



## DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES  
BEACONSFIELD HOUSE, HONG KONG. TEL.: 5-8428777

WEDNESDAY, OCTOBER 12, 1988

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WEDNESDAY, OCTOBER 12, 1988

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POLICY ON IMPORT OF SKILLED STAFF EXPLAINED

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THE DIRECTOR OF IMMIGRATION, MR ALAN CARTER, EXPLAINED TODAY (WEDNESDAY) THE GOVERNMENT'S ATTITUDE TOWARDS THE IMPORT OF SKILLED STAFF FROM OVERSEAS.

HE WAS RESPONDING TO A NUMBER OF PRESS ENQUIRIES ON THE CURRENT GOVERNMENT POLICY ON THE IMPORTATION OF SKILLED LABOUR.

"UNDER THE PRESENT POLICY, FOREIGN WORKERS MAY BE ADMITTED TO HONG KONG ON CONDITION THAT THEY PROVIDE SKILLS NOT READILY AVAILABLE IN THE LOCAL LABOUR MARKET PLACE," MR CARTER SAID.

"PEOPLE ADMITTED UNDER THIS POLICY COVER A WIDE RANGE OF SKILLED WORKERS RANGING FROM TOP MANAGERS TO ARTISANS AND TECHNICIANS."

MR CARTER POINTED OUT THAT LAST YEAR, A TOTAL OF 4,749 MIDDLE MANAGEMENT, PROFESSIONAL, AND TECHNICAL STAFF FROM OVERSEAS WERE ALLOWED TO COME AND WORK IN HONG KONG.

THE FIGURE FOR THE FIRST QUARTER OF THIS YEAR WAS 1,091.

"THE AVERAGE REFUSAL RATE IN CONSIDERING THESE APPLICATIONS IS 9 PER CENT," HE SAID. "BUT THIS FIGURE IS DISTORTED BECAUSE MANY OF THE REFUSALS ARE A RESULT OF WITHDRAWAL OF APPLICATION OR SPONSORSHIP."

THESE OVERSEAS EMPLOYEES INCLUDE PROFESSIONALS SUCH AS ACCOUNTANTS, ARCHITECTS, ART DESIGNERS, ENGINEERS, FINANCIAL CONTROLLERS, HYDROMETALLURGISTS, INTERIOR DESIGNERS, LANDSCAPE DESIGNERS, QUANTITY SURVEYORS, ETC.

OVERSEAS TECHNICAL STAFF ALLOWED TO WORK IN HONG KONG HAVE INCLUDED DREDGERS, PRODUCTION AND SOFTWARE MAINTENANCE ENGINEERS, TECHNICAL SUPERVISORS, CHEMISTS, TRAINING OFFICERS AND FASHION DESIGNERS.

ADMINISTRATIVE AND MANAGERIAL STAFF GIVEN PERMISSION TO WORK HERE INCLUDE BANK MANAGERS, COMPANY DIRECTORS, HOTEL EXECUTIVES, MARKETING MANAGERS, PROJECT MANAGERS, REGIONAL REPRESENTATIVES, AND SHIPPING MANAGERS.

THEY COME FROM A WIDE RANGE OF COUNTRIES INCLUDING JAPAN, THE U.S.A., AUSTRALIA, CANADA, FRANCE, GERMANY, INDIA, KOREA, MALAYSIA, THE NETHERLANDS, SINGAPORE, THE PHILIPPINES, AND SWITZERLAND.

THE FIGURE OF 4,749 DOES NOT INCLUDE THOSE WHO CAME FROM CHINA UNDER THE ONE-WAY PERMIT SCHEME. MORE THAN 27,000 PERMANENT IMMIGRANTS FROM CHINA ENTER HONG KONG LEGALLY EACH YEAR; MANY OF THEM JOIN THE LABOUR MARKET.

/"IT IS .....

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"IT IS CLEAR FROM THE LARGE NUMBER OF APPLICATIONS BEING RECEIVED AND APPROVED AND THE WIDE VARIETY OF POSTS BEING FILLED FROM OVERSEAS THAT MANY EMPLOYERS ARE ALREADY WELL AWARE OF THE CURRENT POLICY AND HOW IT IS APPLIED," MR CARTER ADDED.

"BUT THE SECURITY BRANCH AND WE ARE STUDYING THE APPLICATION OF THIS POLICY AND WHETHER THIS CAN BE IMPROVED."

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JOINT COMMUNIQUE ON VBP TALKS IN LONDON

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THE FOLLOWING IS A JOINT COMMUNIQUE ISSUED ON WEDNESDAY (OCTOBER 12, LONDON TIME) BY THE BRITISH AND HONG KONG GOVERNMENTS AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM:

REPRESENTATIVES OF THE BRITISH AND HONG KONG GOVERNMENTS AND OF THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM MET IN LONDON ON OCTOBER 11 AND 12, 1988 FOR THE SECOND ROUND OF TALKS ON SOLUTIONS TO THE PROBLEMS CREATED BY THE NUMBER OF VIETNAMESE BOAT PEOPLE TRYING TO ENTER HONG KONG SINCE THE INTRODUCTION OF THE HONG KONG GOVERNMENT'S NEW POLICY ON JUNE 16, 1988.

THE DISCUSSIONS TOOK PLACE IN A FRIENDLY AND CONSTRUCTIVE ATMOSPHERE.

THE TWO SIDES REVIEWED PROGRESS IN IMPLEMENTING THE AGREEMENT REACHED AT THE FIRST ROUND OF TALKS IN HANOI ON AUGUST 3 AND 4 THAT REALISTIC AND EFFECTIVE MEASURES TO BRING THE OUTFLOW OF BOAT PEOPLE FROM VIETNAM TO AN END WERE URGENTLY REQUIRED.

THEY AGREED THAT SOME PROGRESS HAD BEEN MADE IN STEMMING THE OUTFLOW BUT THAT IT WAS ESSENTIAL TO PERSIST IN THESE EFFORTS AND, IF NECESSARY, TO REINFORCE THEM IN ORDER THAT THEY SHOULD BE FULLY EFFECTIVE.

THE TWO SIDES RECOGNISED THE VALUE OF THE ORDERLY DEPARTURE PROGRAMME AS THE MAIN CHANNEL FOR VIETNAMESE WHO WISH TO LEAVE VIETNAM IN ORDER TO SETTLE IN OTHER COUNTRIES.

THEY CALLED ON OTHER COUNTRIES TO INCREASE THEIR EFFORTS TO ACCEPT VIETNAMESE ELIGIBLE FOR RESETTLEMENT FROM HONG KONG.

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THE TWO SIDES ACCEPTED THE NEED FOR COMPREHENSIVE ARRANGEMENTS FOR VIETNAMESE BOAT PEOPLE ARRIVING IN HONG KONG AFTER JUNE 15, 1988 WHO DO NOT QUALIFY FOR RESETTLEMENT IN OTHER COUNTRIES. BOTH SIDES AGREED TO MAKE AN IMMEDIATE START ON PHASED RETURNS TO VIETNAM OF THOSE WHO HAVE ALREADY APPLIED TO RETURN.

THE BRITISH SIDE HANDED OVER A LIST OF THOSE WHOSE DOCUMENTATION HAD BEEN PROCESSED BY UNHCR.

IT WAS ALSO RECOGNISED THAT COMPREHENSIVE ARRANGEMENTS WOULD POSE PROBLEMS OF A PRACTICAL NATURE FOR THE VIETNAMESE GOVERNMENT. THE BRITISH SIDE WAS READY IN PRINCIPLE TO EXTEND FINANCIAL ASSISTANCE TOWARDS THE ORGANISATION OF REPATRIATION TO, AND RESETTLEMENT IN VIETNAM.

THE TWO SIDES INVITE UNHCR TO PARTICIPATE IN THE IMPLEMENTATION OF THE AGREEMENT ON THE BASIS THAT THE ARRANGEMENTS SHOULD BE CARRIED OUT IN A HUMANITARIAN WAY.

BOTH SIDES AGREED TO STAY IN CLOSE TOUCH IN ORDER TO IMPLEMENT QUICKLY AND EXPEDITIOUSLY THE AGREEMENTS RECORDED IN THIS STATEMENT.

DURING HIS STAY IN LONDON, MR VU KHOAN, ASSISTANT MINISTER FOR FOREIGN AFFAIRS OF THE SOCIALIST REPUBLIC OF VIETNAM, HAD A MEETING WITH MR TIM EGGAR, PARLIAMENTARY UNDER SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, TO EXCHANGE VIEWS ON MATTERS OF MUTUAL CONCERN.

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#### ELECTRONICS INDUSTRY SUCCESS ATTRIBUTED TO MANUFACTURERS

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THE SUCCESS OF HONG KONG'S ELECTRONICS INDUSTRY IS A TRIBUTE TO THE CONSTANT EFFORTS MADE BY OUR MANUFACTURERS, THE SECRETARY FOR ECONOMIC SERVICES, MRS ANSON CHAN, SAID TODAY (WEDNESDAY).

SPEAKING AT THE OPENING OF THE 1988 HONG KONG ELECTRONICS FAIR ORGANISED BY THE HONG KONG TRADE DEVELOPMENT COUNCIL, MRS CHAN SAID MANUFACTURERS HAD MANAGED TO KEEP ABREAST OF THE LATEST MARKET TRENDS AND TECHNOLOGICAL DEVELOPMENTS AND TO PRODUCE WELL-DESIGNED PRODUCTS OF A HIGH QUALITY AT COMPETITIVE PRICES.

"LIKE OTHER INDUSTRIES IN HONG KONG, IT OPERATES WITHOUT SPECIFIC GOVERNMENT SUBSIDY OR DOMESTIC PROTECTION.

/ "THE GOVERNMENT, .....

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"THE GOVERNMENT, HOWEVER, SEEKS TO PROVIDE A FAVOURABLE BUSINESS ENVIRONMENT WITH GOOD INFRASTRUCTURAL FACILITIES AND INDUSTRIAL SUPPORT SERVICES TO ENABLE OUR INDUSTRIES TO FLOURISH," SHE SAID.

MRS CHAN SAID ELECTRONICS WAS HONG KONG'S SECOND LARGEST EXPORTING INDUSTRY, EMPLOYING OVER 110,000 WORKERS AND ACCOUNTING FOR OVER ONE-FIFTH OF HONG KONG'S DOMESTIC EXPORTS.

"THE INDUSTRY IS, AS EVERYONE WILL AGREE, THE FASTEST GROWING AND MOST DYNAMIC INDUSTRY IN HONG KONG IN TERMS OF PRODUCT DIVERSIFICATION AND TECHNOLOGICAL PROGRESS," SHE SAID.

"LAST YEAR, HONG KONG EXPORTED OVER \$42 BILLION WORTH OF ELECTRONIC GOODS, REPRESENTING A 26 PER CENT INCREASE OVER 1986. IN THE FIRST HALF OF THIS YEAR, THIS ENCOURAGING GROWTH HAS CONTINUED AT OVER 30 PER CENT," SHE SAID.

TO SUSTAIN FURTHER GROWTH OF THE ELECTRONICS INDUSTRY, SHE SAID, LOCAL MANUFACTURERS MUST CONTINUE TO UPGRADE THEIR TECHNOLOGY, PRODUCTIVITY AND PRODUCT DESIGN.

IN THIS REGARD, SHE CONGRATULATED THE FAIR COMMITTEE FOR ORGANISING THE FIRST HONG KONG ELECTRONICS DESIGN COMPETITION.

"I ALSO EXTEND MY CONGRATULATIONS TO THE WINNERS OF THE COMPETITION, WHOSE INGENUITY WILL NO DOUBT HELP ENHANCE THE INDUSTRY'S COMPETITIVENESS WORLDWIDE," SHE SAID.

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FINANCIAL ADVISERS APPOINTED  
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A GOVERNMENT SPOKESMAN ANNOUNCED TODAY (WEDNESDAY) THAT THE GOVERNMENT AND THE HANG LUNG BANK LIMITED HAVE APPOINTED MORGAN GRENFELL (HONG KONG) LIMITED AS THEIR FINANCIAL ADVISERS TO ADVISE AND ASSIST IN THE PROPOSED SALE OF THE HANG LUNG BANK AND ITS SUBSIDIARIES.

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DISPLAY ON FISHING INDUSTRY  
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THE AGRICULTURE AND FISHERIES DEPARTMENT HAS COMPLETED PREPARATIONS FOR A PERMANENT DISPLAY TO DEPICT THE DEVELOPMENT OF HONG KONG'S FISHING INDUSTRY AND THE TRANSFORMATION OF THE LOCAL FISHING FLEET.

THE PROJECT, THE FIRST OF ITS KIND EVER UNDERTAKEN IN HONG KONG, IS PART OF AN ON-GOING PROGRAMME TO PROVIDE PUBLIC EDUCATION ON VARIOUS ASPECTS OF THE PRIMARY PRODUCTION INDUSTRIES AND NATURE CONSERVATION.

WITH THE THEMES OF THE DEVELOPMENT AND EVOLUTION OF THE FISHING FLEET, THE DISPLAY WILL FEATURE SCALED MODELS, OF VARYING SIZES, OF ALL MAJOR TYPES OF FISHING VESSELS. RANGING FROM THE TRADITIONAL FISHING JUNKS, WHICH HAVE NOW BECOME OBSOLETE, TO THE MOST ADVANCED STEEL-HULL FISHING VESSEL WHICH IS BEING EXPERIMENTED FOR ITS FISHING EFFICIENCY.

THESE EXHIBITS WILL SOON BE PUT ON DISPLAY TO THE PUBLIC BY ROTATION AT THE COUNTRY PARK VISITOR CENTRES AT PAK TAM CHUNG, SHING MUN AND ABERDEEN.

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NOTE TO EDITORS:

A PREVIEW OF THE DISPLAY WILL BE ORGANISED FOR THE MEDIA TOMORROW (THURSDAY) AT 2.30 PM AT THE DEPARTMENT'S ABERDEEN FISHERIES OFFICES, 100A, SHEK PAI WAN ROAD, ABERDEEN (NEXT TO THE FMO ABERDEEN WHOLESALE MARKET).

THE PREVIEW WILL BE PRECEDED BY A BRIEFING BY THE SENIOR FISHERIES OFFICER, DR PAUL MAK, AND THE FISHERIES OFFICER (FISHERIES TECHNOLOGY), MR JOSEPH SHAM.

YOU ARE INVITED TO SEND A REPRESENTATIVE TO ATTEND.

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CHINESE-STYLE FOOTBRIDGE OPENS IN FANLING

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THE ENVIRONMENTAL IMPROVEMENT COMMITTEE OF THE NORTH DISTRICT BOARD WILL HOLD AN OPENING CEREMONY OF A TRADITIONAL CHINESE-STYLE FOOTBRIDGE AND TREE PLANTING EXERCISE AT FANLING SOUTH ROUNDABOUT ON FRIDAY (OCTOBER 14).

THE FOOTBRIDGE, THE DESIGN OF WHICH BLENDS WELL WITH THE ADJACENT AREAS, HAS A GREEN-TILED ROOF SUPPORTED BY RED COLUMNS WITH PEDESTRIAN PARAPETS.

IT WILL PROVIDE A DIRECT AND SAFE PEDESTRIAN LINK TO THE WO HOP SHEK VILLAGE, WO HOP SHEK CEMETERY, WAH MING PUBLIC HOUSING ESTATE NOW UNDER CONSTRUCTION, AND THE PROPOSED TOWN CENTRE IN THE FANLING SOUTH AREA WHICH WILL EVENTUALLY ACCOMMODATE 50,000 PEOPLE.

A SPOKESMAN FOR THE COMMITTEE SAID THE FUNCTION IS ORGANISED IN SUPPORT OF THE UNITED NATION'S WORLD ENVIRONMENT DAY 1988.

THE SPOKESMAN EXPECTED THAT THE FOOTBRIDGE WILL BE WELL USED BY GRAVE-SWEEPERS DURING THE COMING CHUNG YEUNG FESTIVAL PERIOD.

OFFICIATING AT THE CEREMONY WILL BE THE NORTH DISTRICT BOARD CHAIRMAN, MR RAYMOND PANG; DISTRICT OFFICER, MR WILLIAM HUI; PROJECT MANAGER OF THE NEW TERRITORIES NORTH EAST DEVELOPMENT OFFICE, MR TOM ARMOUR; AND DISTRICT LEISURE MANAGER, MRS AMY WONG.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE OPENING CEREMONY OF A FOOTBRIDGE AND TREE PLANTING EXERCISE TO MARK THE WORLD ENVIRONMENT DAY 1988 AT FANLING SOUTH ROUNDABOUT ON FRIDAY (OCTOBER 14) AT 11 AM.

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SAI KUNG DB COMMITTEE TO DISCUSS ASBESTOS ISSUE

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MEMBERS OF THE SAI KUNG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE WILL DISCUSS HAZARDS CAUSED BY ASBESTOS AT A MEETING TOMORROW (THURSDAY).

THE PRINCIPAL ENVIRONMENTAL PROTECTION OFFICER (AIR CONTROL), MR F. TROMP, WILL BE PRESENT TO BRIEF MEMBERS ON THE ISSUE.

/MEMBERS WILL .....

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MEMBERS WILL ALSO DISCUSS THE REFUSE PROBLEM AT PAK SHA WAN AND WAYS OF ALLEVIATING IT.

ANOTHER ITEM FOR DISCUSSION WILL BE THE CLEARANCE OF VACATED STALLS IN SEE CHEUNG STREET, SAI KUNG TOWN.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SAI KUNG DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE MEETING TOMORROW (THURSDAY) IN THE CONFERENCE ROOM OF THE SAI KUNG DISTRICT BOARD, SECOND FLOOR, SAI KUNG GOVERNMENT OFFICES, CHAN MAN STREET, SAI KUNG TOWN. THE MEETING WILL START AT 10 AM.

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ROAD SAFETY SEMINAR IN TUEN MUN  
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THE TUEN MUN DISTRICT ROAD SAFETY CAMPAIGN ORGANISING COMMITTEE WILL ORGANISE A SEMINAR FOR DRIVERS OF PRIVATE LIGHT SCHOOL BUSES IN THE DISTRICT TOMORROW (THURSDAY) ON THE ROAD SAFETY ASPECTS OF THEIR OPERATIONS IN VIEW OF THE INCEPTION OF THE LIGHT RAIL TRANSIT (LRT) SYSTEM.

ATTENDING THE SEMINAR WILL BE THE ACTING ASSISTANT COMMISSIONER FOR TRANSPORT, MR DANIEL AU; TUEN MUN ASSISTANT DISTRICT OFFICER, MR EDWARD YAU; AND SENIOR CUSTOMER SERVICES MANAGER OF THE LRT DIVISION, MR SUNNY CHOI.

HANDOUTS WILL BE DISTRIBUTED TO THE OPERATORS AND A VIDEO ON THE SAFE USE OF LRT WILL BE SHOWN TO THEM DURING THE SEMINAR.

THE SEMINAR IS ONE IN A SERIES OF ACTIVITIES ON ROAD SAFETY FOR DIFFERENT ROAD USERS IN THE DISTRICT.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SEMINAR SCHEDULED FOR 9.30 AM TOMORROW (THURSDAY) IN THE DISTRICT BOARD CONFERENCE ROOM ON THE THIRD FLOOR, GOVERNMENT OFFICES BUILDING, NO. 1 TUEN HI ROAD, TUEN MUN.

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DB COMMUNITY BUILDING COMMITTEE MEETS TOMORROW

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FUNDS FOR FIVE COMMUNITY BUILDING PROJECTS WILL BE SOUGHT FROM THE SHAM SHUI PO DISTRICT BOARD COMMUNITY BUILDING COMMITTEE AT ITS MEETING TOMORROW (THURSDAY).

A TOTAL OF \$28,635 WILL BE REQUESTED FROM THE DISTRICT BOARD FOR THE PROJECTS WHICH ARE SCHEDULED TO BE UNDERTAKEN IN THE NEXT THREE MONTHS.

TWO OF THE PROJECTS ARE OUTINGS FOR THE ELDERLY. THE OTHERS ARE A STUDENT CIVIC EDUCATION SPEECH COMPETITION, A CHINESE CALLIGRAPHY WRITING AND PRIZE PRESENTATION CEREMONY, AND ANTI-THEFT COMPETITIONS.

THE PUBLICITY WORKING GROUP AND THE WORKING GROUP ON THE PREFERENTIAL SCHEMES FOR THE ELDERLY IN SHAM SHUI PO WILL REPORT TO THE MEETING ON THE PROGRESS OF THEIR WORK.

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NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE SHAM SHUI PO DISTRICT BOARD COMMUNITY BUILDING COMMITTEE MEETING TOMORROW (THURSDAY) AT THE CHEUNG SHA WAN COMMUNITY CENTRE, 55 FAT TSEUNG STREET, SHAM SHUI PO. THE MEETING WILL BEGIN AT 2.15 PM.

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ROAD OPENING AND TRAFFIC CHANGES

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THE TRANSPORT DEPARTMENT ANNOUNCED THAT THE SECTION OF AN UNNAMED ROAD OVER CHUNG HANG NULLAH BETWEEN SHA TSUI ROAD AND CASTLE PEAK ROAD IN TSUEN WAN WILL BE OPENED TO TRAFFIC FROM 7 AM ON FRIDAY (OCTOBER 14).

TO COINCIDE WITH THE OPENING, PAK TIN PAR STREET LINKING SHA TSUI ROAD AND THE NEW ROAD SECTION WILL BE RE-ROUTED FROM TWO-WAY TRAFFIC INTO ONE-WAY EASTBOUND.

IN ADDITION, THE NEW ROAD SECTION WILL BE MADE AN URBAN CLEARWAY OPERATING DAILY BETWEEN 7 AM AND 7 PM.

MEANWHILE, IN SHAM SHUI PO, THE SECTION OF SHUN NING ROAD BETWEEN TONKIN STREET AND WING LUNG STREET WILL BE RE-ROUTED FROM TWO-WAY INTO ONE-WAY WESTBOUND FROM 10 AM ON FRIDAY (OCTOBER 14).

AT THE SAME TIME, THE SECTION OF PRATAS STREET BETWEEN PO ON ROAD AND SHUN NING ROAD, CURRENTLY TWO-WAY TRAFFIC, WILL ALSO BECOME ONE-WAY SOUTHBOUND.

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PARTIAL CLOSURE OF LION ROCK TUNNEL ROAD  
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THE TRANSPORT DEPARTMENT ANNOUNCED THAT TO FACILITATE EMERGENCY REPAIRS OF WATERWORK INSTALLATIONS, A SECTION OF LION ROCK TUNNEL ROAD WILL BE CLOSED TO TRAFFIC FROM 11 PM TOMORROW (THURSDAY) TO 6 AM ON FRIDAY.

THE AFFECTED ROAD SECTION WILL BE 80 METRES OF THE NORTHBOUND MIDDLE LANE OF LION ROCK TUNNEL ROAD FROM A POINT ABOUT 120 METRES NORTH OF THE TUNNEL TOLL PLAZA.

MOTORISTS ARE ADVISED TO WATCH OUT FOR TEMPORARY TRAFFIC SIGNS AND TO DRIVE WITH EXTRA CARE AND PATIENCE.

SPECIAL TRAFFIC CONTROL MEASURES MAY ALSO BE IMPLEMENTED AT THE TUNNEL IF NECESSARY.

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TEMPORARY URBAN CLEARWAY ON FLEMING ROAD  
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THE TRANSPORT DEPARTMENT ANNOUNCED THAT FLEMING ROAD NORTHBOUND IN WAN CHAI BETWEEN JOHNSTON ROAD AND HENNESSY ROAD WILL BE MADE A 7 AM TO 7 PM DAILY URBAN CLEARWAY FROM 10 AM ON FRIDAY (OCTOBER 14).

THIS MEASURE WILL LAST FOR ABOUT NINE WEEKS TO FACILITATE DRAINAGE WORKS.

NO VEHICLES EXCEPT FRANCHISED BUSES WILL BE ALLOWED TO STOP FOR PASSENGERS OR GOODS THERE.

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NO MAIL DELIVERY ON OCTOBER 19  
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THE POST OFFICE ANNOUNCES THAT THERE WILL BE NO MAIL DELIVERY AND ALL POST OFFICES WILL BE CLOSED ON WEDNESDAY, OCTOBER 19 WHICH IS A GENERAL HOLIDAY.

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# DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES  
BEACONSFIELD HOUSE, HONG KONG. TEL.: 5-8428777

WEDNESDAY, OCTOBER 12, 1988

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GOVERNOR OUTLINES FAR-REACHING DEVELOPMENT PROGRAMMES

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THE GOVERNOR, SIR DAVID WILSON, TODAY (WEDNESDAY) PRESENTED A PACKAGE OF MEASURES AND POLICY INITIATIVES DESIGNED TO STEER HONG KONG INTO THE NEXT CENTURY.

"WE HAVE A GOVERNMENT WHICH IS DETERMINED TO THINK LONG TERM AND GIVE AN ENERGETIC LEAD TO THE EFFORTS OF THE PEOPLE OF HONG KONG TO IMPROVE THE LIFE OF THIS COMMUNITY," HE SAID.

IN HIS ANNUAL ADDRESS AT THE OPENING OF THE 1988-89 SESSION OF THE LEGISLATIVE COUNCIL, SIR DAVID STRESSED THAT THE TERRITORY NEEDED A STRONG ECONOMY TO PAY FOR ITS AMBITIOUS PROGRAMMES TO IMPROVE THE STANDARD OF LIVING FOR ITS PEOPLE.

