



# DAILY INFORMATION BULLETIN

WEDNESDAY, JUNE 1, 1977

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WEDNESDAY, JUNE 1, 1977

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CONTROVERSIAL SEVERANCE PAY BILL PASSED

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THE EMPLOYMENT (AMENDMENT) (NO.2) BILL 1977, WHICH PROVIDES HIGHER RATES OF SEVERANCE PAY TO EMPLOYEES WHO ARE LAID OFF, WAS PASSED BY THE LEGISLATIVE COUNCIL TODAY.

THE AMOUNT OF SEVERANCE PAY FOR EACH YEAR OF SERVICE WILL BE INCREASED FROM ONE-THIRD TO HALF OF A MONTH'S PAY FOR MONTHLY-RATED EMPLOYEES, AND FROM 10 TO 13 DAYS' WAGES FOR THOSE WHO ARE TIME OR PIECE-RATED.

THE PERIOD OF CONTINUOUS SERVICE TAKEN INTO ACCOUNT FOR CALCULATION WILL ALSO BE INCREASED FROM FIVE TO EIGHT YEARS BEFORE AUGUST 23, 1974.

FIVE UNOFFICIAL MEMBERS SPOKE IN SUPPORT OF THE BILL AND ONE VOTED AGAINST IT.

SPEAKING IN SUPPORT OF THE BILL, DR. THE HON. S.Y. CHUNG SAID THAT UMELCO HAD RECEIVED A NUMBER OF OPPOSING REPRESENTATIONS FROM EMPLOYERS' ASSOCIATIONS AND GROUPS INTERESTED IN LABOUR MATTERS DURING THE PAST FEW WEEKS.

THE EMPLOYERS' ASSOCIATIONS, HE SAID, PARTICULARLY THOSE IN THE TEXTILES, GARMENT, PLASTIC AND RUBBER INDUSTRIES, WERE VOICING VERY STRONG OBJECTION AGAINST THE BILL.

+ONE OF THEIR MAIN CONCERNS IS THE LARGE INCREASE OF CONTINGENT LIABILITY BY OVER 100 PER CENT OVERNIGHT.

+ANOTHER MAJOR CONCERN OF THE EMPLOYERS' ASSOCIATIONS IS THE FAST CONTINUING INCREASE OF CONTINGENT LIABILITY IN FUTURE YEARS, + HE ADDED.

THE INCREASED CONTINGENT LIABILITY WOULD RESULT FROM TWO FACTORS, DR. CHUNG EXPLAINED.

+THE FIRST FACTOR IS OBVIOUSLY THE INCREASING NUMBER OF YEARS OF COMPANY SERVICE AND THE SECOND THE CONTINUAL TREND OF RISING WAGES, + HE SAID, AND IT COULD NOT BE DENIED THAT SUCH INCREASES OF CONTINGENT LIABILITY YEAR AFTER YEAR WAS NOT INSIGNIFICANT.

+HOWEVER, WE MUST NOT OVERLOOK THE PRACTICAL ASPECTS OF THE MATTER. FIRSTLY, THIS IS ONLY A CONTINGENT LIABILITY. NO SEVERANCE PAYMENT IS REQUIRED UNTIL AN INDUSTRIAL UNDERTAKING IS CLOSING DOWN OR REDUCING ITS LABOUR FORCE.

+SECONDLY, DUE TO VERY HIGH MOBILITY OF LABOUR IN HONG KONG, THE AVERAGE LENGTH OF SERVICE OF INDUSTRIAL WORKERS IN A GIVEN INDUSTRIAL UNDERTAKING IS, WITH SOME EXCEPTIONS SUCH AS IN TEXTILE SPINNING AND WEAVING, RELATIVELY SHORT.

/+IT IS .....

+IT IS NOT UNCOMMON FOR FACTORIES TO HAVE A LABOUR TURN-OVER OF BETWEEN 5 TO 10 PER CENT PER MONTH, NOR IS IT UNCOMMON TO FIND IN A FACTORY THAT MORE THAN ONE-QUARTER OF ITS WORKERS HAVE LESS THAN TWO YEARS OF COMPANY SERVICE AND MORE THAN ONE-HALF OF ITS WORK FORCE HAVE LESS THAN FIVE YEARS OF COMPANY SERVICE,+ HE SAID.

TO SUBSTANTIATE HIS OBSERVATIONS DR. CHUNG QUOTED STATISTICS WHICH SHOWED THAT THE NUMBER OF PERSONS ENGAGED IN THE MANUFACTURING INDUSTRY INCREASED FROM 600,000 IN DECEMBER 1974 TO ALMOST 780,000 IN DECEMBER 1976.

+THIS SHOWS THAT AT LEAST 180,000 INDUSTRIAL WORKERS OR 23 PER CENT OF THE PRESENT LABOUR FORCE IN MANUFACTURING INDUSTRY ARE NOT QUALIFIED FOR ANY SEVERANCE PAY,+ HE SAID, +SUCH A HIGH PERCENTAGE WILL FURTHER BE BOOSTED BY THE EFFECT OF HIGH LABOUR TURN-OVER.

+CONSEQUENTLY, IT IS NOT UNREASONABLE TO ASSUME THAT, ON AVERAGE MORE THAN ONE-QUARTER OF THE WORK FORCE IN A FACTORY HAVE NOT BEEN EMPLOYED UNDER A CONTINUOUS CONTRACT FOR A PERIOD OF 24 MONTHS AND ARE THEREFORE NOT QUALIFIED FOR SEVERANCE PAY.

+FURTHERMORE, IF AN EMPLOYER PRACTISES THE 'PRINCIPLE OF LAST-TO-COME, FIRST-TO-LEAVE' IN REDUCING HIS LABOUR FORCE IN TIMES OF BUSINESS RECESSION, AN EMPLOYER WILL NOT, AGAIN ON AVERAGE, BE REQUIRED TO PAY ANY SEVERANCE COMPENSATION, AT LEAST BY LAW, UNTIL HIS WORK FORCE IS REDUCED TO LESS THAN 75 PER CENT.+

IN ADDITION, HE SAID, WITH MAXIMUM SEVERANCE PAY LIMITED TO 12 MONTHS WAGES, COMPANY SERVICE BEYOND 24 YEARS BASED ON THE NEW RATES WOULD NOT BE COUNTED FOR CALCULATION, WHICH WAS ANOTHER RELIEF FOR EMPLOYERS.

FROM THE VIEWPOINT OF THE EMPLOYEE, DR. CHUNG SAID, ASSUMING \$30 AS THE CURRENT AVERAGE DAILY WAGE, EVEN WITH THE PASSING OF THE BILL, ONLY 11 OF A WORKER'S 24 YEARS SERVICE WOULD BE COUNTED AND HE WOULD GET \$4,290 FOR THIS SERVICE.

+I AM SURE NO HONOURABLE MEMBER IN THIS COUNCIL WILL SAY THAT SUCH AN AMOUNT IS OVER GENEROUS,+ HE SAID.

HE NOTED WITH SYMPATHY THE SERIOUS CONCERN OF CERTAIN EXPORT-ORIENTED INDUSTRIES, WHOSE PRODUCTS WERE MARGINALLY COMPETITIVE IN WORLD MARKETS, ABOUT RISING PRODUCTION COSTS AS A RESULT OF THE BILL.

HE SAID, HOWEVER, THAT UNDER THE CIRCUMSTANCES IN HONG KONG AT PRESENT, IT WAS NOT RIGHT TO HOLD UP OR EVEN SLOW DOWN THE SOCIAL PROGRESS AND ECONOMIC DEVELOPMENT IN ORDER TO LET A FEW MARGINAL INDUSTRIES REMAIN MARGINALLY COMPETITIVE.

+THERE ARE OTHER BETTER AND MORE EFFECTIVE WAYS TO HELP THESE MARGINAL INDUSTRIES,+ HE SAID. HE NOTED TWO POSSIBLE ALTERNATIVES FOR THEIR EMPLOYERS TO TAKE: ONE WAS TO CHANGE THEIR BUSINESS AND REMAIN IN THE HIGH-COST TERRITORY, THE OTHER WAS TO SHIFT THEIR BUSINESS TO A LOW-COST TERRITORY.

/HE ADDED .....

HE ADDED THAT THE PROCESS OF TRANSFERRING MARGINAL MANUFACTURING INDUSTRIES FROM HIGH-COST TO LOW-COST COUNTRIES WAS MOST DESIRABLE AND SHOULD BE ENCOURAGED BY ALL NATIONS BECAUSE IT WAS ONE OF THE MOST EFFECTIVE AND EFFICIENT WAYS OF INCREASING WORLD TRADE AS WELL AS OF ACCELERATING INDUSTRIALIZATION IN DEVELOPING COUNTRIES.

IT WAS SOCIALLY DESIRABLE, DR. CHUNG SAID, THAT SEVERANCE PAY SHOULD CARRY SOME ELEMENT OF RETIREMENT BENEFIT.

HONG KONG IS NOT YET A SOCIETY, HE POINTED OUT, +IN WHICH THERE IS A NATIONAL PENSION SCHEME OR A NATIONAL PROVIDENT FUND OR IN WHICH THERE IS UNIVERSAL PRACTICE OF RETIREMENT BENEFITS IN THE PRIVATE SECTOR FOR ALL LEVELS OF EMPLOYEES.+

FIVE OTHER UNOFFICIALS, THE HON. PETER WONG, REV. THE HON. PATRICK MCGOVERN, THE HON. HILTON CHEONG-LEEN, THE HON. JAMES WU AND THE HON. T.S. LO ALSO SPOKE ON THE BILL.

THE HON. PETER WONG, WHO WAS CONVENOR OF AN ADHOC GROUP APPOINTED BY THE UNOFFICIALS TO STUDY ITS PROVISIONS TOLD THE COUNCIL THAT THE GROUP MET NO LESS THAN FIVE TIMES AND RECEIVED DELEGATIONS FROM 18 ORGANISATIONS IN ADDITION TO NUMEROUS WRITTEN REPRESENTATIONS.

THE VIEWS OF THE EMPLOYERS' ORGANISATIONS, HE SAID, WERE BROADLY THAT THE LEGISLATION WAS UNWISE BECAUSE AT THE MOMENT, HONG KONG'S INDUSTRIES WERE CONFRONTED WITH UNCERTAIN WORLD ECONOMIC TRENDS, RISING ECONOMIC PRESSURE FROM IMPORTING COUNTRIES AND STRONG COMPETITION= THAT THE INCREASED CONTINGENT LIABILITY WOULD BE FAR BEYOND THE MEANS OF MANY, PARTICULARLY SMALL TO MEDIUM, INDUSTRIAL UNDERTAKINGS, AND THAT IT WAS QUESTIONABLE WHETHER THERE WAS ANY NEED OR JUSTIFICATION TO AMEND THE EXISTING LEGISLATION ONLY THREE YEARS AFTER ITS INTRODUCTION.

THE EMPLOYEES ON THE OTHER HAND, HE SAID, FELT THAT THE PROVISIONS DID NOT GO FAR ENOUGH ALTHOUGH THEY RECOGNISED THE GOOD INTENTION OF THE BILL.

BASICALLY, HE ADDED, THEY WANTED THE RETROSPECTIVE EFFECT OF THE LEGISLATION TO BE FURTHER EXTENDED FROM EIGHT TO TEN YEARS AND THE RATE OF 15 DAYS' WAGES FOR EACH YEAR'S SERVICE APPLIED TO BOTH MONTHLY AND NON-MONTHLY RATED WORKERS.

REV. THE HON. PATRICK MCGOVERN SAID WHILE HE SUPPORTED THE BILL AS A SMALL SLOW STEP IN THE RIGHT DIRECTION, HE BELIEVED IT LEFT MUCH MORE TO BE DONE.

