLY SETTLED BEFORE HEARING, WHILE THE REMAINING 10 CASES ARE UNDER INVESTIGATION BY THE LABOUR RELATIONS SERVICE.

+THERE IS LITTLE EVIDENCE SO FAR OF ANY NUMBER OF EMPLOYERS EXPLOITING THE LEGISLATION TO AVOID LIABILITY. MISUNDERSTANDING OR POOR UNDERSTANDING OF THE LAW ON THE PART OF EMPLOYERS, IN PARTICULAR ABOUT THE METHOD OF CALCULATION OF THE ALLOWANCE, ACCOUNTED FOR THE MAJORITY OF THE COMPLAINTS. IN THE CASES SO FAR SETTLED, THE EMPLOYERS WERE QUITE READY TO COMPLY WITH THE LAW WHEN IT WAS EXPLAINED TO THEM,+ HE ADDED.

AS THE MAJORITY OF COMPLAINTS RESULTED FROM MISUNDERSTANDING OF THE LAW RATHER THAN WILFUL EVASION OR INADEQUACY OF THE LAW, MR HENDERSON CONTINUED, HE PROPOSED TO SEE WHAT FURTHER MEASURES COULD BE TAKEN TO INCREASE PUBLICITY FOR THE NEW LAW.

HE POINTED OUT THAT THERE ARE EXPLANATORY PAMPHLETS ON THE LAW ALREADY AVAILABLE FREE OF CHARGE AT ALL 38 OFFICES OF THE DEPARTMENT. A SUMMARY OF THE PROVISIONS WOULD ALSO BE INCLUDED IN THE WALL SHEET ON LABOUR LEGISLATION, WHICH IS DUE TO BE RE-ISSUED NEXT YEAR.

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WORK STARTS ON MAKING SAU MAU PING SQUATTER AREAS SAFER
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WORK IS NOW STARTING AT SAU MAU PING TO PROVIDE FIRE-BREAKS AND MORE WATER FOR FIRE-FIGHTING IN SQUATTER AREAS THERE.

THIS WAS ANNOUNCED IN THE LEGISLATIVE COUNCIL TODAY BY THE SECRETARY FOR HOUSING, MR DONALD LIAO, WHO ADDED THAT THE PROGRAMME WOULD BE PROGRESSIVELY EXTENDED TO OTHER VULNERABLE AREAS.

AS A FURTHER MEASURE TO REDUCE FIRE RISKS IN SQUATTER AREAS, 15 ELECTRIFICATION SYSTEMS HAD BEEN PROVIDED IN THE PAST SIX MONTHS AND 37 MORE WERE BEING CONSIDERED, HE SAID.

THE HOUSING DEPARTMENT'S PROGRAMME TO MAKE SQUATTER AREAS SAFER WOULD BE CARRIED OUT BY A NEW DIVISION, HEADED BY AN ASSISTANT DIRECTOR, WHICH WOULD GO INTO OPERATION EARLY NEXT MONTH.

TO FURTHER STRENGTHEN THE SQUATTER CONTROL FORCE, 315 MORE POSTS WERE PRESENTLY BEING FILLED, AND THESE WOULD TAKE ITS STRENGTH TO MORE THAN 3 000.

ABOUT HALF THE ADDITIONAL MEN WOULD BE ASSISTING THE POLICE IN THE ARREST AND PROSECUTION OF ILLEGAL HUT-BUILDERS.

MR LIAO SAID THAT BETWEEN JANUARY AND NOVEMBER ABOUT 900 ILLEGAL HUT-BUILDERS HAD BEEN PROSECUTED COMPARED WITH 1 000 FOR SAME PERIOD LAST YEAR.

TURNING TO THE RECENT SPATE OF SQUATTER FIRES, MR LIAO SAID: +THE MAJORITY OF THE VICTIMS OF THESE FIRES ARE RECENT IMMIGRANTS AND, IN FAIRNESS TO LONGER-TERM RESIDENTS, WHOSE CLAIMS FOR PUBLIC HOUSING MUST BE GIVEN PRIORITY, THEY ARE ELIGIBLE ONLY FOR TEMPORARY HOUSING IN THE NEW TERRITORIES.

+HOWEVER, IN VIEW OF THE PRESENT SHORTAGE OF TEMPORARY HOUSING, PLANNING IS IN HAND TO ESTABLISH RESITE AREAS IN THE NEW TERRITORIES AS A TEMPORARY EXPEDIENT. THE IDEA IS THAT THESE SITES WILL BE FORMED AND SERVICED BY GOVERNMENT, AND THEN ELIGIBLE FAMILIES WILL BE ALLOCATED SPACE ON WHICH TO BUILD STRUCTURES THEMSELVES UNDER SUPERVISION, AND THE AREAS WILL BE MANAGED BY THE HOUSING DEPARTMENT.+

MR LIAO ALSO THANKED THE STAFF OF SCHOOLS, COMMUNITY CENTRES, KAI FONG BUILDINGS AND OTHER PREMISES PRESSED INTO USE AS TEMPORARY SHELTERS FOR FIRE VICTIMS PARTICULARLY IN KWUN TONG.