TO KEEP PACE WITH HONG KONG'S TREMENDOUS GROWTH IN ITS ECONOMY, SIR DAVID POINTED TO THE NEED TO BUILD UP THE INFRASTRUCTURE, AND BUILD MORE AND BETTER ROADS; TO DEVELOP THE AIRPORT AND CONTAINER TERMINALS; AND TO CONTINUE TO INVEST IN MAJOR PROJECTS.

THE PACKAGE OF MEASURES AND INITIATIVES INCLUDES:

- \* A NEW POLICY BRANCH FOR PLANNING AND ENVIRONMENTAL PROTECTION;
- \* A NEW POLICY BRANCH FOR SPORTS, RECREATION AND CULTURE, ENTERTAINMENT AND BROADCASTING;
- \* A "THINK TANK" TO BE KNOWN AS THE CENTRAL POLICY UNIT TO HELP DEAL WITH COMPLEX POLICY ISSUES;
- \* A NEW DRAINAGE SERVICES DEPARTMENT TO IMPLEMENT A \$10 BILLION SEWAGE DISPOSAL PROGRAMME;
- \* TWO MORE WATER CONTROL ZONES AT JUNK BAY AND PORT SHELTER;
- \* DECISIONS TO BE MADE ON THE SECOND AIRPORT AND THE LOCATIONS OF CONTAINER PORT TERMINALS 8 AND 9;
- \* HIGHER RATE OF DISABILITY ALLOWANCE FOR ALL ELIGIBLE PERSONS AGED 16 AND ABOVE;
- \* A THIRD INDUSTRIAL ESTATE, AT JUNK BAY;
- \* A CAMPAIGN TO IMPROVE QUALITY IN MANUFACTURING INDUSTRY;
- \* THE GOVERNOR'S AWARD SCHEME FOR INDUSTRY TO BE EXPANDED;
- \* FEASIBILITY STUDY TO ESTABLISH A TECHNOLOGY CENTRE;

/\* GREEN PAPER .....

- \* GREEN PAPER ON TRANSPORT PLANNING UP TO 2001;
- \* HOUSING FOR ALL URBAN SQUATTERS BY MID-'90S;
- \* NEW STRATEGY TO IMPROVE LIVING CONDITIONS IN RURAL AREAS;
- \* ADVISORY COMMITTEE ON PRIVATE BUILDING MANAGEMENT TO BE ESTABLISHED;
- \* NEW LEGISLATION TO STRIKE AT THE FINANCIAL ROOTS OF DRUG TRAFFICKERS.
- \* NEW LEGISLATION TO CURB ILLEGAL GAMBLING AND REDUCE THE PROBLEMS CAUSED BY VICE ESTABLISHMENTS;

HE ALSO SAID THAT HIGH PRIORITY WOULD CONTINUE TO BE GIVEN TO EXPANDING HIGHER EDUCATION, MOTHER TONGUE TEACHING WOULD BE ENCOURAGED, AND A GRADUAL PROGRAMME TO PHASE OUT BISESSIONAL PRIMARY SCHOOLS WAS BEING DRAWN UP.

THE OPENING OF THE BIG HOSPITAL AT TUEN MUN AND THE EXTENSION TO QUEEN MARY NEXT YEAR WOULD HELP REDUCE THE PROBLEM OF OVERCROWDING IN EXISTING HOSPITALS.

ON THE SO-CALLED "BRAIN DRAIN", HE SAID: "WE MUST DO EVERYTHING WE CAN TO MAKE SURE THAT HONG KONG REMAINS A PLACE WHERE PEOPLE WANT TO LIVE, AND ONE TO WHICH THEY WANT TO RETURN."

ON THE LABOUR FRONT, THE GOVERNOR SAID THERE WAS NO PLAN AT PRESENT TO CHANGE EXISTING POLICY AND ALLOW THE IMPORT OF SUBSTANTIAL NUMBERS OF WORKERS INTO HONG KONG.

GOOD PROGRESS WAS BEING MADE IN IMPLEMENTING THE JOINT DECLARATION, AND HELPFUL HIGH LEVEL VISITS WERE BEING MADE BETWEEN HONG KONG AND CHINA.

IN DEALING WITH VIETNAMESE BOAT PEOPLE, THE GOVERNMENT WOULD BE BOTH FAIR AND FIRM; AND CONSCIOUS BOTH OF HUMANITARIAN PRINCIPLES AND THE NEEDS OF HONG KONG.

SIR DAVID CONCLUDED THAT HONG KONG HAD A REMARKABLE RECORD OF ECONOMIC GROWTH AND AN ABILITY TO CONFRONT PROBLEMS.

"WHAT MATTERS IS NOT THAT WE HAVE PROBLEMS - NO SOCIETY IS WITHOUT THEM - BUT THAT WE ARE PREPARED TO FACE THEM HONESTLY AND TACKLE THEM REALISTICALLY."

GIVEN ITS ENERGETIC, SKILLED AND PRAGMATIC POPULATION, HE WAS CONVINCED THAT HONG KONG HAD THE ABILITY AND THE WILL TO ACHIEVE ITS OBJECTIVES IN THE IMPORTANT YEARS AHEAD.

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GOVERNOR WELCOMES NEW MEMBERS TO LEGCO

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THE NEW SESSION OF THE LEGISLATIVE COUNCIL IS AN IMPORTANT EVOLUTIONARY PROCESS, AND THE PROCESS OF DEVELOPMENT WILL CONTINUE, THE GOVERNOR, SIR DAVID WILSON, TOLD THE COUNCIL TODAY (WEDNESDAY).

IN HIS ANNUAL ADDRESS OPENING THE 1988-89 SESSION OF THE COUNCIL, SIR DAVID WELCOMED MEMBERS, PARTICULARLY THOSE WHO HAD JUST JOINED, AND EMPHASISED THAT THE BODY PLAYED AN INCREASINGLY IMPORTANT ROLE IN THE COMMUNITY.

HE SAID ONE BY-PRODUCT OF THE EVOLUTIONARY CHANGES HAD BEEN MORE LIVELY PUBLIC DEBATE ON ISSUES OF CONCERN TO THE COMMUNITY, AND DURING THE LAST SESSION IT WAS CLEAR THAT WIDER MEMBERSHIP OF THE COUNCIL HAD BROUGHT WITH IT A GREATER DIVERSITY OF VIEWS AND A CLOSER SCRUTINY OF THE GOVERNMENT.

"THE GOVERNMENT DOES NOT SHRINK FROM SCRUTINY," HE SAID. "NOR, AS A COMMUNITY, SHOULD WE SHRINK FROM THE EXPRESSION OF DIFFERENT VIEWS.

"WE MUST, HOWEVER, TRY TO ENSURE THAT DIVERSITY REMAINS A FORCE FOR CONSTRUCTIVE CHANGE. IT IS THE TASK OF THE COUNCIL TO TRY TO RECONCILE DIFFERING VIEWS IN A WAY WHICH ACTS FOR THE GOOD OF THE WHOLE COMMUNITY."

SIR DAVID SAID THAT THOSE WHO JOINED THE COUNCIL MADE A MAJOR COMMITMENT OF THEIR TIME AND ENERGY TO PUBLIC SERVICE, AND HOWEVER ARDUOUS THE TASK HE FELT SURE THAT THEY WOULD ALSO FIND IT REWARDING.

EXPANDING ON THE COUNCIL'S EVOLUTION, SIR DAVID POINTED OUT THAT THREE YEARS AGO, 24 ELECTED MEMBERS JOINED THE COUNCIL FOR THE FIRST TIME.

"THIS YEAR THE PROPORTION OF ELECTED MEMBERS HAS BEEN FURTHER INCREASED. WE HAVE WITH US TODAY THE REPRESENTATIVES OF TWO NEW FUNCTIONAL CONSTITUENCIES AND WE HAVE TWO FEWER APPOINTED MEMBERS," HE SAID.

"THE PROCESS OF DEVELOPMENT WILL CONTINUE. IN 1991 WE SHALL WELCOME TO THIS COUNCIL 10 MEMBERS WHO WILL BE DIRECTLY ELECTED TO REPRESENT GEOGRAPHICAL CONSTITUENCIES.

"THERE WILL THEN BE FURTHER CHANGES IN STORE AS WE MOVE TOWARDS A SYSTEM IN WHICH ALL MEMBERS OF THE COUNCIL WILL BE ELECTED, BY ONE FORM OR ANOTHER."

/SIR DAVID .....

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SIR DAVID SAID THESE CHANGES TO THE COMPOSITION OF THE LEGISLATIVE COUNCIL WERE AN IMPORTANT PART OF THE EVOLUTION OF OUR SYSTEM OF GOVERNMENT IN THE YEARS UP TO 1997 AND BEYOND.

"AS OUR SOCIETY DEVELOPS, OUR INCREASINGLY WELL EDUCATED AND PROSPEROUS POPULATION BOTH SEEK, AND DESERVE, TO PLAY A GREATER PART IN PUBLIC AFFAIRS AND HAVE MORE SAY IN THE DECISIONS THAT AFFECT THEIR OWN LIVES," HE SAID.

"IT IS RIGHT THAT THIS SHOULD HAPPEN. IT IS A TREND WHICH I WELCOME. THE GOVERNMENT WILL CONTINUE TO RESPOND TO IT."

SIR DAVID OBSERVED THAT THE WORK DONE BY THE COUNCIL DURING THE LAST SESSION HAD BEEN SUBSTANTIAL, AND HE SAW NO REASON TO BELIEVE THAT IT WOULD BE ANY LESS SO IN THE NEW SESSION.

HE SAID: "THE POLICIES OF THE GOVERNMENT WHICH I SHALL PUT BEFORE YOU THIS AFTERNOON WILL REQUIRE A GREAT DEAL OF WORK FROM THE ADMINISTRATION; AND FROM THIS COUNCIL.

"I KNOW THAT THE COMMUNITY WILL CONTINUE TO BE WELL SERVED BY COUNCIL MEMBERS, WORKING WITH THE COMMON GOAL OF MAINTAINING HONG KONG'S STABILITY AND PROSPERITY AND IMPROVING THE QUALITY OF LIFE OF ITS PEOPLE.

"I LOOK FORWARD TO WORKING TOGETHER WITH YOU TO ACHIEVE THESE AIMS."

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GOVERNOR CONFIDENT OF BRIGHT ECONOMIC OUTLOOK  
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HONG KONG MUST INCREASE THE CAPACITY AND COMPETITIVENESS OF ITS MANUFACTURING INDUSTRIES AND CONTINUE TO FIGHT FOR A MORE OPEN WORLD TRADING SYSTEM, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

DEALING WITH THE STATE OF THE ECONOMY IN HIS ANNUAL ADDRESS OPENING THE 1988-89 SESSION OF THE COUNCIL, SIR DAVID SAID THE ECONOMY HAD CONTINUED TO GROW THIS YEAR, AND OVER THE LONGER TERM HE REMAINED CONFIDENT THAT THE OUTLOOK WAS BRIGHT.

AND HE POINTED TO THE GROWTH OF ECONOMIC RELATIONS WITH CHINA AS A KEY ELEMENT OF HONG KONG'S ECONOMIC FUTURE, WITH THE TWO NOW BEING EACH OTHER'S LARGEST TRADING PARTNER.

/SIR DAVID .....

SIR DAVID DESCRIBED A HEALTHY AND GROWING ECONOMY AS THE ESSENTIAL FOUNDATION FOR ALL EFFORTS TO IMPROVE THE QUALITY OF LIFE FOR HONG KONG PEOPLE.

AFTER VERY RAPID ADVANCES IN THE PAST TWO YEARS, THE ECONOMY WAS CONSOLIDATING THIS YEAR AND OVERALL IT WAS EXPECTED THE GROSS DOMESTIC PRODUCT WOULD INCREASE BY ABOUT SIX PER CENT IN REAL TERMS -- A SLOWER RATE OF GROWTH BUT ONE THAT WAS STILL REMARKABLY HIGH BY WORLD STANDARDS.

"IT WOULD GIVE US AN AVERAGE ANNUAL GROWTH RATE OF 10 PER CENT IN REAL TERMS OVER A THREE-YEAR PERIOD."

A SLOWER BUT STILL SIGNIFICANT GROWTH OF SIX PER CENT WAS EXPECTED IN DOMESTIC EXPORTS, AND RE-EXPORTS CONTINUED TO INCREASE RAPIDLY -- THIS YEAR BY ABOUT 35 PER CENT IN REAL TERMS.

"THESE CONTINUING HIGH INCREASES IN OUR RE-EXPORT TRADE -- OVER 250 PER CENT IN THE LAST FIVE YEARS -- SHOW THAT HONG KONG IS RESUMING ITS HISTORICAL ROLE AS AN ENTREPOT FOR TRADE WITH CHINA AND THE REST OF EAST ASIA," HE SAID.

SIR DAVID SAID THAT WITH THE ECONOMY OPERATING CLOSE TO CAPACITY, THE TWO MAIN DOMESTIC WORRIES WERE INFLATION AND A SHORTAGE OF LABOUR.

"CONSUMER PRICE INFLATION IS NOW RUNNING AT SLIGHTLY OVER SEVEN PER CENT," HE SAID. "THIS IS TOO HIGH. BUT AS THE PRESSURE OF DEMAND BEGINS TO SLACKEN, INFLATIONARY PRESSURE SHOULD ALSO GRADUALLY DECREASE."

HONG KONG HAD PROSPERED OVER THE PAST DECADES BY MAINTAINING AN OPEN ECONOMY, BY WELCOMING COMPETITION, AND BY ENCOURAGING THE FREE FLOW OF GOODS, CAPITAL AND TECHNOLOGY, SIR DAVID EMPHASISED.

NOW IT WAS INVESTING HEAVILY IN ITS PHYSICAL INFRASTRUCTURE AND HUMAN RESOURCES SO AS TO CREATE THE CONDITIONS FOR CONTINUING GROWTH.

"NEVERTHELESS, WE HAVE TO RECOGNISE THAT WE ARE DEPENDENT NOT JUST ON OURSELVES BUT ON THE ECONOMIC PERFORMANCE OF OUR MAJOR OVERSEAS MARKETS AND ON OUR CONTINUED ACCESS TO THEM, AS WELL AS ON GLOBAL EXCHANGE RATE MOVEMENTS," HE SAID.

"IN THESE CIRCUMSTANCES WE MUST INCREASE THE CAPACITY AND COMPETITIVENESS OF OUR MANUFACTURING INDUSTRIES AND CONTINUE TO FIGHT FOR A MORE OPEN WORLD TRADING SYSTEM."

TURNING TO "THE CHINA DIMENSION", THE GOVERNOR SAID: "CHINA IS THE SECOND LARGEST MARKET FOR OUR DOMESTIC EXPORTS; THE LARGEST SUPPLIER AND MARKET FOR OUR RE-EXPORTS; AND THE SECOND LARGEST SOURCE OF OUR RETAINED IMPORTS."

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"HONG KONG IN TURN IS THE MOST IMPORTANT SOURCE OF EXTERNAL INVESTMENT IN CHINA, ACCOUNTING FOR ABOUT TWO-THIRDS OF ALL THE EXTERNAL INVESTMENT."

HE SAID ACCESS TO BUSINESS OPPORTUNITIES AND ECONOMIC RESOURCES IN CHINA HAD BEEN MAJOR FACTORS IN SUSTAINING THE RAPID GROWTH OF HONG KONG'S ECONOMY.

NOT SURPRISINGLY, GUANGDONG PROVINCE PLAYED AN IMPORTANT PART, WITH AN ESTIMATED 1.5 MILLION TO TWO MILLION PEOPLE THERE BEING EMPLOYED DIRECTLY OR INDIRECTLY BY HONG KONG BUSINESSES.

"WITH THE CONTINUATION OF THE OPEN DOOR POLICY, CHINA'S ECONOMY SEEMS SET TO BECOME INCREASINGLY EXTERNALLY ORIENTED," SIR DAVID SAID.

"THE PEARL RIVER DELTA REGION IN PARTICULAR SHOWS ALL THE SIGNS OF CONTINUING TO BE AN AREA OF HIGH GROWTH. HONG KONG ALREADY HAS AN IMPORTANT ROLE TO PLAY IN THE ECONOMIC DEVELOPMENT OF SOUTHERN CHINA AND, MORE WIDELY, OF CHINA AS A WHOLE.

"I HOPE WE CAN CONTINUE TO BE NOT ONLY A SOURCE OF TRADE AND INVESTMENT BUT ALSO AN ECONOMIC AND FINANCIAL CENTRE LINKING CHINA WITH THE REST OF THE WORLD. THIS WILL BENEFIT BOTH OURSELVES AND CHINA."

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QUALITY OF HK PRODUCTS TO BE STRESSED  
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THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT HE PROPOSED TO EXPAND THE SCOPE OF THE GOVERNOR'S AWARD SCHEME FOR INDUSTRY, TO ENCOURAGE THE FURTHER IMPROVEMENT OF THE MANUFACTURING SECTOR.

IN HIS ANNUAL ADDRESS OPENING THE 1988-89 SESSION OF THE COUNCIL, SIR DAVID POINTED OUT THAT THERE WAS ALREADY AN AWARD FOR DESIGN, WHICH HAD HELPED ENCOURAGE MANUFACTURERS TO UPGRADE THEIR PRODUCTS.

"WE PLAN TO INTRODUCE NEW AWARDS NEXT YEAR IN OTHER KEY AREAS SUCH AS QUALITY, PRODUCTIVITY AND INNOVATION," HE SAID.

AND, STARTING FROM NEXT YEAR, THE GOVERNMENT WOULD MOUNT A QUALITY CAMPAIGN AIMED AT THE MANUFACTURING INDUSTRY.

/"IN OUR .....

"IN OUR MODERN, COMPETITIVE WORLD, QUALITY IS VITAL. WE CANNOT AFFORD TO LAG BEHIND OUR COMPETITORS," HE STRESSED.

ANOTHER IMPORTANT INITIATIVE WAS THE ESTABLISHMENT OF HONG KONG'S FIRST TECHNOLOGY CENTRE, FOR WHICH CONSULTANTS WERE CARRYING OUT A DETAILED FEASIBILITY STUDY.

"IF WE DECIDE TO PROCEED, AS I HOPE WE WILL, THIS CENTRE WILL BECOME THE FOCAL POINT OF OUR EFFORT TO ENCOURAGE INNOVATION IN INDUSTRY," HE SAID.

"IT WILL PROMOTE THE COMMERCIAL EXPLOITATION OF NEW IDEAS AND TECHNOLOGIES AND WILL HAVE ACCESS TO TECHNICAL AND RESEARCH FACILITIES.

"IT WILL ALSO HELP TO REINFORCE THE PARTNERSHIP BETWEEN INDUSTRY AND THOSE IN ACADEMIC CIRCLES WHO ARE ENGAGED IN PRACTICAL RESEARCH AND DEVELOPMENT."

SIR DAVID STRESSED THAT MANUFACTURING INDUSTRY REMAINED A KEY ELEMENT IN HONG KONG'S PROSPERITY, BUT THE TERRITORY FACED STIFF COMPETITION FROM OTHER ECONOMIES WITH LOWER PRODUCTION COSTS AND FROM ESTABLISHED INDUSTRIALISED COUNTRIES WHERE THERE WAS A STRONG THRUST TOWARDS HIGHER PRODUCTIVITY, BETTER QUALITY AND INNOVATION.

"IN ORDER TO STAY COMPETITIVE, IT IS CLEAR THAT WE MUST CONTINUE TO MOVE TOWARDS HIGH VALUE-ADDED, TECHNOLOGY BASED, PRODUCTION AND REDUCE OUR DEPENDENCE ON THE LABOUR INTENSIVE SECTOR," HE SAID.

REAFFIRMING THAT THE GOVERNMENT WOULD CONTINUE TO GIVE A HIGH PRIORITY TO PROVIDING LAND AND OTHER INFRASTRUCTURE FOR INDUSTRY, SIR DAVID SAID IT WAS RECOGNISED THAT TRADITIONAL FLATTED FACTORY BUILDINGS WERE NOT ALWAYS SUITED TO THE NEEDS OF THE NEW GENERATION OF MANUFACTURING ACTIVITIES.

TO HELP MEET THE CHANGING NEEDS, A THIRD INDUSTRIAL ESTATE WAS PLANNED FOR JUNK BAY, WITH THE FIRST PART OF SITE FORMATION TO BE COMPLETED IN 1992 AND LAND TO BE AVAILABLE FOR SALE FROM 1993. THE ABOUT 90 HECTARE SITE WOULD INCREASE THE SIZE OF INDUSTRIAL ESTATES BY 50 PER CENT.

SIR DAVID ALSO POINTED OUT THAT MORE LAND WITH WATERFRONT ACCESS WAS NEEDED, AND THERE WAS A STRONG DEMAND FOR THIS, PARTICULARLY FROM CHEMICAL PROCESSING INDUSTRIES. AN AREA IN TUEN MUN WHICH COULD PROVIDE THE RIGHT FACILITIES HAD BEEN IDENTIFIED.

SIR DAVID DESCRIBED THE CAPABILITY OF THE WORKFORCE AS ONE OF THE MOST CRUCIAL FACTORS IN KEEPING UP WITH CHANGE.

"NEW PROGRAMMES IN MANPOWER TRAINING ARE NOW BEING INTRODUCED WITH THE ASSISTANCE OF THE VOCATIONAL TRAINING COUNCIL AND OUR TERTIARY EDUCATIONAL INSTITUTIONS," HE SAID.

"THESE WILL PROVIDE MORE TRAINED STAFF IN AREAS SUCH AS COMPUTER AIDED DESIGN AS WELL AS MANUFACTURE, PRECISION TOOLING AND METAL WORKING."

AUTOMATION WAS A KEY ELEMENT IN MOVING TOWARDS HIGHER PRODUCTIVITY, AND IT COULD ALSO HELP IN TACKLING THE LABOUR SHORTAGE PROBLEM, SIR DAVID SAID.

THE PRODUCTIVITY COUNCIL WAS INCREASING ITS EFFORTS TO PROMOTE GREATER AUTOMATION, FOR EXAMPLE IN COMPUTER AIDED DESIGN AND MANUFACTURE.

THE GOVERNMENT WAS ALSO FUNDING A RESEARCH PROJECT IN THIS FIELD AT THE UNIVERSITIES, AT A COST OF ABOUT \$4 MILLION.

SIR DAVID SAID HONG KONG NEEDED TO ATTRACT A HIGH LEVEL OF FOREIGN INVESTMENT THAT WOULD BRING WITH IT MODERN PROCESSES AND NEW TECHNOLOGY.

"OVER THE LAST FEW YEARS WE HAVE DONE WELL," HE SAID. "MORE THAN 150 FOREIGN FIRMS HAVE INVESTED IN MANUFACTURING FACILITIES SINCE 1984. THE MAJORITY HAVE BROUGHT WITH THEM NEW OR IMPROVED TECHNOLOGY.

"WE NEED TO KEEP THIS UP AND TO MAKE SURE THAT MORE INVESTORS ARE AWARE OF THE POSSIBILITIES AND PROSPECTS IN HONG KONG.

"WE ARE THEREFORE UPGRADING AND STRENGTHENING OUR INWARD INVESTMENT PROGRAMME.

"THIS WILL INCLUDE IMPROVING THE SERVICES PROVIDED BY OUR INDUSTRIAL PROMOTION OFFICES IN NORTH AMERICA, EUROPE AND JAPAN, AND TARGETTING THEIR OPERATIONS MORE PRECISELY ON KEY SECTORS AND INDIVIDUAL COMPANIES."

ON TRADE, SIR DAVID SAID HONG KONG'S ABILITY TO ARGUE FOR FREER TRADE HAD BEEN STRENGTHENED SINCE IT BECAME A SEPARATE CONTRACTING PARTY OF THE GATT, AND IT WAS, FOR INSTANCE, AN ACTIVE PARTICIPANT IN THE CURRENT URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS.

BUT HE STRESSED THAT GIVEN HONG KONG'S RELIANCE ON TRADE, PROTECTIONISM IN MAJOR MARKETS WAS A CONSTANT THREAT.

HE WAS PLEASED TO NOTE THAT RECENT OMNIBUS TRADE LEGISLATION IN THE UNITED STATES WAS LESS PROTECTIONIST THAN EARLIER DRAFTS FORESHADOWED, AND HE WELCOMED PRESIDENT REAGAN'S VETO OF THE RECENT PROTECTIONIST TEXTILE BILL.

/"BUT WE .....

"BUT WE MUST CONTINUE TO BE AWARE OF, AND GUARD AGAINST, PROTECTIONIST SENTIMENT IN THE UNITED STATES CONGRESS," HE SAID.

"THE TRADE DEPARTMENT AND THE GOVERNMENT'S OVERSEAS OFFICES ARE CONSTANTLY ALERT FOR THE EMERGENCE OF PROTECTIONISM IN NEW FORMS AND IN NEW PLACES," HE SAID.

"SO FAR THEIR EFFORTS HAVE BEEN REWARDED WITH QUIET SUCCESS AND THEY HAVE EARNED RESPECT AND INFLUENCE IN THE INTERNATIONAL TRADING COMMUNITY.

"BUT OUR EFFORTS MUST NOT FLAG. WE HAVE RECENTLY SET UP A NEW ECONOMIC AND TRADE OFFICE IN TOKYO.

"WE ARE ALSO EXPANDING THE PROGRAMME OF SPONSORED VISITS TO HONG KONG BY REPRESENTATIVES FROM OUR MAJOR TRADING PARTNERS, SO THAT THEY CAN SEE FOR THEMSELVES OUR FREE TRADE SYSTEM AND ECONOMIC POTENTIAL.

"WE SET A GOOD EXAMPLE IN OUR TRADING PRACTICES. WE MUST CONTINUE TO MAKE SURE THAT THIS FACT IS WIDELY KNOWN."