HE SAID WORKERS WHO PRESENTED THEIR CONSTRUCTIVE OBSERVATIONS TO UMELCO HAD SEVERAL VALID CRITICISMS POINTING OUT WEAKNESSES IN OTHER SECTIONS OF THE SAME PART OF THE ORDINANCE AND ASKED THAT THESE BE CAREFULLY STUDIED AND THE REFORMS SUGGESTED BE QUICKLY INTRODUCED IN THE COUNCIL.

HE URGED THAT HONG KONG SHOULD NOT SLAVISHLY IMITATE THE PRACTICE OF OTHER COUNTRIES IN LEGISLATING FOR DAILY-RATED WORKERS ON THE BASIS OF A 26-DAY MONTH.

+I AM AWARE THAT THERE IS A QUESTION OF TWO UNPAID REST DAYS INCLUDED IN THE HALF MONTH, BUT I WOULD POINT OUT THAT THE SAME REST DAYS APPLY TO THE MONTHLY RATED ALSO,+ HE SAID.

HE DREW THE ATTENTION OF EMPLOYERS AND EMPLOYEES TO A PROVISIO IN THE ORDINANCE WHICH ENABLES WORKERS TO ELECT TO HAVE THEIR WAGES AVERAGED OVER THE PRECEDING 12 MONTHS.

+USE OF THIS PROVISIO MAY WELL BE A BETTER METHOD THAN COUNTING DAYS IN THE DYING MONTH OF A FIRM GOING OUT OF BUSINESS,+ HE SAID.

THE HON. HILTON CHEONG-LEEN SUPPORTED THE BILL AND NOTED THAT THE GOVERNMENT'S SOCIAL POLICY TO RAISE THE STANDARD OF LIVING AND THE CONDITIONS OF LABOUR IN A BALANCED AND STEADY MANNER WAS MOST LAUDABLE AND DESERVED THE UNWAVERING SUPPORT OF ALL SECTIONS OF THE COMMUNITY, +PROVIDING OF COURSE GOVERNMENT DOES NOT GIVE TOO MUCH OF AN IMPRESSION THAT IT IS FORCE-PACING THE RATE OF LABOUR LEGISLATION.+

HE WARNED THAT THE SIGNALS WERE UP THAT LABOUR LEGISLATION WOULD FROM NOW ON COME UNDER SHARPER SCRUTINY BY INDUSTRIALISTS, INVESTORS, AND BUSINESSMEN ALIKE, +WITH A VIEW TO ASSESSING THE LONG-TERM CONSEQUENCES EMANATING FROM SUCH LABOUR LEGISLATION.+

+IT WOULD BE USEFUL TO KNOW IF GOVERNMENT WILL BE MORE SYSTEMATICALLY MONITORING THE LEVELS OF WAGE INCREASES AND LABOUR BENEFITS, AND RELATE OR LINK THEM TO THE ANNUAL RISE IN G.D.P. SO AS TO ENSURE PARALLEL INCREASES IN PRODUCTIVITY AND ECONOMIC COMPETITIVENESS,+ HE SAID.

THE HON. JAMES WU SUPPORTED THE BILL +WITH THE GREATEST RELUCTANCE+.

HE REFERRED TO A SPEECH BY THE THEN ACTING SECRETARY FOR SOCIAL SERVICES ON JULY 3, 1974 WHEN PROPOSING A RATE OF SEVERANCE PAY OF 10 DAYS PER YEAR OF SERVICE DATING BACK FIVE YEARS.

HE QUOTED THE SECRETARY AS SAYING +THE RATE OF SEVERANCE PAY SHOULD PROVIDE ADEQUATE RELIEF TO A REDUNDANT WORKER BUT MUST NOT BE SUCH AS TO OVERSTRAIN THE SMALLER EMPLOYER WHO WOULD BE UNABLE TO MEET THEIR RESULTANT LEGAL OBLIGATIONS AND WOULD BE DRIVEN OUT OF BUSINESS. THIS IN TURN WOULD CREATE FURTHER REDUNDANCY AND DEFEAT THE OBJECT OF THIS LEGISLATION.+

MR. WU SAID: +I DO NOT KNOW WHETHER THE THEN ACTING SECRETARY OF SOCIAL SERVICES WOULD NOW SAY THAT THE SMALLER EMPLOYER COULD FACE UP TO THIS ALMOST SEVEN-FOLD INCREASE IN CONTINGENT LIABILITY WITHIN THREE YEARS AND NOT BE DRIVEN OUT OF BUSINESS AND THUS AVOID CREATING FURTHER REDUNDANCY AND DEFEAT THE OBJECT OF THE LEGISLATION. IT WOULD OTHERWISE SHOW THE INCONSISTANCY OF GOVERNMENT THINKING.+

/HE NOTED .....

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HE NOTED THAT THE FEDERATION OF HONG KONG INDUSTRIES HAD WRITTEN TO THE COMMISSIONER FOR LABOUR ON JANUARY 26 AND AGAIN ON MARCH 16 WHEN IT EXPRESSED THE STRONG FEELING THAT THE FINANCIAL BURDEN ON THEM, WHEN CALCULATED ON AVERAGE FUTURE EARNINGS OF WORKERS AND TAKING INFLATIONARY ELEMENTS INTO ACCOUNT, +WOULD SERIOUSLY AFFECT THE CONTINUED VIABILITY AND FUTURE DEVELOPMENT OF INDUSTRY BECAUSE OF A SUDDEN INCREASE OF CONTINGENT LIABILITY.+

MR. WU SAID IT WAS WELL-KNOWN THAT GENERALLY WORKERS IN HONG KONG CHOOSE TO HAVE A LARGER TAKE-HOME PAY IN PREFERENCE TO ANY DEFERRED BENEFITS.

+WITH SEVERANCE PAY NOW BECOMING INCREASINGLY A FACTOR, IT IS APPARENT THAT ALLOWANCE WOULD HAVE TO BE MADE FOR THIS FUTURE BENEFIT TO WORKERS AT THE COST OF PAY INCREASES.

+AFTERALL, WITH OUR PRESENT WAGES NOW 80 PER CENT HIGHER THAN TAIWAN AND MORE THAN DOUBLE THAT OF SOUTH KOREA, AND WITH A FAST NARROWING GAP IN OUR TRADITIONALLY STRONG INDUSTRIES BUT WITH A MUCH SMALLER INDUSTRIAL BASE, HOME MARKET AND LABOUR SOURCE, THERE IS A LIMIT TO WHAT WE CAN DO IN MORE SOPHISTICATION AND DIVERSIFICATION WITH WHICH TO RAISE WAGES WITHOUT PRICING OURSELVES OUT OF THE MARKET,+ HE SAID.

+WE ONLY HOPE THAT THOSE IN POWER, AND THOSE SAID TO BE CONCERNED, WOULD JUST LEND THEIR EARS AND STUDY MARKET CONDITIONS AND THE LONG TERM EFFECTS OF PROPOSED LABOUR LEGISLATIONS INSTEAD OF BASING THEIR JUDGEMENT ON PREJUDICE OR OUT-DATED INFORMATION,+ HE ADDED.

THE HON. T.S. LO VOTED AGAINST THE BILL +TO UNDERLINE THE SERIOUSNESS OF THE PRINCIPLE INVOLVED.+

HE SAID IT WAS WRONG IN PRINCIPLE TO SUDDENLY IMPOSE SUCH AN UNEXPECTED BURDEN ON EMPLOYERS WHO HAVE MADE NO PROVISION FOR SUCH SEVERANCE PAY.

+IN PRINCIPLE, THIS IS NO DIFFERENT FROM GOVERNMENT INTRODUCING A NEW FISCAL MEASURE TO INCREASE PROFITS TAX OR SALARIES TAX BY A FEW PER CENT AND BACKDATING IT FOR, SAY, TWELVE YEARS,+ HE SAID.

HE CONTINUED: +THE MISCHIEF OF A GOVERNMENT PRONE TO PUT THROUGH LEGISLATION WITH A RETROSPECTIVE ELEMENT IS THAT IT INDUCES A SENSE OF UNCERTAINTY IN THE MINDS OF THOSE WHO WORK AND LIVE WITHIN ITS JURISDICTION AND THAT IT MAKES A MOCKERY OF PROPER PLANNING.

+ACCORDINGLY, AND IN VIEW OF THE GOVERNMENT'S MAJORITY IN THIS COUNCIL, I CONSIDER IT APPROPRIATE FOR GOVERNMENT TO DISCLOSE THE PRINCIPLES IN ACCORDANCE WITH WHICH IT WILL IN FUTURE INTRODUCE LEGISLATION CONTAINING A RETROSPECTIVE ELEMENT.+

MR. LO SAID HE CONSIDERED THE SEVERANCE PAY LEGISLATION +A CLEAR EXAMPLE OF EMOTIVE LEGISLATION.+

IT HAS A TENDENCY, HE SAID, TO DISCOURAGE MOBILITY OF LABOUR, MAKE HONG KONG PRODUCTION LESS FLEXIBLE, ENCOURAGE DISPUTES, AND FOSTER BIG BUSINESS AT THE EXPENSE OF SMALL BUSINESS.

ALSO, HE SAID, IT WILL CONVERT A FUTURE PORTION OF REAL WAGES INTO A DEFERRED CONTINGENT BENEFIT, AMOUNTING TO AN UNSECURED LOAN TO THE EMPLOYERS, +SO THAT OUR WORKERS, WITHOUT EVER HAVING HAD THE MATTER PROPERLY EXPLAINED TO THEM, WILL BE DENIED IN FUTURE THE FREEDOM OF CHOOSING WHAT THEY WANT TO DO WITH THAT PART OF THEIR MONEY.+

HE SAID HE WOULD NOT DWELL ON THESE POINTS +PARTLY BECAUSE THEY HAVE BEEN MADE BEFORE WITHOUT ANY EFFECT ON THE GOVERNMENT AND PARTLY BECAUSE OF MY FAITH IN THE RESILIENCE OF HONG KONG PEOPLE AND THEIR ABILITY TO SURVIVE INAPPROPRIATE IMPORTED GOVERNMENT LEGISLATION.+

IN REPLY TO THE UNOFFICIALS, THE COMMISSIONER FOR LABOUR, THE HON. PETER WILLIAMS SAID THE VIEWS EXPRESSED BY EMPLOYERS AND EMPLOYEES HAVE, NOT UNNATURALLY, BEEN CONFLICTING.

THESE VIEWS, TOGETHER WITH INFORMED COMMENTS IN THE PRESS AND OPINIONS RECEIVED, BY MEMBERS OF THE PUBLIC HAD BEEN EXAMINED MOST CONSCIENTIOUSLY, HE SAID.

MR. WILLIAMS SAID THE ARGUMENT ABOUT CONTINGENT LIABILITY WAS SOMEWHAT SPECULATIVE SINCE THERE WAS NO REAL EVIDENCE EITHER TO SUPPORT OR TO DISPROVE IT.

HE WENT ON, +A GOING CONCERN WITH ORDERS IN HAND SHOULD NOT NORMALLY HAVE DIFFICULTY WITH BANK CREDIT. A FIRM SEEKING CREDIT WOULD BE JUDGED BY THE LENDING INSTITUTIONS ON ITS OVERALL CAPABILITY RATHER THAN ITS CONTINGENT LIABILITY IN CASE OF FAILURE.

+WHEN SEVERANCE PAY WAS FIRST INTRODUCED AND DEBATED IN 1974. A NUMBER OF MEMEBERS REFERRED TO EMPLOYERS' CONCERN THEN ABOUT THE LIMITATIONS OF CREDIT FACILITIES BEING MADE AVAILABLE BY BANKS TO INDUSTRIALISTS.+

+IN THE EVENT,+ HE SAID, +SINCE THE INTRODUCTION OF SEVERANCE PAY, THERE HAD BEEN NO PROBLEM IN THIS REGARD.+

MR. WILLIAMS PAID TRIBUTE TO THE RELEVANCE OF DR. CHUNG'S CONTRIBUTION TO THE DEBATE WITH HIS MATHEMATICAL AND PRACTICAL ANALYSES OF THE CONSEQUENCES OF THE AMENDING LEGISLATION.