HE ADDED: +IT IS HOPED TO MINIMISE THE USE OF SUCH PREMISES IN FUTURE BY MAKING OTHER ARRANGEMENTS FOR TEMPORARY SHELTERS AND, CERTAINLY, IT IS OUR INTENTION TO EVACUATE THE PREMISES PRESENTLY OCCUPIED AS SOON AS POSSIBLE.+

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MAXIMUM FINES INCREASED

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THE LEGISLATIVE COUNCIL THIS AFTERNOON PASSED A MOTION TO INCREASE BY FIVE TIMES THE MAXIMUM FINE THAT MAY BE IMPOSED FOR OFFENCES UNDER THE DOGS AND CATS ORDINANCE.

THE MOTION TO INCREASE FINES UNDER THIS ORDINANCE AND THE PUBLIC HEALTH (ANIMALS AND BIRDS) ORDINANCE WAS MOVED BY THE DIRECTOR OF AGRICULTURE AND FISHERIES, THE HON JOHN RIDDELL-SWAN.

UNDER THE DOGS AND CATS ORDINANCE, THE MAXIMUM FINE THAT MAY BE IMPOSED WAS INCREASED FROM \$1 000 TO \$5 000 FOR VARIOUS OFFENCES UNDER IT.

THESE OFFENCES INCLUDE THE KEEPING OF AN UNLICENSED DOG OVER THE AGE OF FIVE MONTHS, FAILING TO ENSURE THAT A DOG IS INOCULATED AGAINST RABIES AND TO HAVE IT RE-INOCULATED ONCE EVERY THREE YEARS THEREAFTER, AND FAILING TO REPORT TO THE POLICE AFTER A DOG OR CAT IN ONE'S CONTROL HAS BITTEN ANY PERSON.

UNDER THE SAME ORDINANCE, THE MAXIMUM DAILY FINE THAT MAY BE IMPOSED BY A COURT FOR FAILING TO COMPLY WITH A MAGISTRATE'S ORDER RELATING TO THE DESTRUCTION OR THE KEEPING UNDER CONTROL OF A DANGEROUS DOG WAS INCREASED FROM \$50 TO \$100.

UNDER THE PUBLIC HEALTH (ANIMALS AND BIRDS) ORDINANCE, THE MAXIMUM FINE FOR REMOVING ANY ANIMAL OR BIRD WITHIN, INTO OR FROM AN AREA INFECTED BY DISEASE WAS INCREASED FROM \$2 000 TO \$5 000.

IN MOVING THE MOTIONS, MR RIDDELL-SWAN SAID THE EXISTING LEVELS OF FINES UNDER THE TWO ORDINANCES WERE STIPULATED IN 1936 AND 1950 AND HAD NOT BEEN REVISED SINCE.

+THE OUTBREAK OF RABIES IN 1980, AFTER 25 YEARS OF FREEDOM FROM THIS DISEASE, HIGHLIGHTED THE INADEQUACY OF THE PRESENT LEVEL OF FINES. IT IS CONSIDERED THAT THE PENALTIES FOR BREACH OF THE CURRENT STRINGENT RABIES CONTROL MEASURES SHOULD BE INCREASED TO MAINTAIN THEIR DETERRENT AND PUNITIVE EFFECT.+

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MONETARY JURISDICTION INCREASED

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A BILL WHICH WILL ALSO INCREASE THE MONETARY JURISDICTION OF THE DISTRICT COURT FROM \$20 000 TO \$40 000 AND OF THE SMALL CLAIMS TRIBUNAL FROM \$3 000 TO \$5 000, WAS READ A SECOND TIME IN THE LEGISLATIVE COUNCIL TODAY.

THE INCREASES WILL MAINTAIN THE STATUS QUO IN VIEW OF THE DEPRECIATION OF MONEY, IT WAS STATED BY THE LAW DRAFTSMAN, MR G. P. NAZARETH, WHEN HE MOVED THE SECOND READING OF THE ADMINISTRATION OF JUSTICE (MISCELLANEOUS AMENDMENTS) BILL 1981.

TO FACILITATE FUTURE AMENDMENTS OF THESE MONETARY LIMITS, THE BILL ALSO EMPOWERS THE LEGISLATIVE COUNCIL TO AMEND BY RESOLUTION THE MONETARY LIMIT IN THE DISTRICT COURT ORDINANCE AND THEREBY IN OTHER ORDINANCES.

ANOTHER IMPORTANT PROPOSAL IS THE TRANSFER OF JURISDICTION FROM THE SUPREME COURT TO THE DISTRICT COURT IN MATTERS OF MERCHANT SHIPPING, MATRIMONIAL DISPUTES, RELIEF AND PROPERTY, AND OF LEGITIMACY AND ADOPTION SO AS TO SAVE COSTS AND TIME, AND RELIEVE THE BURDEN ON THE SUPREME COURT.

SPECIAL PROVISION IS NECESSARY FOR THE TRANSFER OF MATRIMONIAL CAUSES AND OTHER PROCEEDINGS TO THE SUPREME COURT ON APPLICATION OR AT THE INSTANCE OF THE DISTRICT COURT, FOR LEGITIMACY PROCEEDINGS TO BE TAKEN, AND FOR OPPOSED ADOPTION MATTERS TO BE TRANSFERRED TO THE HIGH COURT.

THE BILL ALSO MAKES PROVISION FOR THE CHIEF JUSTICE TO FIX THE RATE OF INTEREST PAYABLE ON JUDGMENT DEBTS BY NOTICE IN THE GAZETTE.