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NO PLAN TO IMPORT WORKERS

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THE GOVERNMENT DOES NOT AT PRESENT PLAN TO CHANGE EXISTING POLICY AND ALLOW THE IMPORT OF SUBSTANTIAL NUMBERS OF WORKERS FROM OUTSIDE HONG KONG, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR DAVID SAID THAT THERE HAD BEEN CALLS FOR THE GOVERNMENT TO CHANGE ITS POLICY AND ALLOW CONTRACTORS IN THE CONSTRUCTION INDUSTRY TO IMPORT WORKERS FOR SPECIFIC PROJECTS.

IT HAD BEEN ARGUED THAT MEASURES ALREADY TAKEN TO EASE THE LABOUR SHORTAGE WOULD NOT RELIEVE THE IMMEDIATE PROBLEM IN THE CONSTRUCTION INDUSTRY.

THE INDUSTRY WAS VERY LABOUR INTENSIVE AND THE COMPACTNESS OF MOST CONSTRUCTION SITES LIMITED OPPORTUNITIES FOR GREATER MECHANISATION, HE NOTED.

HOWEVER, THERE WERE ALSO STRONG ARGUMENTS AGAINST ANY SCHEME TO IMPORT WORKERS FOR SPECIFIC PROJECTS.

/"IT WOULD .....

"IT WOULD INTERFERE WITH THE NORMAL ADJUSTMENT PROCESS WITHIN THE ECONOMY," HE SAID.

"IT WOULD ALSO CONFLICT WITH OUR AIM OF ALLOWING THE WORKFORCE TO SHARE THE BENEFITS IN GOOD YEARS AS THEY SHARE THE DIFFICULTIES IN LEAN YEARS."

SIR DAVID SAID THE LONG TERM SOLUTION TO THE LABOUR SHORTAGE LAY IN INCREASED AUTOMATION, GREATER PRODUCTIVITY AND IMPROVED WAGES AND CONDITIONS.

"HONG KONG HAS ALREADY MADE GREAT STRIDES IN THESE AREAS IN RECENT YEARS. BUT MORE CAN BE DONE," HE SAID.

NOTING THAT THE EXCESS OF LABOUR DEMAND OVER SUPPLY HAD CREATED DIFFICULTIES IN SOME SECTORS, SIR DAVID SAID THE GOVERNMENT HAD ALREADY TAKEN A NUMBER OF MEASURES TO TRY TO REDUCE THE SIZE OF THE PROBLEM.

"WE HAD RELAXED RESTRICTIONS ON OVERTIME WORK BY WOMEN; EXAMINED WAYS OF INDUCING MORE PEOPLE TO ENTER THE LABOUR MARKET; AND EXPANDED THE ADVISORY SERVICES OF THE PRODUCTIVITY COUNCIL.

"IN ADDITION, WE ARE NOW CARRYING OUT A THOROUGH REVIEW OF OUR PRESENT POLICY ON ENTRY FOR EMPLOYMENT TO MAKE SURE THAT IT IS FULLY UNDERSTOOD AND FULLY USED."

SIR DAVID SAID THESE MEASURES HAD HELPED TO EASE THE PROBLEM, BUT MORE COULD BE DONE IN RESPECT OF AUTOMATION, PRODUCTIVITY, IMPROVED WAGES AND WORKING CONDITIONS.

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FURTHER DEVELOPMENT OF SCIENCE AND TECHNOLOGY COMMITTEE

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THE GOVERNMENT AIMS TO DEVELOP FURTHER THE ROLE OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY AS A SOURCE OF INNOVATIVE IDEAS ON SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"IN A WORLD WHERE TECHNOLOGY IS DEVELOPING AT A TREMENDOUS PACE, WE MUST ENSURE THAT WE IN HONG KONG KEEP UP WITH WHAT IS GOING ON ELSEWHERE AND TURN IT TO OUR OWN BENEFIT," HE SAID.

/THE COMMITTEE .....

THE COMMITTEE WAS SET UP SIX MONTHS AGO UNDER THE CHAIRMANSHIP OF LEGISLATIVE COUNCILLOR, PROFESSOR THE HON POON CHUNG-KWONG, TO SEEK OUT AND DEVELOP NEW SCIENTIFIC IDEAS WHICH MIGHT BE OF USE TO HONG KONG AND ADVISE THE GOVERNMENT HOW THESE MIGHT BEST BE APPLIED.

THE COMMITTEE HAD STARTED ITS WORK BY GIVING PRIORITY ATTENTION TO AREAS THAT WERE ESSENTIAL IN ENHANCING HONG KONG'S ECONOMIC EFFICIENCY AND COMPETITIVENESS INCLUDING, IN PARTICULAR, THE WIDER APPLICATION OF INFORMATION TECHNOLOGY.

SIR DAVID SAID THE GOVERNMENT ALSO AIMED TO MAKE GOOD USE OF THE COMMITTEE'S EXPERTISE, FOR EXAMPLE BY ENCOURAGING IT TO ORGANISE EXHIBITIONS, CONFERENCES AND EDUCATIONAL PROGRAMMES, AND TO ENGAGE LOCAL AND OVERSEAS EXPERTS TO WORK IN AREAS OF PARTICULAR VALUE TO HONG KONG.

"WE ARE NOW WORKING OUT HOW TO GIVE THE COMMITTEE THE BACK-UP FACILITIES IT NEEDS TO ENABLE IT TO OPERATE MORE EFFECTIVELY," THE GOVERNOR ADDED.

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HK MUST PRESERVE FINANCIAL CENTRE POSITION  
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AS HONG KONG HAS BECOME A LEADING INTERNATIONAL FINANCIAL CENTRE IT MUST MAKE SURE THAT THERE IS INTERNATIONAL CONFIDENCE IN THE INTEGRITY, AND THE EFFICIENCY, OF ITS MARKETS, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REFERRING TO THE REGULATION OF FINANCIAL AND COMMERCIAL SECTORS, SIR DAVID SAID: "WE DO NOT WISH TO OVER-REGULATE. BUT WE MUST MAKE SURE THAT WE MEET INTERNATIONAL STANDARDS."

ONE OF THE MAIN LESSONS LEARNT FROM LAST OCTOBER'S STOCK MARKET CRASH IN WHICH HONG KONG, LIKE OTHER MARKETS AROUND THE WORLD, WAS SEVERELY AFFECTED, WAS THAT HONG KONG WAS PART OF A GLOBAL MARKET, AND THE FINANCIAL WORLD WAS INCREASINGLY INTEGRATED AND INTERNATIONAL.

"THIS CALLS FOR MORE CO-ORDINATION AND MORE UNIFORMITY OF STANDARDS OF REGULATION IN THE MAIN FINANCIAL CENTRES," HE SAID.

SIR DAVID SAID AN EXCELLENT JOB HAD BEEN DONE BY THE SECURITIES REVIEW COMMITTEE THAT HE HAD APPOINTED FOLLOWING THE CRASH TO EXAMINE THE POWERS, MANAGEMENT AND OPERATION OF THE STOCK AND FUTURES EXCHANGES AND OF THE VARIOUS REGULATORY BODIES.

/THE GOVERNMENT .....

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THE GOVERNMENT HAD ACCEPTED THE GENERAL THRUST OF THE COMMITTEE'S RECOMMENDATIONS, AND LEGISLATION WOULD BE INTRODUCED INTO THE LEGISLATIVE COUNCIL BEFORE THE END OF THE YEAR TO ALLOW A NEW REGULATORY AUTHORITY -- THE SECURITIES AND FUTURES COMMISSION -- TO BECOME FULLY OPERATIONAL EARLY NEXT YEAR.

HE NOTED THAT THE SECURITIES REVIEW COMMITTEE HAD ALSO RECOMMENDED FUNDAMENTAL REVISION OF THE CONSTITUTION AND INTERNAL MANAGEMENT OF BOTH THE STOCK EXCHANGE AND THE FUTURES EXCHANGE.

"THESE RECOMMENDATIONS HAVE BEEN ACCEPTED BY THE STOCK EXCHANGE WHICH HAS, TO ITS GREAT CREDIT, TAKEN THE INITIATIVE TO IMPLEMENT THEM. THE FUTURES EXCHANGE WILL BE PUTTING PROPOSALS TO ITS MEMBERS IN A FEW WEEKS TIME," HE SAID.

ACTION WAS ALSO BEING TAKEN IN LINE WITH THE COMMITTEE'S RECOMMENDATION THAT FOR SETTLEMENT OF STOCK TRANSACTIONS THERE SHOULD BE A CENTRAL CLEARING SYSTEM UNDER THE MANAGEMENT OF A NEW STATUTORY CLEARING HOUSE, AS WELL AS AN EXTENSION OF THE SETTLEMENT PERIOD.

"THE STOCK EXCHANGE AND OTHER PARTIES INVOLVED, INCLUDING A NUMBER OF MAJOR BANKS, ARE NOW WORKING ON THE DETAILED DESIGN OF A NEW SYSTEM WHICH SHOULD BE IN PLACE BY EARLY 1990," SIR DAVID SAID.

"IN THE MEANTIME, INTERIM ARRANGEMENTS HAVE BEEN INTRODUCED BY THE EXCHANGE TO IMPROVE EFFICIENCY.

"THUS, WITHIN A RELATIVELY SHORT PERIOD, HONG KONG HAS MADE GREAT EFFORTS TO LEARN FROM THE WEAKNESSES WHICH WERE REVEALED LAST OCTOBER AND TO PUT MORE DURABLE STRUCTURES IN THEIR PLACE."

SIR DAVID SAID ANOTHER PROBLEM AREA THAT NEEDED TO BE TACKLED WAS INSIDER DEALING, AN ABUSE WHICH UNDERMINED THE FAIRNESS OF THE MARKET.

"WE MUST DO ALL WE CAN TO SEE THAT IT DOES NOT OCCUR. LEGISLATION WILL BE INTRODUCED THIS SESSION TO INCREASE SUBSTANTIALLY THE RANGE OF SANCTIONS WHICH MAY BE IMPOSED BY THE INSIDER TRADING TRIBUNAL. THESE MEASURES ARE DESIGNED TO CREATE A MORE EFFECTIVE DETERRENT THAN WE HAVE NOW."

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APPROACH ON MANAGEMENT OF PUBLIC FINANCES OUTLINED

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THE GOVERNMENT'S MAIN AIM IN MANAGING THE PUBLIC FINANCES IS TO ENSURE THAT THE GROWTH OF PUBLIC EXPENDITURE DOES NOT OUTSTRIP THE UNDERLYING GROWTH RATE OF THE ECONOMY AS A WHOLE, WHICH IS CURRENTLY ABOUT SIX PER CENT A YEAR.

THE GOVERNOR, SIR DAVID WILSON, SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) AS HE OUTLINED A NUMBER OF AREAS IN WHICH THE GOVERNMENT PLANNED TO EXPAND OR IMPROVE SERVICES IN THE COMING YEAR, WITHIN THE PARAMETERS PROVIDED BY THE UNDERLYING GROWTH RATE.

HE SAID THAT IN EXPANDING ITS SERVICES THE GOVERNMENT MUST BE CAREFUL THAT PUBLIC SECTOR DEMANDS DID NOT UNDERMINE THE ABILITY OF THE PRIVATE SECTOR TO GENERATE THE ECONOMIC GROWTH ON WHICH HONG KONG'S PROSPERITY DEPENDED.

"OUR ECONOMY IS NOW RUNNING VERY CLOSE TO FULL CAPACITY," THE GOVERNOR SAID.

"IN EXPANDING PUBLIC SERVICES WE MUST NOT ACT IN A WAY WHICH ACCELERATES INFLATION OR PUTS FURTHER PRESSURES ON THE LABOUR MARKET.

"THIS MEANS THAT PUBLIC SECTOR GROWTH MUST BE BOTH GRADUAL AND RESTRAINED."

IN THE NEXT FEW YEARS, SIR DAVID SAID MUCH MORE WOULD HAVE TO BE SPENT ON IMPROVEMENTS TO THE TERRITORY'S TRANSPORT, ECONOMIC AND ENVIRONMENTAL INFRASTRUCTURE THAN IN THE PAST.

"THIS EXPENDITURE HAS TO BE PLANNED CAREFULLY AGAINST THE BACKGROUND OF OTHER IMPORTANT AND CONTINUING CAPITAL PROGRAMMES," HE SAID.

"WE HAVE TO ADJUST OUR PRIORITIES WITHIN A GRADUALLY INCREASING CAPITAL BUDGET IN SUCH A WAY THAT THE OVERALL PROGRAMME MATCHES THE DEVELOPING NEEDS OF THE COMMUNITY. INEVITABLY THIS MEANS DIFFICULT CHOICES."

THE GOVERNOR ALSO POINTED OUT THAT IT WAS EQUALLY IMPORTANT THAT THE PRIVATE SECTOR WOULD NOT BE CROWDED OUT OF THE LABOUR MARKET.

HE NOTED THAT THE NUMBER OF CIVIL SERVANTS HAD GROWN, OVER THE PAST FIVE YEARS, BY AN ANNUAL AVERAGE OF 1.7 PER CENT.

/ALTHOUGH THIS .....

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ALTHOUGH THIS RATE OF INCREASE WAS NOT PARTICULARLY WORRYING, THERE WERE SIGNS THAT THE RATE OF GROWTH WAS ACCELERATING AND THIS COULD RESULT IN THE GOVERNMENT ABSORBING A GREATER PROPORTION OF MANPOWER THAN WAS DESIRABLE, HE SAID.

SIR DAVID SAID THAT TO KEEP THE BALANCE BETWEEN THE PUBLIC AND PRIVATE SECTORS RIGHT, THE CIVIL SERVICE MUST DO ALL IT COULD TO RAISE PRODUCTIVITY; TO INCREASE EFFICIENCY; AND TO IMPROVE THE COST-EFFECTIVENESS OF THE EXISTING SERVICES.

"WE MUST ALSO PROVIDE A FRAMEWORK FOR PUBLIC SECTOR MANAGEMENT THAT ENCOURAGES MANAGERS TO GET MORE FROM THE RESOURCES THEY ARE CONSUMING: THAT IS, TO SEEK BETTER VALUE FOR MONEY.

"TO ACHIEVE THIS, THE ADMINISTRATION HAS BEEN MAKING MAJOR CHANGES IN ITS ANNUAL PLANNING AND RESOURCE ALLOCATION PROCEDURES.

"THESE ARE DESIGNED PRIMARILY TO ENCOURAGE POLICY SECRETARIES TO TAKE A CLEARER VIEW OF PRIORITIES AND A MUCH CLOSER INTEREST IN WHAT IS BEING ACHIEVED BY THE PROGRAMMES CARRIED OUT BY BOTH GOVERNMENT DEPARTMENTS AND SUBVENTED ORGANISATIONS."

THE GOVERNOR ADDED THAT IN BOTH THE FORMAL ESTIMATES AND IN DAY-TO-DAY MANAGEMENT, THE ADMINISTRATION WAS PLACING MUCH GREATER EMPHASIS ON THE RESULTS IT INTENDED TO ACHIEVE RATHER THAN SIMPLY THE VOLUME OR VIGOUR OF ITS ACTIVITIES.

"IT IS GIVING PRIORITY TO EXPLOITING ADVANCES IN OFFICE AUTOMATION AND COMPUTER TECHNOLOGY.

"AND IT CONTINUES ACTIVELY TO LOOK FOR OPPORTUNITIES TO PROVIDE SERVICES THROUGH BODIES OUTSIDE THE GOVERNMENT WHERE THERE ARE CLEAR ADVANTAGES IN TERMS OF COST-EFFECTIVENESS AND MANAGEMENT FLEXIBILITY," HE SAID.

SIR DAVID SAID THESE REFORMS, TAKEN TOGETHER, REPRESENTED A MAJOR MANAGEMENT CHALLENGE TO THE CIVIL SERVICE AS A WHOLE.

"THEY PROVIDE AN OPPORTUNITY FOR THE CIVIL SERVICE TO SHOW THAT IT IS EQUAL TO THE IMPORTANT MANAGERIAL DEMANDS PLACED UPON IT.

"THAT IS AN OPPORTUNITY WHICH I BELIEVE THE CIVIL SERVICE WILL SEIZE WITH BOTH ENTHUSIASM AND CONFIDENCE," HE ADDED.

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DECISION ON NEW AIRPORT NEXT YEAR

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FOLLOWING A PERIOD OF RAPID ECONOMIC GROWTH, HONG KONG HAS REACHED THE STAGE WHERE DECISIONS MUST BE TAKEN ON THE FUTURE OF ITS AIRPORT AND ON THE LOCATION OF A NEW GENERATION OF PORT FACILITIES.

THE GOVERNOR, SIR DAVID WILSON, SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN OUTLINING THE DEVELOPMENT OF THE INFRASTRUCTURE.

DECISIONS WOULD ALSO HAVE TO BE TAKEN ON THE SUPPORTING ROAD NETWORKS AND TRANSPORT INFRASTRUCTURE THAT WOULD BE REQUIRED BY AIRPORT AND PORT DEVELOPMENTS.

"THESE MAJOR ISSUES ARE BEING CONSIDERED IN A RANGE OF STUDIES GROUPED UNDER THE PORT AND AIRPORT DEVELOPMENT STRATEGY," SIR DAVID SAID. "THEY ARE DUE TO BE COMPLETED IN THE MIDDLE OF NEXT YEAR."

THE GOVERNOR SAID THAT AN INTERNATIONAL COMMERCIAL CENTRE SUCH AS HONG KONG MUST HAVE AN AIRPORT OF INTERNATIONAL STANDARD WITHIN ITS OWN BOUNDARIES.

KAI TAK WAS NOW THE SECOND BUSIEST IN ASIA: OVER THE PAST TWO YEARS THE NUMBER OF PASSENGERS HAD INCREASED BY ALMOST 40 PER CENT AND, IN THE SAME PERIOD, AIRCRAFT MOVEMENT AND FREIGHT TRAFFIC HAD EACH RISEN BY ABOUT 30 PER CENT.

RECENT STUDIES HAD SHOWN THAT, WITHOUT CONSTRAINTS, KAI TAK WOULD REACH CAPACITY BEFORE THE END OF THE NEXT DECADE, AND IT WAS BECOMING INCREASINGLY CLEAR THAT A NEW AIRPORT WOULD BE NEEDED.

SIR DAVID DESCRIBED THIS AS A DECISION OF GREAT IMPORTANCE TO HONG KONG, INVOLVING THE QUESTION OF WHERE AND WHEN AN AIRPORT SHOULD BE BUILT, AND ALSO ENSURING THAT THE PROJECT WAS FINANCIALLY VIABLE.

"BUILDING A NEW AIRPORT WOULD BE THE BIGGEST PROJECT EVER UNDERTAKEN IN HONG KONG, COSTING TENS OF BILLIONS OF DOLLARS," HE SAID.

"IT WOULD REQUIRE MASSIVE INVESTMENT IN LAND FORMATION, ROADS AND TRANSPORTATION SYSTEMS.

"WHEREVER IT WAS SITED, IT WOULD ATTRACT INDUSTRIAL AND RESIDENTIAL DEVELOPMENT TO THE SAME AREA."

/SIR DAVID .....

SIR DAVID SAID THAT AS THE SUCCESSFUL OUTCOME OF SUCH A PROJECT WOULD GIVE A MAJOR BOOST TO CONFIDENCE IN HONG KONG'S FUTURE, IT WAS ESSENTIAL TO GET THE DECISION RIGHT.

"THIS MEANS HAVING ALL THE FACTS CLEAR BEFORE WE TAKE IT. IT DOES NOT MEAN ALLOWING ANY UNNECESSARY DELAY. I INTEND THAT A DECISION WILL BE TAKEN BEFORE THE END OF NEXT YEAR," HE SAID.

THE GOVERNOR NOTED THAT IT WOULD TAKE BETWEEN SEVEN AND 12 YEARS TO BUILD A NEW AIRPORT, DEPENDING ON THE SITE CHOSEN.

IN THE MEANTIME, HE SAID, KAI TAK WOULD BE EXPANDED TO COPE WITH TRAFFIC UNTIL A NEW AIRPORT WAS AVAILABLE.

"LATER THIS YEAR, PASSENGER HANDLING CAPACITY WILL BE INCREASED FROM 12 MILLION TO 20 MILLION PER YEAR. ADDITIONAL AIRCRAFT PARKING WILL BE PROVIDED IN 1989 AND IMPROVEMENTS TO CARGO HANDLING AND OTHER FACILITIES IN 1991.

"THESE IMPROVEMENTS WILL BE COSTLY; BUT THEY ARE ESSENTIAL IF KAI TAK IS TO BRIDGE THE GAP UNTIL THE NEW AIRPORT IS BUILT," HE SAID.

REFERRING TO THE PORT, SIR DAVID SAID AS DOMESTIC TRADE HAD FLOURISHED AND TRADE WITH CHINA HAD BOOMED, THE PORT HAD BECOME BUSIER THAN EVER.

CITING FIGURES, HE SAID THAT LAST YEAR MORE THAN 70 MILLION TONNES OF CARGO WERE LOADED AND DISCHARGED IN THE PORT OF HONG KONG -- DOUBLE THE AMOUNT HANDLED IN 1980.

IN THE FIRST SIX MONTHS OF THIS YEAR, CARGO TONNAGE HAD INCREASED BY 13 PER CENT OVER THE SAME PERIOD LAST YEAR. KWAI CHUNG WAS NOW THE BUSIEST CONTAINER PORT IN THE WORLD IN THROUGHPUT. THERE HAD ALSO BEEN RAPID INCREASES IN THE SHIPMENT OF NON-CONTAINERISED CARGO.

"CONTINUED GROWTH AT A SIMILAR RATE WILL REQUIRE MASSIVE INVESTMENT IN NEW PORT INFRASTRUCTURE," SIR DAVID SAID.

"THE DEVELOPMENT POTENTIAL OF KWAI CHUNG AND THE CONTAINER PORT THERE WILL BE EXHAUSTED ONCE TERMINAL 7 IS BUILT. DECISIONS ON THE LOCATION OF TERMINALS 8 AND 9 WILL BE TAKEN AT THE END OF THIS YEAR.

"BEFORE THE END OF NEXT YEAR WE SHALL NEED TO DECIDE WHERE AND HOW THE NEXT GENERATION OF PORT FACILITIES SHOULD BE PROVIDED, IN THE LIGHT OF THE FINDINGS OF THE PORT AND AIRPORT DEVELOPMENT STUDIES."

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INVESTMENT IN TRANSPORT INFRASTRUCTURE OUTLINED

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HONG KONG WOULD NEED TO INVEST HEAVILY IN TRANSPORT INFRASTRUCTURE TO COPE WITH AN ENORMOUS INCREASE IN THE VOLUME OF COMMERCIAL TRAFFIC USING THE ROADS DUE TO THE RAPID ECONOMIC GROWTH, THE GOVERNOR, SIR DAVID WILSON, SAID.

"THAT IS WHY WE SHALL BE SPENDING \$1.9 BILLION ON NEW ROADS THIS YEAR COMPARED WITH \$1.6 BILLION IN 1987-88," SIR DAVID TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

APART FROM PROJECTS BUILT BY THE GOVERNMENT, PRIVATE COMPANIES ALSO DEMONSTRATED THEIR CONFIDENCE IN HONG KONG'S FUTURE BY INVESTING IN THE CONSTRUCTION OF THE EASTERN HARBOUR CROSSING AND THE TATE'S CAIRN TUNNEL, "PROJECTS WITH PAYBACK PERIODS EXTENDING WELL BEYOND 1997," SIR DAVID NOTED.

RAPID ECONOMIC GROWTH HAD LED TO AN ENORMOUS INCREASE IN THE VOLUME OF COMMERCIAL TRAFFIC USING OUR ROADS, SIR DAVID SAID, AND PRIVATE CAR OWNERSHIP HAD RISEN SHARPLY SINCE EARLY LAST YEAR.

HE SAID: "IN RECENT YEARS, THE OPENING OF THE MASS TRANSIT RAILWAY AND THE UPGRADING OF THE KOWLOON-CANTON RAILWAY HAVE HELPED TO RELIEVE PRESSURE ON THE ROAD SYSTEM."

A NUMBER OF MAJOR FACILITIES WERE CURRENTLY BEING BUILT BY THE GOVERNMENT, INCLUDING THE KWUN TONG BY-PASS, ROUTE 5 LINKING SHA TIN WITH TSUEN WAN, THE FINAL STAGES OF THE NEW TERRITORIES CIRCULAR ROAD AND THE JUNK BAY ROAD TUNNEL, THE GOVERNOR ADDED.

HE POINTED OUT THAT ROAD TRAFFIC BETWEEN HONG KONG AND CHINA HAD INCREASED EIGHTFOLD SINCE 1981. "THERE ARE NOW MORE THAN 300,000 VEHICLE TRIPS ACROSS THE BORDER EACH MONTH."

ROAD LINKS WERE BEING IMPROVED TO MEET THIS EVER INCREASING DEMAND, SIR DAVID SAID.

STAGE I OF THE NEW LOK MA CHAU BRIDGE WOULD BE OPENED IN THE MIDDLE OF NEXT YEAR, AND THE SECOND STAGE BY THE END OF 1990 WHILE THE UPGRADING OF SHA TAU KOK ROAD WOULD START IN 1989.

OTHER MAJOR ROAD PROJECTS AND RAILWAY IMPROVEMENTS BEING PLANNED FOR THE LONGER TERM INCLUDED ROUTE 3, FORMERLY CALLED ROUTE X, LINKING THE NORTH-WEST NEW TERRITORIES AND HONG KONG ISLAND VIA TSING YI AND THE PROPOSED WEST KOWLOON RECLAMATION.

