



## DAILY INFORMATION BULLETIN

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GOVERNMENT ACCEPTS REVIEW COMMITTEE RECOMMENDATIONS

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THE GOVERNMENT HAS ACCEPTED THE RECOMMENDATIONS OF THE FINAL REPORT OF THE REVIEW COMMITTEE ON DISCIPLINED SERVICES PAY AND CONDITIONS OF SERVICE, THE SECRETARY FOR THE CIVIL SERVICE, MR HARNAM GREWAL, SAID TODAY (TUESDAY).

"THE FINANCE COMMITTEE WILL BE ASKED TO IMPLEMENT THE FINAL REPORT'S RECOMMENDATIONS ON PAY WITH EFFECT FROM APRIL 1 THIS YEAR, AND ON ALLOWANCES WITH EFFECT FROM A CURRENT DATE I.E. FEBRUARY 1, 1989," MR GREWAL SAID.

IN ACCEPTING THE FINAL REPORT, THE GOVERNMENT HAS DECIDED THAT :

- (A) THERE SHOULD BE A SEPARATE POLICE PAY SCALE AND IN PRINCIPLE, ONE PAY GROUPING IN THE GENERAL DISCIPLINED SERVICES NOTWITHSTANDING THAT DIFFERENT GRADES ATTRACT DIFFERENT SALARIES. IN PARTICULAR THE FIREMAN AND THE AMBULANCEMAN GRADES SHOULD RETAIN PARITY. FOLLOWING THE IMPLEMENTATION OF THE REVIEW RECOMMENDATIONS, THE NEW STANDING COMMITTEE ON DISCIPLINED SERVICES SALARIES AND CONDITIONS OF SERVICE WILL BE ASKED AS A FIRST TASK TO WORK OUT THE IMPLICATIONS AND THE DETAILED IMPLEMENTATION OF THIS DECISION, WHICH, IF ACCEPTED BY THE GOVERNMENT, WILL BE BACKDATED TO APRIL 1, 1988; AND
- (B) OTHER PROBLEMS WITH THE FINAL REPORT IDENTIFIED BY BOTH MANAGEMENT AND STAFF, IN PARTICULAR THE DRIVING, DIVING AND OTHER ALLOWANCES, WILL ALSO BE REFERRED TO THE NEW STANDING COMMITTEE AND ANY RECOMMENDATION, IF ACCEPTED BY THE GOVERNMENT, WILL TAKE EFFECT FROM A CURRENT DATE.

"THE NEW STANDING COMMITTEE WILL BE CHAIRED BY MR JOHN SWAINE AND WILL BE IN OPERATION VERY SHORTLY," MR GREWAL SAID.

ANNOUNCING THIS AT A PRESS CONFERENCE, MR GREWAL SAID THAT FOLLOWING THE PUBLICATION OF THE FINAL REPORT ON NOVEMBER 21, THE DISCIPLINED SERVICES, THROUGH EITHER THEIR RESPECTIVE DEPARTMENTAL MANagements OR THEIR STAFF ASSOCIATIONS, HAD EXPRESSED THEIR VIEWS ON THE OVERALL ACCEPTABILITY OF THE PACKAGE OF RECOMMENDATIONS AS WELL AS INDIVIDUAL ASPECTS OF THE RECOMMENDATIONS.

"GIVEN THE WIDE-RANGING NATURE OF THE FINAL REPORT'S RECOMMENDATIONS, IT IS ONLY NATURAL THAT SOME ASPECTS HAVE BEEN FOUND TO BE LESS WELCOME THAN OTHERS BY INDIVIDUAL SERVICES," HE SAID.

/"HOWEVER, IT .....

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"HOWEVER, IT WOULD BE UNDESIRABLE TO HOLD UP IMPLEMENTATION OF THIS REPORT WHICH OFFERS SUBSTANTIAL BENEFITS TO THE DISCIPLINED SERVICES WHILST PROLONGED DISCUSSIONS TOOK PLACE WITH INDIVIDUAL SERVICES ON PARTICULAR SUBJECTS OF CONCERN."

THERE ARE SOME 100 OFFICERS WHO WOULD STAND TO RECEIVE A SMALL REDUCTION IN GROSS INCOME AS A RESULT OF THE RECOMMENDATIONS, BUT THE GOVERNMENT HAS DECIDED THAT NO ONE SHOULD RECEIVE LESS PAY AS A RESULT OF THE REVIEW.

"DETAILED ARRANGEMENTS ARE BEING WORKED OUT TO ENSURE THAT NO ONE WILL GET A REDUCTION IN GROSS INCOME," HE SAID.

MR GREWAL ADDED THAT APART FROM INCREASES IN BASIC PAY, THE RATE OF OVERTIME ALLOWANCE FOR THE DISCIPLINED SERVICES WOULD BE INCREASED BY 20 PER CENT OVER THE PRESENT RATE.

"THE ACTUAL INCREASE WILL BE EVEN BIGGER BECAUSE OF THE ENHANCED BASIC PAY," HE SAID.