IT ALSO PROVIDES FOR AN ADDITIONAL APPEAL TO THE COURT OF APPEAL IF A DECISION OF THE HIGH COURT IN A MATTER UNDER THE LABOUR TRIBUNAL ORDINANCE OR THE SMALL CLAIMS TRIBUNAL ORDINANCE INVOLVES A QUESTION OF LAW OF GENERAL PUBLIC IMPORTANCE, HE SAID.

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PRIVATE HIRE-CAR PERMITS

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SINCE THE ANNOUNCEMENT OF THE ROAD TRAFFIC (REGISTRATION AND LICENSING OF VEHICLES)(AMENDMENT) REGULATIONS IN APRIL THIS YEAR, 1 184 PRIVATE HIRE-CAR PERMITS HAD BEEN ISSUED, THE ACTING SECRETARY FOR TRANSPORT, THE HON ALAN ARMSTRONG-WRIGHT TOLD THE LEGISLATIVE COUNCIL TODAY.

REPLYING TO A QUESTION FROM THE HON F.K. HU, MR ARMSTRONG-WRIGHT SAID DURING THE PERIOD, 3 381 APPLICATIONS FOR SUCH PERMITS HAD BEEN RECEIVED, TOGETHER WITH 784 APPEALS TO THE TRANSPORT TRIBUNAL IN RESPECT OF REFUSALS TO ISSUE SUCH PERMITS.

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JAPAN AGREES TO DISCUSS GSP

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THE JAPANESE AUTHORITIES HAVE ACCEPTED A FORMAL REQUEST BY HONG KONG FOR DISCUSSIONS ON THE REMAINING FIVE CATEGORIES OF HONG KONG EXPORTS EXCLUDED FROM THE JAPANESE GENERALISED SCHEME OF PREFERENCES, AND TALKS WILL BE HELD IN TOKYO NEXT WEEK.

THE DIRECTOR OF TRADE INDUSTRY AND CUSTOMS, MR BILL DORWARD, ANNOUNCED THIS TODAY (WEDNESDAY) AT THE LEGISLATIVE COUNCIL IN REPLY TO A QUESTION RAISED BY THE HON CHAN KAM-CHUEN.

HE POINTED OUT THAT THE REMAINING FIVE ITEMS REPRESENTED NINE PER CENT - ABOUT \$200 MILLION IN VALUE - OF OUR DOMESTIC EXPORTS TO JAPAN LAST YEAR.

+OUR SHARE OF THE JAPANESE IMPORT MARKET FOR THESE PRODUCTS DROPPED FROM 28 TO 14 PER CENT FROM 1972 TO 1980, DEMONSTRATING OUR CONTENTION THAT DISCRIMINATORY EXCLUSION TENDS TO DIVERT TRADE AWAY. THIS ARGUMENT WILL BE FORCEFULLY RESTATED IN TOKYO NEXT WEEK,+ SAID MR DORWARD.

THE TALKS WITH THE JAPANESE AUTHORITIES, MR DORWARD ADDED, FORM PART OF A CONTINUING EFFORT IN WHICH HONG KONG HAS HAD THE FULL SUPPORT OF THE BRITISH AMBASSADOR AND HIS STAFF AND WHICH HAS BEEN SUSTAINED SINCE THE JAPANESE AUTHORITIES INTRODUCED THEIR GENERALISED PREFERENCE SCHEME IN 1972.

+THE ORIGINAL HONG KONG EXCLUSION LIST, WHICH COVERED 96 ITEMS, HAS BEEN GRADUALLY REDUCED AS A RESULT,+ SAID MR DORWARD.

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HEAVIER CASELOADS

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THE RECOMMENDED CASELOAD FOR FAMILY SERVICES CASEWORKERS IN THE SOCIAL WELFARE DEPARTMENT IS 90 PER WORKER, AND ALL WORKERS ARE AT PRESENT CARRYING CASELOADS IN EXCESS OF THIS NUMBER, RANGING FROM 100 TO 165 CASES PER WORKER, THE HON S.E. ALLÉYNE, DIRECTOR OF SOCIAL WELFARE, SAID IN REPLY TO A QUESTION BY THE HON JOYCE BENNETT, AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN THE CASE OF PROBATION OFFICERS, THE RECOMMENDED CASELOAD IS 50 SUPERVISION CASES OR 25 SOCIAL ENQUIRY CASES. HERE AGAIN, ALL WORKERS ARE CARRYING HEAVIER CASELOADS, RANGING FROM 60 TO 80 CASES PER WORKER, HE SAID.

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DRIVING OFFENCE POINTS
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THE TEMPORARY DEFERMENT OF THE NEW DRIVING OFFENCE POINTS SYSTEM WAS ANNOUNCED TODAY IN THE LEGISLATIVE COUNCIL.

THE ACTING SECRETARY FOR TRANSPORT, MR ALAN ARMSTRONG-WRIGHT, REPORTED THAT SINCE PUBLICATION OF THE ROAD TRAFFIC (DRIVING OFFENCE POINTS) BILL AT THE BEGINNING OF JULY 1981, DISCUSSIONS HAD BEEN CONTINUING WITH UNOFFICIAL MEMBERS OF THE LEGISLATIVE COUNCIL TO LOOK AT THE PROPOSED SYSTEM IN DETAIL TO ENSURE THAT IT WOULD BE AN EFFECTIVE BUT FAIR DETERRENT AGAINST BAD DRIVING BEHAVIOUR.