A DETAILED ENGINEERING STUDY WOULD BEGIN SHORTLY TO IDENTIFY THE BEST ALIGNMENT.

/"EARLY NEXT .....

"EARLY NEXT YEAR, WE WILL BE IN A POSITION TO DECIDE WHETHER IT IS FEASIBLE TO BUILD A RAIL LINK BETWEEN THE NORTH-WEST NEW TERRITORIES AND THE URBAN AREA, AS WELL AS THE BEST ROUTE FOR SUCH A LINK," THE GOVERNOR SAID.

"AND ARRANGEMENTS FOR EXTENDING THE MASS TRANSIT RAILWAY TO JUNK BAY ARE ALREADY BEING DISCUSSED WITH THE MTR CORPORATION.

"IN ADDITION, CONSULTANTS HAVE BEEN ASKED TO ADVISE ON THE PROPOSED KCR FREIGHT YARD EXPANSION AT HUNG HOM BAY AND THE ASSOCIATED MARSHALLING YARD AT LO WU; WE INTEND TO TAKE DECISIONS ON THESE PROJECTS BY THE END OF THE YEAR."

HOW HONG KONG DEALT WITH THE LONGER TERM PROJECTS WOULD BE DECIDED IN THE CONTEXT OF THE SECOND COMPREHENSIVE TRANSPORT STUDY WHICH WOULD EXAMINE THE POLICY AND PLANNING OPTIONS INVOLVED IN MAINTAINING AN ACCEPTABLE LEVEL OF MOBILITY FOR PASSENGERS AND FREIGHT UP TO THE YEAR 2001, SIR DAVID ADDED.

A GREEN PAPER ON INTERNAL TRANSPORT POLICY SETTING OUT THE MAJOR FINDINGS OF THE STUDY AND THE POLICY IMPLICATIONS WOULD BE PUBLISHED IN THE FIRST HALF OF 1989 AS A BASIS FOR PUBLIC CONSULTATION, HE SAID.

"IT IS ALREADY CLEAR THAT TRANSPORT DEMAND WILL RISE SUBSTANTIALLY BETWEEN NOW AND THE END OF THE CENTURY. WE WILL GO ON BUILDING UP OUR INFRASTRUCTURE.

"BUT INEVITABLY THERE ARE ECONOMIC, FINANCIAL, PHYSICAL AND ENVIRONMENTAL LIMITS ON THE EXTENT TO WHICH IT CAN BE FURTHER EXPANDED, PARTICULARLY IN THE URBAN AREAS."

ROAD CONGESTION WOULD CONTINUE TO BE A PROBLEM, HE ADDED.

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#### NEW STRATEGY TO IMPROVE CONDITIONS IN RURAL NT

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THE NEED FOR A NEW AND COMPREHENSIVE STRATEGY TO IMPROVE LIVING CONDITIONS IN THE RURAL NEW TERRITORIES WAS STRESSED BY THE GOVERNOR, SIR DAVID WILSON, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WHILE LIVING CONDITIONS IN THE NEW TOWNS WERE GENERALLY SATISFACTORY, HE SAID THE SITUATION IN THE RURAL NEW TERRITORIES WAS NOT SO GOOD.

/MANY VILLAGES .....

MANY VILLAGES STILL LACKED BASIC AMENITIES SUCH AS PROPER ACCESS ROADS, DRAINAGE AND SEWERAGE.

"OVER THE YEARS, SOME IMPROVEMENTS HAVE BEEN MADE ON A PIECEMEAL BASIS, THROUGH THE CITY AND NEW TERRITORIES ADMINISTRATION'S LOCAL PUBLIC WORKS PROGRAMME AND THE TERRITORY DEVELOPMENT DEPARTMENT'S URBAN FRINGE IMPROVEMENTS PROGRAMME. THESE MUST CONTINUE," HE SAID.

"BUT, IN ORDER TO MAKE REAL PROGRESS, THERE IS A NEED FOR A NEW AND COMPREHENSIVE STRATEGY."

THIS WAS BEING WORKED OUT AND DETAILS WOULD BE MADE PUBLIC BY THE MIDDLE OF NEXT YEAR, SIR DAVID SAID.

ESSENTIAL ELEMENTS OF THE STRATEGY WOULD BE THE IMPROVED PLANNING OF PUBLIC AND PRIVATE DEVELOPMENT AND THE TIGHTENING OF CONTROL OVER LAND USE, "SO AS TO ENSURE THAT THE IMPROVEMENTS ACHIEVED ARE SUSTAINABLE".

TURNING TO FUTURE URBAN DEVELOPMENT, SIR DAVID SAID A KEY ISSUE FOR CONSIDERATION WAS HOW TO IMPROVE THE METROPOLITAN AREA AROUND THE HARBOUR SO AS TO MAKE IT A BETTER PLACE IN WHICH TO LIVE AND WORK.

THIS WAS BEING EXAMINED IN METROPLAN, A STUDY STARTED IN LATE 1987.

THE AIM WAS TO BRING LIVING CONDITIONS AND AMENITIES IN THE OLDER URBAN DISTRICTS, SUCH AS YAU MA TEI AND MONG KOK, UP TO THE SAME STANDARD AS IN THE NEW TOWNS.

"THE NEWLY ESTABLISHED LAND DEVELOPMENT CORPORATION, THE HOUSING AUTHORITY AND PRIVATE DEVELOPERS ALL HAVE IMPORTANT ROLES TO PLAY IN ACHIEVING THIS OBJECTIVE," HE SAID.

THE LAND DEVELOPMENT CORPORATION WOULD SOON BEGIN TO HAVE AN IMPACT ON THE REVITALISATION OF THE OLDER URBAN DISTRICTS.

"SINCE ITS ESTABLISHMENT IN JANUARY THIS YEAR, IT HAS PUT FORWARD PLANS FOR 16 URBAN REDEVELOPMENT PROJECTS, FIVE OF WHICH HAVE ALREADY BEEN APPROVED BY THE TOWN PLANNING BOARD," HE SAID.

"PROPERTIES ARE NOW BEING BOUGHT AND WORK ON THE FIRST PROJECT SHOULD BEGIN BY THE END OF 1989."

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DISCUSSIONS WITH CHINA ON CONTINUING WATER SUPPLY  
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DISCUSSIONS HAVE STARTED WITH CHINA WITH THE AIM OF RENEWING AN EXISTING AGREEMENT AND ENSURING SUFFICIENT WATER SUPPLIES TO MEET HONG KONG'S REQUIREMENTS WELL INTO THE NEXT CENTURY, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

WATER SHORTAGE HAD ONCE BEEN A RECURRING PROBLEM IN HONG KONG AND MEMBERS OF THE COUNCIL WOULD REMEMBER THE 1963-1964 DROUGHT, WHEN ONLY FOUR HOURS OF WATER WAS SUPPLIED EVERY FOUR DAYS, SIR DAVID SAID.

YOUNGER MEMBERS OF THE COMMUNITY WOULD BE UNFAMILIAR WITH SUCH HARSH CONDITIONS.

"IN RECENT YEARS WE HAVE BECOME ACCUSTOMED TO RECEIVING A 24-HOUR SUPPLY" HE SAID.

"THIS IS MAINLY DUE TO INCREASED PURCHASES FROM CHINA WHICH NOW SUPPLIES 70 PER CENT OF THE WATER CONSUMED IN THE TERRITORY."

THE PRESENT AGREEMENT WOULD EXPIRE IN 1994.

AS A RESULT OF THE UNUSUALLY DRY WEATHER IN THE EARLIER PART OF THIS YEAR, THE STORAGE LEVEL IN RESERVOIRS HAD FALLEN TO 32 PER CENT OF CAPACITY AT THE END OF JULY, WHILE RAINFALL IN AUGUST AND SEPTEMBER PROVIDED SOME RELIEF.

"IN ADDITION, THE CHINESE AUTHORITIES HAVE RECENTLY AGREED TO SUPPLY EXTRA WATER," SIR DAVID SAID.

WATER RESTRICTIONS SHOULD NOT NOW BE NECESSARY DURING THE COMING DRY SEASON.

NEVERTHELESS, MORE WATER HAD BEEN REQUESTED FROM CHINA TO GUARD AGAINST THE POSSIBILITY OF LOW RAINFALL NEXT YEAR, HE ADDED.

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HOUSING FOR ALL URBAN SQUATTERS BY 1994-95  
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THE GOVERNMENT MUST ENSURE THAT IT ACHIEVES ITS TARGET OF PROVIDING HOUSING FOR ALL URBAN SQUATTERS BY 1994-95, THE GOVERNOR, SIR DAVID WILSON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

NOTING THAT SQUATTER HOUSING IN THE URBAN AREA WAS A LONG STANDING PROBLEM WHICH HAD PROVED DIFFICULT TO RESOLVE, SIR DAVID SAID REAL PROGRESS WAS NOW BEING MADE.

/ "THIS YEAR, .....

"THIS YEAR, 32,000 RESIDENTS OF THE TWO LARGEST REMAINING URBAN SQUATTERS AREAS, AT SHAU KEI WAN AND DIAMOND HILL, WILL BE REHOUSED."

IN ADDITION, A GOOD START HAD BEEN MADE ON THE CLEARANCE OF THE KOWLOON WALLED CITY, HE SAID.

"SO FAR 4,200 OF THE ORIGINAL 33,000 RESIDENTS HAVE ACCEPTED OFFERS OF REHOUSING. CLEARANCE AND DEMOLITION WILL BE COMPLETED IN 1992 AND THE SITE WILL BE DEVELOPED AS A PUBLIC PARK.

"A MAJOR EYESORE AND HEALTH HAZARD WILL THEN HAVE BECOME A MUCH NEEDED PUBLIC AMENITY."

ON PUBLIC HOUSING, THE GOVERNOR SAID THE GOVERNMENT HAD TAKEN A NUMBER OF STEPS IN THE PAST YEAR TOWARDS ACHIEVING THE OBJECTIVE OF PROVIDING ADEQUATE ACCOMMODATION FOR ALL BY THE TURN OF THE CENTURY.

WITH THE REORGANISATION OF THE HOUSING AUTHORITY IN APRIL THIS YEAR, IT WAS GIVEN GREATER FINANCIAL AUTONOMY TO IMPLEMENT THE LONG TERM HOUSING STRATEGY.

SIR DAVID NOTED THAT AS PART OF THE STRATEGY, THE AUTHORITY HAD DRAWN UP A PROGRAMME TO REDEVELOP OVER 500 OLDER PUBLIC HOUSING BLOCKS BETWEEN NOW AND THE END OF THE CENTURY.

"ABOUT 500,000 TENANTS OF THESE BLOCKS WILL BE ALLOCATED FLATS IN MODERN ESTATES WITH LOWER POPULATION DENSITIES AND A BETTER LIVING ENVIRONMENT."

IN ORDER TO MEET PUBLIC DEMAND, HE SAID THE AUTHORITY WAS PROVIDING GREATER OPPORTUNITIES FOR HOME PURCHASE, BOTH IN THE PUBLIC AND PRIVATE SECTORS.

THIS YEAR, 12,500 HOME OWNERSHIP SCHEME AND PRIVATE SECTOR PARTICIPATION SCHEME FLATS HAD BEEN SOLD, AND 2,500 LOANS HAD BEEN MADE AVAILABLE FOR THE PURCHASE OF PRIVATE SECTOR FLATS THROUGH THE RECENTLY INTRODUCED HOME PURCHASE LOAN SCHEME.

REFERRING TO THE SHORTFALL OF HOUSING PRODUCTION IN THE 1987-88 FINANCIAL YEAR DUE TO LABOUR SHORTAGE IN THE CONSTRUCTION INDUSTRY, SIR DAVID SAID THAT THE COMPLETION OF THE DELAYED PROJECTS WOULD, HOWEVER, BOOST PRODUCTION IN 1988-89 TO 54,200 FLATS.

"THIS WILL BE THE HIGHEST NUMBER OF FLATS EVER COMPLETED IN A SINGLE YEAR AND MORE THAN SUFFICIENT TO OFFSET LAST YEAR'S SHORTFALL.

"BUT I EMPHASISE THAT THIS HIGH FIGURE IS MAINLY THE RESULT OF DELAYS IN THE PROGRAMME.

"FOR THE FUTURE, THE LABOUR SHORTAGE CASTS A WORRYING SHADOW OVER PROSPECTS FOR KEEPING THE BUILDING PROGRAMME ON TRACK."

/SIR DAVID .....

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SIR DAVID ALSO MENTIONED THAT A NEW GENERATION OF BLOCK DESIGN - THE HARMONY BLOCKS - WAS BEING INTRODUCED TO IMPROVE THE STANDARD OF PUBLIC HOUSING, WHICH WOULD BE READY IN THE EARLY 1990'S.

TURNING TO BUILDING MANAGEMENT, THE GOVERNOR SAID THE GOVERNMENT'S POLICY WAS TO PROVIDE A LEGAL FRAMEWORK WHICH WOULD GIVE OWNERS OF PRIVATE BUILDINGS THE OPPORTUNITY TO MANAGE THEIR BUILDINGS EFFECTIVELY.

"LEGISLATIVE AMENDMENTS ARE BEING DRAFTED WHICH WILL MAKE IT EASIER TO FORM OWNERS CORPORATIONS, AND TO IMPROVE THE WAY IN WHICH THESE BODIES OPERATE," HE SAID.

SIR DAVID SAID HE EXPECTED THE LEGISLATION TO COME BEFORE THE LEGISLATIVE COUNCIL EARLY NEXT YEAR.

IN ADDITION, A NEW ADVISORY COMMITTEE ON PRIVATE BUILDING MANAGEMENT WAS BEING ESTABLISHED, HE SAID.

THE COMMITTEE, COMPRISING A MAJORITY OF NON-GOVERNMENT MEMBERS AND CHAIRED BY ONE OF THEM, WOULD ADVISE THE GOVERNMENT ON WHAT FURTHER MEASURES WERE NEEDED TO IMPROVE THE MANAGEMENT OF PRIVATE BUILDINGS.

NOTING THAT THE DEMAND FOR CHEAP TOURIST ACCOMMODATION HAD LED TO AN INCREASE IN THE NUMBER OF GUEST-HOUSES, SIR DAVID SAID: "WE MUST ENSURE THAT THESE ARE SAFE.

"THE ADMINISTRATION HAS THEREFORE DECIDED TO LICENSE THE OPERATION OF THESE PREMISES SO AS TO ENSURE ACCEPTABLE STANDARDS OF FIRE SAFETY, STRUCTURAL SAFETY AND ENVIRONMENTAL HYGIENE. WORK ON THE NECESSARY LEGISLATION IS ALREADY IN HAND."

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#### SUCCESSFUL BIDDER FOR CTV EXPECTED NEXT YEAR

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AS HONG KONG HAS THE POTENTIAL TO SUPPORT THE LARGEST CABLE TELEVISION NETWORK IN THE WORLD, THERE IS LIKELY TO BE SUBSTANTIAL COMMERCIAL INTEREST IN BUILDING IT, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE NOTED THAT THE GOVERNMENT HAD INVITED PROPOSALS LOCALLY AND OVERSEAS FOR THE INTRODUCTION OF THE NEW NETWORK, AND IT EXPECTED TO HAVE IDENTIFIED A SUCCESSFUL BIDDER, OR BIDDERS, FOR THE LICENCES BY MID-1989.

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"ONE OF THE GOVERNMENT'S AIMS IS TO MAKE SURE THAT THE NEW SERVICE WILL QUICKLY BECOME AVAILABLE IN HOMES THROUGHOUT THE TERRITORY," HE SAID.

"A CONDITION FOR THE TENDER IS THAT AT LEAST 750,000 HOUSEHOLDS SHOULD HAVE ACCESS TO THE SERVICE IN THE FIRST THREE YEARS AND AT LEAST 1.5 MILLION, THAT IS 75 PER CENT OF ALL HOUSEHOLDS, AFTER 10 YEARS."

SIR DAVID SAID HONG KONG'S CONTINUED GROWTH AS A FINANCIAL AND COMMERCIAL CENTRE REQUIRED THAT IT KEPT PACE WITH THE INCREASING SOPHISTICATION OF TELECOMMUNICATIONS SERVICES.

"WE HAVE BEEN WELL SERVED BY OUR TELEPHONE AND TELECOMMUNICATIONS SYSTEMS," HE SAID. "BUT, IN THIS AREA AS IN OTHERS, COMPETITION CAN ACT AS A SPUR TO INNOVATION AND CAN MAKE A WIDER VARIETY OF SERVICES AVAILABLE TO DOMESTIC AND BUSINESS SUBSCRIBERS."

IN MAKING A DECISION TO INTRODUCE CABLE TELEVISION, THE GOVERNMENT HAD THEREFORE DECIDED TO ALLOW THE NEW CABLE NETWORK TO PROVIDE ALTERNATIVE TRANSMISSION FACILITIES FOR COMPETITIVE TELECOMMUNICATIONS SERVICES SUCH AS DATA AND FACSIMILE.

"THESE SERVICES ARE OUTSIDE THE HONG KONG TELEPHONE COMPANY'S PRESENT EXCLUSIVE FRANCHISE, WHICH COVERS THE CONVENTIONAL LOCAL TELEPHONE SERVICE," HE SAID.

"CONSUMERS, PARTICULARLY BUSINESS USERS, WILL BE ABLE TO BENEFIT FROM A WIDER CHOICE AT COMPETITIVE PRICES IN A FIELD WHICH OFFERS GREAT POTENTIAL FOR GROWTH AND TECHNOLOGICAL INNOVATION."

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#### GOVERNOR OUTLINES MEASURES AGAINST POLLUTION

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A DRAINAGE SERVICES DEPARTMENT WILL BE ESTABLISHED NEXT YEAR TO IMPLEMENT A 10-YEAR PROGRAMME, COSTING ABOUT \$10 BILLION, TO IMPROVE THE TERRITORY'S SEWERAGE FACILITIES, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

STATING THAT HE WAS INCREASINGLY CONVINCED THAT A MAJOR PRIORITY MUST BE TO DO MORE TO IMPROVE THE ENVIRONMENT, SIR DAVID ALSO OUTLINED PLANS TO COMBAT WATER POLLUTION AT BEACHES, INCLUDING THE DESIGNATION OF TWO MORE WATER CONTROL ZONES - AT JUNK BAY AND PORT SHELTER.

/SIR DAVID .....

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SIR DAVID SAID THE GOVERNMENT WAS CARRYING OUT A MAJOR REVIEW OF SEWERAGE FACILITIES, AND THE AMBITIOUS PROGRAMME FOR THE CONSTRUCTION OF SEWAGE COLLECTION, TREATMENT AND DISPOSAL FACILITIES HAD ALREADY BEEN MAPPED OUT.

THE NEW DRAINAGE SERVICES DEPARTMENT WOULD BRING TOGETHER FUNCTIONS AT PRESENT CARRIED OUT BY A NUMBER OF EXISTING DEPARTMENTS, HE SAID.

"IT WILL BE RESPONSIBLE FOR THE DESIGN, CONSTRUCTION, OPERATION AND MAINTENANCE OF SEWERS, DRAINS AND SEWAGE TREATMENT AND DISPOSAL FACILITIES.

"IT WILL ALSO HAVE AN IMPORTANT ENFORCEMENT ROLE IN ENSURING THAT SEWAGE AND INDUSTRIAL EFFLUENT ARE DISPOSED OF PROPERLY."

CONSTRUCTION OF PROJECTS COSTING ABOUT \$2 BILLION HAD EITHER STARTED ALREADY OR WOULD START DURING THE NEXT YEAR, SIR DAVID SAID.

THESE INCLUDED THE NORTH-WEST NEW TERRITORIES TRUNK SEWER AND A SCHEME TO PUMP TREATED EFFLUENT FROM SHA TIN FOR DISCHARGE INTO THE KAI TAK NULLAH.

"THIS IMAGINATIVE PROPOSAL WILL REDUCE THE POLLUTION OF TOLO HARBOUR WHILE AT THE SAME TIME HELPING TO IMPROVE THE CONDITION OF THE KAI TAK NULLAH," HE SAID.

"A START IS BEING MADE ON THE DETAILED DESIGN OF NEW SEWERAGE SYSTEMS FOR EAST KOWLOON AND HONG KONG ISLAND (SOUTH), AS WELL AS THE PREPARATION OF MASTER PLANS FOR TSUEN WAN AND KWAI CHUNG, NORTH WEST KOWLOON, TOLO HARBOUR AND PORT SHELTER.

"WE SHALL NEED MORE TREATMENT FACILITIES AND NEW OUTFALLS CONSTRUCTED SUFFICIENTLY FAR OUT TO SEA."

SIR DAVID DESCRIBED SERIOUS ENVIRONMENTAL POLLUTION AS AN UNFORTUNATE BY-PRODUCT OF HONG KONG'S ECONOMIC SUCCESS AND POPULATION GROWTH.

WATER QUALITY AT GAZETTED BEACHES HAD DETERIORATED, DISCHARGES OF INDUSTRIAL WASTE WERE AN INCREASING THREAT TO PUBLIC HEALTH, AND THE HARBOUR WAS NOW HEAVILY POLLUTED.

HALTING THIS DECLINE AND DOING MORE TO IMPROVE THE ENVIRONMENT WOULD REQUIRE BETTER PLANNING, MAJOR INITIATIVES TO CONTROL POLLUTION DISCHARGES AND LARGE SCALE INVESTMENT IN FACILITIES FOR THE PROPER DISPOSAL OF SEWAGE AND MUNICIPAL AND INDUSTRIAL WASTES.

/s/WORK HAS .....

"WORK HAS ALREADY BEGUN ON ALL THESE AREAS. MORE COMPREHENSIVE AND FAR REACHING PLANS ARE NOW REQUIRED," SIR DAVID SAID AS HE PROCEEDED TO OUTLINE THE AMBITIOUS NEW PROGRAMME FOR SEWAGE DISPOSAL.

SIR DAVID NOTED THAT THE INADEQUACY OF HONG KONG'S SEWERAGE SYSTEM, WHICH HAD BEEN BUILT PIECEMEAL OVER THE LAST HUNDRED YEARS, HAD BECOME INCREASINGLY EVIDENT.

THE VOLUME OF INDUSTRIAL AND HUMAN WASTE HAD INCREASED SUBSTANTIALLY AND MAJOR RECLAMATIONS HAD ALSO AFFECTED WATER FLOWS IN THE HARBOUR AND THE SEA'S NATURAL CAPACITY TO ASSIMILATE AND DISPERSE SEWAGE.

ON THE POLLUTION PROBLEM AT BATHING BEACHES, THE GOVERNOR SAID HONG KONG'S SECOND WATER CONTROL ZONE, DESIGNATED ON AUGUST 1 AND COVERING THE AREA TO THE SOUTH OF HONG KONG AND LANTAU ISLANDS, WOULD CONTROL SEWAGE DISCHARGED FROM RESIDENTIAL AND COMMERCIAL PREMISES.

"IT SHOULD HALT THE DETERIORATION OF WATER QUALITY AT MANY BEACHES DURING THE NEXT BATHING SEASON AND PAVE THE WAY FOR A GRADUAL IMPROVEMENT IN FUTURE," HE SAID.

ON WATER CONTROL ZONES, SIR DAVID SAID THE JUNK BAY ZONE WOULD CONTROL WASTE DISCHARGES FROM THE NEW TOWN, WHILE THE PORT SHELTER SCHEME WOULD PROTECT THE WATERS AROUND SAI KUNG WHICH WERE MUCH USED FOR RECREATIONAL PURPOSES.

HE ADDED THAT WITHIN THE NEXT FIVE YEARS, ALL HONG KONG WATERS WOULD BE PROTECTED IN A SIMILAR WAY.

CAREFUL THOUGHT MUST ALSO BE GIVEN TO THE FUTURE DEVELOPMENT OF MARICULTURE, WHICH WAS ANOTHER SOURCE OF WATER POLLUTION, SIR DAVID SAID.

"ALTHOUGH IT CONTRIBUTES TO OUR ECONOMY, IT MUST NOT BE ALLOWED TO ADD TO THE POLLUTION OF THE WATER AROUND OUR SHORES."

ON REFUSE COLLECTION, SIR DAVID NOTED THAT THE 22 VESSELS NOW ENGAGED ON THE COLLECTION OF FLOATING REFUSE RETRIEVED WELL OVER 4,000 TONNES OF RUBBISH LAST YEAR, WHILE GREAT EFFORTS WERE ALSO MADE TO CLEAR RUBBISH FROM THE COUNTRY PARKS AND BARBECUE SITES.

STATING THAT MORE STILL NEEDED TO BE DONE, SIR DAVID CALLED ON INDIVIDUALS TO DO THEIR PART AS IT WAS PART OF EVERYBODY'S PERSONAL RESPONSIBILITY TO HELP KEEP HONG KONG CLEAN.

"I AM PLEASED THAT SOME MAJOR PRIVATE SECTOR ORGANISATIONS ARE EAGER TO PLAY THEIR PART IN TACKLING THE POLLUTION PROBLEM. I HOPE OTHERS WILL FOLLOW SUIT," HE SAID.

PROGRESS MADE IN TACKLING POLLUTION, GOVERNOR

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PROGRESS MADE IN DEALING WITH LIVESTOCK WASTE, WASTE DISPOSAL AND NOISE POLLUTION WAS OUTLINED BY THE GOVERNOR, SIR DAVID WILSON, IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR DAVID SAID IN HIS ADDRESS THAT HE HAD DEVOTED A GOOD DEAL OF TIME TO THE ENVIRONMENT, AND ADDED: "THIS IS BECAUSE I BELIEVE THAT THE CONDITIONS IN WHICH WE LIVE, LIKE THE CONTINUED GROWTH OF OUR ECONOMY, ARE ESSENTIAL ASPECTS OF MAKING HONG KONG WHAT WE WANT IT TO BE -- A PLACE WHERE PEOPLE WANT TO GO ON WORKING AND LIVING."