"IN ADDITION, THE RULES WILL BE RELAXED SO THAT ELIGIBLE OFFICERS WOULD RECEIVE THE ALLOWANCES ONCE THEY HAVE WORKED ONE HOUR EXTRA RATHER THAN A MINIMUM OF 24 HOURS EXTRA A MONTH AS AT PRESENT.

"THE ESTIMATED ADDITIONAL ANNUAL COST OF IMPLEMENTING THE FINAL REPORT'S RECOMMENDATION WILL BE \$635 MILLION."

MR GREWAL WENT ON TO SAY THAT THE NEW STAFF CONSULTATIVE BODY FOR THE FOUR DISCIPLINED SERVICES OTHER THAN THE POLICE REPRESENTED A DEFINITE IMPROVEMENT OVER EXISTING ARRANGEMENTS UNDER WHICH THE POLICE WERE THE ONLY DISCIPLINED SERVICE WITH THEIR OWN CONSULTATIVE MACHINERY.

THE REVIEW COMMITTEE WAS APPOINTED IN APRIL 1988 TO CONDUCT AN INDEPENDENT REVIEW OF THE PAY AND CONDITIONS OF SERVICE OF THE FIVE DISCIPLINED SERVICES.

THE REVIEW WAS TO TAKE ACCOUNT OF THE CONSIDERABLE CHANGES IN THE RESPONSIBILITIES AND WORKLOAD OF THE DISCIPLINED SERVICES SINCE THE CREATION OF THE SEPARATE DISCIPLINED SERVICES PAY SCALES IN 1979, AND ALSO OF THE NEED TO RECRUIT, TO MOTIVATE AND TO RETAIN SUITABLE STAFF SO AS TO MAINTAIN AND FURTHER IMPROVE THE EFFECTIVENESS AND EFFICIENCY OF THE SERVICES.

THE FINAL REPORT OF THE REVIEW COMMITTEE WAS PUBLISHED ON NOVEMBER 21, 1988. THE RECOMMENDATIONS ARE WIDE-RANGING AND AMOUNT TO A COMPREHENSIVE SET OF PROPOSALS FOR A NEW FRAMEWORK FOR PAY AND CONDITIONS IN THE DISCIPLINED SERVICES.

/THE MAIN .....

THE MAIN RECOMMENDATIONS ARE -

- (A) THE REPLACEMENT OF THE EXISTING DISCIPLINED SERVICES PAY SCALES BY A SEPARATE NEW POLICE PAY SCALE TO COVER THE ENTIRE RANK STRUCTURE OF THE POLICE, AND A GENERAL DISCIPLINED SERVICES PAY SCALE FOR THE OTHER FOUR SERVICES, AGAIN COVERING THE ENTIRE RANK STRUCTURES;
- (B) THE ABOLITION OF SOME OF THE EXISTING EXTRANEOUS DUTIES ALLOWANCES AND HARDSHIP ALLOWANCES AND THE INCORPORATION OF THE REMAINDER INTO A NEW EXTRA DUTIES ALLOWANCE FOR THE DISCIPLINED SERVICES;
- (C) THE REPLACEMENT OF THE PRESENT DISCIPLINED SERVICES SPECIAL ALLOWANCE BY A DISCIPLINED SERVICES OVERTIME ALLOWANCE TO BE PAID AT A HIGHER RATE;
- (D) THE ESTABLISHMENT OF A NEW ADVISORY BODY TO CONSIDER ALL MATTERS RELATING TO THE PAY AND CONDITIONS OF SERVICE OF THE DISCIPLINED SERVICES; AND
- (E) THE SETTING UP OF A CONSULTATIVE BODY TO REPRESENT ALL THE SERVICES OTHER THAN THE POLICE WHO ARE ALREADY REPRESENTED THROUGH THE POLICE FORCE COUNCIL.

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1988 CIVIL SERVICE PAY AWARD READJUSTED  
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THE GOVERNMENT HAS ACCEPTED THE RECOMMENDATION OF THE INDEPENDENT COMMITTEE OF INQUIRY ON CIVIL SERVICE PAY TO READJUST THE 1988 CIVIL SERVICE PAY AWARD WITH EFFECT FROM APRIL 1 THIS YEAR, A GOVERNMENT SPOKESMAN SAID TODAY (TUESDAY).

IN ITS INTERIM REPORT, THE COMMITTEE OF INQUIRY HAS RECOMMENDED THAT THE 1988 PAY ADJUSTMENT BE RECALCULATED ON THE BASIS OF THE FOLLOWING REVISED PAY TREND INDICATORS:

UPPER PAY BAND	+9.56 PER CENT
MIDDLE PAY BAND	+9.93 PER CENT
LOWER PAY BAND	+9.62 PER CENT

THE UPPER PAY BAND COVERS MONTHLY SALARIES FROM \$16,000 TO \$30,000, THE MIDDLE PAY BAND FROM \$5,000 TO \$15,999, AND THE LOWER PAY BAND NOT EXCEEDING \$5,000.

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THE SPOKESMAN SAID THAT STEPS WILL NOW BE TAKEN TO SEEK THE APPROVAL OF THE FINANCE COMMITTEE FOR FUNDS TO IMPLEMENT THE REVISED PAY ADJUSTMENT WITH EFFECT FROM APRIL 1, 1988.