HE THOUGHT THE APPREHENSION EXPRESSED ABOUT SECURITY OF EMPLOYMENT AND REDUCING JOB OPPORTUNITIES NOT REALISTIC, BECAUSE WHILE SEVERANCE PAY OBLIGATION MIGHT MAKE INDUSTRIALISTS THINK TWICE BEFORE OVER-EXTENDING THEIR LABOUR FORCE, OVERALL EMPLOYMENT OPPORTUNITIES WOULD NOT BE AFFECTED SO LONG AS THE OVERALL DEMAND WAS THERE.

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+IN FACT,+ SAID MR. WILLIAMS, +THE IMPROVEMENTS IN SEVERANCE PAY SHOULD BRING ABOUT A MORE COMPACT AND EFFICIENT WORK FORCE INSIDE EACH ESTABLISHMENT.+

MR. WILLIAMS SAID HE SUPPORTED DR. CHUNG 'S REFERENCE TO THE SECTION OF THE ORDINANCE DEALING WITH AN EMPLOYEE'S ENTITLEMENT TO SEVERANCE PAY WHEN HE IS ALSO ENTITLED TO A GRATUITY BASED UPON LENGTH OF SERVICE OR A PROVIDENT FUND SCHEME.

+IN SUCH A CASE,+ HE SAID, +THE SEVERANCE PAYMENT IS REDUCED BY THE AMOUNT OF GRATUITY OR PROVIDENT FUND. THOSE EMPLOYERS WHO SET UP THEIR OWN PROVIDENT FUNDS FOR THEIR EMPLOYEES, THEREBY DIMINISH ANY DIFFICULTIES THAT MIGHT ARISE OVER SEVERANCE PAY.+

MR. WILLIAMS CONTINUED: +AN IMPORTANT FACTOR IN THE CALCULATION OF SEVERANCE PAY FOR TIME OR PIECE-RATED EMPLOYEES WAS THE NUMBER OF DAYS INVOLVED.

+UNDER THE PRINCIPAL ORDINANCE, WORKERS ARE ENTITLED TO ONE REST DAY A WEEK. ON THE OTHER HAND WEEKLY REST DAYS ARE NOT BY STATUTE REQUIRED TO BE PAID AND AN EMPLOYEE MAY OPT TO WORK ON HIS REST DAY, AT THE REQUEST OF HIS EMPLOYER.

+CONSEQUENTLY WITHIN A PERIOD OF HALF A MONTH, NON-MONTHLY PAID WORKERS WOULD NORMALLY WORK AND BE PAID FOR 13 DAYS. THIRTEEN DAYS' WAGES ARE THEREFORE CONSIDERED EQUIVALENT TO HALF A MONTH'S PAY FOR NON-MONTHLY PAID WORKERS.+

+THIS PIECE OF LEGISLATION,+ SAID MR. WILLIAMS, +IS YET ANOTHER MEASURE OF THE SUCCESS OF OUR INDUSTRIALISATION PROCESS. THE COMMENTS MADE BY THE UNOFFICIAL MEMBERS THIS AFTERNOON WILL BE OF CONSIDERABLE ASSISTANCE TO US ALL IN DEALING WITH THIS PROCESS.+

THE ATTORNEY GENERAL, THE HON. JOHN HOBLEY, IN REPLY TO THE POINT RAISED BY MR. LO ON THE PRINCIPLES WHICH GUIDE THE GOVERNMENT IN RELATION TO RETROSPECTIVE LEGISLATION, SAID HE COULD ONLY SAY IN THE TIME THAT HAD BEEN AVAILABLE HE COULD NOT POSSIBLY GIVE A FULL GENERAL ANSWER TO THE IMPORTANT QUESTION.

HE SAID HOWEVER THAT HE DID NOT CONSIDER ANYTHING IN THE BILL WAS RETROSPECTIVE +IN A WAY WHICH OFFENDS AGAINST THE PRINCIPLES.+

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SEVEN DAYS ANNUAL LEAVE FOR WORKERS

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A BILL WHICH AIMS TO GIVE HONG KONG WORKERS SEVEN DAYS ANNUAL LEAVE HAD ITS FIRST AND SECOND READING IN THE LEGISLATIVE COUNCIL TODAY.

IT COVERS ALL MANUAL WORKERS IRRESPECTIVE OF THEIR EARNINGS AND NON-MANUAL EMPLOYEES EARNING UP TO \$2,000 A MONTH WHO HAVE SERVED 12 MONTHS WITH ONE EMPLOYER.

MOVING THE SECOND READING OF THE EMPLOYMENT (AMENDMENT) (NO. 3) BILL 1977, THE NEW COMMISSIONER FOR LABOUR, THE HON. PETER WILLIAMS, SAID THE SEVEN DAYS ANNUAL LEAVE WOULD BE IN ADDITION TO THE TEN STATUTORY HOLIDAYS WORKERS ARE ALREADY ENTITLED TO BY LAW.

MR. WILLIAMS SAID THAT ONE OF THE MOST IMPORTANT POINTS IN THE BILL WAS THAT A WORKER'S ENTITLEMENT TO PAID HOLIDAYS EACH YEAR SHOULD BE CONSECUTIVE AND THIS PERIOD COULD INCLUDE STATUTORY HOLIDAYS OR REST DAYS.

+THIS WOULD MEAN,+ MR. WILLIAMS CONTINUED,+THAT SEVEN CONSECUTIVE DAYS OF LEAVE COULD BE TAKEN AT CHINESE NEW YEAR, MADE UP OF THREE STATUTORY HOLIDAYS PLUS FOUR DAYS OF THE SEVEN DAYS ANNUAL LEAVE, ADDED BEFORE OR AFTER THE CHINESE NEW YEAR HOLIDAYS.

+IN SUCH A CASE, THE REMAINING THREE DAYS OF THE ANNUAL LEAVE COULD BE TAKEN AT SOME OTHER TIME OF THE YEAR EITHER TOGETHER OR SEPARATELY, BY THE EMPLOYEE AGREED WITH HIS EMPLOYER.+

MR. WILLIAMS EXPLAINED THAT THE MAIN REASON FOR INSISTING ON A FIXED PERIOD OF CONSECUTIVE LEAVE WAS THAT IT WOULD CONTRIBUTE TO BETTER HEALTH AND BETTER MORALE BY GIVING THE WORKER A HOLIDAY RATHER THAN JUST A DAY OFF.

THE BILL, WHICH WILL COME INTO FORCE ON JANUARY 1 NEXT YEAR IF ENACTED, PROHIBITS PAYMENT IN LIEU OF LEAVE EXCEPT WHERE AN EMPLOYEE'S CONTRACT IS TERMINATED. IN THIS CASE, ANY ANNUAL LEAVE EARNED AND NOT TAKEN WILL BE ENTITLED TO ANNUAL LEAVE PAY ON A PRO-RATA BASIS.

MR. WILLIAMS SAID THAT GOVERNMENT, IN DECIDING ON THE NEED AND EXTENT OF THE HOLIDAYS, WAS GUIDED SOLELY BY WHAT IT BELIEVED TO BE IN THE WIDE INTERESTS OF BOTH EMPLOYERS AND EMPLOYEES.

HE SAID: +IN CASE IT SHOULD BE SUGGESTED THAT THIS MEASURE WOULD AFFECT HONG KONG'S COMPETITIVE POSITION IT SHOULD BE NOTED THAT ARRANGEMENTS PREVAILING IN NEIGHBOURING ASIAN COUNTRIES VARY, BUT RANGE BETWEEN SIX AND 13 DAYS A YEAR.

+THERE IS NO SIMILAR COMMUNITY WHICH MAKES NO PROVISION FOR ANNUAL LEAVE,+ HE ADDED.

INTERNATIONAL LABOUR CONVENTION NO. 132 RECOMMENDS ANNUAL HOLIDAYS OF AT LEAST THREE WORKING WEEKS, WHICH MUST INCLUDE AT LEAST TWO UNINTERRUPTED WORKING WEEKS, THOUGH FEW COUNTRIES HAVE YET RATIFIED IT.

MR. WILLIAMS SAID THE LABOUR ADVISORY BOARD AND THE EMPLOYERS' ASSOCIATIONS HAVE ALL SUPPORTED THE PRINCIPLE OF SEVEN DAYS' ANNUAL LEAVE WITH PAY, THOUGH THEY DIFFERED ON OTHER ASPECTS OF THE PROPOSALS.

COMMENTING ON SOME CRITICS' SUGGESTION THAT THE GOVERNMENT INSISTENCE ON A PERIOD OF LEAVE TAKEN CONSECUTIVELY AND WITHOUT PAY-IN-LIEU, WOULD BE IMPOSING ITS WISHES ON WORKERS, MR. WILLIAMS SAID: +THE GOVERNMENT'S VIEW IS THAT PAYMENT OF ADDITIONAL WAGES IN LIEU OF LEAVE WOULD DEFEAT THE SOCIAL OBJECTIVE OF GIVING WORKERS A PERIOD OF LEAVE SO THAT THEY MAY ENJOY A REASONABLE REST FROM THEIR WORK AND A CHANGE FROM THEIR NORMAL WORKING LIFE.+

+HOWEVER, TO AVOID RIGIDITY IN APPLICATION OF THESE NEW MEASURES, THE BILL NOW PROPOSES THAT THE SEVEN CONSECUTIVE DAYS' ABSENCE FROM WORK MAY BE MADE UP PARTLY OF DAYS OF ANNUAL LEAVE AND PARTLY OF REST DAYS OR STATUTORY HOLIDAYS OR BOTH, SO LONG AS THE EMPLOYEE RECEIVES THE BALANCE OF HIS ANNUAL LEAVE DAYS AT SOME OTHER TIME IN THE YEAR,+ HE ADDED.

REFERRING TO OTHER COMMENTS AND RECENT ADVERTISEMENTS IN THE PRESS IN WHICH SOME EMPLOYERS ARGUED THAT THE INTRODUCTION OF A COMPULSORY CONSECUTIVE SEVEN DAYS' HOLIDAY, AT A TIME WHEN THERE WAS A SHORTAGE OF LABOUR IN SOME SECTORS OF INDUSTRY AND FUTURE PROSPECTS WERE NOT CLEARLY FAVOURABLE, WOULD DAMAGE THE ECONOMY, MR. WILLIAMS SAID: +I THINK THIS IS TOO PESSIMISTIC A VIEW.+

HE SAID: +THERE WILL OF COURSE BE SOME CONSEQUENTIAL INCREASE IN THE SIZE OF THE WAGE BILL.

+IT HAS BEEN CALCULATED THAT, IF REPLACEMENT WORKERS ARE ENGAGED TO FILL ALL VACANCIES CAUSED BY ANNUAL LEAVE, THE WAGE BILL WOULD INCREASE BY NOT MORE THAN 2.3 PER CENT.

+AGAINST THIS MUST BE SET THE FACT THAT MANY EMPLOYERS ALREADY GIVE ANNUAL LEAVE TO THEIR EMPLOYEES IN MORE GENEROUS TERMS THAN THOSE PROPOSED IN THIS BILL AND THAT THE BENEFITS OF A PERIOD OF REST MAY BE EXPECTED TO IMPROVE THE PRODUCTIVITY OF THE WORKERS.

+I DO NOT THEREFORE ACCEPT THAT THE ECONOMIC EFFECTS OF THIS MEASURE WILL BE SIGNIFICANT, FAR LESS SERIOUS. BUT I DO ASSERT THAT THESE ARE MEASURES WHICH CONFER ON OUR WORKERS A BENEFIT WHICH THEIR EFFORTS HAVE SURELY JUSTIFIED.