ON THE LIVESTOCK WASTE CONTROL SCHEME, SIR DAVID NOTED THAT FOR MANY YEARS INDISCRIMINATE DUMPING OF LIVESTOCK WASTE IN STREAMS AND WATERCOURSES HAD BEEN ONE OF THE MAJOR CAUSES OF POLLUTION.

IN JUNE, THE KEEPING OF LIVESTOCK WAS BANNED IN THE URBAN AREA AND IN THE NEW TOWNS; AND CONTROLS WERE INTRODUCED TO COVER TOLO HARBOUR, ANGLERS BEACH AT TSUEN WAN, AND SILVERMINE BAY ON LANTAU.

MOST OF THE LIVESTOCK FARMS IN THE PROHIBITED AREAS HAD NOW CEASED BUSINESS, AND THE REMAINDER WOULD SOON FOLLOW.

THERE WERE SOME 300 FARMS IN THE NEWLY CONTROLLED AREAS: AROUND 200 OF THESE WOULD GIVE UP LIVESTOCK FARMING AND THE OTHERS INTENDED TO COMPLY WITH THE CONTROLS.

"DEMONSTRATION PROJECTS ARE NOW BEING SET UP ON PRIVATE FARMS TO SHOW FARMERS HOW TO DISPOSE OF THEIR LIVESTOCK WASTE IN AN ACCEPTABLE AND ECONOMIC MANNER," HE SAID.

"OVER THE NEXT EIGHT YEARS, THE CONTROLS WILL BE EXTENDED GRADUALLY TO OTHER PARTS OF THE TERRITORY. WE CANNOT EXPECT AN INSTANT, OVERALL IMPROVEMENT. BUT THE PROBLEM IS BEING TACKLED.

"IN TIME, CLEANING UP THE WATERCOURSES WILL LEAD TO A SIGNIFICANT REDUCTION IN THE POLLUTION OF OUR COASTAL WATERS, PARTICULARLY IN TOLO HARBOUR."

TURNING TO WASTE DISPOSAL, SIR DAVID SAID PROPER DISPOSAL OF DOMESTIC REFUSE WAS AN IMPORTANT PART OF IMPROVING THE ENVIRONMENT, AND GOOD PROGRESS WAS NOW BEING MADE IN IMPLEMENTING A LONG-TERM STRATEGY.

THE DESIGN OF TWO HUGE LANDFILL SITES IN THE NEW TERRITORIES WAS AT AN ADVANCED STAGE, AND IN DECEMBER A CONTRACT WOULD BE AWARDED FOR THE CONSTRUCTION AND PRIVATE OPERATION OF HONG KONG'S FIRST REFUSE TRANSFER STATION, IN KOWLOON BAY.

/"AS MORE .....

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"AS MORE TRANSFER STATIONS ARE BUILT WE SHALL BE ABLE TO CLOSE DOWN THE MUNICIPAL INCINERATORS WHICH ARE THEMSELVES A SOURCE OF AIR POLLUTION," HE SAID.

"THIS PROGRAMME WILL START WITH THE CLOSURE OF THE LAI CHI KOK 'B' PLANT AROUND THE END OF THIS YEAR. THE REMAINING LAI CHI KOK AND THE KENNEDY TOWN INCINERATORS WILL BE CLOSED BY THE EARLY 1990'S AND THE ONE IN KWAI CHUNG AT THE TURN OF THE CENTURY."

SIR DAVID NOTED THAT SOME 100,000 TONNES OF CHEMICAL WASTE WERE PRODUCED IN HONG KONG EVERY YEAR, AND MUCH OF IT WAS DUMPED INTO THE NEAREST DRAIN OR NULLAH TO BECOME A MAJOR SOURCE OF POLLUTION.

"WE MUST PROVIDE FACILITIES FOR ITS PROPER DISPOSAL," HE SAID. "EARLY NEXT YEAR A CONTRACT WILL BE AWARDED FOR THE CONSTRUCTION OF A CHEMICAL WASTE TREATMENT CENTRE AT TSING YI.

"IT WILL PROVIDE A MEANS FOR INDUSTRY TO DISPOSE OF CHEMICAL WASTES IN AN ENVIRONMENTALLY ACCEPTABLE MANNER. IT WILL NOT HAVE ANY ADVERSE EFFECT ON THE ENVIRONMENT OF THOSE WHO LIVE ON THE ISLAND."

ON NOISE CONTROL, SIR DAVID SAID THE ENVIRONMENT COULD ALSO BE IMPROVED THROUGH THE CONTROL OF EXCESSIVE NOISE, AND HE NOTED THAT AFTER A LONG PERIOD OF PREPARATION THE NOISE CONTROL ORDINANCE WAS ENACTED IN JULY.

THE ORDINANCE CONSOLIDATED EXISTING LEGISLATION AND EXPANDED CONSIDERABLY THE SCOPE OF CONTROL, PARTICULARLY IN RELATION TO MANUFACTURING AND CONSTRUCTION ACTIVITIES.

"THE MAJOR PROVISIONS OF THE NEW LEGISLATION SHOULD BE FULLY IMPLEMENTED BY THE MIDDLE OF NEXT YEAR," HE SAID.

"THESE MEASURES ARE NOT GOING TO MAKE HONG KONG A QUIET CITY. IT IS FAR TOO DYNAMIC A PLACE FOR THAT. BUT THEY WILL HELP KEEP NOISE TO A MORE TOLERABLE LEVEL."

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GOVERNOR ANNOUNCES NEW POLICY BRANCHES  
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TWO NEW POLICY BRANCHES WILL BE CREATED AND A CENTRAL POLICY UNIT WILL BE FORMED TO ENABLE THE ADMINISTRATION TO RESPOND EFFECTIVELY TO NEW DEMANDS, THE GOVERNOR, SIR DAVID WILSON, ANNOUNCED TODAY (WEDNESDAY).

HE TOLD THE LEGISLATIVE COUNCIL THAT THE GOVERNMENT HAD RECENTLY CARRIED OUT AN EXAMINATION OF THE TOP MANAGEMENT STRUCTURE OF THE CIVIL SERVICE.

/THE REVIEW .....

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THE REVIEW HAD SHOWN THAT THE BASIC STRUCTURE OF THE ADMINISTRATION REMAINED SOUND AND THERE WAS NO NEED FOR MAJOR RE-ORGANISATION.

"BUT SOME RE-ADJUSTMENTS ARE NOW NEEDED TO PROVIDE A BETTER BALANCE OF RESPONSIBILITIES BETWEEN BRANCH SECRETARIES AND TO TAKE ACCOUNT OF CHANGING NEEDS AND PRIORITIES," SIR DAVID SAID.

"WE ALSO NEED TO BRING IN SOME NEW IDEAS TO SUPPORT POLICY MAKING AND POLICY MAKERS."

HE SAID ONE IMPORTANT ORGANISATIONAL CHANGE WOULD BE TO CREATE A NEW POLICY BRANCH SPECIFICALLY RESPONSIBLE FOR PLANNING AND ENVIRONMENTAL PROTECTION.

THE ESTABLISHMENT OF THIS NEW BRANCH WOULD REQUIRE SOME REGROUPING OF THE FUNCTIONS PRESENTLY CARRIED OUT BY THE SECRETARY FOR LANDS AND WORKS.

AN INTERNAL STUDY WOULD BE CARRIED OUT OVER THE NEXT TWO MONTHS TO WORK OUT THE BEST ANSWERS TO THESE ORGANISATIONAL QUESTIONS.

ANOTHER SIGNIFICANT CHANGE WOULD BE THE CREATION OF A NEW POLICY BRANCH RESPONSIBLE FOR SPORTS, RECREATION AND CULTURE, ENTERTAINMENT AND BROADCASTING, SIR DAVID SAID.

THE NEW BRANCH, UNDER A SECRETARY FOR RECREATION AND CULTURE, WOULD BE ABLE TO DEVOTE MORE TIME TO ENSURING THAT THE ACTIVITIES OF THE VARIOUS ORGANISATIONS IN THE FIELDS OF SPORTS AND CULTURE WERE WELL CO-ORDINATED.

A SMALL "THINK TANK", TO BE KNOWN AS THE CENTRAL POLICY UNIT, WOULD BE SET UP EARLY NEXT YEAR TO CONSIDER AND ADVISE ON COMPLEX POLICY ISSUES, THE GOVERNOR SAID.

"IN A FAST DEVELOPING SOCIETY SUCH AS OURS, COMPLEX POLICY ISSUES ARISE WHICH REQUIRE CONCENTRATED STUDY IN ORDER TO PRODUCE THE BEST SOLUTIONS. MANY CUT ACROSS THE BOUNDARIES OF SEVERAL DIFFERENT GOVERNMENT BRANCHES AND DEPARTMENTS.

"WITH THEIR DAY TO DAY PRE-OCCUPATIONS, SECRETARIAT BRANCHES MAY NOT ALWAYS BE BEST PLACED TO DEAL WITH THESE ISSUES. IN ANY CASE, IT IS OFTEN VALUABLE TO BE ABLE TO LOOK AT A PROBLEM FROM THE OUTSIDE."

SIR DAVID SAID HE EXPECTED THE CENTRAL POLICY UNIT TO PRODUCE IMAGINATIVE SOLUTIONS TO DIFFICULT PROBLEMS. "IT WILL HAVE BOTH FULL TIME AND PART-TIME MEMBERS, FROM WITHIN AND OUTSIDE THE GOVERNMENT. THE UNIT WILL WORK DIRECTLY TO ME, THE CHIEF SECRETARY, AND THE FINANCIAL SECRETARY."

/SIR DAVID .....

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SIR DAVID ALSO ANNOUNCED THE APPOINTMENT OF MR JUSTICE GARCIA AS THE FIRST COMMISSIONER FOR ADMINISTRATIVE COMPLAINTS.

"MR GARCIA HAS SERVED AS A JUDGE OF THE HIGH COURT SINCE 1979. HE WILL RETIRE FROM THE JUDICIARY AND TAKE UP HIS NEW ASSIGNMENT IN EARLY 1989."

THE GOVERNOR NOTED THAT HOWEVER GOOD THE CIVIL SERVICE, IT WAS IMPORTANT FOR THE MAINTENANCE OF PUBLIC CONFIDENCE IN THE GOVERNMENT THAT THERE SHOULD BE A RELIABLE AND INDEPENDENT MEANS OF INVESTIGATING ALLEGATIONS OF MALADMINISTRATION.

FOLLOWING PUBLIC CONSULTATION, LEGISLATION WAS ENACTED IN JULY THIS YEAR TO PROVIDE FOR THE APPOINTMENT OF AN INDEPENDENT AUTHORITY FOR THIS PURPOSE.

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ASSURANCE GIVEN ON MAINTENANCE OF PUBLIC ORDER

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LOCAL SERVICES ARE BEING DEVELOPED TO ENSURE THAT ALL COMMITMENTS FOR THE MAINTENANCE OF PUBLIC ORDER BOTH BEFORE AND AFTER 1997 CAN BE MET, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

CITING AN EXAMPLE, SIR DAVID SAID A NEW UNIT WITHIN THE POLICE FORCE WAS BEING ESTABLISHED AND THAT STARTING IN 1990, IT WOULD PROGRESSIVELY TAKE OVER THE RESPONSIBILITY FOR PREVENTING ILLEGAL ENTRY INTO HONG KONG.

"I AM CONFIDENT THAT THE POLICE WILL BE CAPABLE OF UNDERTAKING THIS NEW TASK WITH THE SAME DEDICATION AND EFFECTIVENESS AS THE GARRISON FORCES."

HE SAID THE WITHDRAWAL OF BRITISH TROOPS WOULD BE PLANNED ON A PRUDENT AND GRADUAL BASIS WITH NO SUDDEN CHANGES AND THAT HE DID NOT EXPECT ANY SIGNIFICANT WITHDRAWALS BEFORE 1992.

THE GOVERNOR RECALLED THAT A NEW DEFENCE COSTS AGREEMENT, COVERING THE PERIOD UP TO 1997, WAS SIGNED IN JULY AFTER LONG AND SOMETIMES DIFFICULT NEGOTIATIONS.

"OUR OBJECTIVE IN THE NEGOTIATIONS WAS TO REDUCE THE AMOUNT PAID BY HONG KONG TO MAINTAIN THE GARRISON DURING A PERIOD WHEN WE SHALL BE SPENDING MORE ON BUILDING UP OUR OWN SECURITY FORCES," SIR DAVID SAID.

/HE POINTED .....

HE POINTED OUT THAT AS A RESULT OF THE NEGOTIATIONS, HONG KONG'S SHARE OF THE COST OF THE GARRISON HAD BEEN REDUCED SIGNIFICANTLY.

"EVEN ALLOWING FOR THE EXPANSION OF OUR OWN SECURITY FORCES, DEFENCE EXPENDITURE IS UNLIKELY TO EXCEED 0.5 PER CENT OF GDP IN THE PERIOD UP TO 1997," HE SAID.

"BY WORLD STANDARDS OUR EXPENDITURE ON DEFENCE IS SMALL."

ON THE PUBLIC ORDER (AMENDMENT) ORDINANCE, THE GOVERNOR SAID IT WAS INTRODUCED BY THE ADMINISTRATION AS A LIBERALISING MEASURE.

"NEVERTHELESS SECTION 27 WAS SEEN BY SOME AS PLACING EXCESSIVE RESTRICTIONS ON PRESS FREEDOM, THROUGH THE PROVISION FOR DEALING WITH 'FALSE NEWS'.

"IN JANUARY, THE GOVERNMENT UNDERTOOK TO REVIEW THIS PROVISION.

"THE REVIEW WILL BEGIN SHORTLY. IT WILL TAKE FULL ACCOUNT OF PUBLIC VIEWS," HE SAID.

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MEASURES AGAINST CRIME STEPPED UP, GOVERNOR

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FURTHER MEASURES WILL BE INTRODUCED THIS YEAR TO COMBAT CRIME AND TO ENCOURAGE PEOPLE TO PROTECT THEMSELVES AND THEIR PROPERTY, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

EFFORTS AGAINST TRIADS WOULD BE STEPPED UP, AND IT WAS ALSO PARTICULARLY IMPORTANT THAT EVERYTHING SHOULD BE DONE TO DISCOURAGE YOUNG PEOPLE FROM BECOMING INVOLVED IN CRIME, HE SAID.

IN ADDITION, TO STRIKE MORE EFFECTIVELY AT THE FINANCIAL ROOTS OF THE DANGEROUS DRUGS TRADE, THE GOVERNMENT WAS PREPARING NEW LEGISLATION WHICH WOULD GIVE THE COURTS POWERS TO CONFISCATE THE PROCEEDS OF DRUG TRAFFICKING.

SIR DAVID SAID RECENT FIGURES SHOWED THAT OVERALL REPORTED CRIME HAD DECREASED SLIGHTLY THIS YEAR, AND THE FALL IN THEFT CASES, INCLUDING A RECENT SHARP DECLINE IN THE NUMBER OF SHOPTHEFT OFFENCES, WAS PARTICULARLY ENCOURAGING.

/BUT THE .....

BUT THE LEVEL OF VIOLENT CRIME, SUCH AS WOUNDINGS AND SERIOUS ASSAULTS, CONTINUED TO GIVE RISE TO CONCERN.

AS PART OF STEPPED UP ACTION AGAINST TRIADS, SIR DAVID SAID THE TRIAD RENUNCIATION SCHEME WOULD BE LAUNCHED AT THE END OF THE YEAR, AND WOULD GIVE TRIAD MEMBERS A CHANCE TO RENOUNCE THEIR MEMBERSHIP AND MAKE A FRESH START IN SOCIETY.

THE GOVERNMENT WOULD ALSO PROPOSE LEGISLATION TO CURB ILLEGAL GAMBLING AND REDUCE THE PROBLEMS CAUSED BY VICE ESTABLISHMENTS.

"I HOPE THESE MEASURES WILL HELP BREAK UP THE ORGANISED CRIME SYNDICATES BEHIND THESE ACTIVITIES," HE SAID.

"WE SHALL ALSO CONSIDER THE FEASIBILITY OF LEGISLATION AIMED SPECIFICALLY AT ORGANISED CRIME SYNDICATES AND THE FORMATION OF SPECIAL TASK FORCES TO ENFORCE SUCH LEGISLATION."

REFERRING TO THE IMPORTANCE OF DISCOURAGING YOUNG PEOPLE FROM GETTING INVOLVED IN CRIME, SIR DAVID SAID WAYS TO IMPROVE THE REHABILITATION OF YOUNG OFFENDERS WOULD CONTINUE TO BE EXAMINED.

"THE YOUNG OFFENDER ASSESSMENT PANEL WILL CONTINUE TO OFFER ADVICE ON APPROPRIATE SENTENCES FOR JUVENILES; SPECIAL OUTWARD BOUND COURSES WILL BE RUN FOR YOUNG OFFENDERS; AND THE SUPERINTENDENTS' DISCRETION SCHEME WILL ALLOW YOUNG PEOPLE A SECOND CHANCE, WHEN OTHERWISE THEY WOULD BE BURDENED WITH A CRIMINAL RECORD WHICH COULD TAINT THEM FOR THE REST OF THEIR LIVES," HE SAID.

ON DRUG ABUSE, THE GOVERNOR SAID HONG KONG HAD BEEN REASONABLY SUCCESSFUL IN CONTAINING THE PROBLEM AND THE NUMBER OF NEW ADDICTS REPORTED TO THE CENTRAL REGISTRY HAD AGAIN DECLINED IN THE PAST YEAR.

THERE HAD ALSO BEEN SUCCESS IN TACKLING DRUG TRAFFICKING, AND THE QUANTITY OF NO. 3 HEROIN SEIZED DURING THE FIRST HALF OF THE YEAR EXCEEDED THE TOTAL AMOUNT SEIZED IN THE WHOLE OF LAST YEAR.

"CLOSE CO-OPERATION WITH OVERSEAS LAW ENFORCEMENT AGENCIES, PARTICULARLY IN THE UNITED STATES, HAS BEEN VERY PRODUCTIVE," HE SAID. "AS A RESULT, SOME MAJOR INTERNATIONAL DRUG SYNDICATES HAVE BEEN NEUTRALISED."

HOWEVER, PEOPLE MUST NOT BE COMPLACENT; DRUG TRAFFICKING COULD PRODUCE HUGE ILLICIT PROFITS, AND A LARGE PROPORTION OF THIS WAS OFTEN RECYCLED INTO THE DRUG TRADE OR USED TO FINANCE OTHER ILLEGAL ACTIVITIES.

SIR DAVID SAID THE NEW LEGISLATION BEING PREPARED TO STRIKE HARDER AT THE FINANCIAL ROOTS OF THE TRADE WOULD ALSO CONTAIN PROVISIONS AIMED AT PREVENTING DRUG TRAFFICKERS FROM BENEFITTING FROM THEIR ILLEGAL PROFITS.

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"THE DRAFT LEGISLATION IS NOW IN THE FINAL STAGE OF PREPARATION. IT WILL BE INTRODUCED INTO THIS COUNCIL SHORTLY," HE SAID.

TURNING TO CORRUPTION, THE GOVERNOR SAID THE NUMBER OF CORRUPTION COMPLAINTS AGAINST THE PUBLIC SECTOR, INCLUDING THE POLICE, HAD CONTINUED TO DECLINE.

THERE HAD, HOWEVER, BEEN A RISE IN REPORTS RELATING TO THE PRIVATE SECTOR.

"THE INDEPENDENT COMMISSION AGAINST CORRUPTION IS DEVOTING INCREASED RESOURCES TO INVESTIGATING MAJOR CORRUPTION-RELATED FRAUD," HE SAID.

"ONE POSITIVE DEVELOPMENT IS THAT MORE BUSINESSMEN ARE MAKING USE OF THE FREE AND CONFIDENTIAL CORRUPTION PREVENTION ADVICE PROVIDED BY THE ADVISORY SERVICES GROUP OF THE ICAC."

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#### PRACTICAL WAYS TO DEAL WITH EMIGRATION

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EMIGRATION IS NOT A SHORT TERM PHENOMENON AND MUST BE DEALT WITH IN PRACTICAL WAYS, THE GOVERNOR, SIR DAVID WILSON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"THE MORE WE DO TO MAKE HONG KONG A BETTER PLACE TO LIVE IN, BY MAINTAINING OUR BUOYANT ECONOMY, BY IMPROVING EDUCATION, HOUSING, THE ENVIRONMENT AND THE QUALITY OF LIFE, THE LESS LIKELY PEOPLE ARE TO WANT TO CUT THEMSELVES OFF FROM THEIR ROOTS AND LEAVE THIS REMARKABLE TERRITORY TO WHICH THEY ARE SO DEEPLY - AND RIGHTLY - ATTACHED," HE SAID.

SIR DAVID SAID RECENT INCREASES IN THE NUMBER OF PEOPLE LEAVING HONG KONG MUST BE SEEN AGAINST THE HISTORICAL AND CULTURAL BACKGROUND OF POPULATION MOBILITY.

"ADDED TO THE TRADITIONAL REASONS FOR MOVEMENT IS A DEGREE OF UNCERTAINTY ABOUT THE FUTURE AND THE SEARCH FOR SOME SORT OF INSURANCE POLICY," HE SAID.

SIR DAVID NOTED THAT A GOVERNMENT TASK FORCE WAS SET UP EARLIER THIS YEAR TO GATHER INFORMATION ABOUT EMIGRATION.

/THE TASK .....

THE TASK FORCE ESTIMATED THAT SOME 30,000 PEOPLE LEFT IN 1987 WHILE AT THE SAME TIME 3,000 FORMER EMIGRANTS RETURNED USING THEIR OLD HONG KONG TRAVEL DOCUMENTS.

IT ALSO ESTIMATED THAT SOME 45,000 PEOPLE WOULD EMIGRATE THIS YEAR WITH NO CERTAINTY ON HOW MANY FORMER EMIGRANTS WOULD RETURN IN THE YEAR, HE SAID.

HOWEVER, SIR DAVID POINTED OUT THAT EMIGRATION FROM HONG KONG HAD ALWAYS FLUCTUATED A GREAT DEAL.

FOR EXAMPLE, IN THE MID-1970'S THE AVERAGE OUTFLOW WAS ABOUT 38,000 PEOPLE A YEAR.

"THE LATEST FORECASTS SHOULD BE SET AGAINST THIS BACKGROUND ALTHOUGH THEY DO OF COURSE REPRESENT AN INCREASE COMPARED WITH THE PERIOD 1981 TO 1986, WHEN IT IS ESTIMATED THAT ON AVERAGE 20,000 PEOPLE A YEAR EMIGRATED.

"IT IS ALSO IMPORTANT TO NOTE THAT THE ESTIMATES I HAVE QUOTED INCLUDE ALL MEMBERS OF THE FAMILY, FROM THE ELDERLY TO THE VERY YOUNG," SIR DAVID SAID.

POINTING OUT THAT ONLY JUST OVER HALF OF THOSE EMIGRATING WERE IN FULL-TIME EMPLOYMENT, SIR DAVID SAID LESS THAN HALF OF THOSE EMPLOYED WERE IN PROFESSIONAL, ADMINISTRATIVE OR MANAGERIAL POSITIONS.

"IT IS THEREFORE NOT CORRECT TO ASSUME THAT 45,000 PROFESSIONALS WILL LEAVE HONG KONG THIS YEAR," HE SAID.

THE TRUE FIGURE WAS LESS THAN A QUARTER OF THAT, HE ADDED.

SIR DAVID SAID ANOTHER SIGNIFICANT FACTOR WAS THAT OPPORTUNITIES FOR EMIGRATION WERE PROBABLY HIGHER NOW THAN THEY HAD EVER BEEN.

"DESTINATION COUNTRIES WITH A GLOBAL QUOTA SYSTEM HAVE INCREASED THEIR OVERALL NUMBER OF PLACES, THUS MAKING MORE ROOM FOR HONG KONG PEOPLE," HE EXPLAINED.

"MOREOVER, THE POINTS SYSTEMS OPERATED BY SOME DESTINATION COUNTRIES GIVE STRONG PREFERENCE TO THE BETTER EDUCATED AND IN HONG KONG WE HAVE A LARGE NUMBER OF PEOPLE WHO ARE WELL EDUCATED," SIR DAVID ADDED.

SIR DAVID ASSURED MEMBERS THAT THERE WAS NO QUESTION OF INTERFERING IN ANY WAY WITH THE FREEDOM OF PEOPLE TO TRAVEL AND SETTLE ELSEWHERE.

"THIS FREEDOM IS FUNDAMENTAL.

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"ITS CONTINUATION AFTER 1997 IS ALSO GUARANTEED IN THE JOINT DECLARATION," HE SAID.

STRESSING THE NEED TO OBTAIN AS MUCH PRACTICAL INFORMATION AS POSSIBLE ABOUT THE QUALIFICATIONS AND PROFESSIONAL EXPERIENCE OF THOSE LEAVING, SIR DAVID SAID HONG KONG COULD THEN MAKE SURE THAT ITS EDUCATION AND TRAINING PROGRAMMES PROVIDED A SUFFICIENT FLOW OF QUALIFIED PEOPLE TO FILL THE GAPS.

HE SAID PRESENT EVIDENCE SUGGESTED THAT THE OVERALL NUMBER OF NEW UNIVERSITY GRADUATES EACH YEAR EXCEEDED THE NUMBER LOST TO EMIGRATION.