THE COST IN THE 1988-89 FINANCIAL YEAR OF THIS REVISION FOR THE CIVIL SERVICE AND ORGANISATIONS SUBVENTED BY THE GOVERNMENT IS \$523.3 MILLION, OF WHICH \$314 MILLION IS IN RESPECT OF THE CIVIL SERVICE.

THE GOVERNMENT HAS ALSO DECIDED TO REFER THE COMMITTEE OF INQUIRY'S PRELIMINARY CONCLUSIONS AND RECOMMENDATIONS ON THE PAY TREND SURVEY METHODOLOGY TO THE PAY TREND SURVEY COMMITTEE AND TO TAKE THESE CONCLUSIONS AND RECOMMENDATIONS INTO ACCOUNT IN THE 1988-89 PAY TREND SURVEY TO THE EXTENT POSSIBLE.

THE COMMITTEE OF INQUIRY WAS APPOINTED IN AUGUST TO CONSIDER THE DISPUTE BETWEEN THE GOVERNMENT AND THE STAFF SIDE OF THE SENIOR CIVIL SERVICE COUNCIL ON THE 1988 PAY ADJUSTMENT AND RELATED MATTERS, IN ACCORDANCE WITH THE PROVISIONS OF THE 1968 AGREEMENT BETWEEN THE GOVERNMENT AND THE THREE STAFF ASSOCIATIONS REPRESENTING THE STAFF SIDE.

THE SECOND PHASE OF ITS WORK, ON THE METHODOLOGY AND FINDINGS OF THE 1986 PAY LEVEL SURVEY ON NON-DIRECTORATE CIVIL SERVANTS, WILL COMMENCE NEXT MONTH.

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#### SENIOR STAFF COURSE PROVES VALUABLE: CS

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GOVERNMENT DEPARTMENTS ARE INCREASINGLY USING THE SENIOR STAFF COURSE AS A THINK TANK TO HELP SOLVE THEIR PROBLEMS, THE CHIEF SECRETARY, SIR DAVID FORD, SAID TODAY (TUESDAY).

SPEAKING AT A RECEPTION TO MARK THE COMPLETION OF THE 10TH SENIOR STAFF COURSE AND THE DECISION TO ESTABLISH A PERMANENT COURSE CENTRE, SIR DAVID SAID THE COURSE WAS VALUABLE TO THE CIVIL SERVICE AS A WHOLE.

HE SAID THAT PROBLEMS OF DEPARTMENTS WERE PASSED TO STUDENTS ATTENDING COURSES AS PROJECTS AND, TO DATE, SOME 430 HAD BEEN TACKLED.

"NO LESS THAN 60 PER CENT OF THE RECOMMENDATIONS MADE BY THE STUDENTS HAVE BEEN IMPLEMENTED IN FULL OR IN PART BY THE DEPARTMENTS CONCERNED. THIS IS NO SMALL ACHIEVEMENT," SIR DAVID SAID.

/HE NOTED .....

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HE NOTED THAT THERE WERE OTHER LESS TANGIBLE BENEFITS DERIVED FROM THE COURSE SUCH AS THE WAY IT FOSTERED COMMUNICATION AND FRIENDLY RELATIONSHIPS BETWEEN OFFICERS FROM DIFFERENT DEPARTMENTS AND SO HELPED TO STIMULATE A GOOD TEAM SPIRIT WITHIN THE ADMINISTRATION.

THE CHIEF SECRETARY SAID THAT THE SENIOR STAFF COURSE CENTRE, FOLLOWING THE GUIDANCE OF ITS ADVISORY BOARD, AND THE FINE EXAMPLE SET BY MR LEN SNEDDON, THE DIRECTOR OF STUDIES, AND HIS TEAM, HAD ESTABLISHED A FINE REPUTATION AS AN AGENT OF CHANGE, AND AS A CENTRE OF EXCELLENCE.

"I HAVE YET TO MEET ANYONE WHO DID NOT BENEFIT FROM THEIR TIME HERE. AND THERE WILL BE MORE OF YOU IN THE YEARS TO COME SINCE IT HAS BEEN DECIDED THAT THE CENTRE SHOULD BE ESTABLISHED ON A PERMANENT BASIS FROM 1989 ONWARDS," THE CHIEF SECRETARY SAID.

ALTOGETHER, A TOTAL OF MORE THAN 350 OFFICERS AND 30 PRIVATE SECTOR PARTICIPANTS HAVE GRADUATED FROM THE COURSE SINCE IT WAS SET UP FOUR YEARS AGO.

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#### SHA TIN INFIRMARY PROJECT SHOWS COMMITMENT

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THE BUILDING OF THE SHA TIN INFIRMARY AND CONVALESCENT HOSPITAL REPRESENTS A FIRM COMMITMENT BY THE GOVERNMENT TO IMPROVE FURTHER THE PROVISION OF MEDICAL AND HEALTH SERVICES, THE SECRETARY FOR HEALTH AND WELFARE, MR T.H. CHAU, SAID TODAY (TUESDAY).