A GOVERNMENT SPOKESMAN EXPLAINED THAT THE REASON FOR THE DEFERRAL WAS THAT A MAJOR UPDATING OF THE ROAD TRAFFIC ORDINANCE WAS UNDERWAY. THIS WOULD BE GOING FORWARD IN THE NEW YEAR.

+SOME PARTS OF THE PENALTY POINTS SYSTEM ARE RELATED TO THE MAIN ORDINANCE AND IT IS THEREFORE LOGICAL THAT THE MAIN BILL IS DEALT WITH FIRST,+ THE SPOKESMAN SAID.

THE SPOKESMAN STRESSED THAT THE REASON FOR THE DELAY WAS A TECHNICAL ONE AND DID NOT INDICATE ANY CHANGE OF VIEW OF EITHER THE ADMINISTRATION OR THE UNOFFICIALS.

+INDEED, UMELCO MEMBERS HAVE MADE IT CLEAR THAT THEY ARE IN FAVOUR OF A DRIVING OFFENCE POINTS SYSTEM WHICH PROMOTES SAFETY ON THE ROAD AND DETERS PERSISTENTLY BAD DRIVING BEHAVIOUR,+ HE ADDED.

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ELDERLY PATIENTS
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EIGHTY-TWO ELDERLY PATIENTS WERE LEFT IN GOVERNMENT AND SUBVENTED HOSPITALS IN THE LAST 11 MONTHS, IT WAS DISCLOSED BY THE SECRETARY FOR SOCIAL SERVICES, THE HON E.P.HO, IN THE LEGISLATIVE COUNCIL MEETING TODAY (WEDNESDAY).

IN REPLY TO A QUESTION FROM DR THE HON HO KAM-FAI, MR HO SAID THAT THE MEDICAL SOCIAL SERVICE AND THE SOCIAL WELFARE DEPARTMENT TRIED TO PERSUADE THE FAMILIES TO TAKE BACK THE AGED PATIENTS RATHER THAN LEAVE THEM TO INSTITUTIONAL CARE.

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WEDNESDAY, DECEMBER 9, 1981

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SUPPLEMENTARY APPROPRIATION

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THE SUPPLEMENTARY APPROPRIATION (1980-81) BILL 1981 WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) TO PROVIDE FOR THE APPROPRIATION OF \$6 120 MILLION FOR THE 1980-81 FINANCIAL YEAR IN ADDITION TO THE SUM APPROPRIATED BY THE APPROPRIATION ORDINANCE 1980.

MOVING THE SECOND READING OF THE BILL, THE FINANCIAL SECRETARY, THE HON JOHN BREMRIDGE, SAID THE BILL SOUGHT TO GIVE FINAL LEGISLATIVE AUTHORITY TO THE SUPPLEMENTARY EXPENDITURE AUTHORISED BY RESOLUTION OF THE COUNCIL, AND WAS THE LAST STAGE IN DISPOSING OF EXPENDITURE INCURRED DURING THE FINANCIAL YEAR 1980-81.

+IT ALSO SEEKS AN APPROPRIATION TO MEET EXPENDITURE INCURRED BY DEPARTMENTS WHERE RECEIPTS APPROPRIATED-IN-AID FELL SHORT OF THE SUMS ORIGINALLY ESTIMATED,+ HE SAID.

THE FINANCIAL SECRETARY SAID THE ORIGINAL ESTIMATES WERE GIVEN LEGISLATIVE FORM IN THE APPROPRIATION ORDINANCE 1980, WHICH AUTHORISED A SPECIFIC SUM UNDER EACH HEAD OF EXPENDITURE.

+WE NEED NOW TO LEGISLATE FURTHER IN RESPECT OF THOSE HEADS OF EXPENDITURE WHERE THE NET EFFECT OF SUPPLEMENTARY PROVISIONS AND SHORTFALLS IN RECEIPTS APPROPRIATED-IN-AID, WITHOUT A CORRESPONDING REDUCTION IN SPENDING, HAS RESULTED IN AN EXCESS OVER THE NET SUM APPROPRIATED IN THE APPROPRIATION ORDINANCE 1980.

+THE TOTAL SUPPLEMENTARY APPROPRIATION REQUIRED IS \$6 120 MILLION UNDER 62 HEADS AS AGAINST SAVINGS OF \$960 MILLION UNDER VARIOUS OTHER HEADS,+ MR BREMRIDGE SAID.

+THE LARGEST ITEMS INVOLVED WERE A TRANSFER OF FUNDS OF \$3.535 BILLION FOR THE MASS TRANSIT RAILWAY AND OF \$400 MILLION FOR HOME PURCHASE BY CIVIL SERVANTS, AND INCREASES OF APPROPRIATION OF \$682 MILLION FOR MISCELLANEOUS DEFENCE MEASURES AND OF \$314 MILLION FOR EDUCATION SUBVENTIONS,+ HE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

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WEDNESDAY, DECEMBER 9, 1981

- 22 -

HK PRODUCTIVITY COUNCIL TO REVIEW FINANCIAL SYSTEM

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THE HONG KONG PRODUCTIVITY COUNCIL IS TO CARRY OUT SHORTLY AN URGENT REVIEW OF ITS FINANCIAL SYSTEM TO ENABLE THE PRODUCTIVITY CENTRE TO ASSUME EFFECTIVELY AN ENLARGED ROLE IN INDUSTRIAL DEVELOPMENT, MR ALLEN LEE TOLD THE LEGISLATIVE COUNCIL TODAY.