+THE PROSPERITY OF HONG KONG, AS IS SO OFTEN SAID, IS FOUNDED UPON THE EFFICIENCY, ZEAL AND ADAPTABILITY OF AN INTELLIGENT WORK FORCE, SURELY IT IS RIGHT THAT THEIR CONDITIONS OF EMPLOYMENT SHOULD BE IMPROVED SO THAT THEY MAY ENJOY SOMETHING OF THE INCREASED PROSPERITY WHICH THEY HAVE DONE SO MUCH TO HELP TO CREATE,+ MR. WILLIAMS SAID.

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HONG KONG YAUMATI FERRY FARE INCREASE  
APPROVED  
\* \* \*

THE LEGISLATIVE COUNCIL HAS APPROVED AN INCREASE ON THE ADULT FARE OF MOST OF THE HONG KONG YAUMATI FERRY COMPANY'S CROSS-HARBOUR PASSENGER FERRY SERVICES FROM 30 CENTS TO 40 CENTS FROM JULY 1, 1977.

THE PRICE OF A MONTHLY TICKET WILL BE CORRESPONDINGLY INCREASED FROM \$12 TO \$16 WHILE CHILDREN'S AND STUDENTS' FARES WILL REMAIN UNCHANGED AT 20 CENTS AND \$6 FOR A MONTHLY TICKET.

THE SECRETARY FOR THE ENVIRONMENT, THE HON. DEREK JONES, WHEN MOVING THE FARE INCREASE THIS AFTERNOON, EXPLAINED THAT THIS WOULD BE THE THIRD ROUND OF MEASURES ADOPTED BECAUSE OF THE FERRY COMPANY'S FINANCIAL POSITION.

HE SAID THAT IN AUGUST LAST YEAR, THE COUNCIL HAD AGREED TO ABOLISH ROYALTY AND MONTHLY FEES CHARGED ON THE COMPANY AND TO INTRODUCE A ONE-CLASS FARE ON CROSS-HARBOUR PASSENGER SERVICES, AND LAST DECEMBER, CERTAIN INCREASES IN FARES WERE APPROVED ON OUTLYING DISTRICT SERVICES.

MR. JONES NOTED THAT THE COMPANY HAD ONLY A 2 PER CENT RETURN OF \$2 MILLION ON ITS NET FIXED ASSETS OF SOME \$100 MILLION EMPLOYED IN ITS FERRY OPERATIONS LAST YEAR.

+AND, EVEN THEN, ALL THIS PROFIT AND MORE CAME FROM THE VEHICULAR SERVICES, WHILE THE PASSENGER SERVICES AS A WHOLE MADE A LOSS,+ HE SAID.

HE EXPECTED THAT THE 10 CENTS FARE INCREASE WOULD GIVE A MODEST PROFIT OF ABOUT \$3.9 MILLION, OR ROUGHLY 4 PER CENT ON THE NET FIXED ASSETS EMPLOYED, IN 1977, ASSUMING THAT THE SMALL INCREASE WOULD ONLY DETER SOME 5 PER CENT OF PRESENT FERRY PASSENGERS.

+EVEN IN THESE CIRCUMSTANCES, HOWEVER, THE LARGER PART OF THE COMPANY'S PROFITS WOULD CONTINUE TO COME FROM NON-FERRY OPERATIONS,+ MR. JONES POINTED OUT.

HE SAID THAT THE NUMBER OF PASSENGERS CARRIED ON THE COMPANY'S CROSS-HARBOUR FERRIES DECLINED BY A FURTHER 7 PER CENT LAST YEAR WITH THE RESULT THAT SIX OF THE ELEVEN FERRY ROUTES WHICH WERE TO BE AFFECTED BY THE FARE REVISION +DID NOT EVEN MAKE ENOUGH REVENUE IN 1976 TO COVER THEIR DIRECT OPERATING COSTS, LET ALONE MAKE ANY CONTRIBUTION TO THE DEPRECIATION OF THEIR VESSELS OR TO GENERAL OVERHEADS.+

/+IT IS .....

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+IT IS FORECAST THAT, IF THIS IS ALLOWED TO CONTINUE, WITH NO FURTHER AMELIORATING ACTION BEING TAKEN, THE COMPANY IS LIKELY TO MAKE A LOSS ON ITS FERRY OPERATIONS AS A WHOLE IN 1977,+ HE SAID.

+IT WOULD THEN ONLY BE KEPT GOING BY THE PROFITS MADE ON ITS NON-FERRY OPERATIONS WHICH WOULD, IN EFFECT, THEN BE SUBSIDISING THE FERRIES.+

HE POINTED OUT THAT THE WORST LOSSES WERE THE WAN CHAI TO JORDAN ROAD AND WAH CHAI TO HUNG HOM FERRY ROUTES, AND SERIOUS CONSIDERATION WAS GIVEN TO WHETHER ONE OR BOTH OF THEM SHOULD BE WITHDRAWN.

HOWEVER, HE SAID, IT WAS FELT THAT ON TRANSPORT GROUNDS THEY SHOULD BE CONTINUED, ESPECIALLY AS THE WAN CHAI RECLAMATION WAS NOW BEING DEVELOPED, AND IT WAS AGREED WITH THE COMPANY THAT ONE VESSEL SHOULD BE REMOVED FROM THE WAN CHAI-JORDAN ROAD ROUTE.

+THIS WILL SLIGHTLY REDUCE THE FREQUENCY OF SERVICE BUT THE SAVINGS REALISED, ALONG WITH THE FARE INCREASE, SHOULD MORE OR LESS ELIMINATE THE DIRECT OPERATING LOSS ON THE TWO ROUTES WITHOUT CAUSING ANY SIGNIFICANT INCONVENIENCE TO THE TRAVELLING PUBLIC,+ HE SAID.

MR. JONES TOLD THE COUNCIL THAT DISCUSSIONS WERE CONTINUING BETWEEN THE GOVERNMENT AND THE COMPANY ON FURTHER MEASURES TO CUT COSTS OR IMPROVE THE EFFICIENCY OF FERRY SERVICES.

SINCE DECEMBER WHEN THE AFFAIRS OF THE COMPANY WERE LAST DEBATED, THREE SURPLUS VESSELS HAD BEEN SOLD AND SAVINGS HAD BEEN MADE IN ADMINISTRATIVE COSTS, HE SAID.

HE ADDED THAT EFFORTS WERE ALSO BEING MADE TO SELL THE WATER TAXIS WHICH HAD PROVED TO BE VERY EXPENSIVE TO RUN, AND TO DATE, ONE OF THEM HAD BEEN SOLD WHILE THE COMPANY REPORTED THAT THERE WERE GOOD PROSPECTS OF DISPOSING OF OTHERS.

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SEIZURE OF DRUG TRAFFICKERS' ASSETS  
\* \* \* \* \*

CONSIDERATION IS BEING GIVEN TO THE POSSIBILITY OF PROVIDING THAT THE ASSETS OF CONVICTED DRUG TRAFFICKERS, INCLUDING ASSETS HELD BY OTHERS ON THEIR BEHALF, SHOULD BE LIABLE TO FORFEITURE UNLESS A COURT IS SATISFIED THAT THE ASSETS WERE ACQUIRED HONESTLY, THE ATTORNEY GENERAL, THE HON. JOHN HOBLEY, TOLD THE LEGISLATIVE COUNCIL TODAY.

MR. HOBLEY WAS REPLYING TO A QUESTION FROM DR. THE HON. HENRY HU ON WHETHER AMENDING LEGISLATION TO PROVIDE FOR SUCH SEQUESTRATION WOULD BE INTRODUCED BY THE GOVERNMENT.

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IMPROVEMENTS TO PRINCESS MARGARET ROAD FLYOVER  
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THE DIRECTOR OF PUBLIC WORKS, MR. DAVID MCDONALD, SAID TODAY THAT THE NEW SKID-RESISTANT TOPPING BEING APPLIED TO PRINCESS MARGARET ROAD FLYOVER WOULD IMPROVE THE SKID RESISTANCE OF THE ROAD BY ABOUT 64 PER CENT.

IN REPLY TO QUESTIONS IN THE LEGISLATIVE COUNCIL, MR. MCDONALD SAID THAT IN ADDITION TO THE APPLICATION OF THE TOPPING WHICH WOULD BE COMPLETED WITHIN THE NEXT FEW DAYS, VERY LARGE +SLOW+ SIGNS HAD BEEN INSTALLED ALONGSIDE THE ROADWAY TO HELP IMPROVE DRIVING SAFETY ON THE FLYOVER.

ANSWERING A QUESTION FROM DR. THE HON. S.Y. CHUNG, HE SAID THAT +A LONG TERM SOLUTION IS, HOWEVER, BEING EXAMINED WHICH, IF ADOPTED, WOULD ADD ONE EXTRA LANE TO THE ROADWAY AND WOULD PERMIT THE ERECTION OF A CENTRAL DIVIDER.+

UNFORTUNATELY, MR. MCDONALD SAID, THE PRESENT FLYOVER IS OF INSUFFICIENT WIDTH TO ALLOW FOR CRASH BARRIERS TO BE INSTALLED IN THE MIDDLE OF THE CARRIAGEWAY TO ELIMINATE THE POSSIBILITY OF HEAD-ON COLLISIONS.

NOR COULD THE POSSIBILITY OF CLOSING ONE OF THE SOUTHBOUND LANES BE ENTERTAINED.

+THE DOUBLE SOUTHBOUND LANES ARE REQUIRED TO PROVIDE A FASTER FLOW OF TRAFFIC TO THE SOUTH TO REDUCE THE TRAFFIC BACK UP WHICH WOULD AFFECT THE JUNCTION IN WATERLOO ROAD,+ MR. MCDONALD SAID.

QUESTIONED ABOUT THE TRANSVERSE GRADIENT ON THE CARRIAGEWAY, HE SAID THAT IT WAS +DESIGNED FOR A SPEED OF 30 MPH, WHICH IS THE CORRECT SUPER ELEVATION FOR THE ROAD.+

MR. MCDONALD ALSO SAID THAT +ALTHOUGH THE FLYOVER IS ADEQUATELY DESIGNED TO ACCOMMODATE VEHICLES TRAVELLING WITHIN THE URBAN SPEED LIMIT OF 30 MPH IT WOULD APPEAR THAT MANY DRIVERS ARE NOT STAYING WITHIN THE SPEED LIMIT NOR ARE THEY EXERCISING DUE CARE AND ARE THEREBY PUTTING THEMSELVES AND OTHER ROAD USERS AT RISK.+

EARLIER, SECRETARY FOR THE ENVIRONMENT, THE HON. DEREK JONES SAID THAT IN THE 17-MONTH PERIOD FROM JANUARY 1 LAST YEAR TO MAY 26 THIS YEAR THERE WERE 26 TRAFFIC ACCIDENTS ON PRINCESS MARGARET ROAD FLYOVER WHICH RESULTED IN 12 PERSONS BEING KILLED, 28 SERIOUSLY INJURED AND 34 HAVING SUFFERED MINOR INJURIES.

OF THE 26 ACCIDENTS, 13 OCCURRED DURING DAYLIGHT AND 13 AT NIGHT. NO FEWER THAN 17 OF THEM INVOLVED HEAD-ON COLLISIONS.

+THE SPEED RESTRICTION ON THIS FLYOVER IS 30 MPH AND IT WOULD APPEAR THAT MANY OF THE VEHICLES INVOLVED WERE TRAVELLING AT SPEEDS IN EXCESS OF THIS LIMIT,+ MR. JONES SAID.

/+THIS .....

+THIS COULD LEAD TO DRIVERS HAVING INSUFFICIENT CONTROL OF THEIR VEHICLES AND CRASHING HEAD ON WITH VEHICLES COMING IN THE OPPOSITE DIRECTION.+

SOME OF THE ACCIDENTS ALSO APPEARED TO RESULT FROM DRIVERS OVERTAKING ON THE FLYOVER WITHOUT PROPER CARE, HE ADDED.