SPEAKING AT THE FOUNDATION STONE LAYING CEREMONY OF THE HOSPITAL, MR CHAU SAID EIGHT PROJECTS WERE IN THE PIPELINE TO INCREASE THE PRESENT PROVISION OF INFIRMARY BEDS BY A FURTHER 2,400 OVER THE NEXT SIX YEARS.

"ON COMPLETION OF THESE PROJECTS, THE ESTIMATED SHORTFALL IN INFIRMARY BEDS WILL BE REDUCED TO ONLY ABOUT 250 BY 1994," HE SAID.

AT PRESENT, INFIRMARY BEDS PROVIDED IN THE WONG TAI SIN INFIRMARY, THE TUNG WAH HOSPITAL AND THE CHUNG HOM KOK CHESHIRE HOME TOTAL AROUND 1,000.

MR CHAU SAID THE GOVERNMENT'S POLICY ON THE PROVISION OF INFIRMARY BEDS WAS TO MEET THE PROJECTED INCREASES IN THE NUMBER OF CASES REQUIRING LONG-TERM CONTINUING CARE.

/HE SAID .....

HE SAID THE LATEST 20-YEAR POPULATION PROJECTION SHOWED THAT FROM 1986 TO 2006, THE ELDERLY POPULATION WOULD NEARLY DOUBLE AND LIFE EXPECTANCY WAS ALSO FORECAST TO INCREASE, FROM AGE 74 TO AGE 77 FOR MALES AND AGE 80 TO AGE 83 FOR FEMALES.

OLD AGE WOULD NATURALLY BRING WITH IT INFIRMITY AND DETERIORATION IN HEALTH AND THE COMMUNITY HAD TO BE PREPARED TO PROVIDE ADEQUATE MEDICAL FACILITIES TO COPE WITH THIS PROBLEM, HE ADDED.

MR CHAU SAID INFIRMARIES WERE AN ESSENTIAL PART OF THE HEALTH CARE SYSTEM.

"THEY PROVIDE THERAPEUTIC AND REHABILITATIVE SERVICES IN A LONG-TERM-CARE INSTITUTIONAL SETTING FOR THE CHRONICALLY ILL AND THE ELDERLY, WHO NO LONGER REQUIRE ACUTE TREATMENT BUT NEED LONGER-TERM HOSPITALISATION," HE SAID.

"ON THE OTHER HAND, THE ESTABLISHMENT OF INFIRMARIES ALSO SERVES TO ADDRESS THE PROBLEM OF OVER-CROWDING IN MAJOR ACUTE HOSPITALS, BECAUSE THE CHRONICALLY ILL AND THE ELDERLY WOULD OTHERWISE HAVE TO BE ACCOMMODATED IN ACUTE HOSPITAL BEDS."

ON COMPLETION IN 1990, THE SHA TIN INFIRMARY AND CONVALESCENT HOSPITAL WILL PROVIDE 526 INFIRMARY BEDS AND 174 CONVALESCENT BEDS.

"THIS MIXTURE OF INFIRMARY AND CONVALESCENT BEDS WILL PROVIDE A GREATER DEGREE OF PATIENT FLOW AND A BETTER ENVIRONMENT FOR THE BENEFIT OF THE PATIENTS," MR CHAU SAID.

THE HOSPITAL WILL ALSO HAVE OTHER FACILITIES, SUCH AS DEPARTMENTS FOR OCCUPATIONAL THERAPY, PHYSIOTHERAPY, AND A PHARMACY AND A CENTRAL STERILE SUPPLIES DEPARTMENT AS WELL AS STAFF QUARTERS.

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GOVERNMENT HELPS INDUSTRIES IN ADAPTING TO CHANGE

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HONG KONG'S MANUFACTURING INDUSTRIES ARE EXTREMELY ADEPT AT RESPONDING TO CHANGES IN DEMAND FOR THEIR OUTPUT AND THIS IS THE SINGLE MOST IMPORTANT DETERMINANT OF THEIR SUCCESS, THE DIRECTOR OF INDUSTRY, MR K.Y. YEUNG, SAID TODAY (TUESDAY).

ADDRESSING THE US-HK TECHNOLOGY BUSINESS CONFERENCE ORGANISED BY THE ASIAN AMERICAN MANUFACTURERS ASSOCIATION AND THE INDUSTRY DEPARTMENT, MR YEUNG CITED A NUMBER OF ENCOURAGING INDICATORS THAT PROVED THERE WAS CONFIDENCE IN LOCAL MANUFACTURING.

/HOWEVER, THERE .....

HOWEVER, THERE WERE SOME CLOUDS ON THE HORIZON IN THAT CHANGES COULD ALSO BRING PROBLEMS.

"WHILST MANUFACTURING FOR EXPORT HAS BEEN AND IS LIKELY TO CONTINUE BEING SUCCESSFUL, MANUFACTURING IN HONG KONG IS UNDERGOING RAPID CHANGE," MR YEUNG SAID.

"THE FIRST NOTICEABLE CHANGE IS THE MOVEMENT OF LABOUR INTENSIVE PROCESSES AND PRODUCTION INTO SOUTH CHINA IN ALL SEGMENTS OF MANUFACTURING OTHER THAN TEXTILES AND GARMENTS.