HE SAID THE EXISTING SYSTEM OF FINANCE DOES NOT REALLY MEET THE NEEDS OF THE CENTRE NOR MATCH THE FUNCTIONS THAT GOVERNMENT EXPECTS IT TO CARRY OUT.

SPEAKING AT THE TABLING OF THE COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED MARCH 31, 1981, MR LEE SAID WITH THE ADOPTION OF THE RELEVANT RECOMMENDATIONS OF THE ADVISORY COMMITTEE ON DIVERSIFICATION, THE ROLE OF THE HONG KONG PRODUCTIVITY CENTRE HAS BEEN EXPANDED FROM WHAT WAS ESSENTIALLY A TRAINING AND CONSULTANCY ORGANISATION TO AN ORGANISATION CHARGED WITH THE BROADER RESPONSIBILITIES OF PROVIDING INDUSTRY SUPPORT FACILITIES.

+EXPANSION OF THE WORK OF THE HONG KONG PRODUCTIVITY CENTRE OF THIS MAGNITUDE REQUIRES MAXIMUM SUPPORT FROM GOVERNMENT IN TERMS OF FUNDING BUT THIS HAS NOT BEEN FORTHCOMING AT THE RATE ORIGINALLY PLANNED,+ HE SAID.

+THE SYSTEM OF FINANCE HAS IN TURN AFFECTED THE HONG KONG PRODUCTIVITY CENTRE'S ABILITY TO IMPLEMENT ADVISORY COMMITTEE ON DIVERSIFICATION PROJECTS.+

IN ADDITION TO MEETING THE SHORT TERM DEMAND FROM INDUSTRY, MR LEE CONTINUED, IT WILL BE NECESSARY FOR THE CENTRE TO UNDERTAKE AN INCREASING PROPORTION OF MEDIUM TERM DEVELOPMENT WORK WHICH CANNOT BE SUSTAINED ON A YEAR-TO-YEAR DISCRETIONARY SUBVENTION MECHANISM.

+IN IMPLEMENTING THESE PROJECTS, THE CENTRE REQUIRES AN ASSURANCE THAT THE EXPANSION AND DEVELOPMENT PHASE WILL BE FINANCIALLY SUPPORTED.

+THE DISCRETIONARY GRANT BASIS ON WHICH THE COUNCIL IS SUBVENTED DOES NOT PROVIDE ANY DEGREE OF CERTAINTY OVER THE AMOUNTS OF FUNDS TO BE MADE AVAILABLE BEYOND ONE YEAR.+

MR LEE ALSO REPORTED THAT DURING THE YEAR UNDER REVIEW, THE CENTRE UNDERTOOK 230 CONSULTANCY ASSIGNMENTS, MANY OF WHICH WERE LARGE SCALE PROJECTS INVOLVING DIFFERENT SKILLS AND EFFICIENT TEAM WORK, AND PROVIDED TRAINING TO OVER 7 000 PERSONS IN INDUSTRY.

PLANS WERE ALSO APPROVED FOR EXPANDING THE HONG KONG PRODUCTIVITY CENTRE'S TECHNICAL INFORMATION SERVICES, THE SETTING UP OF A METALS INDUSTRY DEVELOPMENT UNIT, THE ESTABLISHMENT OF A SMALL AND MEDIUM INDUSTRY EXTENSION ADVISORY SERVICE AND THE ENLARGEMENT OF THE MICROPROCESSOR APPLICATION LABORATORY, MR LEE ADDED.

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TWO ORDINANCES NO LONGER REQUIRED
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THE LAW REVISION (REPEALS) BILL 1981 WHICH SEEKS TO REPEAL TWO ORDINANCES THAT ARE NO LONGER REQUIRED WAS READ A SECOND TIME AT THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE TWO ORDINANCES ARE THE CHINESE RECREATION GROUND AND THE YAU MA TEI PUBLIC SQUARE ORDINANCE, AND THE HOLTS WHARF (BY-LAWS) ORDINANCE.

THE CHINESE RECREATION GROUND AND THE YAU MA TEI PUBLIC SQUARE ORDINANCE WAS ENACTED IN 1960 TO PROVIDE FOR THE MANAGEMENT AND CONTROL OF THE CHINESE RECREATION GROUND IN HOLLYWOOD ROAD ON HONG KONG ISLAND AND THE YAU MA TEI PUBLIC SQUARE IN KOWLOON. BOTH PIECES OF LAND HAVE BEEN RESUMED FOR REDEVELOPMENT, SO THE ORDINANCE MIGHT SAFELY BE LAID TO REST, SAID THE LAW DRAFTSMAN, THE HON G.P. NAZARETH.

THE HOLTS WHARF (BY-LAWS) ORDINANCE WAS ENACTED IN 1921 TO AUTHORISE THE MAKING OF BY-LAWS IN RESPECT OF HOLTS WHARF WHICH COMPRISED LAND IN THE EAST TSIM SHA TSUI AREA AND THE GODOWNS, PIERS AND BUILDINGS ON IT. THE ORDINANCE NO LONGER APPLIED AS THE PROPERTY HAD CHANGED HANDS AND ITS CHARACTER HAD BEEN COMPLETELY ALTERED. HOTEL AND OFFICE PREMISES NOW OCCUPIED THE AREA.

DEBATE ON THE MOTION WAS ADJOURNED.

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THREE BILLS PASSED
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THREE BILLS WERE PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THEY ARE THE URBAN COUNCIL (DONATION) BILL 1981, THE IMMIGRATION (AMENDMENT) (NO. 4) BILL 1981 AND THE LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) (NO. 2) BILL 1981.