THE COMMISSIONER OF POLICE IS SETTING UP A SPEED DETECTION UNIT ON THE APPROACHES TO THE FLYOVER IN SUCH A WAY THAT ITS PRESENCE WILL BE MADE OBVIOUS TO DRIVERS, APART FROM ENGINEERING MEASURES BEING CARRIED OUT ON THE FLYOVER, MR. JONES POINTED OUT.

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SERIES OF TUNNELS AND ELEVATED  
HIGHWAYS FOR FUTURE TRAFFIC  
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THE PUBLIC WORKS DEPARTMENT IS PLANNING TO BUILD A SERIES OF TUNNELS AND ELEVATED HIGHWAYS TO CATER FOR HONG KONG'S FUTURE TRAFFIC REQUIREMENTS, THE SENIOR HIGHWAYS OFFICE PLANNING ENGINEER, MR. PANG HAU-CHUNG, SAID TODAY.

IN PREPARING THEIR PROPOSALS, MR. PANG SAID, PLANNERS HAD TAKEN THREE PRINCIPAL POINTS INTO CONSIDERATION. +THESE WERE THE GROWTH OF POPULATION, PARTICULARLY IN THE NEW TERRITORIES OVER THE NEXT 20 YEARS= THE INCREASE IN MOTOR VEHICLE OWNERSHIP AND INCREASED USE OF PUBLIC TRANSPORT WHICH WILL RESULT FROM INCREASING PERSONAL INCOME= AND APPROPRIATE CONCERN FOR THE ENVIRONMENTAL STANDARDS.+

MR. PANG, WHO IS THE SENIOR PLANNING ENGINEER IN THE P.W.D.'S TRAFFIC AND TRANSPORT SURVEY DIVISION, WAS ADDRESSING A ROTARY CLUB OF KOWLOON WEST LUNCHEON.

HE SAID THAT BETWEEN NOW AND 1981 THE PRIMARY DISTRIBUTOR NETWORK IN KOWLOON WOULD BE IMPROVED WITH THE COMPLETION OF THE AIRPORT TUNNEL ROUTE, AN ELEVATED ROAD ALONG CHATHAM ROAD AND KOWLOON CITY ROAD, DUPLICATION OF THE LION ROCK TUNNEL, AND THE CONSTRUCTION OF STAGE I OF TUEN MUN ROAD.

+OTHER MAJOR ROUTES AT VARIOUS STAGES OF PLANNING, DESIGN, OR CONSTRUCTION INCLUDE WEST KOWLOON CORRIDOR, TSUEN WAN BY-PASS, STAGE II OF TUEN MUN ROAD, ROUTE 5 FROM TSUEN WAN TO SHA TIN, ROUTE 16 FROM LAI CHI KOK TO SHA TIN AND A COASTAL ROAD FROM SHA TIN TO TAI PO,+ MR. PANG SAID.

ON HONG KONG ISLAND THE FUTURE MOVEMENT OF TRAFFIC WILL BE HELPED BY THE OPENING OF THE ABERDEEN TUNNEL IN 1980 AND THE COMPLETION OF A MULTI-LANE ROAD FROM CENTRAL TO THE DEVELOPING AREAS ON THE NORTH EASTERN END OF THE ISLAND, HE SAID.

+STAGE I OF THE PROJECT, FROM CAUSEWAY BAY TO NORTH POINT IS DUE FOR COMPLETION IN LATE 1982.+

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+OTHER MAJOR PROJECTS INCLUDE THE FLYOVER CONNECTION BETWEEN POKFULAM ROAD AND CONNAUGHT ROAD WEST, TAI HANG ROAD AND LAU SIN STREET FLYOVERS, THE REMAINING STAGES OF THE ISLAND EAST CORRIDOR, ELEVATED ROAD ALONG CONNAUGHT ROAD CENTRAL, AND AP LEI CHAU BRIDGE.+

MR. PANG SAID THAT THE COMPREHENSIVE TRANSPORT STUDY WHICH WAS SUBMITTED TO GOVERNMENT LAST DECEMBER HAD USED THE LATEST TRANSPORTATION PLANNING TECHNIQUES AND NEW ANALYTICAL METHODS TO DETERMINE THE FUTURE ROAD NEEDS OF HONG KONG.

+ALL THE REPORT'S RECOMMENDATIONS ARE BEING STUDIED BY A GOVERNMENT TEAM, HEADED BY THE SECRETARY FOR THE ENVIRONMENT, FORMULATING POLICIES ON TRANSPORT,+ MR. PANG SAID, +AND THEY WOULD WELCOME ANY COMMENTS FROM THE PUBLIC+.

+THE NETWORK PROPOSED BY PREVIOUS STUDIES CONSISTS BASICALLY OF A LIMITED MILEAGE OF NEW AND IMPROVED ROUTES CALLED PRIMARY DISTRIBUTORS, AND A SECONDARY SYSTEM OF IMPROVED EXISTING ROUTES, CALLED DISTRICT DISTRIBUTORS TO ACT AS FEEDERS AND CONNECTIONS BETWEEN THE PRIMARY DISTRIBUTOR NETWORK ELEMENTS AND THE EXISTING ROAD SYSTEM.+

BUT IN IMPLEMENTING THESE RECOMMENDATIONS, P.W.D. ROAD DESIGNERS ARE CONSTRAINED BY EXTREMELY HIGH BUILDING DENSITIES AND THE DIFFICULT TERRAIN, MR. PANG SAID.

+IN THE BUILT UP AREAS, BUILDING NEW ROADS OR WIDENING EXISTING STREETS WOULD BE PROHIBITIVELY EXPENSIVE BECAUSE OF THE HIGH COST OF ACQUISITION,+ MR. PANG SAID.

+THEREFORE ROAD IMPROVEMENTS IN THESE AREAS USUALLY TAKE THE FORM OF ELEVATED ROADWAYS AND RAMPS ALONG EXISTING ROAD RESERVES OR ONLY LIMITED WIDENING.

+IN A FEW WATERFRONT LOCATIONS, NEW ROADS CAN BE CONSTRUCTED ON RECLAIMED LAND, WHILE INLAND THE MAJOR FACTORS AFFECTING ROAD LOCATION ARE THE LIMITATIONS OF GEOMETRIC DESIGN STANDARDS AND THE ENGINEERING SOLUTIONS TO THESE IN MOUNTAINOUS TERRAIN.+

MR. PANG SAID THAT +BECAUSE OF THESE RESTRICTIONS, IT IS OBVIOUS THAT IN MANY CASES, THE DESIGN SPEEDS AND LEVELS OF SERVICE PROVIDED IN HONG KONG WOULD BE LOWER THAN WOULD BE USED FOR OTHER WESTERN COUNTRIES.

+BUT ON THE OTHER HAND, EVERY ATTEMPT HAS BEEN MADE TO OBTAIN HIGH TRAFFIC CAPACITIES BECAUSE OF THE FORECAST DEMANDS FOR HIGHWAYS.+

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SHORTER STAY REQUIRED IN DRUG ADDICTION TREATMENT CENTRES  
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THE AVERAGE LENGTH OF STAY IN DRUG ADDICTION TREATMENT CENTRES HAS SHORTENED BECAUSE OF EXPERIENCE GAINED IN CONDUCTING THE TREATMENT PROGRAMME, THE SECRETARY FOR SECURITY, THE HON. LEWIS DAVIES SAID WHEN MOVING THE DRUG ADDICTION TREATMENT CENTRES (AMENDMENT) BILL IN LEGISLATIVE COUNCIL TODAY.

THE BILL PROPOSES TO REDUCE THE PERIOD OF DETENTION IN A TREATMENT CENTRE FROM A MAXIMUM OF 18 MONTHS TO 12 MONTHS AND FROM A MINIMUM OF SIX MONTHS TO FOUR MONTHS.

MR. LEWIS NOTED THAT THE AVERAGE LENGTH OF STAY IN TREATMENT CENTRES IN 1973 WAS 10 MONTHS AND IN THE LAST TWO YEARS 7-1/2 MONTHS.

+LIKewise, IN 1973, 435 ADDICTS SPENT MORE THAN 12 MONTHS IN ONE OF THESE CENTRES WHEREAS IN 1975 AND 1976, THE NUMBER HAD FALLEN TO UNDER TEN. TODAY THERE ARE NONE,+ HE SAID.

+DESPITE THE SHORTER PERIOD OF STAY THE SUCCESS RATE HAS REMAINED HIGH, BY COMPARABLE STANDARDS ELSEWHERE,+ HE ADDED.

THE REVISED LIMITS OF STAY WERE CONSIDERED BY THE COMMISSIONER OF PRISONS IN THE LIGHT OF THESE ENCOURAGING CIRCUMSTANCES AND HAVE THE SUPPORT OF THE ACTION COMMITTEE AGAINST NARCOTICS, MR. LEWIS SAID.

HE POINTED OUT THAT IT WAS THOUGHT THE LENGTH OF THE MAXIMUM PERIOD AN ADDICT MIGHT SPEND UNDER TREATMENT HAS SOME PSYCHOLOGICAL EFFECT ON HIS ATTITUDE TO THE TREATMENT PROGRAMME.

+A REDUCED PERIOD OF DETENTION SEEMS JUSTIFIED ON THE ACTUAL AVERAGE LENGTH OF TREATMENT, BUT IT SHOULD HAVE THE ADDITIONAL BENEFIT OF ENCOURAGING AN EVEN MORE POSITIVE RESPONSE BY ADDICTS TO THE TREATMENT PROGRAMME,+ HE SAID.

A SUPPLEMENTARY BENEFIT FROM REDUCING THE MAXIMUM AND MINIMUM PERIOD OF DETENTION, HE SAID, WOULD BE TO INCREASE THE THROUGHPUT AT THE FOUR TREATMENT CENTRES, WHICH HAVE A CERTIFIED ACCOMMODATION FOR 1,618 ADDICTS BUT AN ACTUAL POPULATION OF 1,775.

+IT IS OUR AIM, OF COURSE, TO HAVE A PLACE FOR ALL PERSONS WHO ARE FOUND SUITABLE FOR TREATMENT,+ HE STRESSED.

THE PRESENT ARRANGEMENTS BY WHICH A RELEASED INMATE REMAINS SUBJECT TO A SUPERVISION ORDER FOR A PERIOD OF 12 MONTHS UNDER THE PRISONS DEPARTMENT'S AFTER-CARE SERVICE WOULD NOT BE ALTERED BY THE AMENDMENT BILL.

DEBATE ON THE BILL WAS ADJOURNED.

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HIGHER EDUCATION TO COST GOVT \$1,300M  
OVER NEXT TRIENNIUM 1978-81  
\* \* \* \* \*

OVER THE NEXT THREE FINANCIAL YEARS BETWEEN 1978-79 AND 1980-81 THE TOTAL COST TO PUBLIC FUNDS FOR THE TWO UNIVERSITIES AND THE POLYTECHNIC WOULD BE ABOUT \$1,300 MILLION, THE CHAIRMAN OF THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE, THE HON. JOHN BREMRIDGE, SAID IN THE LEGISLATIVE COUNCIL TODAY.

BY THEN THE TOTAL FULL-TIME STUDENT POPULATION IN THE THREE HIGHER LEARNING INSTITUTIONS WOULD HAVE RISEN TO NEARLY 20,000, MR. BREMRIDGE PREDICTED IN A SPEECH ON THE SPECIAL REPORT OF THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE FOR THE PERIOD 1965-76.

TEN YEARS AGO THE FULL-TIME STUDENT POPULATION OF THE TWO UNIVERSITIES WAS 3,912, AND THE POLYTECHNIC WAS ONLY A SCHEME OF VISIONARIES. TODAY HONG KONG UNIVERSITY HAS A FULL-TIME STUDENT POPULATION OF 4,036- CHINESE UNIVERSITY 4,171- AND THE POLYTECHNIC 7,760 FULL-TIME EQUIVALENT. THE TOTAL, INCLUDING PART-TIME DAY AND EVENING STUDENTS, IS ABOUT 16,000.