"THE SECOND IS AN ATTEMPT TO IMPROVE LABOUR EFFICIENCY AND TO AUTOMATE, AS IT HAS BECOME OBVIOUS THAT THE SUPPLY OF SKILLED MANUAL WORKERS IS UNLIKELY TO GROW AT THE RATE AT WHICH OUR ASSEMBLY-ORIENTED BUSINESSES WOULD OTHERWISE REQUIRE.

"THE THIRD IS AN INCREASING TENDENCY TO RAISE THE LEVEL OF QUALITY OF PRODUCTS AND TO ACHIEVE A GREATER DEGREE OF INNOVATION, IN RESPONSE TO THE INCREASING SOPHISTICATION OF EXTERNAL DEMAND."

MR YEUNG SAID HE BELIEVED THESE CHANGES WERE LIKELY TO CONTINUE AND MIGHT ACCELERATE IN THE MEDIUM-TERM FUTURE, AND HE FELT IS WAS TIMELY FOR GOVERNMENT SUPPORT.

THE GOVERNMENT HAD BEEN PROVIDING SUPPORT TO LOCAL MANUFACTURING IN TWO WAYS, NAMELY INFRASTRUCTURAL AND DEVELOPMENT SUPPORT, HE SAID.

INFRASTRUCTURAL SUPPORT WAS TYPICALLY CONCERNED WITH PROVIDING AN ADEQUATE AND SUITABLE SUPPLY OF INDUSTRIAL LAND, TRAINED MANPOWER, TRANSPORT AND COMMUNICATION SERVICES, WATER, POWER, FUELS AND RAW MATERIALS, AND FINANCIAL AND OTHER BUSINESS SERVICES.

DEVELOPMENT SUPPORT WAS TYPICALLY CONCERNED WITH THE SUPPLY OF TECHNICAL INFORMATION AND ADVICE, LABORATORY SERVICES AND BUREAU SERVICES.

THESE SERVICES HELPED MANUFACTURERS TO IMPROVE PRODUCTIVITY AND QUALITY AND TO INNOVATE, AND THEY HELPED TO STIMULATE INVESTMENT IN THESE AREAS OF ACTIVITY.

MR YEUNG ALSO EXPLAINED WHY A BASICALLY NON-INTERVENTIONIST GOVERNMENT WAS SPENDING SO MUCH TO HELP INDUSTRIALISTS BECOME MORE SUCCESSFUL.

"MANUFACTURING IS IMPORTANT: IT ACCOUNTS FOR NEARLY 900,000 JOBS AND A QUARTER OF OUR ECONOMY," HE SAID.

"IT REQUIRES US TO HELP WHAT IS ESSENTIALLY A MARKET-DRIVEN PROCESS OF ADJUSTMENT.

"WE BELIEVE WE CAN DO SO TO BEST EFFECT BY ENABLING PRODUCTION, THROUGH THE SUPPLY OF LAND AND MANPOWER TRAINING, AND BY FACILITATING IT, THROUGH THE PROVISION OF SUITABLE SUPPORTING SERVICES.

TAC BRIEFED ON BUS COMPANY PROFIT CONTROL SCHEME

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THE TRANSPORT ADVISORY COMMITTEE (TAC) WAS TODAY (TUESDAY) BRIEFED ON THE OBJECTIVES AND OPERATION OF THE PROFIT CONTROL SCHEME AS APPLIED TO THE FRANCHISED BUS COMPANIES.

MEMBERS NOTED THAT THE MAIN OBJECTIVES OF THE PROFIT CONTROL SCHEME ARE TO :

- \* ENSURE THAT PASSENGERS GET FULL AND RELIABLE SERVICES;
- \* ENSURE THAT PASSENGERS GET THE SERVICES AT REASONABLE PRICES;
- \* KEEP THE COMPANIES FINANCIALLY VIABLE SO THAT THEY CAN COMPETE WITH OTHER COMMERCIAL ORGANISATIONS FOR FUNDS;
- \* ENSURE THAT SHAREHOLDERS GET A REASONABLE FINANCIAL RETURN ON THEIR INVESTMENT, TO ENCOURAGE FURTHER INVESTMENT;
- \* ACHIEVE THE PRECEDING OBJECTIVES WITHOUT ANY DIRECT FINANCIAL CONTRIBUTION FROM PUBLIC FUNDS, AND WITH THE MINIMUM INTERFERENCE FROM THE GOVERNMENT IN THE OPERATIONS AND MANAGEMENT OF THE COMPANIES.

THE PROFIT CONTROL SCHEME IS DESIGNED TO ENCOURAGE LONG-TERM INVESTMENT BY THE COMPANIES TO MEET FURTHER DEMAND FOR FREQUENT, WELL-REGULATED AND COMFORTABLE BUS SERVICES, AND AVOID SUDDEN CHANGES IN THE LEVEL OF REQUIRED IMPROVEMENTS OR FARE LEVELS.