"WE MUST MAKE SURE THAT THIS CONTINUES TO BE THE CASE AND THAT THE NEW GRADUATES HAVE THE KNOWLEDGE AND SKILLS WE NEED, ALTHOUGH OF COURSE A FRESH GRADUATE GAINED DOES NOT EQUATE IMMEDIATELY WITH AN EXPERIENCED PERSON LOST," SIR DAVID SAID.

THE GOVERNOR SAID THE NEXT THING THAT NEEDED TO BE CONSIDERED WAS WHAT COULD BE DONE TO MAKE IT EASIER FOR PEOPLE TO RETURN.

"FOR A START, WE ARE LOOKING AT THE NEED FOR MORE INTERNATIONAL SCHOOLS TO CATER SPECIFICALLY FOR CHILDREN WHO RETURN FROM OVERSEAS WITH THEIR PARENTS," HE SAID.

SUCH SCHOOLS WOULD MAKE IT EASIER FOR CHILDREN WHO HAD STARTED THEIR EDUCATION ABROAD TO CONTINUE IT IN HONG KONG.

"WE ARE ALSO LOOKING AT HOW TO IMPROVE CONTACT WITH HONG KONG PEOPLE WHO HAVE MOVED OVERSEAS AND WHO MAY BE THINKING OF RETURNING.

"WE NEED TO KEEP FORMER RESIDENTS UP TO DATE WITH WHAT IS HAPPENING IN HONG KONG, THE INVESTMENT OPPORTUNITIES AND THE CONTINUED ATTRACTIONS OF LIVING AND WORKING HERE," SIR DAVID ADDED.

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CONTINUING VIGILANCE AGAINST II'S

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ALTHOUGH THERE HAS BEEN A SHARP DROP IN THE NUMBER OF ILLEGAL IMMIGRANTS ARRESTED ON ENTRY AT THE BORDER, HONG KONG MUST MAINTAIN ITS VIGILANCE AND CONTINUE TO BE ACTIVE IN DETERRING WOULD-BE ILLEGAL IMMIGRANTS.

THE GOVERNOR, SIR DAVID WILSON, SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) WHEN DESCRIBING THE EFFECTIVENESS OF THE MEASURE THAT THE GOVERNMENT TOOK IN MAY AGAINST ILLEGAL IMMIGRATION.

/SINCE THEN, .....

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SINCE THEN, GROUPS OF ILLEGAL IMMIGRANTS ARRESTED AT THEIR PLACES OF EMPLOYMENT, AS WELL AS EMPLOYERS FOUND AIDING AND ABETTING THEM, HAD BEEN PROSECUTED.

SIR DAVID SAID THE PROSECUTION ACTION WAS TAKEN WHEN EARLIER THIS YEAR ILLEGAL IMMIGRATION WAS REACHING SERIOUS LEVELS.

"IN MAY WE WERE RETURNING AN AVERAGE OF 100 ILLEGAL IMMIGRANTS A DAY TO CHINA," HE SAID. "SUCH LARGE NUMBERS REPRESENT A SERIOUS PROBLEM.

"ILLEGAL IMMIGRANTS WHO CAN NEVER LEGITIMISE THEIR POSITION ARE ALL TOO EASY A PREY FOR CRIMINAL ELEMENTS AND MAY TURN TO OTHER ILLEGAL ACTIVITIES THEMSELVES."

SIR DAVID OBSERVED THAT IMMIGRATION, BOTH LEGAL AND ILLEGAL, WAS A LONG STANDING HISTORICAL PHENOMENON, JUST AS EMIGRATION WAS.

FOR LEGAL TRAVELLERS, WHO WERE OF COURSE THE MAJORITY OF THE HUGE NUMBERS OF PEOPLE WHO ENTERED AND LEFT HONG KONG EVERY DAY, SIGNIFICANT IMPROVEMENTS WERE IN HAND TO SIMPLIFY AND SPEED UP IMMIGRATION PROCEDURES.

COMPUTERISED IMMIGRATION CONTROL HAD BEEN INTRODUCED AT KAI TAK ON AUGUST 1, AND HAD RESULTED IN A WELCOME INCREASE IN THE SPEED WITH WHICH HONG KONG RESIDENTS COULD BE PROCESSED.

"IT HAS ALSO BEEN POSSIBLE TO REDUCE THE WAITING TIME FOR VISITORS TO THE TERRITORY," HE SAID.

"BUT THE SITUATION IS STILL FAR FROM IDEAL FOR A MAJOR CENTRE OF BUSINESS AND TOURISM SUCH AS HONG KONG."

SIR DAVID NOTED THAT TWO NEW IMMIGRATION CONTROL POINTS, AT THE CHINA FERRY TERMINAL AND THE LOK MA CHAU BORDER CROSSING, WOULD BE COMPUTERISED IN DECEMBER THIS YEAR AND IN MID-1989 RESPECTIVELY.

"ADULT HONG KONG RESIDENTS WILL THEN BE ABLE TO USE THESE DEPARTURE POINTS WITHOUT HAVING TO CARRY HONG KONG RE-ENTRY PERMITS," HE SAID.

"THIS WILL BENEFIT THE MANY RESIDENTS WHO VISIT CHINA -- SOME 16 MILLION JOURNEYS A YEAR AT PRESENT."

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'FAIR AND FIRM' TREATMENT FOR VBP'S  
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THE GOVERNMENT WILL BE BOTH 'FAIR AND FIRM' IN DEALING WITH THE INFLUX OF BOAT PEOPLE FROM VIETNAM, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"WE MUST BE CONSCIOUS BOTH OF HUMANITARIAN PRINCIPLES AND THE NEEDS OF OUR OWN COMMUNITY," SIR DAVID SAID.

FOR 13 YEARS, HONG KONG HAD HAD TO COPE WITH THE PROBLEM OF VIETNAMESE BOAT PEOPLE. "WE HAVE A RECORD TO BE PROUD OF," HE SAID.

THE CENTRAL ELEMENT OF THE GOVERNMENT'S POLICY MUST REMAIN THE SEARCH FOR DURABLE SOLUTIONS -- TO REPATRIATE THOSE SCREENED AS ECONOMIC MIGRANTS, AND TO FIND RESETTLEMENT PLACES OVERSEAS FOR THOSE FOUND TO BE GENUINE REFUGEES, THE GOVERNOR SAID.

SINCE 1975, 133,000 BOAT PEOPLE HAD ARRIVED IN HONG KONG, WITH ALMOST 69,000 IN 1979 ALONE. NONE OF THEM HAD BEEN TURNED AWAY, HE SAID.

"BUT, AS THE YEARS HAVE PASSED, OUR COMMUNITY HAS FOUND IT INCREASINGLY HARD TO ACCEPT THAT THIS PHENOMENON HAS TURNED OUT TO BE NOT A SHORT TERM EMERGENCY BUT A CONTINUING OUTFLOW."

THE GOVERNOR POINTED OUT THAT AT THE UNHCR-ORGANISED CONFERENCE ON REFUGEES IN GENEVA IN 1979 THERE WAS AN UNDERSTANDING THAT ALL BOAT PEOPLE LEAVING VIETNAM WOULD BE CLASSIFIED AS REFUGEES. THE PLACES WHERE THEY ARRIVED WOULD GIVE THEM TEMPORARY SHELTER: COUNTRIES OF RESETTLEMENT WOULD PROVIDE A LONG TERM HOME.

"WE IN HONG KONG HAVE BEEN PREPARED TO PLAY OUR PART BY PROVIDING TEMPORARY SHELTER ON THE BASIS THAT OTHER COUNTRIES WERE PREPARED TO OFFER PERMANENT RESETTLEMENT," HE SAID.

"IN RECENT YEARS IT HAS BECOME APPARENT THAT THIS COMPLEMENTARY ARRANGEMENT HAS BROKEN DOWN."

LAST YEAR THE NUMBER OF BOAT PEOPLE RESETTLED FROM HONG KONG FELL BY 42 PER CENT WHILE THE NUMBERS ARRIVING INCREASED BY 65 PER CENT.

THE TYPE OF PEOPLE WHO WERE ARRIVING ALSO CHANGED AND THEY WERE NOW ALMOST ALL ETHNIC VIETNAMESE, MOST OF THEM FROM WHAT WAS FORMERLY NORTH VIETNAM.

SIR DAVID SAID: "MANY OF THE RESETTLEMENT COUNTRIES HAVE QUESTIONED WHETHER THESE PEOPLE ARE NOT ECONOMIC MIGRANTS RATHER THAN REFUGEES AS DEFINED UNDER ACCEPTED INTERNATIONAL CRITERIA: THEY HAVE BEEN UNWILLING TO PROVIDE RESETTLEMENT PLACES FOR THEM."

/MOST VIETNAMESE .....

MOST VIETNAMESE BOAT PEOPLE DID NOT WANT TO STAY IN HONG KONG, HE STRESSED.

"THE TRAGEDY IS THAT DOORS ARE NO LONGER OPEN FOR THEM. THEY ARE PEOPLE ON A JOURNEY TO NOWHERE."

IT WAS AGAINST THIS BACKGROUND THAT THE GOVERNMENT INTRODUCED A CHANGE IN POLICY ON JUNE 16 AND SINCE THEN ALL BOAT PEOPLE ARRIVING FROM VIETNAM HAD BEEN CAREFULLY SCREENED.

THOSE WHO WERE IDENTIFIED AS GENUINE REFUGEES COULD REMAIN IN HONG KONG UNTIL THEY WERE RESETTLED OVERSEAS, AND THOSE WHO WERE NOT MUST BE RETURNED TO THEIR COUNTRY OF ORIGIN, "AS IS THE CASE WITH ILLEGAL IMMIGRANTS ANYWHERE IN THE WORLD", SIR DAVID SAID.

HONG KONG FOLLOWED UNHCR GUIDELINES IN DECIDING REFUGEE STATUS.

IN ADDITION, UNDER A RECENTLY CONCLUDED UNDERSTANDING, UNHCR WAS INVITED TO MONITOR THE PROCEDURES AND TO PROVIDE ADVICE TO PEOPLE WHO WISHED TO APPEAL AGAINST DECISIONS TO REFUSE THEM REFUGEE STATUS.

THE UNHCR ALSO AGREED TO PROVIDE FUNDS FOR THE CARE OF ALL VIETNAMESE BOAT PEOPLE IN HONG KONG, WHATEVER THEIR STATUS.

THIS WOULD REDUCE THE COST BORNE BY HONG KONG BY SOME \$150 MILLION A YEAR.

HONG KONG WOULD CONTINUE TO PRESS FOR MORE GENEROUS TREATMENT FROM RESETTLEMENT COUNTRIES, SIR DAVID SAID.

THERE WERE 15,000 BOAT PEOPLE WHO HAD ARRIVED HERE BEFORE THE MID-JUNE CHANGE OF POLICY IN ADDITION TO THOSE WHO ARRIVED AFTER THAT DATE AND WERE FOUND TO BE GENUINE REFUGEES.

"WHILE WE AWAIT THE RETURN OF ECONOMIC MIGRANTS TO VIETNAM AND THE TRANSFER OF REFUGEES TO RESETTLEMENT COUNTRIES, WE MUST CONTINUE TO PROVIDE SHELTER FOR LARGE NUMBERS OF BOAT PEOPLE," SIR DAVID SAID.

"WE ARE DOING THIS TO THE BEST OF OUR ABILITY IN THE DIFFICULT CIRCUMSTANCES OF A GREATLY INCREASED INFLOW.

"IT HAS PLACED A HEAVY BURDEN ON OUR FACILITIES AND ON THOSE GOVERNMENT DEPARTMENTS WHO DEAL WITH THE BOAT PEOPLE. ALL CONCERNED HAVE RESPONDED MAGNIFICENTLY TO THE CRISIS."

SIR DAVID SAID HE WOULD LIKE TO RECORD HIS APPRECIATION OF THE WORK OF THE UNHCR AND THE VOLUNTARY AGENCIES WHO CONTRIBUTED SIGNIFICANTLY TO THE WELFARE OF THESE UNFORTUNATE PEOPLE.

ON THE LIBERALISATION OF CONDITIONS OF THOSE DEFINED AS REFUGEES AND AWAITING RESETTLEMENT AS PART OF THE POLICY CHANGE ON JUNE 16, SIR DAVID SAID THIS WOULD BE A GRADUAL PROCESS.

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"IT WILL RESULT IN THE UNHCR TAKING OVER FULL RESPONSIBILITY FOR THE CAMPS. IT WILL ENABLE REFUGEES TO ACQUIRE EDUCATIONAL QUALIFICATIONS AND WORK SKILLS WHICH WILL MAKE THEM MORE ACCEPTABLE TO RESETTLEMENT COUNTRIES.

"JOB PLACEMENT LOCALLY WILL BE CARRIED OUT WITH CARE BY THE UNHCR. THERE WILL BE NO SUDDEN FLOODING OF THE LABOUR MARKET, OR THE STREETS, BY PEOPLE WHO WERE FORMERLY IN CLOSED CAMPS."

THE NEW CENTRES, ONCE THEY WERE OPENED, WOULD BE PROPERLY MANAGED. SIR DAVID ADDED THAT THEIR EXISTENCE WOULD NOT AFFECT THE SERVICES AVAILABLE TO LOCAL PEOPLE. "WHERE EXTRA POLICING IS REQUIRED, THIS WILL BE PROVIDED."

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HOSPITAL AUTHORITY WILL ENSURE RESOURCES ARE USED EFFICIENTLY

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THE GOVERNMENT'S COMMITMENT TO MAINTAINING PUBLIC HEALTH WILL NOT IN ANY WAY BE REDUCED WITH THE SETTING UP OF THE HOSPITAL AUTHORITY, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"OUR AIM IS SIMPLY TO ENSURE THAT THE VERY SUBSTANTIAL RESOURCES ALLOCATED TO THE MEDICAL PROGRAMME ARE USED IN THE MOST EFFICIENT AND COST EFFECTIVE MANNER," HE SAID.

CONCERNING THE WORKING CONDITIONS AND TERMS OF SERVICE OF GOVERNMENT DOCTORS, SIR DAVID SAID A PACKAGE OF IMPROVEMENT MEASURES WAS NOW BEING CONSIDERED.

URGENT ADVICE FROM THE PROVISIONAL HOSPITAL AUTHORITY HAD BEEN SOUGHT, AND HE HOPED FIRM PROPOSALS WOULD BE MADE BY THE END OF THIS YEAR.

THE GOVERNOR SAID THE REASON FOR SETTING UP A HOSPITAL AUTHORITY WAS THAT THE ENORMOUS EXPANSION OF MEDICAL SERVICES IN RECENT YEARS HAD MADE IT INCREASINGLY DIFFICULT TO MANAGE THEIR DELIVERY THROUGH THE NORMAL GOVERNMENT ORGANISATIONAL STRUCTURE.

A PROVISIONAL HOSPITAL AUTHORITY, CHAIRED BY SIR SZE-YUEN CHUNG, HAD BEEN ESTABLISHED EARLIER THIS MONTH TO DEVELOP PROPOSALS FOR THE INTEGRATION OF GOVERNMENT AND SUBVENTED HOSPITALS UNDER A NEW MANAGEMENT STRUCTURE.

/"THE NEW .....

"THE NEW AUTHORITY WILL BENEFIT FROM HAVING ACCESS TO MANAGEMENT SKILLS AND EXPERIENCE AVAILABLE IN THE PRIVATE SECTOR; IT WILL ENJOY GREATER FLEXIBILITY IN THE USE OF RESOURCES; AND, VERY IMPORTANTLY, ITS EXISTENCE WILL ENCOURAGE PUBLIC PARTICIPATION IN AN AREA WHICH IS OF GREAT CONCERN TO THE COMMUNITY," HE SAID.

SIR DAVID SAID STAFF OF THE MEDICAL AND HEALTH DEPARTMENT COULD BE ASSURED THAT THEIR TERMS AND CONDITIONS OF EMPLOYMENT UNDER THE NEW HOSPITAL AUTHORITY WOULD BE NO LESS FAVOURABLE THAN AT PRESENT AND THAT THEY WOULD BE CONSULTED BEFORE ANY CHANGES WERE MADE.

AS FOR STAFF IN THE SUBVENTED HOSPITAL SECTOR, THE GOVERNOR NOTED THAT THEY HAD GENERALLY WELCOMED THE PROPOSAL TO ESTABLISH A HOSPITAL AUTHORITY AND SAW IT AS A MEASURE WHICH WOULD ENSURE A MORE EQUITABLE SHARING OF RESOURCES.

"FOR THEIR PART, THEY CAN BE ASSURED THAT THEIR SEPARATE TRADITIONS AND CHARACTERISTICS WILL NOT BE JEOPARDISED," HE SAID.

SIR DAVID NOTED THAT THE PERIOD OF WAITING WAS NOT EASY FOR THOSE WHO WERE DIRECTLY AFFECTED BY THE CHANGES, BUT STRESSED THAT "IN SUCH AN IMPORTANT FIELD WE MUST TAKE THE TIME NECESSARY TO GET THE BEST SOLUTION, BOTH FOR THE COMMUNITY AS A WHOLE AND FOR THOSE DEDICATED PEOPLE WHO WORK SO HARD IN OUR MEDICAL AND HEALTH SERVICES."

TURNING TO GOVERNMENT DOCTORS' WORKING CONDITIONS AND TERMS OF SERVICE, THE GOVERNOR SAID THERE WAS CLEARLY ROOM FOR IMPROVEMENT.

"IN PARTICULAR, WE ARE EXAMINING THE POSSIBILITY OF CREATING MORE SENIOR POSTS, WHICH WOULD INCREASE PROMOTION PROSPECTS, AND OF PROVIDING ADDITIONAL REMUNERATION FOR DOCTORS WHO WORK UNUSUALLY LONG HOURS," HE SAID, IN REFERRING TO THE PACKAGE OF MEASURES NOW BEING CONSIDERED.

"IN ADDITION, WE SHALL BE LOOKING AT POST-QUALIFICATION TRAINING FOR DOCTORS IN THE CONTEXT OF THE FORTHCOMING REPORT OF THE WORKING PARTY ON POST GRADUATE MEDICAL EDUCATION AND TRAINING."

SIR DAVID SAID URGENT ADVICE ON THESE MATTERS HAD BEEN SOUGHT FROM THE PROVISIONAL HOSPITAL AUTHORITY WHICH HAD A LONG-TERM INTEREST IN THE WELL-BEING OF HONG KONG'S DOCTORS, AND HOPED THAT FIRM PROPOSALS WOULD BE MADE BY THE END OF THIS YEAR.

ON THE MEDICAL INFRASTRUCTURE, THE GOVERNOR NOTED THAT IT CONTINUED TO EXPAND WITH THE EXPECTED COMPLETION OF THE 1,600-BED TUEN MUN HOSPITAL BY THE BEGINNING OF NEXT YEAR, THE QUEEN MARY HOSPITAL EXTENSION IN 1989 AND THE PAMELA YOUDE HOSPITAL IN EASTERN DISTRICT IN 1991.

"THESE WILL PROVIDE NOT ONLY A MORE EVEN DISTRIBUTION OF MEDICAL FACILITIES IN THE TERRITORY, BUT ALSO A LARGE MEASURE OF RELIEF FOR THE SEVERE OVERCROWDING IN OUR EXISTING HOSPITALS," HE SAID.

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BETTER WELFARE FOR THE NEEDY

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AS A PROSPEROUS AND CARING SOCIETY, HONG KONG MUST DO ITS BEST TO ENSURE THAT THOSE PEOPLE WHO, THROUGH NO FAULT OF THEIR OWN, CANNOT FEND FOR THEMSELVES, ARE ABLE TO SHARE IN THE RISING STANDARDS THAT WE HAVE ALL COME TO EXPECT.

THIS WAS EMPHASISED BY THE GOVERNOR, SIR DAVID WILSON, IN HIS ADDRESS TO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR DAVID SAID ENSURING THAT WELFARE SERVICES WOULD PROVIDE ADEQUATE LEVELS OF SUPPORT FOR THE POOR AND THE VULNERABLE WAS ONE OF THE GOVERNMENT'S MOST IMPORTANT RESPONSIBILITIES.

THE RANGE AND QUALITY OF SERVICES HAD BEEN IMPROVED OVER THE YEARS, IN STEP WITH THE DEVELOPMENT OF HONG KONG GENERALLY AND THE CHANGING NEEDS OF ITS PEOPLE.

HONG KONG'S THRUSTING CAPITALIST SOCIETY REWARDED HARD WORK, INITIATIVE AND SUCCESS, AND NOTHING THAT WAS DONE IN EXPANDING SOCIAL SERVICES SHOULD UNDERMINE THAT.

"BUT THERE WILL ALWAYS BE PEOPLE IN SOCIETY WHO, THROUGH NO FAULT OF THEIR OWN, CANNOT FEND FOR THEMSELVES," HE SAID.

"OUR EXPANDING SERVICES FOR THE VERY YOUNG, THE ELDERLY AND THE PHYSICALLY AND MENTALLY HANDICAPPED RECOGNISE THIS. THERE IS INCREASING PRESSURE TO DO MORE FOR THESE GROUPS."

SIR DAVID SAID AN IMPORTANT SAFETY NET FOR THOSE IN NEED WAS PROVIDED BY THE NON CONTRIBUTORY SOCIAL SECURITY SYSTEM. THIS GAVE FINANCIAL ASSISTANCE, SUFFICIENT TO MEET THE COSTS OF FOOD, ACCOMMODATION AND OTHER ESSENTIALS, AND ADDITIONAL ALLOWANCES WERE PAYABLE TO THE DISABLED AND THE ELDERLY.

FOLLOWING THE GOVERNOR'S ANNOUNCEMENT LAST YEAR OF INCREASED LEVELS OF ASSISTANCE AND IMPROVEMENTS TO THE RANGE OF BENEFITS, MOST OF THESE HAD BEEN INTRODUCED ON APRIL 1.

THE GRADUAL EXTENSION OF THE OLD AGE ALLOWANCE TO PERSONS AGED OVER 65 BEGAN IN SEPTEMBER; THOSE AGED 68 AND 69 WERE NOW ELIGIBLE, AND PEOPLE AGED 67 WOULD BECOME ELIGIBLE NEXT APRIL.

"THE SCOPE OF THE DISABILITY ALLOWANCE WILL ALSO BE SIGNIFICANTLY EXTENDED," HE SAID.

"THE HIGHER RATE FOR PEOPLE REQUIRING CONSTANT CARE AND ATTENDANCE, WHICH IS NOW PAYABLE TO THOSE AGED OVER 60, WILL FROM NEXT APRIL BE AVAILABLE TO ELIGIBLE PERSONS AGED 16 AND ABOVE.

/"THIS IS .....

"THIS IS AN IMPORTANT STEP FORWARD IN HELPING THOSE WHO CANNOT HELP THEMSELVES."

TURNING TO PRIVATE RETIREMENT SCHEMES, SIR DAVID SAID SUCH SCHEMES AND PROVIDENT FUNDS MADE A USEFUL CONTRIBUTION TOWARDS MEETING THE FINANCIAL NEEDS OF THE ELDERLY.

AT PRESENT THESE SCHEMES OPERATED WITHOUT OFFICIAL SUPERVISION OR REGULATION, AND THE GOVERNMENT HAD, IN JUNE, PUBLISHED A CONSULTATIVE DOCUMENT PROPOSING THE INTRODUCTION OF A REGULATORY FRAMEWORK.

THE AIM WAS TO ENSURE THAT ASSETS HELD UNDER THESE SCHEMES FOR THE FUTURE BENEFIT OF EMPLOYEES WERE GIVEN PROPER PROTECTION.

"THERE HAS BEEN GENERAL SUPPORT FOR THE PROPOSED SCHEME, ALTHOUGH THERE ARE DIVERGENT VIEWS ON SOME ISSUES SUCH AS THE QUALIFICATIONS OF TRUSTEES AND THE NEED FOR INVESTMENT GUIDELINES," HE SAID.

"DETAILS OF THE SCHEME ARE NOW BEING FINALISED AND LEGISLATIVE PROPOSALS ARE BEING DRAFTED FOR INTRODUCTION INTO THIS COUNCIL DURING THE CURRENT SESSION.

"I HOPE THAT THE ENACTMENT OF THE LEGISLATION WILL ENCOURAGE THE ESTABLISHMENT OF MORE PRIVATE RETIREMENT SCHEMES SO AS TO GIVE BETTER PROTECTION TO OUR WORKFORCE."

ON THE SUBJECT OF LABOUR LEGISLATION, SIR DAVID SAID SUCH LEGISLATION WOULD CONTINUE TO BE IMPROVED.

GOOD PROGRESS HAD BEEN MADE TOWARDS THE AIM OF ACHIEVING A LEVEL OF STATUTORY BENEFITS AND CONTROLS GOVERNING SAFETY, HEALTH AND CONDITIONS OF EMPLOYMENT BROADLY COMPARABLE TO THE BEST PREVAILING IN THE REGION.

IN THE PAST YEAR THE OCCUPATIONAL SAFETY AND HEALTH COUNCIL HAD BEEN ESTABLISHED TO PROMOTE A SAFER AND HEALTHIER WORKING ENVIRONMENT; THE LONG SERVICE PAYMENT SCHEME WAS EXTENDED TO COVER RESIGNATIONS ON GROUNDS OF OLD AGE OR ILL HEALTH; AND NEW CONTROLS WERE INTRODUCED OVER THE USE OF DANGEROUS SUBSTANCES IN FACTORIES.

"IN THIS SESSION, THE GOVERNMENT WILL PROPOSE LEGISLATION TO PROTECT EMPLOYEES' COMPENSATION IN DEFAULT CASES; TO IMPOSE A GENERAL RESPONSIBILITY ON EMPLOYERS AND EMPLOYEES FOR SAFETY AND HEALTH IN THE WORK PLACE; AND TO INTRODUCE CUSTODIAL SENTENCES FOR SERIOUS LAPSES IN INDUSTRIAL HEALTH AND SAFETY STANDARDS," HE SAID.