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BUS DRIVER FATIGUE REPORT STUDIED

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THE FINAL REPORT ON THE +PRELIMINARY INVESTIGATIONS OF WORKING HOURS, WORKING CONDITIONS AND FATIGUE AMONG BUS DRIVERS IN HONG KONG+ WAS DISCUSSED TODAY (WEDNESDAY) BY REPRESENTATIVES FROM VARIOUS GOVERNMENT DEPARTMENTS.

THE REPORT WAS COMPILED BY MR A.J. COURTNEY AND MR W.A. EVANS OF THE UNIVERSITY OF HONG KONG'S INDUSTRIAL ENGINEERING DEPARTMENT IN COOPERATION WITH KMB AND CMB.

THE STUDY COVERS A WIDE RANGE OF TOPICS RELEVANT TO PERFORMANCE AND FATIGUE AMONGST BUS DRIVERS AND THE POSSIBLE EFFECTS ON TRAFFIC ACCIDENTS.

THE MAIN FINDINGS OF THE REPORT ARE :

- * OLDER BUS DRIVERS HAVE A CONSIDERABLY BETTER SAFETY RECORD THAN YOUNGER DRIVERS.
- * THE CAREER STRUCTURES FOR BUS DRIVERS DO NOT SUFFICIENTLY ENCOURAGE THE OLDER, MORE EXPERIENCED DRIVER. PAY DIFFERENTIALS ARE DOMINATED BY OVERTIME.
- * THE ACCIDENT RATE IS PARTICULARLY HIGH AT THE BEGINNING AND TOWARDS THE END OF SHIFTS.
- * SOME DRIVERS, PARTICULARLY THOSE IN SPLIT SHIFTS, HAVE LONG PERIODS BETWEEN SIGNING ON AND SIGNING OFF.
- * AN EXAMINATION OF THE INFORMATION REQUIRED ON BUS ACCIDENTS SHOULD BE CARRIED OUT BY THE BUS COMPANIES, POLICE AND THE TRANSPORT DEPARTMENT.
- * THERE IS A NEED FOR IMPROVED INTERNAL COMMUNICATION WITHIN BOTH KMB AND CMB BETWEEN MANAGEMENT AND JUNIOR STAFF.
- * SAFETY AND COURTESY BONUS SCHEMES SHOULD BE ENCOURAGED AND EXTENDED.
- * GOVERNMENT SHOULD CONSIDER REGULATION OF THE HOURS OF WORK OF BUS DRIVERS BASED IN THE FIRST INSTANCE ON OVERSEAS LEGISLATION.
- * THE BUSES USED IN HONG KONG ARE IMPORTED FROM THE UNITED KINGDOM AND NONE OF THE BUS DRIVER CABS INVESTIGATED SATISFIED THE +IDEAL CAB+ SPECIFICATION FOR THE LOCAL DRIVER POPULATION.
- * FANS SHOULD BE FITTED IN ALL BUS CABS AS A COUNTERMEASURE TO THE THERMAL STRESS TO WHICH LOCAL BUS DRIVERS ARE EXPOSED DURING THE SUMMER MONTHS.

- * BUS DRIVERS FEEL THAT THEY ARE OFTEN BLAMED FOR PROBLEMS OF THE BUS SERVICES FOR WHICH THEY HAVE NO RESPONSIBILITY. THE TEAM FOUND THAT MANY DRIVERS ARE INTELLIGENT AND SENSIBLE AND RECOMMENDED THAT THE COMPANIES AND GOVERNMENT MIGHT FIND IT USEFUL TO INVOLVE DRIVERS IN DECISIONS THAT INVOLVE THEIR DAY-TO-DAY WORK.
- * THERE IS SCOPE FOR MORE DIALOGUE BETWEEN THE BUS COMPANIES AND GOVERNMENT ON MATTERS SUCH AS OVERLOADING WHERE CONFLICTING OBJECTIVES PLACE UNFAIR DEMANDS ON THE DRIVERS.
- * THERE IS A NEED FOR MORE THOROUGH EXAMINATIONS OF DRIVER SELECTION AND TRAINING, THE RELATIONSHIP BETWEEN DIFFERENT PATTERNS OF WORK AND ACCIDENTS, BUS CAB DESIGN, THE EFFECTS OF VIBRATION ON DRIVERS AND THE METHODS OF REPORTING

AT TODAY'S MEETING OF REPRESENTATIVES OF GOVERNMENT DEPARTMENTS, THE DEPARTMENTAL VIEWS ON THE RECOMMENDATIONS WERE CONSIDERED. IT WAS AGREED THAT THE TRANSPORT DEPARTMENT, AFTER CONSULTING THE BUS COMPANIES, WILL CONSOLIDATE THE VARIOUS COMMENTS RECEIVED AND PREPARE RECOMMENDATIONS FOR ACTION TO BE TAKEN.

+THE MEETING, HOWEVER, NOTED THAT BUS ACCIDENT RATES IN HONG KONG WERE NOT FOUND TO BE EXCEPTIONALLY HIGH IN COMPARISON WITH OTHER LARGE CITIES, GIVEN THE VERY HIGH VEHICLE AND PEDESTRIAN DENSITY, ALTHOUGH FURTHER EFFORTS ARE NEEDED TO REDUCE THE NUMBER OF ACCIDENTS,+ A TRANSPORT DEPARTMENT SPOKESMAN SAID.