BY MEANS OF THE FORWARD PLANNING PROGRAMME SUBMITTED BY THE BUS COMPANIES EACH YEAR, THE GOVERNMENT CAN ENSURE THAT THE CAPITAL EXPANSION PROPOSALS OF THE BUS COMPANIES ARE PROPERLY JUSTIFIED AND SUFFICIENT TO MEET INCREASING DEMAND AND PREVENT UNNECESSARY EXPANSION OR DELIBERATE OVER-INVESTMENT BY THE BUS COMPANIES TO BOOST THEIR PROFITS.

THE PERMITTED RETURNS OF 15 PER CENT FOR THE CHINA MOTOR BUS COMPANY (CMB) AND 16 PER CENT FOR THE KOWLOON MOTOR BUS COMPANY (KMB) ARE SOMETIMES CRITICISED AS BEING TOO HIGH.

ON THIS POINT, MEMBERS NOTED THAT THE PERMITTED RETURNS REPRESENT THE GROSS RETURNS TO THE COMPANIES AND ARE SUBJECT TO COMPULSORY DEDUCTIONS, FOR CERTAIN INTEREST PAYMENTS AND THE INTEREST ON THE DEVELOPMENT FUND BALANCE UNDER THE TERMS OF THE FRANCHISES.

IN PRACTICE, THE EFFECTIVE OR NET RATES OF RETURN ACHIEVED OVER THE LAST 10 YEARS ARE MUCH LESS. FOR KMB, THE RATE OF RETURN HAS BEEN AROUND 13.4 PER CENT, AND FOR CMB IT HAS BEEN ABOUT 14 PER CENT.

/MEMBERS ALSO .....

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MEMBERS ALSO NOTED THAT THE PUBLIC BUS SERVICES ORDINANCE PROVIDES FOR THE OPERATION OF THE PROFIT CONTROL SCHEME TO BE REVIEWED EVERY TWO YEARS AND THE LAST REVIEW WAS SUBMITTED TO THE GOVERNOR IN COUNCIL LAST SEPTEMBER.

AMENDMENTS TO THE OPERATION OF THE SCHEME HAVE BEEN MADE FROM TIME TO TIME TO ALLOW FOR MINOR CHANGES IN OPERATIONAL AND ACCOUNTING PRACTICES.

THERE WILL BE A ROUND OF BRIEFING SESSIONS WITH ALL DISTRICT BOARDS ON THE PROFIT CONTROL SCHEME FROM LATE JANUARY NEXT YEAR.

THE TAC ACCEPTED IN PRINCIPLE THE FORWARD PLANNING PROGRAMME (1989-1993) OF CMB.

ON ROUTE DEVELOPMENT, CMB PROPOSED SEVEN NEW ROUTES, TWO SERVICE WITHDRAWALS, 16 FREQUENCY IMPROVEMENTS, TWO FREQUENCY REDUCTIONS AND SEVEN ROUTING CHANGES.

THE TAC ASKED THE TRANSPORT DEPARTMENT TO PRESENT THE "GLOBAL VIEW" OF THE FIVE-YEAR FORWARD PLANNING PROGRAMME DURING BRIEFING SESSIONS WITH DISTRICT BOARDS, INSTEAD OF ONLY DISCUSSING NEW ROUTES OF A PARTICULAR DISTRICT, SO THAT DISTRICT BOARD MEMBERS WOULD HAVE A BETTER VIEW OF THE RELATIONSHIP BETWEEN THE ROUTE DEVELOPMENT PROGRAMME AND FARE RISES.

MEMBERS ALSO ENDORSED AN APPLICATION BY CMB FOR A FRANCHISE EXTENSION FOR TWO YEARS FROM SEPTEMBER 1, 1991 TO AUGUST 31, 1993.

THE TAC ALSO DISCUSSED A PLAN TO INTRODUCE A SEPARATE TEST FOR DRIVING LIGHT GOODS VEHICLES IN THE MIDDLE OF NEXT YEAR. DETAILS WOULD BE ANNOUNCED BY THE TRANSPORT DEPARTMENT TOMORROW (WEDNESDAY).

ON THE PROBLEMS OF GOODS VEHICLE PARKING AND LOADING/UNLOADING, THE MEMBERS NOTED THAT ACTION HAD BEEN TAKEN BY THE GOVERNMENT TO INCREASE BOTH ON AND OFF-STREET SPACES FOR GOODS VEHICLES FOR DAY-TIME AND NIGHT-TIME PARKING.

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COUNCIL INVESTIGATING CERTAIN TRAVEL AGENTS

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THE REGISTRAR OF TRAVEL AGENTS HAS BEEN INFORMED THAT CERTAIN TRAVEL AGENTS ARE BEING INVESTIGATED BY THE TRAVEL INDUSTRY COUNCIL (TIC) FOR FAILURE TO PAY THE ONE PER CENT LEVY TO THE TIC RESERVE FUND IN RESPECT OF PACKAGE TOURS SOLD.

WHILE THE TIC IS TAKING DISCIPLINARY ACTION AGAINST SOME OF THESE TRAVEL AGENTS, THE REGISTRAR OF TRAVEL AGENTS WISHES TO REMIND TRAVELLERS THAT IN THEIR OWN INTERESTS, THEY SHOULD ENSURE THAT RECEIPTS ISSUED FOR PACKAGE TOURS SHOULD BEAR THE FRANKING MACHINE MARK FOR THE ONE PER CENT TIC RESERVE FUND LEVY.