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LEGISLATIVE CONTROL ON HOMES FOR ELDERLY PLANNED

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THE GOVERNMENT PLANS TO BRING THE OPERATION OF HOMES FOR THE ELDERLY UNDER LEGISLATIVE CONTROL BY 1990, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE SOCIAL WELFARE DEPARTMENT WOULD ALSO CONDUCT A REVIEW OF THE ROLE OF PRIVATE HOMES IN THE OVERALL PROVISION OF CARE-AND-ATTENTION PLACES FOR THE ELDERLY, SIR DAVID SAID.

THE INCREASING NUMBER OF PRIVATE HOMES FOR THE ELDERLY AND THE VARIABLE STANDARDS OF SERVICE THEY OFFERED WAS ONE AREA OF CONCERN.

"THE SOCIAL WELFARE DEPARTMENT HAS JUST INTRODUCED A VOLUNTARY REGISTRATION SCHEME: HOMES WHICH MEET APPROVED STANDARDS WILL BE ISSUED WITH A REGISTRATION CERTIFICATE," HE SAID.

"THROUGH THIS SCHEME THE PUBLIC WILL HAVE A MEASURE FOR THE STANDARD OF EACH REGISTERED HOME.

"IT WILL ENCOURAGE THOSE WHICH ARE NOT UP TO STANDARD TO IMPROVE THE QUALITY OF THEIR SERVICES."

SIR DAVID SAID THE GOVERNMENT ALSO PLANNED TO BUILD A HOLIDAY CENTRE TO CATER FOR THE SPECIAL NEEDS OF THE ELDERLY, PROVIDING AN OPPORTUNITY FOR LARGE NUMBERS OF ELDERLY PEOPLE TO ENJOY FRESH AIR, EXERCISE, AND A COMPLETE CHANGE OF SURROUNDINGS.

CONSTRUCTION OF THE CENTRE WOULD BE FUNDED FROM THE GOLD COIN ACCOUNT.

ON THE NEED TO IMPROVE SERVICES FOR VULNERABLE GROUPS SUCH AS STREET SLEEPERS, SIR DAVID SAID EXISTING HOSTELS GENERALLY PROVIDED ONLY SHORT STAY ACCOMMODATION.

"WE THEREFORE NEED TO LOOK AT THE PROVISION OF PERMANENT HOSTEL ACCOMMODATION IN THE URBAN AREA," HE SAID.

WITH THE SUPPORT OF THE SOCIAL WELFARE DEPARTMENT, THE SALVATION ARMY WOULD OPEN A HOSTEL IN YAU MA TEI NEXT MONTH AS A PILOT PROJECT SO AS TO TEST THE PRACTICABILITY OF THIS APPROACH.

SIR DAVID SAID SERVICES FOR THE REHABILITATION OF THE DISABLED HAD DEVELOPED RAPIDLY SINCE THE PUBLICATION OF THE WHITE PAPER IN 1977 AND ACHIEVEMENTS HAD BEEN CONSIDERABLE.

"BUT A GREAT DEAL STILL REMAINS TO BE DONE. APART FROM MEETING QUANTITATIVE TARGETS, WE NEED ALSO TO RAISE THE QUALITY OF OUR SERVICES," HE SAID.

"IN PARTICULAR, WE INTEND GRADUALLY TO IMPROVE THE STAFFING LEVELS OF DAY ACTIVITY CENTRES; EXTEND THE REHAB BUS SERVICE; AND FURTHER DEVELOP THE CURRICULUM FOR SPECIAL EDUCATION.

/"PARAMEDICAL AND .....

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"PARAMEDICAL AND PSYCHOLOGICAL SERVICES FOR DISABLED ADULTS WILL ALSO BE IMPROVED."

THE PROVISION OF EMPLOYMENT OPPORTUNITIES FOR THE DISABLED WAS ANOTHER MAJOR CONCERN.

"WE PLAN TO EXPAND THE SHELTERED WORKSHOP PROGRAMME AND INCREASE FACILITIES FOR SKILL TRAINING IN THE NEXT FEW YEARS," HE SAID.

THE GOVERNMENT WOULD CONTINUE ITS EFFORTS TO MAKE EMPLOYERS AWARE OF THE CAPABILITIES OF DISABLED PEOPLE, SO AS TO INCREASE THEIR OPPORTUNITIES FOR EMPLOYMENT.

"WORK ON REHABILITATION NEEDS TO BE ASSOCIATED CLOSELY WITH POLICIES ON SOCIAL WELFARE.

"IN ORDER TO ACHIEVE BETTER CO-ORDINATION, THE SECRETARY FOR HEALTH AND WELFARE WILL SHORTLY ADD REHABILITATION TO HIS SCHEDULE OF RESPONSIBILITIES," HE SAID.

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#### EDUCATION FOR EVERY CHILD AT AFFORDABLE COST

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EDUCATION HOLDS THE KEY BOTH TO THE UPWARD MOBILITY WHICH IS SUCH AN IMPORTANT FEATURE OF HONG KONG SOCIETY AND TO THE TERRITORY'S CONTINUING PROSPERITY, THE GOVERNOR, SIR DAVID WILSON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"THE AIM OF OUR EDUCATION POLICY IS TO PROVIDE OPPORTUNITIES FOR EVERY CHILD, ACCORDING TO HIS OR HER ABILITIES, AT A COST WHICH BOTH PARENTS AND THE COMMUNITY CAN AFFORD," SIR DAVID SAID.

"WE HAVE MADE GOOD PROGRESS OVER THE PAST FEW YEARS. I BELIEVE WE NEED TO DO STILL MORE IN THE FUTURE."

THE GOVERNOR NOTED THAT IN DESCRIBING THE EDUCATION PROGRAMME A YEAR AGO HE HAD SAID THAT THE EMPHASIS IN RECENT YEARS HAD BEEN ON THE PROVISION OF AS MANY SCHOOL PLACES AS POSSIBLE TO MEETING RISING DEMAND, AND THAT "INCREASINGLY WE WOULD NEED TO CONCENTRATE ON IMPROVING QUALITY".

HE SAID LANGUAGE TRAINING WAS PARTICULARLY IMPORTANT IN A CITY WHICH WAS ESSENTIALLY CHINESE, BUT WHICH WAS ALSO AN INTERNATIONAL COMMERCIAL CENTRE.

/"WE MUST .....

"WE MUST CONTINUE OUR EFFORTS TO IMPROVE THE TEACHING OF BOTH CHINESE AND ENGLISH," HE SAID.

"NEXT YEAR EACH SECONDARY SCHOOL WITH 18 CLASSES OR MORE WILL BE PROVIDED WITH AN ADDITIONAL GRADUATE TEACHER OF CHINESE."

A TWO-YEAR PILOT SCHEME TO PROVIDE SECONDARY SCHOOLS WITH NATIVE ENGLISH SPEAKING TEACHERS RECRUITED OVERSEAS HAD BEEN STARTED IN SEPTEMBER LAST YEAR.

"PERHAPS INEVITABLY, THERE HAVE BEEN SOME TEETHING PROBLEMS WITH THIS AMBITIOUS UNDERTAKING.

"THE SCHEME IS BEING MONITORED CAREFULLY THROUGHOUT THE TRIAL PERIOD BEFORE WE TAKE A DECISION ON ITS FUTURE.

"MEANWHILE, THE NUMBER OF LOCAL SECONDARY SCHOOL ENGLISH TEACHERS TO BE TRAINED IN BOTH HONG KONG AND IN THE UNITED KINGDOM WILL BE DOUBLED: SOME 150 TEACHERS WILL TAKE PART IN THE SCHEME NEXT YEAR."

SIR DAVID SAID MOTHER TONGUE TEACHING ENABLED MANY PUPILS TO MAKE BETTER PROGRESS IN SUBJECTS WHERE THEY MIGHT OTHERWISE HAVE DIFFICULTY, AND THE GOVERNMENT WAS THEREFORE ENCOURAGING SCHOOLS TO SWITCH TO MOTHER TONGUE TEACHING.

"OVER 100 SECONDARY SCHOOLS HAVE OPTED TO INCREASE THE USE OF CHINESE AS THE MEDIUM OF INSTRUCTION THIS YEAR," HE SAID.

"A FURTHER 270 ARE EXPECTED TO DO SO NEXT YEAR.

"IN SUPPORT OF THIS CHANGE, PUBLISHERS ARE BEING HELPED TO PRODUCE GOOD QUALITY CHINESE TEXTBOOKS AND TEACHERS ARE BEING TRAINED IN HOW TO MAKE GREATER USE OF CHINESE IN THE CLASSROOM."

SIR DAVID SAID THAT IN SWITCHING TO GREATER USE OF CHINESE, SIGHT MUST NOT BE LOST OF THE IMPORTANCE OF A HIGH STANDARD OF ENGLISH. SO THESE SCHOOLS WERE BEING PROVIDED WITH ADDITIONAL EQUIPMENT AND EXTRA ENGLISH TEACHERS.

PRESSURES ON SPACE MEANT THAT ABOUT 80 PER CENT OF PRIMARY SCHOOLS WERE BISESSIONAL, SIR DAVID SAID.

SOME CHILDREN ATTENDED ONLY IN THE MORNING AND OTHERS IN THE AFTERNOON; 460,000 PRIMARY SCHOOL PUPILS WERE TAUGHT IN THIS WAY, UNDER A SYSTEM THAT HAD BEEN INTRODUCED IN THE 1950'S.

"IT HAS OBVIOUS DISADVANTAGES FROM THE EDUCATIONAL VIEWPOINT," HE SAID. "OUR AIM IS GRADUALLY TO PHASE OUT BISESSIONAL SCHOOLS. WE ARE NOW CONSIDERING HOW, AND BY WHEN, THIS CAN BE DONE."

/SIR DAVID .....

SIR DAVID SAID EXPERIENCE IN MANY DEVELOPED COUNTRIES HAD SHOWN THAT PRIVATE SCHOOLS COULD CONTRIBUTE TO THE OVERALL STANDARD OF SECONDARY EDUCATION.

THEY ALLOWED A GREATER VARIETY OF CURRICULUM AND PARENTAL CHOICE THAN WAS POSSIBLE IN A PURELY PUBLIC EDUCATIONAL SYSTEM.

"UNFORTUNATELY MANY PRIVATE SCHOOLS IN HONG KONG, ALTHOUGH THEY HAVE USEFULLY FILLED A GAP IN OUR SYSTEM, ARE NOT OF A SUFFICIENTLY HIGH STANDARD TO MAKE SUCH A CONTRIBUTION," HE SAID.

"THE EDUCATION COMMISSION HAS NOW PUT FORWARD A RANGE OF PROPOSALS AIMED AT IMPROVING THE SITUATION.

"THESE SEEK TO RAISE THE STANDARD OF PRIVATE SCHOOLS WHERE GOVERNMENT BUYS PLACES AND ULTIMATELY TO REPLACE THE PRESENT BOUGHT PLACE SCHEME WITH A SYSTEM OF DIRECT SUBSIDIES TO PRIVATE SCHOOLS WHICH ATTAIN A GOOD STANDARD.

"THE AIM IS TO PROVIDE A STRONG PRIVATE SECTOR TO SUPPLEMENT OUR EXISTING SYSTEM OF AIDED AND GOVERNMENT SCHOOLS.

"IN DECIDING HOW TO IMPLEMENT THESE RECOMMENDATIONS, THE GOVERNMENT WILL TAKE ACCOUNT OF WHAT IS SAID DURING THE CURRENT PUBLIC CONSULTATION EXERCISE."

SIR DAVID NOTED THAT IN AN IMPORTANT DEVELOPMENT EARLIER THIS YEAR, THE GOVERNMENT HAD ACCEPTED THE EDUCATION COMMISSION'S RECOMMENDATIONS FOR STRENGTHENING THE STANDARD TWO-YEAR SIXTH FORM COURSE.

THIS WOULD ALLOW FOR A MORE VARIED AND BROADENED CURRICULUM, GIVING STUDENTS A GREATER CHOICE AND PROVIDING THE POSSIBILITY OF A COMMON ENTRY POINT TO TERTIARY EDUCATION.

"IT WILL ALSO PROVIDE A SEPARATE LEVEL OF EDUCATIONAL ATTAINMENT FOR STUDENTS WHO ADVANCE BEYOND THE HONG KONG CERTIFICATE OF EDUCATION," HE SAID.

"A WORKING GROUP, INCLUDING REPRESENTATIVES OF ALL TYPES OF SECONDARY SCHOOLS AND THE TERTIARY INSTITUTIONS, HAS NOW STARTED WORK ON IMPLEMENTING THE RECOMMENDATIONS."

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PRIORITY FOR EXPANSION OF HIGHER EDUCATION

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THE GOVERNMENT WILL CONTINUE TO ACCORD A VERY HIGH PRIORITY TO THE EXPANSION OF HIGHER EDUCATION WITH TERTIARY EDUCATION GROWING AT A RATE OF FIVE PER CENT A YEAR, THE GOVERNOR, SIR DAVID WILSON, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOREOVER, HE SAID, 3,000 STUDENTS WERE EXPECTED TO ENROL IN THE OPEN LEARNING INSTITUTE IN THE AUTUMN OF 1989, WITH THE NUMBER INCREASING TO 20,000 BY THE MID-1990'S.

THE NUMBER OF PLACES PROVIDED BY TECHNICAL INSTITUTES UNDER THE VOCATIONAL TRAINING COUNCIL WOULD ALSO INCREASE.

ON THE EDUCATION COMMISSION'S RECENT REPORT, SIR DAVID SAID THE GOVERNMENT WOULD TAKE CAREFUL ACCOUNT OF THE VIEWS EXPRESSED, WHILE BEARING IN MIND THE CENTRAL ISSUE OF HOW TO MAKE THE BEST USE OF RESOURCES TO PROVIDE THE FORM OF EDUCATION MOST SUITED TO HONG KONG'S NEEDS.

THE GOVERNOR POINTED OUT THAT AS HONG KONG CONTINUED TO GROW AND PROSPER, THERE WOULD BE AN INCREASING DEMAND FOR WELL EDUCATED YOUNG PEOPLE TO FILL PROFESSIONAL AND MANAGERIAL POSITIONS. THERE WAS ALSO A NEED TO TRAIN PEOPLE TO REPLACE THOSE WHO EMIGRATED.

HE NOTED THAT THERE WERE AT PRESENT 36,000 FULL-TIME EQUIVALENT PLACES IN HONG KONG'S TERTIARY INSTITUTIONS, PROVIDING FIRST DEGREE COURSES FOR ABOUT 6.5 PER CENT OF YOUNG PEOPLE IN THE RELEVANT AGE GROUP, AND NON-DEGREE STUDIES FOR ANOTHER FOUR PER CENT.

THESE PERCENTAGES WERE LOW BY INTERNATIONAL STANDARDS, HE SAID, AND THE NUMBER OF PLACES IN TERTIARY INSTITUTIONS THEREFORE NEEDED TO BE EXPANDED STEADILY.

"WE AIM TO PROVIDE 40,000 FULL-TIME EQUIVALENT PLACES IN 1991; OVER 48,000 IN 1994; 58,000 IN 1997; AND OVER 62,000 BY THE TURN OF THE CENTURY," HE SAID.

"IN OTHER WORDS, TERTIARY EDUCATION WILL BE GROWING AT A RATE OF FIVE PER CENT A YEAR.

"BY THE YEAR 2000, MORE THAN 14 PER CENT OF YOUNG PEOPLE IN THE RELEVANT AGE BRACKET WILL BE ABLE TO PURSUE FIRST DEGREE COURSES AND SIX PER CENT TO PURSUE STUDIES AT THE NON-DEGREE LEVEL."

SIR DAVID SAID THIS WOULD BE AN IMPRESSIVE ACHIEVEMENT, MADE POSSIBLE LARGELY THROUGH THE OPENING OF THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY IN 1991.

/MEANWHILE, THE .....

MEANWHILE, THE OPEN LEARNING INSTITUTE WOULD CATER FOR THE NEEDS OF THOSE WHO HAD NOT HAD THE OPPORTUNITY TO BENEFIT FROM HIGHER EDUCATION, AS WELL-AS THOSE WHO NEEDED TO LEARN NEW SKILLS.

THE GOVERNOR SAID THE PLANNING COMMITTEE FOR THE INSTITUTE, APPOINTED IN JANUARY THIS YEAR UNDER THE CHAIRMANSHIP OF THE HON CHENG HON-KWAN, HAD ALREADY MADE GOOD PROGRESS.

"A DIRECTOR WILL BE RECRUITED IN THE NEAR FUTURE AND LEGISLATION ESTABLISHING THE INSTITUTE WILL BE PRESENTED TO THIS COUNCIL WITHIN THE NEXT FEW MONTHS," HE SAID.

"WE EXPECT THAT 3,000 STUDENTS WILL ENROL IN THE AUTUMN OF 1989, AND THAT THIS WILL INCREASE TO 20,000 STUDENTS BY THE MID-1990'S."

TURNING TO TECHNICAL EDUCATION AND INDUSTRIAL TRAINING, SIR DAVID NOTED THAT THE EIGHT TECHNICAL INSTITUTES OPERATED BY THE VOCATIONAL TRAINING COUNCIL PROVIDED 62,000 FULL-TIME AND PART-TIME PLACES AT BOTH CRAFT AND TECHNICIAN LEVELS, WITH MORE THAN 19,000 STUDENTS GRADUATING EACH YEAR.

"THREE OF THESE INSTITUTES ARE NOW BEING EXPANDED SO THAT ANOTHER 3,000 FULL-TIME AND PART-TIME PLACES WILL BE PROVIDED BY 1990," HE SAID.

"IN ADDITION, THE COUNCIL OPERATES 16 INDUSTRIAL TRAINING CENTRES WITH 20,000 PLACES.

"A NEW TRAINING CENTRE OFFERING COURSES IN WHOLESALE, RETAIL, IMPORT AND EXPORT TRADES WILL OPEN IN 1990."

SIR DAVID SAID HE HOPED EMPLOYERS WOULD MAKE FULL USE OF THESE TRAINING FACILITIES AND WOULD TELL THE COUNCIL IF THEY HAD SPECIFIC TRAINING NEEDS WHICH WERE NOT BEING CATERED FOR AT PRESENT.

THE GOVERNOR ALSO SPOKE ON THE STRUCTURE OF TERTIARY EDUCATION AS DISCUSSED IN THE EDUCATION COMMISSION'S RECENT REPORT.

THE REPORT RECOMMENDED A COMMON ENTRY POINT TO TERTIARY EDUCATION AFTER TWO YEARS' SIXTH FORM EDUCATION AND THAT THE LENGTH OF FIRST DEGREE COURSES AT ALL TERTIARY INSTITUTIONS SHOULD IN PRINCIPLE BE THE SAME FOR ANY GIVEN SUBJECT, REGARDLESS OF THE INSTITUTION WHERE IT WAS BEING STUDIED.

SIR DAVID NOTED THAT DURING THE FOUR-MONTH PUBLIC CONSULTATION PERIOD WHICH BEGAN IN MID-JUNE AND ENDED THIS WEEK, FEW PEOPLE HAD CHALLENGED THE IDEA OF A COMMON ENTRY POINT, AND ATTENTION HAD FOCUSED ON WHETHER THE IDEAL LENGTH FOR UNDERGRADUATE COURSES WAS THREE OR FOUR YEARS.

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"IN ITS REPORT THE COMMISSION MADE IT CLEAR THAT IT DID NOT BELIEVE AN ABSOLUTE CASE COULD BE MADE OUT EITHER FOR THREE OR FOUR YEAR COURSES, OR INDEED FOR ANY PARTICULAR COURSE LENGTH," HE SAID.

"INSTITUTIONS OFFERING BOTH THREE AND FOUR YEAR COURSES HAVE PROVED THEMSELVES ABLE TO PRODUCE GRADUATES OF A GOOD STANDARD.

"THE COMMISSION HAS RECOMMENDED THAT WHETHER PARTICULAR COURSES SHOULD LAST THREE, FOUR OR MORE YEARS SHOULD BE DETERMINED BY THE TERTIARY INSTITUTIONS THEMSELVES, SUBJECT TO THE APPROVAL OF FUNDS.

"IT HAS ALSO GIVEN A CLEAR RECOMMENDATION THAT, IN GENERAL, WHERE MORE RESOURCES FOR TERTIARY INSTITUTIONS ARE AVAILABLE, THE FIRST PRIORITY SHOULD BE TO INCREASE THE NUMBER OF STUDENTS ENTERING TERTIARY EDUCATION EACH YEAR."

NOTING THAT MEMBERS OF THE COUNCIL HAD REQUESTED A DEBATE ON THE SUBJECT, SIR DAVID SAID THE GOVERNMENT WOULD TAKE CAREFUL ACCOUNT OF ALL THE POINTS MADE IN THAT DEBATE AND DURING THE PERIOD OF PUBLIC CONSULTATION.

"THE DECISIONS TO BE TAKEN ARE IMPORTANT ONES. THE CENTRAL ISSUE IS HOW WE CAN BEST USE OUR RESOURCES TO PROVIDE THE FORM OF EDUCATION MOST SUITED TO HONG KONG'S NEEDS NOW AND IN THE MEDIUM TERM FUTURE," HE SAID.

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#### FOUNDATION FOR TRAINING OF SPORTSMEN

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A SPORTS AID FOUNDATION HAS BEEN SET UP, WITH A \$10 MILLION DONATION FROM THE ROYAL HONG KONG JOCKEY CLUB, TO PROVIDE MORE OPPORTUNITIES FOR PROMISING PEOPLE TO DEVELOP THEIR PARTICULAR SKILLS AND POTENTIALS.

THE GOVERNOR, SIR DAVID WILSON, SAID THIS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) AND NOTED THAT THE FIRST SCHOLARSHIPS WERE AWARDED IN JUNE.

AFTER MANY YEARS OF CONCENTRATION ON ENCOURAGING MAXIMUM PUBLIC PARTICIPATION IN SPORTS AND RECREATION, SIR DAVID SAID THAT THE SCHOLARSHIPS WOULD ENABLE PROMISING SPORTSMEN AND WOMEN TO SPEND MORE TIME ON THEIR TRAINING AND SO REACH HIGHER STANDARDS.

"EXCELLENCE OF THIS SORT NOT ONLY BENEFITS THE INDIVIDUAL; IT SPREADS OUT TO RAISE STANDARDS IN THE COMMUNITY AS A WHOLE," HE SAID.

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SIR DAVID SAID IT WAS ALSO TIME TO TAKE STOCK AND TO MAKE PLANS FOR THE FUTURE IN THE FIELDS OF RECREATION AND SPORT.

POINTING OUT THAT A CONSULTANCY REVIEW OF SPORTS ADMINISTRATION WAS PUBLISHED IN MAY, SIR DAVID SAID THE GOVERNMENT WAS STUDYING THE PROPOSALS IN THE LIGHT OF THE PUBLIC COMMENTS THEY HAD GENERATED.

HE SAID IT WAS GOVERNMENT'S POLICY TO MAXIMISE THE OPPORTUNITIES FOR PEOPLE TO TAKE PART IN CULTURAL AND RECREATIONAL ACTIVITIES.

"WE AIM ALSO TO ENSURE THAT PERFORMANCES OF THE HIGHEST STANDARDS ARE AVAILABLE FOR THOSE WHO WISH TO WATCH THEM.

"THE IMPORTANCE THAT WE ATTACH TO THESE AIMS IS SHOWN BY THE CREATION OF THE NEW POLICY BRANCH TO WHICH I HAVE ALREADY REFERRED."

SIR DAVID SAID THE NEW POLICY BRANCH TO BE CREATED WOULD WORK CLOSELY WITH THE TWO MUNICIPAL COUNCILS, WHICH MADE A MAJOR CONTRIBUTION BOTH TO THE ARTS AND TO THE PROVISION OF FACILITIES FOR RECREATION AND SPORTS.

"I AM PLEASED TO SAY THAT THIS CONTRIBUTION HAS RECENTLY BEEN EXTENDED BY THE URBAN COUNCIL TAKING ON RESPONSIBILITY FOR THE HONG KONG PHILHARMONIC, A MOVE WHICH WILL ENSURE THE ORCHESTRA'S FINANCIAL FUTURE."

SIR DAVID ALSO NOTED THAT MORE THAN 21,000 SEATS IN THEATRES AND CONCERT HALLS WOULD BE MADE AVAILABLE WITH THE OPENING OF THE HONG KONG CULTURAL CENTRE AT THE END OF 1989.

"THIS IS MORE THAN FIVE TIMES THE NUMBER AVAILABLE IN 1978, A RATE OF GROWTH PROBABLY UNMATCHED ANYWHERE ELSE IN THE WORLD.

"WE MUST NOW ENSURE THAT THESE SEATS ARE FILLED. THIS MEANS ORGANISING HIGH QUALITY PERFORMANCES BY BOTH LOCAL AND OVERSEAS ARTISTS."

THE GOVERNOR SAID THE GOVERNMENT HAD ACCEPTED IN PRINCIPLE SOME OF THE PROPOSALS MADE BY THE COUNCIL FOR THE PERFORMING ARTS TO INCREASE THE LEVEL OF GOVERNMENT FUNDING FOR THE ARTS IN THE NEXT FINANCIAL YEAR.

"BUT IT IS WRONG FOR PERFORMING GROUPS TO RELY TOO HEAVILY, OR TOO COMPLETELY, ON PUBLIC FUNDS," HE SAID.

"WE THEREFORE AIM TO ENCOURAGE THE PRIVATE SECTOR TO INCREASE ITS SPONSORSHIP OF THE ARTS."