THE TOTAL GOVERNMENT EXPENDITURE ON THE TWO UNIVERSITIES IN 1965-66 WAS \$33 MILLION. IN 1975-76 AND NOW INCLUDING THE POLYTECHNIC IT WAS \$320 MILLION.

MR. BREMRIDGE SAID THAT SUCH +EXPLOSIVE INCREASES+ REQUIRED THE MOST SENSITIVE HANDLING BY THE TWO VICE CHANCELLORS AND THE DIRECTOR.

BUT, HE ADDED, +EVEN MORE REMARKABLE HAS BEEN THE FINANCE THAT GOVERNMENT HAS PROVIDED OVER A PERIOD WHEN THERE HAS BEEN GREAT FINANCIAL STRINGENCY, AND WHEN ISSUES OF PRIORITIES HAVE BEEN DIFFICULT.+

+ALL THIS MONEY HAS BEEN FUNNELLED THROUGH THE GRANTS COMMITTEE AND IT IS RIGHT TO NOTE GRATEFULLY THAT THOSE IN GOVERNMENT WITH ULTIMATE RESPONSIBILITY HAVE ALWAYS TAKEN THAT LONG TERM VIEW WHICH IS PARTICULARLY ESSENTIAL IN EDUCATION.

+I EMPHASISE THE OFFICIAL SIDE, BECAUSE THE UPGC IS REALLY ONLY AN ADVISORY BODY (THOUGH WITH SOME EXECUTIVE FUNCTIONS) OPERATING AMIDST SHOT AND SHELL IN THE NO MAN'S LAND BETWEEN THE RIGHTLY, MAY I SAY VEHEMENTLY, AUTONOMOUS INSTITUTIONS AND THE GOVERNMENT- AND IT IS THE GOVERNMENT WHICH MUST HAVE THE LAST SAY IN ALL FINANCIAL MATTERS -- SUBJECT OF COURSE TO THE CONSENT OF THIS COUNCIL,+ HE SAID.

TERTIARY EDUCATION IN HONG KONG IS AT A TURNING POINT, MR. BREMRIDGE NOTED, AND THERE EXIST WIDELY AND HONESTLY DIFFERENT VIEWS.

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THE MORE THESE VIEWS AND MANY OTHER DISPUTATIOUS ISSUES ARE AIRED IN PUBLIC, THE BETTER, MR. BREMRIDGE POINTED OUT.

BUT HE EMPHASISED THAT STAFFING, TEACHING AND RESEARCH ARE THE DIRECT RESPONSIBILITY OF THE UNIVERSITIES AND OF THE POLYTECHNIC= NOT OF UPGC NOR OF THE GOVERNMENT.

+WE MUST ALSO NEVER FORGET THAT LEARNING AS AN END IN ITSELF SHOULD NOT BE OVER-SUBJECTED TO COMMERCIAL OR POLITICAL EVALUATION= THOUGH COST IS INEVITABLY A MAJOR CRITERION, BECAUSE EDUCATION MUST TAKE ITS PLACE AMONGST OTHER COMMUNITY PRIORITIES, AND BECAUSE MOST OF THE MONEY INEVITABLY COMES FROM THE TAXPAYER,+ HE SAID.

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FACTORS CONSIDERED IN CROSS-HARBOUR  
TUNNEL TOLL CHARGE

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THE SECRETARY FOR THE ENVIRONMENT, THE HON. DEREK JONES SAID TODAY REGARD MUST ALSO BE GIVEN TO OTHER VERY IMPORTANT TRANSPORT REQUIREMENTS IN CONSIDERING THE TOLLS CHARGED FOR THE USE OF THE CROSS-HARBOUR TUNNEL, APART FROM THE COMPANY'S FINANCIAL POSITION.

IN REPLY TO A QUESTION FROM THE HON. WONG LAM IN THE LEGISLATIVE COUNCIL, MR. JONES SAID THERE IS A LIMIT TO THE DEMANDS THAT CAN BE PLACED ON THE TUNNEL AND IF TOLLS WERE LOWERED NOW, THIS WOULD ONLY RESULT IN YET MORE VEHICLES SEEKING TO USE IT.

+THIS WOULD NOT ONLY BRING ABOUT CONGESTION AND QUEUES, BUT WOULD CAUSE AN UNDESIRABLE DIVERSION OF DEMAND FROM THE VEHICULAR FERRIES WHICH ARE, ONCE AGAIN, BEGINNING TO EXPERIENCE A GROWTH IN USAGE,+ SAID MR. JONES.

HE NOTED THAT THE DESIGN CAPACITY OF THE TUNNEL IS ABOUT 70,000 VEHICLES A DAY. THE AVERAGE DAILY USAGE WAS INCREASED FROM 20,000 VEHICLES A DAY WHEN IT OPENED IN AUGUST 1972, TO 42,000 IN 1975, 50,000 LAST YEAR AND 56,000 IN THE FIRST FOUR MONTHS THIS YEAR.

DURING THE CHINESE NEW YEAR THIS YEAR, DEMAND REACHED A PEAK LEVEL OF 71,000 VEHICLES A DAY AND THE TUNNEL AND ITS APPROACH ROADS, PARTICULARLY ON THE HONG KONG SIDE, DEMONSTRABLY NEARED SATURATION.

MR. JONES SAID THAT AT PRESENT, THERE IS A HIGH AND GROWING DEMAND FROM MOTORISTS AND OTHER TRAFFIC TO USE THE TUNNEL.

MR. JONES ALSO POINTED OUT THAT 12-1/2 PER CENT OF THE COMPANY'S PROFITS IS PAID TO THE GOVERNMENT AS ROYALTY AND 17-1/2 PER CENT IN CORPORATION PROFITS TAX. OF THE REMAINDER, ABOUT 25 PER CENT ACCRUES TO THE GOVERNMENT AS A SHAREHOLDER.

+SO THE TAXPAYERS AND THE COMMUNITY AT LARGE ARE CONSIDERABLE BENEFICIARIES FROM THE SUCCESS OF THIS ENTERPRISE,+ SAID MR. JONES.

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CHANGE OF NAME FOR PREVENTIVE SERVICE PROPOSED  
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THE PREVENTIVE SERVICE MAY BE RENAMED CUSTOMS AND EXCISE SERVICE.

THIS IS ONE OF SEVERAL CHANGES PROPOSED IN THE PREVENTIVE SERVICE (AMENDMENT) BILL 1977 WHICH RECEIVED ITS SECOND READING IN THE LEGISLATIVE COUNCIL TODAY.

THE ACTING DIRECTOR OF COMMERCE AND INDUSTRY, MR. BILL DORWARD, IN INTRODUCING THE BILL, EMPHASISED THAT THE CHANGE OF NAME IN NO WAY IMPLIED ANY CHANGE IN BASIC GOVERNMENT POLICY TO PRESERVE HONG KONG AS A FREE PORT IN THE TRUE MEANING OF THE TERM.

THE RATHER ANTIQUATED TERM PREVENTIVE SERVICE, MR. DORWARD EXPLAINED, WAS FIRST USED TO DESCRIBE THE COASTGUARD IN ENGLAND IN THE DAYS WHEN SMUGGLING WAS RESPECTABLE.

+IT WAS INTRODUCED HERE VERY LARGELY BECAUSE IT WAS FELT BY SOME AT THE TIME THAT TO REFER TO A CUSTOMS AND EXCISE SERVICE, WHICH IN EFFECT IS WHAT WE HAVE HAD FOR MANY YEARS, WOULD NOT BE UNDERSTOOD IN VIEW OF THE FACT THAT HONG KONG WAS A FREE PORT,+ HE SAID.

+EXPERIENCE HAS SHOWN, HOWEVER, THAT FAR FROM AVOIDING MISUNDERSTANDING THE USE OF THE PREVENTIVE SERVICE TITLE HAS TENDED TO CAUSE IT,+ HE SAID.

MR. DORWARD ADDED: +FOR EXAMPLE, MUCH EMPHASIS HAS BEEN LAID RECENTLY ON THE DEVELOPMENT OF LINKS WITH OVERSEAS CUSTOMS SERVICES, PARTICULARLY IN THE FIELD OF ANTI-NARCOTICS WORK AND IT HAS BEEN NECESSARY REPEATEDLY TO EXPLAIN TO THEM THE NATURE OF THE SERVICE.

+AT POINTS OF ENTRY WE HAVE ALWAYS BEEN FORCED TO USE THE TERM CUSTOMS, FOR INTERNATIONAL TRAVELLERS WOULD NOT UNDERSTAND ANY OTHER TERM. INDEED THE NAME 'PREVENTIVE SERVICE' HAS EVEN BEEN CONFUSED WITH FAMILY PLANNING+, HE SAID.

MR. DORWARD EXPLAINED THAT THE MAIN PURPOSE OF THE BILL WAS TO BRING THE INSPECTORATE OF THE SERVICE UNDER THE DISCIPLINARY CONTROL OF THE COMMISSIONER RATHER THAN HAVING TO DEAL WITH THEM UNDER THE PROCEDURES LAID DOWN IN COLONIAL REGULATIONS.

THE PREVENTIVE SERVICE ORDINANCE WAS FIRST ENACTED IN 1963 AND SEVERAL OF ITS PROVISIONS WERE NOW OUT OF DATE, HE SAID, PARTICULARLY THOSE RELATING TO DISCIPLINARY AND CRIMINAL OFFENCES COMMITTED BY MEMBERS OF THE SERVICE.

THE BILL SEEKS TO REMEDY THIS SITUATION BY REPLACING PART OF THE PRINCIPAL ORDINANCE WITH NEW DISCIPLINARY PROVISIONS WHICH WILL BRING THE ORDINANCE INTO LINE WITH SIMILAR LEGISLATION RECENTLY ENACTED IN RESPECT OF OTHER DISCIPLINED SERVICES.

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RATES OF LOCAL AND OVERSEAS OFFICERS LEAVE  
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THE PRESENT RATES OF VACATION LEAVE FOR CIVIL SERVANTS ARE BASED ON THE RECOMMENDATIONS OF THE 1971 SALARIES COMMISSION, THE SECRETARY FOR THE CIVIL SERVICE, THE HON. ALAN SCOTT TOLD LEGISLATIVE COUNCIL TODAY.

REPLYING TO A QUESTION BY THE HON. T.S. LO ON OVERSEAS OFFICERS GETTING A MUCH HIGHER RATE OF VACATION LEAVE THAN LOCAL OFFICERS OF EQUIVALENT RANKS, MR. SCOTT SAID, THESE PRINCIPLES WERE ACCEPTED BY GOVERNMENT AFTER CONSIDERATION BY THE EXECUTIVE COUNCIL, AND THEY WERE EMBODIED IN CIVIL SERVICE REGULATIONS.

QUOTING THE RECOMMENDATIONS, HE SAID, THE AIM HAD BEEN TO PROVIDE SIMILAR, BUT NOT NECESSARILY IDENTICAL, BENEFITS FOR ALL OFFICERS.

HE POINTED OUT THAT +THERE IS A CONTINUING NEED FOR OVERSEAS OFFICERS TO VISIT AND TO RENEW CONTACTS WITH THE LAND THAT IS THEIR HOME AND TO WHICH THEY WILL RETURN ON THEIR RETIREMENT.+

IN EXISTING CIRCUMSTANCES, IT WAS NO LONGER NECESSARY TO PROVIDE LONG PERIODS OF LEAVE FOR OVERSEAS OFFICERS TO ENABLE THEM TO RECUPERATE FROM THE EFFECTS OF AN ALIEN TROPICAL CLIMATE, HE EXPLAINED.