UNLESS TRAVELLERS CAN PRODUCE RECEIPTS BEARING SUCH FRANKING MACHINE MARKS, THEY ARE NOT ELIGIBLE TO APPLY FOR EX GRATIA PAYMENT FROM THE TIC RESERVE FUND IN THE EVENT OF A DEFAULT OF THE TOUR OPERATOR.

TRAVELLERS WHO RECEIVE RECEIPTS FOR TOURS WITHOUT THE FRANKING MACHINE MARKS SHOULD REGISTER THEIR COMPLAINTS WITH THE TRAVEL INDUSTRY COUNCIL WHOSE OFFICE ADDRESS AND TELEPHONE NUMBER ARE:

TRAVEL INDUSTRY COUNCIL OF HONG KONG,  
6TH FLOOR, CENTURY SQUARE,  
1-13 D'AGUILAR STREET,  
CENTRAL,  
HONG KONG.

TEL. : 5-8682738

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EXCITING PROGRAMME FOR TSUEN WAN ARTS FESTIVAL

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A MONTH-LONG PROGRAMME OF QUALITY PERFORMANCES HAS BEEN DRAWN UP FOR THE 11TH TSUEN WAN ARTS FESTIVAL TO BE HELD BETWEEN JANUARY 21 AND FEBRUARY 27.

BOTH LOCAL AND VISITING ARTISTES WILL TAKE PART IN PERFORMANCES TO BE HELD MAINLY IN THE TSUEN WAN TOWN HALL, A FOCAL POINT FOR ARTS AND CULTURAL ACTIVITIES IN THE DISTRICT.

THE GRAND OPENING OF THE FESTIVAL WILL FEATURE PERFORMANCES BY ARTISTIC TROUPES FROM BOTH CHINA AND TAIWAN.

/THE CHILDREN'S \*\*\*\*\*

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THE CHILDREN'S CHOIR OF THE TSUEN WAN DISTRICT BOARD WILL ALSO STAGE ITS PREMIERE SHOW AT THE OPENING CEREMONY.

"ROMEO AND JULIET" BY THE HONG KONG BALLET, AND CANTONESE DRAMA BY THE ARTISTE TRAINING ALUMNI ASSOCIATION WILL BE FESTIVAL HIGHLIGHTS.

OTHER EVENTS INCLUDE A POP CONCERT BY WELL-KNOWN SINGERS, ORCHESTRAL CONCERT BY THE SEOUL NATIONAL UNIVERSITY COLLEGE OF MUSIC, CANTONESE OPERA BY THE CHEERS AND GLORY OPERATIC TROUPE, SPANISH AND CLASSICAL GUITAR PERFORMANCES AND A NAM YIN (SOUTHERN MELODIES) CONCERT.

POPULAR FILMS TO BE SHOWN INCLUDE "THE UNBEARABLE LIGHTNESS OF BEING", "DAUGHTER OF NILE", "SURRENDER", "KUEI-MEI, A WOMAN", "BLUE VELVET", "LAPUTA" AND "OSMANTHUS ALLEY".

THE FESTIVAL IS BEING PRESENTED BY THE TSUEN WAN DISTRICT BOARD, DISTRICT OFFICE AND THE TSUEN WAN CULTURE AND RECREATION CO-ORDINATING ASSOCIATION AS A JOINT EFFORT TO STIMULATE LOCAL RESIDENTS' INTEREST IN AND APPRECIATION OF THE ARTS.

PEOPLE INTENDING TO ATTEND SHOWS ARE ADVISED TO BOOK THEIR TICKETS AT THE URB TIX OUTLETS NOW.

FURTHER DETAILS CAN BE OBTAINED BY TELEPHONING 0-4145501 OR 0-4140144.

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OFFICIALS TO ATTEND CHRISTMAS PARTY AT GIRLS' HOME

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THE DIRECTOR OF SOCIAL WELFARE, MRS ELIZABETH WONG, WILL JOIN GIRLS AND STAFF MEMBERS OF THE DEPARTMENT'S MA TAU WEI GIRLS' HOME TO CELEBRATE CHRISTMAS AT A PARTY AT THE HOME TOMORROW (WEDNESDAY).

THE ASSISTANT DIRECTOR OF SOCIAL WELFARE (YOUTH AND REHABILITATION), MR KWOK KA-CHI, AND THE KOWLOON CITY POLICE DISTRICT COMMANDER, MRS WONG LEUNG KAM-SHAN, WILL BE OFFICIATING GUESTS AT THE PARTY.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE CHRISTMAS PARTY TO BE HELD AT THE SOCIAL WELFARE DEPARTMENT'S MA TAU WEI GIRLS' HOME AT 51 SHEUNG SHING STREET, HO MAN TIN TOMORROW (WEDNESDAY). THE PARTY WILL BEGIN AT 3 PM.

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TUESDAY, DECEMBER 20, 1988

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WRIT TO BE WITHDRAWN

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A HIGH COURT JUDGE THIS (TUESDAY) MORNING IN CHAMBERS ACCEPTED A CROWN APPLICATION TO WITHDRAW THE SUMMONS FOR AN INJUNCTION AGAINST FATHER MELLA.