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MORE VOLUNTEERS SOUGHT FOR PROBATION SCHEME

THE DIRECTOR OF SOCIAL WELFARE, MR SELWYN ALLEYNE, TODAY (WEDNESDAY) EXPRESSED THE HOPE THAT MORE CIVIC-MINDED CITIZENS WOULD JOIN THE VOLUNTEER SCHEME FOR PROBATIONERS RUN BY THE SOCIAL WELFARE DEPARTMENT.

HE TOLD A LUNCHEON MEETING OF THE LIONS CLUB OF VICTORIA THAT FEEDBACK FROM THE VOLUNTEERS SHOWED THAT IN ALMOST ALL CASES, THEY WERE ABLE TO ACHIEVE GOOD RELATIONSHIP WITH THE PROBATIONERS AND GAINED GREAT SATISFACTION IN WORKING WITH THEM.

THE PROBATIONERS IN TURN WERE GRATEFUL FOR THE HELP THEY RECEIVED.

A STUDY UNDERTAKEN BY THE DEPARTMENT FROM APRIL 1978 TO MARCH 1980 INDICATED THAT 90 PER CENT OF PROBATION OFFICERS FELT THE VOLUNTEERS HAD ACCOMPLISHED THEIR ASSIGNMENTS. EIGHTY-TWO PER CENT OF THE VOLUNTEERS HELD THE SAME VIEW AND 83 PER CENT OF THE PROBATIONERS AGREED.

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+IT IS OBVIOUS,+ MR ALLEYNE SAID, +THAT THE PUBLIC CONCERN AND SUPPORT EXTENDED BY VOLUNTEERS UNDER THE 'VOLUNTEER SCHEME FOR PROBATIONERS' HAVE FAR-REACHING POSITIVE EFFECTS IN THE OVERALL REHABILITATION OF PROBATIONERS.+

MR ALLEYNE SAID THAT TO BE QUALIFIED TO JOIN THE SCHEME AS A VOLUNTEER, ONE SHOULD PREFERABLY BE OVER 21, WITH AN EDUCATION STANDARD OF SECONDARY LEVEL OR ABOVE, BUT PEOPLE WITH EXPERIENCE WOULD ALSO BE CONSIDERED.

+VOLUNTEERS ARE ALSO EXPECTED BASICALLY TO HAVE A MATURE, SOCIABLE AND SYMPATHETIC PERSONALITY AND MOST IMPORTANT, BE WILLING TO MAKE FRIENDS WITH OFFENDERS AND TO SPARE THEIR OWN LEISURE TIME TO WORK WITH THEM.+

WHEN A VOLUNTEER IS READY TO START WORK AFTER ATTENDING AN ORIENTATION COURSE, HE WILL BE MATCHED WITH A PROBATIONER IN NEED OF HELP.

MR ALLEYNE SAID A SUCCESSFUL MATCHING MIGHT TAKE A LONG TIME, BUT THE EFFORT AND TIME SPENT WAS WORTHWHILE.

ONCE A MATCH IS MADE, THE VOLUNTEER CAN REALLY BEGIN HIS SERVICE BY PROVIDING PERSONAL ASSISTANCE TO THE PROBATIONER.

MR ALLEYNE SAID THAT SIX MONTHS WAS THE OPTIMUM PERIOD OF SERVICE, PROVIDED THAT THE PROBATION ORDER WAS STILL IN FORCE.

THE PERIOD IS SUBJECT TO REVIEW AND MAY BE EXTENDED TO THE DATE OF EXPIRY OF THE PROBATION ORDER IF THE PROBATION OFFICER CONSIDERS IT APPROPRIATE AND, SUBJECT TO THE CONSENT OF THE VOLUNTEER.

THE PERIOD OF SERVICE MAY ALSO BE TERMINATED AT ANY TIME BY THE MUTUAL CONSENT OF THE PROBATION OFFICER AND THE VOLUNTEER.

AFTER COMPLETING SIX MONTHS OF SERVICE, VOLUNTEERS ARE AWARDED +CERTIFICATES OF APPLICATION.+

UP TO THE END OF 1980-81, 73 VOLUNTEERS HAD BEEN AWARDED SUCH CERTIFICATES.

IN 1981-82, 70 VOLUNTEERS HAVE BEEN RECRUITED AND TRAINED. +ATTEMPTS ARE BEING MADE BY THE PROBATION OFFICERS TO SELECT SUITABLE PROBATIONERS TO BE MATCHED TO THEM FOR THEIR SERVICE,+ MR ALLEYNE SAID.

SHA TIN ARTS FESTIVAL TO OPEN ON SUNDAY
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SHA TIN'S FIRST ARTS FESTIVAL WILL LAST FOR 22 DAYS AND INCLUDE 40 ITEMS.

IT OPENS ON SUNDAY (DECEMBER 13) WITH A CONCERT BY THE HONG KONG CHINESE ORCHESTRA AT THE SIR RUN RUN SHAW HALL OF THE CHINESE UNIVERSITY.

THE VICE-CHANCELLOR OF THE UNIVERSITY, DR MA LIN, WILL OFFICIATE AT THE OPENING.

BESIDES THE OPENING CONCERT, THERE WILL BE TWO CONCERTS OF CLASSICAL CHINESE MUSIC ON DECEMBER 16 AND 20 BY WELL-KNOWN PROFESSIONAL MUSICIANS AND BY STAFF OF THE UNIVERSITY MUSIC SCHOOL.