+THE NEEDS OF OVERSEAS AND LOCAL OFFICERS ARE THEREFORE DIFFERENT AND WE HAVE PRESERVED THE PRESENT SYSTEM OF DIFFERENT LEAVE RATES FOR THEM,+ HE SAID.

+THIS FOLLOWS THE GENERAL PRACTICE AMONG PRIVATE FIRMS IN HONG KONG= AND WE RECOMMEND THAT IT SHOULD EQUALLY APPLY TO LOCAL OFFICERS SERVING OUTSIDE HONG KONG.

+FOR THAT REASON WE HAVE DIVIDED LEAVE IN TWO COMPONENTS, BASIC LEAVE WHICH IS APPLICABLE TO ALL OFFICERS, AND AN OVERSEAS ADDITION APPLICABLE TO THOSE SERVING ABROAD,+ HE SAID.

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UP-TO-DATE CODE OF DISCIPLINE PROPOSED FOR THE POLICE FORCE

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SOME PRACTICAL DEFECTS FOUND IN RECENT YEARS IN THE DISCIPLINE PROVISIONS OF THE POLICE FORCE ORDINANCE WILL BE REMEDIED BY THE POLICE FORCE (AMENDMENT) BILL 1977, THE SECRETARY FOR SECURITY, THE HON. LEWIS DAVIES TOLD THE LEGISLATIVE COUNCIL WHEN MOVING THE SECOND READING OF THE BILL TODAY.

THE BILL ALSO PROVIDES GREATER FLEXIBILITY, AND IN CONJUNCTION WITH REGULATIONS TO BE MADE UNDER THE ORDINANCE, LAYS DOWN AN IMPROVED AND MORE UP-TO-DATE CODE OF DISCIPLINE, HE ADDED.

HE NOTED THAT THE FUNDAMENTAL DISCIPLINARY PROVISIONS OF THE PRESENT ORDINANCE WOULD BE RETAINED IN ESSENCE BUT SOME CHANGES WOULD BE INTRODUCED.

ONE OF THE MAIN ONES, HE EXPLAINED, PERMITS FULL-PAY INTERDICTION OF OFFICERS TO BE IMPOSED FOR AS LONG AS INVESTIGATIONS INTO THEIR CONDUCT ARE BEING HELD, THUS BRINGING THE INTERDICTION PROVISIONS INTO LINE WITH THOSE RECENTLY INTRODUCED FOR THE GOVERNMENT AS A WHOLE.

OTHER CHANGES ALLOW CIVILIAN OFFICERS ATTACHED TO THE POLICE FORCE TO PARTICIPATE IN THE BENEFITS OF THE POLICE WELFARE FUND, AND EMPOWER THE COMMISSIONER TO DELEGATE TO THEM CERTAIN OF HIS POWERS, +TO FURTHER THE POLICY OF INTEGRATING SUCH OFFICERS INTO THE FORCE.+

ANOTHER AMENDMENT MAKES OFFICERS, WHO NEGLIGENTLY CAUSE DAMAGE TO GOVERNMENT PROPERTY OR TO PRIVATE PROPERTY IN GOVERNMENT CUSTODY, LIABLE TO BOTH PUNISHMENT FOR THEIR NEGLIGENCE AND REPAYMENT FOR SOME OR ALL OF THE COSTS INCURRED.

DEBATE ON THE BILL WAS ADJOURNED.

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ENOUGH CORONERS TO CARRY OUT DEATH INQUESTS

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THE ATTORNEY GENERAL, THE HON. JOHN HOBLEY, SAID THAT THERE WERE ENOUGH FULL-TIME CORONERS AT THE MOMENT AND THE NUMBER OF DEATH ENQUIRIES WAS SUCH THAT THE FULL-TIME SERVICES OF EVEN ONE CORONER WERE NOT GENERALLY REQUIRED.

HE WAS REPLYING TO QUESTIONS RAISED BY DR. THE HON. HARRY FANG IN THE LEGISLATIVE COUNCIL TODAY.

MR. HOBLEY SAID, +THE STATE OF BUSINESS IS CONSTANTLY MONITORED AND ARRANGEMENTS CAN READILY BE MADE FOR A SECOND CORONER TO SIT IF THAT IS EVER NECESSARY.+

+THIS IS BECAUSE THE CORONERS ORDINANCE ENABLES THE CHIEF JUSTICE TO APPOINT ANY MAGISTRATE AS A CORONER,+ MR. HOBLEY ADDED, +AND IT IS THE CHIEF JUSTICE'S PRACTICE TO APPOINT ALL MAGISTRATES AS CORONERS.+

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- 21 -

CONDITIONS FOR THEATRICAL PERFORMANCES IN HOTELS  
AND RESTAURANTS

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THE SECRETARY FOR SECURITY, THE HON. LEWIS DAVIES TOLD THE LEGISLATIVE COUNCIL TODAY THAT THEATRICAL PERFORMANCES AND OTHER FORMS OF ENTERTAINMENT IN HOTELS AND RESTAURANTS ARE NOT SUBJECT TO ANY SPECIAL SAFETY CONDITIONS EXCEPT THOSE NORMALLY APPLICABLE TO SUCH PREMISES UNDER THE BUILDING ORDINANCE.

+THESE CONDITIONS COVER SUCH MATTERS AS STRUCTURAL STABILITY, FLOOR LOADINGS, ADEQUACY OF MEANS OF ESCAPE,+ HE SAID IN REPLY TO QUESTIONS FROM THE HON. ALEX WU ON THE SAFETY CONDITIONS UNDER WHICH THESE PERFORMANCES AND FORMS OF ENTERTAINMENT ARE PERMITTED.

MR. DAVIES EXPLAINED, +THE INSTALLATION AND MAINTENANCE OF FIRE PROTECTION EQUIPMENT SUCH AS SPRINKLER SYSTEMS, FIRE HYDRANTS, FIRE EXTINGUISHERS, HEAT AND SMOKE DETECTORS, ARE PRESCRIBED BY THE DIRECTOR OF FIRE SERVICES.+

HE FURTHER POINTED OUT THAT: +UNDER THE FIRE SERVICES ORDINANCE, THE DIRECTOR OF FIRE SERVICES IS ALSO EMPOWERED TO INSPECT SUCH PREMISES AT ALL REASONABLE HOURS AND WHERE A THEATRICAL PERFORMANCE OR ANY OTHER ENTERTAINMENT CREATES A FIRE HAZARD, THE DIRECTOR OF FIRE SERVICES MAY ISSUE A FIRE ABATEMENT NOTICE PRESCRIBING CONDITIONS AND SPECIFYING SUCH REMEDIAL MEASURES AS HE THINKS NECESSARY.+

+IF THE NOTICE IS NOT FULLY COMPLIED WITH, THE DIRECTOR MAY SEEK AN ABATEMENT ORDER FROM A COURT,+ HE ADDED.

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SERVICES FOR NEW ESTATES

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NECESSARY SERVICES, SUCH AS TRANSPORT, SECURITY MEASURES, PUBLIC UTILITIES AND MARKETING FACILITIES, WOULD BE OPERATIONAL BEFORE TENANTS MOVE INTO A NEW PUBLIC HOUSING ESTATE, THE SECRETARY FOR HOUSING, THE HON. ALAN SCOTT SAID TODAY.

IN REPLY TO A QUESTION RAISED BY THE HON. KO SIU-WAH DURING THE LEGISLATIVE COUNCIL MEETING, MR. SCOTT POINTED OUT THAT IN BOTH THE PLANNING AND DEVELOPMENT STAGES THERE IS CENTRAL COORDINATION AND CLOSE LIAISON BETWEEN THE GOVERNMENT DEPARTMENTS INVOLVED AND PUBLIC COMPANIES TO ENSURE THAT THESE SERVICES ARE READY.

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FURTHER STUDIES FOR METERED WATER SUPPLY FOR SHEK O

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THE DIRECTOR OF PUBLIC WORKS, MR. DAVID MCDONALD, SAID TODAY THAT FURTHER STUDIES WOULD BE NECESSARY BEFORE A PLAN FOR THE PROVISION OF A COMPREHENSIVE METERED WATER SUPPLY FOR SHEK O COULD BE INCLUDED IN THE PUBLIC WORKS PROGRAMME.

MR. MCDONALD SAID IN REPLY TO A QUESTION IN THE LEGISLATIVE COUNCIL BY DR. THE HON. HARRY FANG THAT THERE WERE NO IMMEDIATE PLANS TO IMPLEMENT A COMPREHENSIVE METERED SUPPLY TO SHEK O.

HOWEVER CONSIDERATION IS BEING GIVEN TO A RECENT REQUEST BY THE CITY DISTRICT OFFICER (SOUTHERN) FOR A METERED CONNECTION FROM THE EXISTING WATER SUPPLY SYSTEM IN SHEK O FOR THE HEALTH CLINIC RUN BY LOCAL RESIDENTS.

THE EXISTING SYSTEM PROVIDES STANDPIPE SUPPLIES TO THE VILLAGES OF TAI LONG WAN AND SHEK O AND METERED CONNECTIONS TO THE POLICE POST, FIRST AID POST AND U.S.D. DEPOT.

+PRELIMINARY STUDIES INDICATE THAT A COMPREHENSIVE METERED SUPPLY WOULD REQUIRE THEIR ENLARGEMENT OF FACILITIES AND THE POSSIBLE ADVANCEMENT OF SERVICE RESERVOIR CONSTRUCTION AT CHAI WAN, FROM WHERE THE WATER WOULD HAVE TO BE SUPPLIED.

+IN ADDITION, THE COST OF A SCHEME TO CONVEY WATER FROM CHAI WAN TO SHEK O WOULD BE OF THE ORDER OF 5 OR 6 MILLION DOLLARS,+ HE ADDED.

+FURTHER STUDIES ARE NECESSARY TO ASSESS THE OVERALL IMPLICATIONS AND DEFINE REQUIREMENTS PRIOR TO SUBMITTING AN ITEM TO THE PUBLIC WORKS SUB-COMMITTEE FOR CONSIDERATION OF ITS INCLUSION AND PRIORITY IN THE PUBLIC WORKS PROGRAMME,+ HE SAID.

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COMPULSORY LIGHTING ON CONTAINER LORRIES

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THE GOVERNMENT WILL INTRODUCE LEGISLATION REQUIRING ALL CONTAINER LORRIES TO INSTALL FRONT AND REAR RED LIGHTS AT THE TOP OF THE LORRIES AND CONTAINERS.

THE SECRETARY FOR THE ENVIRONMENT, THE HON. DEREK JONES TOLD THE LEGISLATIVE COUNCIL THIS AFTERNOON IN REPLY TO A QUESTION BY DR. THE HON. S.Y. CHUNG THAT THE LEGISLATION WOULD ALSO REQUIRE THE LIGHTS TO BE SWITCHED ON AT NIGHT-TIME WHEN THE LORRIES WERE ON THE ROAD.

+THE COMPREHENSIVE REVISION OF THE ROAD TRAFFIC ORDINANCE, WHICH IS NOW BEING DRAFTED, WILL CONTAIN A REQUIREMENT FOR ADDITIONAL CORNER AND SIDE MARKER LAMPS TO BE FITTED TO LONG ARTICULATED VEHICLES FOR USE AT NIGHT,+ HE SAID.

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COMPENSATION FOR LAND RESUMPTION  
BASED ON MARKET VALUE

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THE SECRETARY FOR THE ENVIRONMENT, THE HON. DEREK JONES SAID TODAY IN RECENT LAND RESUMPTION CASES THE NEW RATEABLE VALUE AND ASSESSABLE VALUE OF THE PREMISES WERE TAKEN INTO ACCOUNT IN ARRIVING AT THE COMPENSATION OFFERED TO THE PROPERTY OWNER.

IN REPLY TO A QUESTION FROM THE HON. S.L. CHEN IN THE LEGISLATIVE COUNCIL, MR. JONES SAID THE MEASURE OF COMPENSATION IN RESUMPTION CASES IS THE OPEN MARKET VALUE OF THE RELEVANT INTEREST, SUBJECT TO VARIOUS RULES LAID DOWN IN THE CROWN LANDS RESUMPTION ORDINANCE.