A GOVERNMENT SPOKESMAN SAID THAT AS FAR AS THE GOVERNMENT WAS CONCERNED, THERE WAS NO INTENTION TO CONTINUE WITH THESE PROCEEDINGS.

THE WRIT, WHICH WAS FILED ON DECEMBER 14, WILL BE FORMALLY WITHDRAWN LATER TODAY.

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BACK LANES CLEARED IN HAPPY VALLEY

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A TOTAL OF 18 ILLEGAL STRUCTURES WERE DEMOLISHED IN HAPPY VALLEY TODAY (TUESDAY) IN AN ENVIRONMENTAL IMPROVEMENT CLEARANCE OPERATION.

THE STRUCTURES WERE SITUATED AT THE REAR LANES AND SIDE LANES OF TSUI MAN STREET, SING WOO ROAD, VILLAGE ROAD AND GREEN LANE.

THE OPERATION WAS LAUNCHED BY THE WAN CHAI DISTRICT OFFICE AND CARRIED OUT IN CONJUNCTION WITH THE HOUSING DEPARTMENT, BUILDINGS AND LANDS DEPARTMENT, URBAN SERVICES DEPARTMENT, THE POLICE, FIRE SERVICES DEPARTMENT AND URBAN AREA DEVELOPMENT OFFICE.

A SPOKESMAN FOR THE WAN CHAI DISTRICT OFFICE SAID THE AIM OF THE OPERATION WAS TO IMPROVE THE ENVIRONMENT OF BACK LANES AND SIDE LANES IN THE DISTRICT.

THREE FAMILIES WERE AFFECTED BY THE OPERATION AND REHOUSING ARRANGEMENT FOR THEM WOULD BE MADE BY THE HOUSING DEPARTMENT, HE ADDED.

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LEFT-TURN ARRANGEMENT IN WONG TAI SIN

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THE TRANSPORT DEPARTMENT ANNOUNCED THAT FROM 10 AM ON FRIDAY (DECEMBER 23), VEHICLES WILL BE ALLOWED TO TURN LEFT FROM SOUTHBOUND FU MEI STREET TO EASTBOUND JUNCTION ROAD, WONG TAI SIN.

MOTORISTS ON SOUTHBOUND FU MEI STREET HEADING FOR KOWLOON CITY CAN MAKE USE OF THIS LEFT-TURN ARRANGEMENT.

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TUESDAY, DECEMBER 20, 1988

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URBAN CLEARWAYS, HEAVY VEHICLE BAN

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THE TRANSPORT DEPARTMENT ANNOUNCED THAT HOK YUEN STREET EAST BETWEEN MAN LOK STREET AND HUNG HOM ROAD, HUNG HOM, WILL BE DESIGNATED A PEAK HOUR (7 AM - 10 AM AND 4 PM - 7 PM) DAILY URBAN CLEARWAY FROM 10 AM ON FRIDAY (DECEMBER 23).

AT THE SAME TIME, THE WESTERN KERBSIDE LANE OF LAI YIP STREET IN KWUN TONG BETWEEN A POINT ABOUT 60 METRES NORTH OF ITS JUNCTION WITH WAI YIP STREET AND A POINT ABOUT 125 METRES NORTH OF THE SAME JUNCTION WILL BECOME A 24-HOUR DAILY URBAN CLEARWAY FOR ABOUT FOUR MONTHS FOR ROADWORKS.

NO VEHICLES EXCEPT FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS WITHIN THE RESTRICTED AREAS.

ALSO FROM 10 AM ON FRIDAY, NO VEHICLES EXCEEDING 16 TONNES GROSS WILL BE ALLOWED TO ENTER BAILEY BRIDGE N551 NEAR KAU LUNG HANG, TAI PO.

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TRAFFIC ARRANGEMENTS IN CENTRAL

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THE TRANSPORT DEPARTMENT ANNOUNCED THAT ALL VEHICLES WILL NOT BE ALLOWED TO TURN LEFT FROM DES VOEUX ROAD CENTRAL EASTBOUND TO JUBILEE STREET FROM 10 AM ON FRIDAY (DECEMBER 23).

AT THE SAME TIME, THE FOLLOWING ROAD SECTIONS WILL BE DESIGNATED 7 AM TO 7 PM DAILY URBAN CLEARWAYS :

- \* THE SOUTHERN KERBSIDE LANE OF CONNAUGHT ROAD CENTRAL WESTBOUND FROM ITS JUNCTION WITH JUBILEE STREET TO A POINT ABOUT 30 METRES TO THE EAST.
- \* JUBILEE STREET BETWEEN DES VOEUX ROAD CENTRAL AND CONNAUGHT ROAD CENTRAL.
- \* THE NORTHERN KERBSIDE LANE OF QUEEN'S ROAD CENTRAL FROM A POINT ABOUT 15 METRES WEST OF ITS JUNCTION WITH THEATRE LANE TO A POINT ABOUT 20 METRES EAST OF ITS JUNCTION WITH POTTINGER STREET.

NO VEHICLES EXCEPT FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS WITHIN THE RESTRICTED AREAS.

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