A CHRISTMAS CONCERT BY THE HONG KONG PHILHARMONIC ORCHESTRA AND ANOTHER CONCERT BY THE PAN ASIA SYMPHONY ORCHESTRA WILL TAKE PLACE ON DECEMBER 22 AND 27.

A HIGHLIGHT OF THE PROGRAMME WILL BE A WEEK OF CANTONESE OPERA FROM DECEMBER 21 TO DECEMBER 27 BY THE CHOR FUNG MING OPERA TROUPE AT TAI WAI.

OTHER EVENTS WILL INCLUDE PERFORMANCES BY THE INTERNATIONAL STRING QUARTET, THE MUK LAN DANCE TROUPE, THE HONG KONG REPERTORY THEATRE AND THE LUNG CHEUNG OPERA TROUPE FROM RADIO TELEVISION HONG KONG.

SHA TIN CHILDREN AND YOUTH CENTRE DRAMA GROUP, SHA TIN ARTS ASSOCIATION CANTONESE OPERA TRAINING CLASS AND DISTRICT DANCE TROUPES WILL ALSO TAKE PART IN THE PROGRAMME.

A MAJOR ATTRACTION WILL BE AN EXHIBITION OF SHA TIN'S HISTORY, IN WHICH A COMPLETE COLLECTION OF LOCAL VILLAGE FURNITURE AND TOOLS, PHOTOGRAPHS AND OTHER EXHIBITS WILL BE SHOWN IN AND AROUND A LIFE-SIZE REPRODUCTION OF A TYPICAL SHA TIN VILLAGE HOUSE. THIS WILL BE HELD AT TAI WAI PUBLIC SCHOOL FROM DECEMBER 16 TO 21.

THE FESTIVAL CLOSURES ON JANUARY 3 WITH A PERFORMANCE BY THE MUK LAN DANCE TROUPE.

AT A PRESS CONFERENCE TODAY (WEDNESDAY), THE SHA TIN DISTRICT OFFICER, DR PATRICK HASE, OUTLINED THE PROGRAMME FOR THE FESTIVAL, WHICH IS BEING ORGANISED BY THE DISTRICT BOARD, SHA TIN ARTS ASSOCIATION, THE CULTURAL SERVICES DEPARTMENT AND THE MUSIC OFFICE.

TICKETS ARE NOW ON SALE AT THE DISTRICT OFFICE, THE RUN RUN SHAW HALL, SHA TIN CARITAS SOCIAL CENTRE, TAI WAI VILLAGE OFFICE AND WO CHE, SHA KOK AND SUI WO ESTATES' COMMERCIAL COMPLEXES. ENTRY FOR MOST OF THE ITEMS IS FREE.

THE BUDGET IS ABOUT \$750 000, OF WHICH \$300 000 FOR THE ONE-WEEK CANTONESE OPERA IS BEING PROVIDED BY THE TAI WAI VILLAGE OFFICE.

THE DISTRICT BOARD WILL PROVIDE \$105 000 AND THE ARTS ASSOCIATION \$40 000.

THE CULTURAL SERVICES DEPARTMENT AND THE MUSIC OFFICE ARE RESPONSIBLE FOR THE EXPENSES OF A NUMBER OF ITEMS IN THE PROGRAMME AND THE DEFICIT WILL BE MET BY PRIVATE DONATIONS.

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TOURING FORUM ON DISTRICT ADMINISTRATION

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A FREE AND USEFUL EXCHANGE OF VIEWS ON DISTRICT ADMINISTRATION TOOK PLACE THIS AFTERNOON ON BOARD THE +SIR CECIL CLEMENTI+ WHILE IT CRUISED IN THE HARBOUR OFF KWUN TONG.

ORGANISED BY THE CITY DISTRICT OFFICER OF WAN CHAI, MR ANTHONY GEOFFREY COOPER, IT PROVIDED A VALUABLE OPPORTUNITY FOR 14 UNOFFICIAL MEMBERS OF THE WAN CHAI CITY DISTRICT COMMITTEE TO LEARN FROM THE EXPERIENCE OF NINE UNOFFICIAL MEMBERS OF THE KWUN TONG DISTRICT BOARD ABOUT THE PROBLEMS OF DISTRICT ADMINISTRATION.

THERE WAS, HOWEVER, ALSO A TWO-WAY EXCHANGE OF VIEWS AND EXPERIENCES BETWEEN THE TWO GROUPS JOINTLY LED BY MR DAVID K.P. TSUI, CITY DISTRICT COMMISSIONER OF KWUN TONG AND MR ANTHONY ROBIN CLARK, CITY DISTRICT COMMISSIONER FOR WAN CHAI.

THE FOUR-HOUR FORUM STARTED AT 12.30 PM WHEN THE SIR CECIL CLEMENTI BERTHED AT THE QUEEN'S PIER TO PICK UP THE 14 PARTICIPANTS FROM THE WAN CHAI CITY DISTRICT COMMITTEE BEFORE PROCEEDING TO THE KWUN TONG PUBLIC PIER TO PICK UP THE OTHER NINE PARTICIPANTS FROM THE KWUN TONG DISTRICT BOARD.

THE BOAT THEN TOURED KOWLOON BAY, YAU TONG BAY AND LEI YUE MUN, WHILE THE DISCUSSIONS WERE HELD.

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