HE SAID WHEREVER POSSIBLE THE GOVERNMENT VALUER, IN ARRIVING AT HIS ESTIMATE OF MARKET VALUE, HAS REGARD TO RECENT TRANSACTIONS IN COMPARABLE PROPERTIES IN THE OPEN MARKET.

THE VALUER THUS TAKES ACCOUNT OF THE NEW RATEABLE VALUE AND ASSESSABLE VALUE TO THE EXTENT THAT THEY INFLUENCE THOSE TRANSACTIONS, MR. JONES ADDED.

HE ALSO NOTED THAT WHERE THERE HAVE BEEN NO COMPARABLE TRANSACTIONS OR THE TRANSACTIONS DO NOT FOR SOME REASONS REFLECT CURRENT MARKET VALUES, THE GOVERNMENT VALUER WILL CARRY OUT A MORE DETAILED STUDY OF RENTS RECEIVABLE AND OTHER FACTORS SUCH AS THE CURRENT RATING VALUATION BEFORE HE DECIDES ON THE PRICE WHICH THE GOVERNMENT SHOULD OFFER.

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LAW CONTROLLING INSURANCE BUSINESS  
BEING REVIEWED

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THE REGISTRAR GENERAL IS REVIEWING THE WHOLE QUESTION OF THE LEGISLATION CONTROLLING INSURANCE BUSINESS IN HONG KONG WITH A VIEW TO RATIONALISING IT AND BRINGING IT UP TO DATE, THE ACTING FINANCIAL SECRETARY, THE HON. DAVID JORDAN, SAID IN THE LEGISLATIVE COUNCIL TODAY.

HE WAS REPLYING TO A QUESTION FROM THE HON. WONG LAM WHO ASKED WHETHER THE GOVERNMENT WOULD CONSIDER INCREASING THE AMOUNTS OF DEPOSIT OR PAID-UP CAPITAL REQUIRED UNDER THE LIFE INSURANCE COMPANIES ORDINANCE.

MR. JORDAN SAID THAT THE GOVERNMENT DID NOT PROPOSE TO INCREASE THE DEPOSIT REQUIRED UNDER THE ORDINANCE AND ADDED: +I CAN ASSURE MR. WONG THAT THIS IS ONLY BECAUSE IT SEEMS TO US VERY DOUBTFUL WHETHER SUCH DEPOSITS ARE A GOOD WAY OF PROTECTING THE POLICY HOLDERS.+

TURNING TO THE QUESTION OF AN INCREASE IN PAID-UP CAPITAL, MR. JORDAN POINTED OUT THAT THE PRESENT LEGISLATION INCLUDED NO SUCH REQUIREMENTS AS TO PAID-UP CAPITAL BUT THE GOVERNMENT AND REPRESENTATIVES OF THE INDUSTRY WITH WHOM THE REGISTRAR GENERAL HAD DISCUSSED THIS MATTER BOTH AGREED THAT THE NEW LEGISLATION SHOULD INCLUDE SUCH REQUIREMENTS.

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+DISPOSABLE+ AND +REUSABLE+ KIDNEY  
MACHINES EQUALLY EFFICIENT  
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THE KIDNEY MACHINES AT THE PRINCESS MARGARET HOSPITAL AND THOSE AT THE QUEEN MARY HOSPITAL ARE EQUALLY EFFICIENT IN THAT THEY ARE PERFORMING THEIR FUNCTIONS EFFECTIVELY AS ARTIFICIAL KIDNEYS FOR PATIENTS WHO ARE PUT ON THEM, THE DIRECTOR OF MEDICAL AND HEALTH SERVICES, DR. THE HON. K.L. THONG, TOLD THE LEGISLATIVE COUNCIL TODAY.

IN REPLY TO A QUESTION FROM THE HON. WONG LAM, DR. THONG SAID THAT THERE WERE TWO TYPES OF KIDNEY MACHINES IN USE IN THE TWO HOSPITALS.

+THE ESSENTIAL DIFFERENCE BETWEEN THE TWO TYPES IS THAT ONE HAS DIALYSERS, I.E. THE ELEMENT WHICH ACTS AS THE ARTIFICIAL KIDNEY IN THE MACHINE, WHICH IS DISPOSABLE, WHILE IN THE OTHER THE DIALYSER IS REUSABLE,+ HE EXPLAINED.

IN THE QUEEN MARY HOSPITAL BOTH THE DISPOSABLE AND THE REUSABLE TYPES ARE BEING USED WHILE IN THE PRINCESS MARGARET HOSPITAL THE REUSABLE TYPES ARE IN OPERATION.

DR. THONG ADDED THAT IN DECIDING ON THE PARTICULAR TYPE OF MACHINES TO BE USED IN A KIDNEY UNIT, FACTORS SUCH AS THE EFFECTIVENESS OF THE MACHINE, THEIR RUNNING COST, AS WELL AS THE PROFESSIONAL PREFERENCE OF THE DOCTORS CONCERNED ARE TAKEN INTO ACCOUNT.

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GOVERNMENT REVIEWING PERMITTED TEACHERS QUALIFICATION  
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THE EDUCATION DEPARTMENT HAS BEGUN A REVIEW OF THE ARRANGEMENTS RELATED TO THE ISSUE OF TEACHING PERMITS, THE DIRECTOR OF EDUCATION, THE HON. KENNETH TOPLEY TOLD THE LEGISLATIVE COUNCIL THIS AFTERNOON.

HE WAS REPLYING TO A QUESTION BY REV. THE HON. JOYCE BENNETT. MISS BENNETT HAS ASKED WOULD THE GOVERNMENT CONSIDER RAISING THE MINIMUM QUALIFICATION OF FUTURE PERMITTED TEACHERS IN ORDER TO IMPROVE THE STANDARD OF EDUCATION IN PRIVATE SCHOOLS SO THAT TEACHERS WHOSE SOLE QUALIFICATION IS FORM V COULD ONLY TEACH IN PRIMARY SCHOOLS, THOSE WHOSE HIGHEST QUALIFICATION IS FORM VI COULD ONLY TEACH UP TO FORM I-III, AND THOSE WHOSE HIGHEST QUALIFICATION IS FORM VII COULD ONLY TEACH UP TO FORM V.

MR. TOPLEY REPLIED THAT THE SUGGESTION MADE BY MISS BENNETT WOULD BE CONSIDERED.

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TRANSFER OF ENTERTAINMENT LICENSING AUTHORITY  
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THE COMMISSIONER FOR TELEVISION AND FILMS WILL NOW BE THE ISSUING AUTHORITY FOR PUBLIC ENTERTAINMENT PERMITS.

THIS FOLLOWS THE PASSING OF A RESOLUTION IN THE LEGISLATIVE COUNCIL TODAY TO TRANSFER THE AUTHORITY VESTED IN THE COMMISSIONER OF POLICE TO THE COMMISSIONER OF TELEVISION AND FILMS, AND AN AMENDMENT TO THE PLACES OF PUBLIC ENTERTAINMENT ORDINANCE.

IN MOVING THE MOTION, THE SECRETARY FOR HOME AFFAIRS, MR. F.K. LI SAID THAT THE PUBLIC ENTERTAINMENT PERMITS WERE ISSUED BY THE COMMISSIONER OF POLICE TO ALLOW THE STAGING OF NIGHT CLUB FLOOR SHOWS AS WELL AS SPORTING, CULTURAL AND TRADITIONAL MAT-SHED EVENTS.

+THE PERMIT WOULD BE MORE APPROPRIATELY ISSUED BY THE COMMISSIONER FOR TELEVISION AND FILMS WHO IS RESPONSIBLE FOR OTHER ASPECTS OF CENSORSHIP AND STANDARDS OF ENTERTAINMENT,+ HE SAID.

+THE TRANSFER OF AUTHORITY WILL MAKE IT EASIER TO APPLY A CONSISTENT SET OF STANDARDS TO LIVE ENTERTAINMENT, CINEMA AND TELEVISION, AND ALSO ENABLE THE POLICE FORCE TO DEVOTE MORE RESOURCES TO THE FIGHT AGAINST CRIME.+

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SUPPLEMENTARY PROVISIONS  
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THE ACTING FINANCIAL SECRETARY, THE HON. DAVID JORDAN TOLD THE LEGISLATIVE COUNCIL TODAY THAT THE SUPPLEMENTARY PROVISIONS FOR THE THIRD QUARTER OF THE FINANCIAL YEAR 1976-77 COVERING THE PERIOD FROM OCTOBER TO DECEMBER AMOUNTED TO \$73.1 MILLION.

OF THIS SUM, \$12.2 MILLION WERE REQUIRED FOR ADDITIONAL EXPENDITURE ON PUBLIC WORKS PROJECTS THAT WERE ALREADY IN HAND AND \$8 MILLION FOR 23 PROJECTS RECENTLY UPGRADED TO CATEGORY A OF THE PUBLIC WORKS PROGRAMME.

MR. JORDAN SAID, +OTHER ITEMS WORTH MENTIONING INCLUDE \$20 MILLION AS A PAYMENT ON ACCOUNT MADE TO THE URBAN COUNCIL TOWARDS THE COST OF A SALARIES REVISION FOR STAFF OF THE URBAN SERVICES DEPARTMENT ENGAGED ON URBAN COUNCIL BUSINESS, \$3.6 MILLION AS THE FIRST INSTALMENT OF CAPITAL COSTS INVOLVED IN REPLACING AN EXISTING COMPUTER AND \$4.7 MILLION FOR EQUIPMENT TO PRODUCE ALL GOVERNMENT EDUCATIONAL TELEVISION PROGRAMMES IN COLOUR.

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WEDNESDAY, JUNE 1, 1977

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DEMONSTRATION OF NEW FIRE FIGHTING EQUIPMENT  
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NOTE TO EDITORS:

ONE OF THE THREE 50-METRE (164 FEET) TURNTABLE LADDERS ORDERED BY THE FIRE SERVICES DEPARTMENT HAS ARRIVED IN HONG KONG.

THE LADDER, MADE IN WEST GERMANY, WILL SHORTLY BE COMMISSIONED TO COPE WITH THE INCREASING FIRE FIGHTING AND RESCUE OPERATIONS.

A DEMONSTRATION ON ITS MANOEUVRE AND VERSATILITY WILL BE HELD AT THE TSIM SHA TSUI FIRE STATION AT 11 A.M. TOMORROW (THURSDAY).

YOU ARE CORDIALLY INVITED TO SEND A REPORTER/PHOTOGRAPHER TO ATTEND THE DEMONSTRATION.

A FIREBOAT HAS BEEN ARRANGED TO TAKE PRESS REPRESENTATIVES COVERING THE EVENT TO KOWLOON TOMORROW. IT WILL LEAVE THE NORTH POINT FIRE STATION PIER AT 10.30 A.M.

MR. H.F. CHUI, SENIOR INFORMATION OFFICER, WILL BE ON HAND TO ASSIST THE PRESS.

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BILLS PASSED  
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NINE BILLS PASSED THEIR COMMITTEE STAGE AND THIRD READING IN THE LEGISLATIVE COUNCIL TODAY.

THEY ARE THE ESTATE DUTY (AMENDMENT) BILL 1977, THE INLAND REVENUE (AMENDMENT) BILL 1977, THE RATING (AMENDMENT) BILL 1977, THE STAMP (AMENDMENT) BILL 1977, THE PRISONS (AMENDMENT) BILL 1977, THE COMPANIES (AMENDMENT) (NO.2) BILL 1977, THE SUMMARY OFFENCES (AMENDMENT) BILL 1977, THE AGRICULTURAL PESTICIDES BILL 1977, AND THE EMPLOYMENT (AMENDMENT) (NO.2) BILL 1977.

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