



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 842 8777

WEDNESDAY, JULY 4, 1990

CONTENTS

PAGE NO.

LEGISLATIVE COUNCIL MEETING:

NEED TO SUSTAIN GROWTH MOMENTUM OF ECONOMY: SEM	1
SUPPORT FOR RELAXATION OF LABOUR IMPORTATION POLICY	6
LABOUR PLAN IS FOR LONG-TERM GOOD	7
ADEQUATE WORKFORCE NEEDED FOR INDUSTRIES	8
IMPORTED WORKERS SHOULD BE TOLD OF STATUS	8
COMMUNITY SHOULD SUPPORT LABOUR IMPORTATION SCHEME	9
LABOUR IMPORTATION A MOVE IN THE RIGHT DIRECTION	10
EMPLOYERS UNDERSTAND LABOUR'S CONCERN	10
RELAXING LABOUR IMPORTATION A RIGHT MOVE	11
CALL TO PROTECT WORKERS' RIGHT TO WORK	12
PRACTICAL STEPS TAKEN TO ASSIST IVORY WORKERS	13
CALL TO GIVE LOANS TO IVORY TRADE	14
FULL PUBLICITY PROGRAMME ON GAS SAFETY BILL'S PROVISIONS	15
GAS BILL AIMS TO ENSURE SAFETY	16
REVIEW OF EDUCATION ORDINANCE GIVEN PRIORITY	16
EDUCATION BILL MAY AGGRAVATE DELINQUENCY	18
BILL REMOVES REDUNDANT PROVISIONS IN RATING ORDINANCE	19
SURPLUS FOR 1989-90 FINALISED AT \$11,063 MILLION	20
BILL PROVIDES FOR SETTING UP OF HK SHIPPING REGISTER	21
TWO AMENDMENT BILLS INTRODUCED TO REMOVE LOOPHOLES	24
MOTIONS TO IMPLEMENT BUDGET REVENUE PROPOSALS PASSED	25
SUMMARY OF CHANGES TO APPROVED ESTIMATES	26
MEDICAL CERTIFICATES REQUIREMENTS FOR IMPORTED WORKERS EXPLAINED	27
TERTIARY INSTITUTIONS A HELP TO GOVT'S RESEARCH PROJECTS	28

/ANTI-SMOKING

ANTI-SMOKING MEASURES DIRECTED AT YOUNG PEOPLE	29
GOVT'S POLICY TO MAINTAIN PURCHASING POWER OF PENSIONS	30
ACTION TO ENSURE ROADS AND PAVEMENTS ARE KEPT FREE	30
MOTION ON IMPORTATION OF LABOUR PASSED	31
EXCO APPROVES REVISION OF VEHICLE EXAMINATION FEES	32
EXPANDING AND OPENING UP MARKETS IMPORTANT	32
STATUTORY COMPOUND INTEREST ON DEBT RECOMMENDED	33
SUMMER FUN FOR EASTERN YOUNGSTERS	35
DB TO DISCUSS UC DISTRICT WORKS PROJECTS	36
IMPORTATION OF FOREIGN LABOUR ON AGENDA	36
DB COMMITTEE TO CONSIDER FUND APPLICATIONS	37
THREE OVERSTAYERS FROM CHINA ARRESTED	38
ACTION ON ILLEGAL STRUCTURES IN SHEK KIP MEI	38
TRAFFIC ARRANGEMENT IN WESTERN DISTRICT	39
TEMPORARY URBAN CLEARWAY IN MONG KOK	39
URBAN CLEARWAY IN KWAI CHUNG	39
URBAN CLEARWAY IN SHA TIN	40
TEMPORARY TRAFFIC ARRANGEMENTS IN FANLING	40

NEED TO SUSTAIN GROWTH MOMENTUM OF ECONOMY: SEM

* * * * *

THE GOVERNMENT'S AIM IN ALLOWING FURTHER IMPORTATION OF LABOUR IS FOUNDED UPON THE NEED TO SUSTAIN THE GROWTH MOMENTUM OF THE ECONOMY, THE SECRETARY FOR EDUCATION AND MANPOWER, THE HON K.Y. YEUNG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE DEBATE ON THE MOTION CONCERNING IMPORTATION OF LABOUR, MR YEUNG SAID THE FORECAST TREND GROWTH RATE OF GROSS DOMESTIC PRODUCT (GDP) OF 5.5 PER CENT COULD BE PLACED IN JEOPARDY IF THE PRODUCTIVE CAPACITY OF OUR INDUSTRIES WAS CONSTRAINED BY THE MUCH SLOWER GROWTH RATE IN THE SUPPLY OF LABOUR.

HE ALSO SAID THAT WITH THE BENEFIT OF THE EXPERIENCE THE GOVERNMENT HAD GAINED OVER THE PAST 12 MONTHS IN REGULATING THE IMPORTATION OF FOREIGN TECHNICIANS AND CRAFTSMEN, THE OPPORTUNITY HAD BEEN TAKEN TO INTRODUCE TWO MEASURES THAT WOULD HAVE THE EFFECT OF SIMPLIFYING PROCEDURES AND SPEEDING UP DECISION-MAKING.