THE COUNCIL FOR THE PERFORMING ARTS WAS BEING ASKED TO PUT FORWARD PROPOSALS TO ACHIEVE THIS, DRAWING ON EXPERIENCE ELSEWHERE IN THE WORLD WHERE PRIVATE FUNDING FOR THE ARTS HAD PROVED REMARKABLY SUCCESSFUL, SIR DAVID ADDED.

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GOOD PROGRESS IN IMPLEMENTING JOINT DECLARATION

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THE JOINT LIAISON GROUP AND THE LAND COMMISSION HAVE BOTH CONTINUED TO MAKE GOOD PROGRESS IN IMPLEMENTING THE JOINT DECLARATION AND HAVE REGISTERED A STEADY STREAM OF PRACTICAL ACHIEVEMENTS, THE GOVERNOR, SIR DAVID WILSON, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SIR DAVID SAID CONTACTS WITH CHINA CONTINUED TO BE BUILT UP AND DEVELOPED AT ALL LEVELS, AND HE ALSO REFERRED TO THE IMPORTANCE OF THE DRAFT BASIC LAW.

ON RELATIONS WITH CHINA, SIR DAVID POINTED OUT THAT HE HAD VISITED PEKING, GUANGDONG AND SHANGHAI AT THE END OF LAST YEAR; THE CHIEF SECRETARY WENT TO PEKING AND CHENGDU IN MAY; AND LATER THIS YEAR HE HIMSELF WOULD BE MAKING A FURTHER VISIT TO PEKING AND WOULD ALSO GO TO FUJIAN.

IN JUNE, THE DIRECTOR OF THE HONG KONG AND MACAU OFFICE OF CHINA'S STATE COUNCIL, MR JI PENGFEI, HAD BEEN WELCOMED ON A SECOND VISIT TO HONG KONG, AND EARLIER VICE PREMIER TIAN JIYUN, THE MOST SENIOR CHINESE LEADER TO VISIT THE TERRITORY SINCE 1949, HAD SPENT FIVE DAYS HERE.

"I SEE SUCH HIGH LEVEL VISITS AS BEING HELPFUL TO BOTH SIDES," SIR DAVID SAID. "THEY ENABLE CHINESE LEADERS TO SEE FOR THEMSELVES HOW HONG KONG WORKS; AND THEY ENABLE MANY PEOPLE IN HONG KONG TO MEET SENIOR CHINESE LEADERS PERSONALLY."

RELATIONS WITH OUR NEIGHBOURS IN BOTH GUANGDONG AND THE SHENZHEN SPECIAL ECONOMIC ZONE HAD CONTINUED TO DEVELOP.

"I VISITED SHENZHEN IN MARCH THIS YEAR AND THE MAYOR OF SHENZHEN ACCEPTED MY INVITATION TO PAY A RETURN VISIT TO HONG KONG IN MAY," HE SAID.

"BOTH OFFICIAL CONTACTS, AND THE MULTITUDE OF PRIVATE CONTACTS WHICH ARE NOW A REGULAR PART OF OUR RELATIONSHIP WITH THE MAINLAND OF CHINA, ARE IMPORTANT IN BUILDING GREATER UNDERSTANDING ON BOTH SIDES AND LAYING LASTING AND MUTUALLY BENEFICIAL FOUNDATIONS FOR THE FUTURE."

ON THE BASIC LAW, THE FIRST DRAFT OF WHICH WAS PUBLISHED IN APRIL, SIR DAVID SAID HONG KONG PEOPLE HAD PLAYED AN IMPORTANT PART IN THE TWO-YEAR DRAFTING PROCESS CONCERNING THIS LONG AND COMPLEX DOCUMENT.

/THE CHINESE .....

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THE CHINESE GOVERNMENT HAD MADE IT CLEAR THAT THEY ATTACHED GREAT IMPORTANCE TO THE VIEWS OF HONG KONG PEOPLE, AND MAINLAND MEMBERS OF THE DRAFTING COMMITTEE HAD VISITED THE TERRITORY TWICE.

"THEY HAVE SHOWN A WELCOME WILLINGNESS TO LISTEN TO VIEWS ON THE FIRST DRAFT AND TO TAKE THEM INTO ACCOUNT WHEN IT IS REVISED," HE SAID.

SIR DAVID NOTED THAT THE SECOND DRAFT WOULD BE PUT TO THE STANDING COMMITTEE OF THE NATIONAL PEOPLE'S CONGRESS NEXT YEAR AND WOULD THEN BE PUBLISHED FOR FURTHER CONSULTATION, WITH THE FINAL VERSION SCHEDULED FOR PROMULGATION IN 1990.

THE BASIC LAW WOULD SET OUT THE CONSTITUTIONAL FRAMEWORK FOR THE HONG KONG SPECIAL ADMINISTRATIVE REGION FOR THE 50 YEARS AFTER 1997.

"BUT BEFORE THAT DATE - INDEED AS SOON AS IT IS PUBLISHED - IT WILL BE A CRUCIAL FACTOR IN MAINTAINING CONFIDENCE IN HONG KONG'S FUTURE BOTH HERE AND OVERSEAS," HE SAID.

"THE PEOPLE OF HONG KONG WILL BE LOOKING TO THE BASIC LAW TO STATE IN CLEAR AND WORKABLE TERMS THE DETAILS OF THE POLICIES SET OUT IN THE JOINT DECLARATION AND ITS ANNEXES, INCLUDING THE PROVISION OF A HIGH DEGREE OF AUTONOMY UNDER THE FORMULA OF 'ONE COUNTRY TWO SYSTEMS'.

"SO TOO WILL THE INTERNATIONAL BUSINESS COMMUNITY WHOSE INVESTMENTS ARE SO IMPORTANT TO HONG KONG."

IN LISTING WHAT HAD BEEN DONE BY THE JOINT LIAISON GROUP, SIR DAVID SAID THERE WAS NOW AGREEMENT ON TRANSITIONAL ARRANGEMENTS FOR ALL HONG KONG TRAVEL AND IDENTITY DOCUMENTS, THUS ALLOWING DOCUMENTS ISSUED BEFORE 1997 TO BE USED AFTER THE ESTABLISHMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION.

AGREEMENT HAD ALSO BEEN REACHED ON HONG KONG'S CONTINUED PARTICIPATION AFTER 1997 IN EIGHT MORE INTERNATIONAL ORGANISATIONS, INCLUDING THE INTERNATIONAL LABOUR ORGANISATION, THE WORLD HEALTH ORGANISATION, THE INTERNATIONAL ATOMIC ENERGY AGENCY AND INTERPOL.

AS A RESULT OF AGREEMENT REACHED AT THE JLG, HONG KONG HAD CONCLUDED ITS OWN AIR SERVICE AGREEMENTS WITH SWITZERLAND AND CANADA, AND OTHER SEPARATE AGREEMENTS WERE BEING NEGOTIATED.

"BOTH SIDES HAVE ALSO REACHED AGREEMENT ON THE PRINCIPLES UNDERLYING FUTURE ARRANGEMENTS FOR THE SURRENDER OF FUGITIVE OFFENDERS, AND ON IMPROVEMENTS TO THE TERMS OF SERVICE OF THE JUDICIARY, WHICH HAVE IMPLICATIONS BEYOND 1997," HE SAID.

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"THEY HAVE ALSO AGREED THAT A NEW UNIT OF THE POLICE FORCE, TO WHICH I HAVE REFERRED EARLIER, SHOULD IN FUTURE TAKE OVER RESPONSIBILITY FOR PREVENTING ILLEGAL ENTRY INTO HONG KONG."

SIR DAVID SAID ONE IMPORTANT NEW AREA THAT THE JLG HAD BEEN CONSIDERING WAS THE LOCALISATION OF UK LEGISLATION WHICH NOW APPLIED TO HONG KONG.

"CHANGES WILL HAVE TO BE MADE SO THAT HONG KONG WILL HAVE ITS OWN LAWS COVERING THE SAME GROUND AS THE EXISTING UK LEGISLATION," HE SAID.

"AGREEMENT HAS BEEN REACHED ON THE PRINCIPLES WHICH SHOULD GOVERN THE LOCALISATION PROCESS.

"MEMBERS WILL BE ASKED SOON TO CONSIDER THE FIRST ITEM OF THIS LOCALISED LEGISLATION, WHICH DEALS WITH ADMIRALTY JURISDICTION."

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BLUEPRINT FOR A PROSPEROUS FUTURE  
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AS A SOCIETY, AND AS A GOVERNMENT, HONG KONG'S HORIZONS ARE NOT LIMITED BY 1997: THEY EXTEND WELL INTO THE NEXT CENTURY, THE GOVERNOR, SIR DAVID WILSON, SAID TODAY (WEDNESDAY).

CONCLUDING HIS ANNUAL ADDRESS TO THE LEGISLATIVE COUNCIL, SIR DAVID SAID HE HAD TRIED TO PAINT A PICTURE OF HONG KONG AS IT WAS: A DYNAMIC, BUSTLING SOCIETY WITH A REMARKABLE RECORD OF ECONOMIC GROWTH AND AN ABILITY TO CONFRONT THE PROBLEMS WHICH FACED IT.

"IN LOOKING AHEAD I HAVE PUT BEFORE YOU A RANGE OF POLICY INITIATIVES WHICH ARE DESIGNED TO DEAL NOT JUST WITH THE SHORT TERM OR THE MEDIUM TERM, BUT THE LONG TERM AS WELL," HE TOLD COUNCILLORS.

"I HAVE TRIED TO PAINT THE PICTURE AS IT IS, WARTS AND ALL."

SIR DAVID THEN LISTED THE PROBLEMS THAT HONG KONG MUST TACKLE, RANGING FROM TRAFFIC CONGESTION TO THE SO-CALLED "BRAIN DRAIN".

"WHAT MATTERS IS NOT THAT WE HAVE PROBLEMS -- NO SOCIETY IS WITHOUT THEM -- BUT THAT WE ARE PREPARED TO FACE THEM HONESTLY AND TACKLE THEM REALISTICALLY," HE SAID.

THE NEXT FEW YEARS WERE IMPORTANT FOR HONG KONG, AND IT HAD TO MAKE SURE THAT ITS ECONOMY REMAINED DYNAMIC AND PROSPEROUS.

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"WITHOUT THIS WE CANNOT ACHIEVE OUR OTHER OBJECTIVES, WHETHER SOCIAL OR ECONOMIC," HE SAID.

"WE MUST BUILD UP OUR EDUCATIONAL FACILITIES SO THAT WE CAN STAY IN THE FRONT RANK OF TECHNOLOGICAL ADVANCE AND TRAIN THE GENERATIONS WHO WILL BE RUNNING THE HONG KONG SPECIAL ADMINISTRATIVE REGION AFTER 1997.

"WE NEED TO DEVELOP OUR SOCIAL AND MEDICAL SERVICES SO THAT WE HAVE A SOCIETY WHICH IS BOTH HEALTHY AND CARING.

"WE MUST IMPROVE OUR ENVIRONMENT, FROM THE CROWDED OLD URBAN CENTRES TO OUR BEACHES AND COUNTRYSIDE.

"WE MUST MAINTAIN OUR INTERNATIONAL ECONOMIC LINKS AND OUR OPEN ECONOMY, TO BENEFIT OURSELVES AND TO BE A BRIDGE BETWEEN CHINA AND THE WESTERN WORLD.

"AND WE MUST DEVELOP AND CONSOLIDATE OUR GOVERNMENTAL INSTITUTIONS SO THAT THEY CAN TACKLE EFFECTIVELY OUR IMMEDIATE PROBLEMS, BE READY FOR THE CHANGES WHICH WILL TAKE PLACE IN 1997 AND PROVIDE A FIRM FOUNDATION FOR A PROSPEROUS, STABLE AND LIVELY HONG KONG SAR IN WHICH THE ENERGY AND INITIATIVE OF HONG KONG PEOPLE WILL HAVE FULL SCOPE."

SIR DAVID SAID THE LONGER HE WAS HERE THE MORE HE WAS CONVINCED THAT HONG KONG HAD THE ABILITY, AND THE WILL, TO DO ALL THESE THINGS.

"WE HAVE AN ENERGETIC, SKILLED AND PRAGMATIC POPULATION," HE SAID.

"WE HAVE THE ASSURANCE THAT BOTH BRITAIN AND CHINA ARE DETERMINED TO WORK FOR THE FULL AND EFFECTIVE IMPLEMENTATION OF THE JOINT DECLARATION.

"AND FINALLY, I HOPE I HAVE DEMONSTRATED TODAY THAT WE HAVE A GOVERNMENT WHICH IS DETERMINED TO THINK LONG TERM AND GIVE AN ENERGETIC LEAD TO EFFORTS OF THE PEOPLE OF HONG KONG TO IMPROVE THE LIFE OF THIS COMMUNITY -- AN OBJECTIVE WHICH MEANS SO MUCH BOTH TO ME AND TO ALL OF US."

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SUMMARY OF POLICY SPEECH TAPED FOR BROADCAST

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THE FOLLOWING IS THE SUMMARY DELIVERED BY THE GOVERNOR, SIR DAVID WILSON, ON HIS ANNUAL ADDRESS TO THE LEGISLATIVE COUNCIL WHICH WAS TAPED FOR BROADCAST ON RADIO AND TELEVISION THIS (WEDNESDAY) EVENING:

THIS AFTERNOON I GAVE MY ANNUAL ADDRESS TO THE LEGISLATIVE COUNCIL. I SHOULD LIKE TO SHARE WITH YOU AT A MUCH SHORTER LENGTH SOME OF THE POINTS I MADE IN IT.

THE STARTING POINT OF MY SPEECH WAS THAT WE NEED A STRONG ECONOMY. ONLY THEN CAN WE PAY FOR OUR AMBITIOUS PROGRAMMES TO IMPROVE LIFE FOR THE PEOPLE OF HONG KONG. SO AN IMPORTANT PRIORITY FOR THE GOVERNMENT IS TO MAKE SURE THAT OUR ECONOMY REMAINS SUCCESSFUL. GROWTH THIS YEAR HAS BEEN SLOWER THAN LAST. BUT AT 6 PER CENT WE ARE CONTINUING TO DO WELL. I SEE EVERY REASON FOR LONG TERM CONFIDENCE.

ONE OF THE THEMES OF MY SPEECH THIS AFTERNOON WAS THE NEED TO BUILD UP OUR INFRASTRUCTURE TO KEEP PACE WITH THE TREMENDOUS GROWTH IN OUR ECONOMY.

WE NEED MORE AND BETTER ROADS. EVERYBODY KNOWS THAT TRAFFIC CONGESTION IS AN INCREASING PROBLEM. THIS YEAR WE WILL BE SPENDING ALMOST \$2 BILLION ON ROADS - \$300 MILLION MORE THAN LAST YEAR.

WE NEED TO TACKLE THE QUESTION OF THE AIRPORT. KAI TAK IS NOW THE SECOND BUSIEST AIRPORT IN ASIA. PASSENGER TRAFFIC HAS ALMOST DOUBLED IN THE PAST TWO YEARS. IT IS BECOMING INCREASINGLY CLEAR THAT WE WILL NEED A NEW AIRPORT. IT WILL BE A HUGE PROJECT - THE BIGGEST EVER IN HONG KONG. SO WE MUST GET THE DECISION RIGHT ON WHERE AND WHEN TO BUILD IT. THAT IS A DECISION WHICH WILL BE TAKEN BY THE END OF NEXT YEAR.

THE PORT IS ANOTHER AREA WHERE WE HAVE TO CATER FOR A HUGE INCREASE IN DEMAND. BEFORE THE END OF THIS YEAR WE WILL BE TAKING THE DECISION ON WHERE THE NEXT TWO CONTAINER TERMINALS SHOULD GO. AND WE ARE PLANNING AHEAD FOR FURTHER MAJOR GROWTH.

IMPROVING THE ENVIRONMENT WAS ANOTHER THEME OF MY SPEECH. THIS IS SOMETHING WHICH AFFECTS EVERYBODY. WE CANNOT EXPECT INSTANT SUCCESS BUT WE CAN - AND WE ARE - PUTTING MORE EFFORT INTO TACKLING THE PROBLEM. TAKE SEWERAGE FOR EXAMPLE. OUR FACILITIES ARE SIMPLY NOT GOOD ENOUGH FOR A MODERN CITY. OVER THE NEXT 10 YEARS WE SHALL BE SPENDING \$10 BILLION ON SEWAGE ALONE. AND WE ARE NOW DEALING WITH OTHER ASPECTS OF THE POLLUTION PROBLEM LIKE ANIMAL WASTE AND BETTER WAYS OF GETTING RID OF DOMESTIC AND INDUSTRIAL RUBBISH.

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THESE ARE ALL LONG TERM PROJECTS. WE ALSO HAVE TO IMPROVE STANDARDS OF LIVING IN THE SHORTER TERM. HOUSING FOR INSTANCE. THIS YEAR A RECORD NUMBER OF FLATS WILL BE BUILT BY THE HOUSING AUTHORITY. AND A NEW DESIGN WILL BE INTRODUCED, GIVING MORE SPACE AND A BETTER LAYOUT TO MEET A GROWING DEMAND FOR HIGHER STANDARDS.

LAST YEAR I ANNOUNCED SIGNIFICANT IMPROVEMENTS TO OUR SOCIAL SECURITY SCHEMES. MOST OF THESE ARE NOW IN PLACE. NEXT APRIL THE OLD AGE ALLOWANCE WILL BE EXTENDED TO PEOPLE AGED 67: AND THE HIGHER RATE OF DISABILITY ALLOWANCE - THAT IS FOR THOSE WHO NEED CONSTANT CARE AND ATTENTION - WILL BE GOING TO ALL AGED 16 AND OVER.

EDUCATION WAS ANOTHER IMPORTANT AREA IN MY SPEECH. AS A CHINESE CITY - AND AN INTERNATIONAL TRADING CENTRE - WE HAVE TO BE GOOD AT BOTH ENGLISH AND CHINESE. BOTH WILL BE GIVEN MORE RESOURCES. AND AS A BOOMING ECONOMY SHORT OF SKILLED MANPOWER, WE NEED TO PRODUCE MORE GRADUATES HERE IN HONG KONG. OUR PLAN IS TO INCREASE THE NUMBER OF PLACES EACH YEAR BY 5 PER CENT. THIS MEANS THAT BY THE YEAR 2000, A YOUNG PERSON WILL HAVE TWICE AS GOOD A CHANCE AS NOW TO STUDY FOR A DEGREE HERE IN HONG KONG. AND AT THE OTHER END OF THE SCALE WE ARE DRAWING UP A PROGRAMME TO PHASE OUT BISESSIONAL PRIMARY SCHOOLING.

MEDICAL FACILITIES WAS ANOTHER AREA I DEALT WITH. THESE MUST BE, AND WILL BE, INCREASED. TWO BIG NEW HOSPITALS OPEN NEXT YEAR, AT TUEN MUN AND THE EXTENSION TO QUEEN MARY. ALL THIS WILL HELP REDUCE THE VERY REAL PROBLEM OF OVERCROWDING IN OUR EXISTING HOSPITALS. WE ALSO NEED TO GET THE ORGANISATION OF OUR HOSPITALS RIGHT TO MAKE THE BEST POSSIBLE USE OF OUR RESOURCES. THE PROVISIONAL HOSPITAL AUTHORITY IS NOW IN PLACE. IT IS ALREADY AT WORK ON LONGER TERM PLANNING.

ONE PROBLEM THAT HAS BECOME ACUTE DURING THE YEAR HAS BEEN THE CONTINUING INFLUX OF VIETNAMESE BOAT PEOPLE. OVER 17,000 HAVE ARRIVED THIS YEAR. WE CANNOT SIMPLY GO ON ACCEPTING THOUSANDS OF PEOPLE WHO HAVE NO HOPE OF GETTING WHERE THEY REALLY WANT TO BE - THE UNITED STATES, CANADA OR WHEREVER. THE NEW POLICY INTRODUCED IN JUNE MEANS THAT WE WILL BE ABLE TO DISTINGUISH BETWEEN GENUINE REFUGEES AND THOSE LEAVING ESSENTIALLY FOR ECONOMIC REASONS. FOR GENUINE REFUGEES WE WILL SEEK RESETTLEMENT OVERSEAS. THOSE WHO ARE MOVING FOR ECONOMIC REASONS WILL HAVE TO GO BACK TO VIETNAM: AND THAT IS WHAT WE ARE NOW TALKING TO THE VIETNAMESE GOVERNMENT ABOUT.

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THERE HAS BEEN A GREAT DEAL OF DISCUSSION RECENTLY OF EMIGRATION - THE SO-CALLED "BRAIN DRAIN". WE WILL NEVER PREVENT ANYONE LEAVING HONG KONG IF THAT IS WHAT THEY WANT TO DO. BUT WE MUST DO EVERYTHING WE CAN TO MAKE SURE THAT HONG KONG REMAINS A PLACE WHERE PEOPLE WANT TO LIVE, AND ONE TO WHICH THEY WANT TO RETURN. AS FOR THE NUMBERS LEAVING, WE MUST CONFRONT THE PROBLEM SQUARELY - WITHOUT SHYING AWAY FROM IT AND WITHOUT EXAGGERATION. WE ARE NOW GETTING A CLEAR PICTURE OF THE NUMBERS AND THE SORT OF PEOPLE WHO ARE LEAVING, SO THAT WE CAN MAKE SURE THAT ENOUGH TRAINED REPLACEMENTS ARE AVAILABLE TO FILL THE GAPS.

I MADE THE POINT IN MY SPEECH TODAY THAT HONG KONG'S LINKS WITH CHINA CONTINUE TO GROW, BOTH ECONOMICALLY AND POLITICALLY. WE ARE NOW EACH OTHER'S LARGEST TRADING PARTNER. MORE PEOPLE WORK FOR HONG KONG BUSINESSES IN GUANGDONG ALONE THAN IN THE WHOLE OF OUR MANUFACTURING INDUSTRY.

THIS YEAR WE HAVE WELCOMED A NUMBER OF TOP-LEVEL VISITORS FROM CHINA. THESE VISITS ARE IMPORTANT. THEY HELP TO BUILD THE UNDERSTANDING BETWEEN OURSELVES AND THE MAINLAND OF CHINA WHICH WE NEED TO ESTABLISH SENSIBLE AND WORKABLE ARRANGEMENTS FOR THE FUTURE. THEY HAVE ALSO MADE IT POSSIBLE FOR CHINESE OFFICIALS TO HEAR FOR THEMSELVES THE COMMENTS OF THE PEOPLE OF HONG KONG ON THE FIRST DRAFT OF THE BASIC LAW IN A REMARKABLY OPEN PROCESS OF CONSULTATION.

HONG KONG IS A DYNAMIC, BUSTLING, SUCCESSFUL SOCIETY WITH A REMARKABLE RECORD OF DEALING WITH CHANGE. DURING MY FIRST 18 MONTHS HERE AS GOVERNOR I HAVE SPENT A GREAT DEAL OF TIME MEETING AND TALKING TO PEOPLE FROM ALL WALKS OF LIFE. WHAT I HAVE SEEN - AND WHAT I HAVE HEARD - MAKES ME MORE AND MORE CONVINCED THAT WE HAVE THE ABILITY - AND THE WILL - TO OVERCOME THE DIFFICULTIES WE FACE. WE HAVE A HARD WORKING, SKILLED AND PRAGMATIC POPULATION. AND I HOPE THAT MY ADDRESS TO THE LEGISLATIVE COUNCIL THIS AFTERNOON WILL HAVE SHOWN THAT WE HAVE A GOVERNMENT WHICH IS DETERMINED TO THINK LONG-TERM AND DETERMINED TO GIVE AN ENERGETIC LEAD TO IMPROVING THE LIFE OF THE PEOPLE OF HONG KONG BOTH NOW AND WELL INTO THE FUTURE.

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19 NEW LEGCO MEMBERS SWORN IN

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NINETEEN NEW MEMBERS OF THE LEGISLATIVE COUNCIL, ELECTED AND APPOINTED, WERE SWORN IN AT THE START OF THE 1988-89 SESSION TODAY (WEDNESDAY).

OF THE NEW MEMBERS, 13 TOOK THE LEGISLATIVE COUNCIL OATH AND SIX MADE THE LEGISLATIVE COUNCIL AFFIRMATION.

FOLLOWING IS THE LIST OF NEW MEMBERS AT THE SWEARING-IN:

MR RONALD JOSEPH ARCULLI	OATH
MR MARTIN GILBERT BARROW	OATH
MR PAUL CHENG MING-FUN	OATH
MR MICHAEL CHENG TAK-KIN	OATH
MR DAVID CHEUNG CHI-KONG	OATH
MR RONALD CHOW MEI-TAK	OATH
MRS NELLIE FONG WONG KUT-MAN	OATH
MRS PEGGY LAM	OATH
MR DANIEL LAM WAI-KEUNG	AFFIRMATION
MRS MIRIAM LAU KIN-YEE	OATH
MR LAU WAH-SUM	OATH
DR EDWARD LEONG CHE-HUNG	AFFIRMATION
MISS LEUNG WAI-TUNG	AFFIRMATION
MR JAMES DAVID MCGREGOR	OATH
MR KINGSLEY SIT HO-YIN	AFFIRMATION
MRS SO CHAU YIM-PING	OATH
MR JAMES TIEN PEI-CHUN	AFFIRMATION
MRS ELSIE TU	OATH
MR PETER WONG HONG-YUEN	AFFIRMATION

TWELVE OTHER COUNCILLORS, APPOINTED AND ELECTED, WHO HAD SERVED PREVIOUSLY WERE ALSO SWORN IN AT THE LEGISLATIVE COUNCIL SITTING THIS MORNING.