AT THE OUTSET OF HIS SPEECH, IN WHICH HE SUPPORTED THE MOTION, MR YEUNG SAID HE WELCOMED THE DEBATE PARTLY BECAUSE IT HELPED THE COMMUNITY TO FOCUS ATTENTION ON THIS IMPORTANT ISSUE AND PARTLY BECAUSE IT PROVIDED AN OPPORTUNITY TO OUTLINE THE THINKING BEHIND THE GOVERNMENT'S RECENT REVIEW OF ITS POLICY IN IMPORTING LABOUR.

HE SAID HONG KONG HAD SUSTAINED A SHORTAGE OF LABOUR FOR SOMETHING OVER FIVE YEARS.

AS FAR AS COULD BE ASCERTAINED FROM VARIOUS EMPLOYMENT SURVEYS UNDERTAKEN BY THE CENSUS AND STATISTICS DEPARTMENT, THE NUMBER OF VACANCIES ACROSS ALL INDUSTRIES HAD INCREASED STEADILY FROM 32,000 IN 1985, OR JUST UNDER ONE PER CENT OF ACTUAL EMPLOYMENT IN THAT YEAR, TO A PEAK OF 125,000 IN 1988, OR OVER FOUR PER CENT OF ACTUAL EMPLOYMENT IN THAT YEAR.

"WHILST THE NUMBER OF VACANCIES HAVE DECLINED IN 1989 TO 102,000, OR 3.6 PER CENT OF ACTUAL EMPLOYMENT, PRELIMINARY SURVEY RESULTS SHOW THAT THERE HAVE BEEN NO FURTHER DECLINES DURING THE FIRST QUARTER OF 1990," HE SAID.

AS TO HOW DAMAGING WAS THIS PHENOMENON, MR YEUNG SAID IN AN OPEN ECONOMY SUCH AS HONG KONG'S, THE UPWARD PRESSURE ON COSTS AND PRICES ARISING FROM AN EXCESS OF DEMAND FOR LABOUR SHOULD, IN THE SHORT TERM, HELP TO RESTRAIN DEMAND TO A LEVEL MORE COMMENSURATE WITH THE ECONOMY'S PRODUCTIVE CAPACITY.

"AS THIS OCCURS, THE DEMAND FOR LABOUR SHOULD BECOME LESS INTENSE," HE SAID. "BUT IT IS NOW CLEAR FROM THE PERSISTENT RISE IN THE NUMBER OF VACANCIES OVER THE PAST FEW YEARS THAT THIS CONSTRAINT HAS NOT WORKED AND DEMAND HAS CONTINUED TO OUTSTRIP SUPPLY.

/"WE MUST

"WE MUST THEREFORE LOOK TO THE LONGER TERM TO SEE HOW DAMAGING THE LABOUR SHORTAGE MIGHT BE FOR THE GROWTH PROSPECTS OF OUR ECONOMY."

MR YEUNG SAID THE GROWTH RATE OF LABOUR SUPPLY IN THE SECOND HALF OF THE 1980'S HAD DECLINED FROM 2.8 PER CENT IN 1986 TO NIL IN 1989, AND THIS TREND OF DECLINE WAS EXPECTED TO CONTINUE INTO THE 1990'S AND BEYOND.

"OUR FORECAST IS FOR AN ANNUAL AVERAGE GROWTH RATE IN THE LABOUR SUPPLY OF ABOUT 1.1 PER CENT IN THE PERIOD 1991 TO 1996, 0.8 PER CENT IN THE SECOND HALF OF 1990S, AND 0.5 PER CENT IN THE FIRST FIVE YEARS OF THE NEXT DECADE.

"THIS IS ATTRIBUTABLE TO A VARIETY OF FACTORS, NOTABLY IMPROVED EDUCATIONAL OPPORTUNITIES, RISING INDIVIDUAL AFFLUENCE AND A TENDENCY TO RETIRE EARLIER, ALL OF WHICH HAVE THE EFFECT OF DEPRESSING LABOUR FORCE PARTICIPATION RATES," HE SAID.

MR YEUNG NOTED THAT SOME MEMBERS HAD ARGUED THAT INVESTORS AND EMPLOYERS SHOULD CONSIDER REDUCING THEIR RELIANCE ON LABOUR, BY INVESTING IN PRODUCTIVITY GROWTH, MECHANISATION, VOCATIONAL TRAINING, AND SO ON.

"WE CERTAINLY SUPPORT SUCH MOVES AND, AS OTHER MEMBERS HAVE QUITE RIGHTLY POINTED OUT, A GREAT DEAL OF INVESTMENT HAS ALREADY GONE INTO THESE AREAS OF IMPROVEMENT.

"AT THE END OF 1988 THE LEVEL OF RETAINED IMPORTS OF MACHINERY AND EQUIPMENT FOR USE IN MANUFACTURING WAS MORE THAN DOUBLE THAT IN 1983, AND THROUGHOUT THE 1980S LABOUR PRODUCTIVITY IN MANUFACTURING ALONE HAS GROWN BY ABOUT 10 PER CENT A YEAR," HE SAID.

HOWEVER, MR YEUNG EMPHASISED THAT IN SPITE OF THESE IMPRESSIVE RECORDS, THE FACT THAT HONG KONG'S INDUSTRIES WERE RELATIVELY LABOUR INTENSIVE HAD TO BE RECOGNISED.

"INDEED, THE CONTINUING SHIFT FROM MANUFACTURING TO THE SERVICES SECTOR COULD RENDER OUR ECONOMY EVEN MORE DEPENDENT ON LABOUR THAN IS THE CASE AT PRESENT.

"IN ALL THE CIRCUMSTANCES, CONTINUING HEALTHY GROWTH FOR THE ECONOMY, THE KEY TO PROSPERITY, DEPENDS ON OUR GIVING OUR INDUSTRIES THE WHEREWITHAL TO INCREASE THEIR PRODUCTIVE CAPACITY.

"THERE ARE LIMITS TO WHICH OUR INDUSTRIES CAN FURTHER INVEST IN NEW PLANT, MACHINERY AND IMPROVED PROCESSES, AND IT IS NECESSARY TO RECOGNISE THAT FURTHER CAPITAL FORMATION MIGHT NOT TAKE PLACE UNLESS IT IS ALSO COMPLEMENTED BY AN ADEQUATE SUPPLY OF LABOUR," HE SAID.

MR YEUNG SAID THE GOVERNMENT WOULD TAKE FULLY INTO ACCOUNT MEMBERS' VIEWS THAT LABOUR IMPORTATION SCHEMES MUST WORK WITH A MINIMUM OF BUREAUCRACY, WERE ADMINISTERED EFFICIENTLY, AND THAT ADEQUATE STEPS WERE TAKEN TO PREVENT UNSCRUPULOUS EMPLOYERS FROM EXPLOITING THEIR IMPORTED WORKERS.

AT PRESENT, THE INTER-DEPARTMENTAL STEERING GROUP ON THE IMPORTATION OF LABOUR UNDER HIS CHAIRMANSHIP WAS AIMING TO LAUNCH THE SCHEMES BY INVITING APPLICATIONS IN THE THIRD WEEK OF JULY.

EMPLOYERS WOULD BE ALLOWED ABOUT A MONTH WITHIN WHICH TO LODGE APPLICATIONS WITH THE IMMIGRATION DEPARTMENT, AND IT WOULD TAKE ABOUT A MONTH FOR ALL APPLICATIONS TO BE EXAMINED.

ONCE AN APPLICATION HAD BEEN APPROVED, THE EMPLOYER WOULD BE NOTIFIED AND ALLOWED A FURTHER PERIOD OF UP TO THREE MONTHS WITHIN WHICH TO SOURCE LABOUR AND TO APPLY FOR VISAS.

THIS SECOND STEP WOULD TAKE BETWEEN THREE TO FIVE WEEKS, DEPENDING ON THE NUMBER OF VISAS NEEDING TO BE PROCESSED.

IN SHORT, THE ESTIMATED TIME REQUIRED FOR THE TWO PROCESSES SHOULD NOT EXCEED TWO MONTHS, HE SAID.

MR YEUNG SAID THE FIRST OF THE TWO MEASURES TO SIMPLIFY PROCEDURES AND SPEED UP DECISION-MAKING WOULD BE THE PUBLICATION OF MEDIAN WAGES IN RESPECT OF TECHNICIANS, CRAFTSMEN AND EXPERIENCED OPERATIVES.

THIS WOULD PROVIDE EMPLOYERS WITH A READY BENCHMARK AGAINST WHICH THEY COULD OFFER WAGES FOR IMPORTED LABOUR.

IT WOULD ALSO GIVE LOCAL WORKERS AN ASSURANCE THAT THEY WOULD COME UNDER NO THREAT OF LOW-WAGE COMPETITION.

THE SECOND MEASURE WAS REMOVAL OF THE REQUIREMENT THAT A PROSPECTIVE EMPLOYER MUST NOT ALLOW MORE THAN 20 PER CENT OF JOBS IN HIS BUSINESS TO BE FILLED BY IMPORTED WORKERS. THIS SHOULD REMOVE A SOURCE OF QUOTA UNDER-UTILISATION, HE SAID.

ON THE CREATION OF SAFEGUARDS TO PREVENT FOREIGN WORKERS FROM BEING ABUSED OR EXPLOITED, MR YEUNG SAID THE GOVERNMENT HAD TAKEN THE OPPORTUNITY TO AMEND THE EXISTING STANDARD CONTRACT OF EMPLOYMENT BY STIPULATING THAT ACCOMMODATION MUST BE PROVIDED BY THE EMPLOYER TO CERTAIN STANDARDS AND BY EMPHASISING THAT EMPLOYERS MAY NOT MAKE REDUCTION FROM THE WAGES OF THEIR EMPLOYEES, SAVE FOR THOSE CIRCUMSTANCES ALLOWED UNDER SECTION 32 OF THE EMPLOYMENT ORDINANCE.

"I RECOGNISE THAT THIS MAY CREATE SOME PROBLEMS FOR THOSE EMPLOYERS WHO HAVE TO RELY ON EXTERNAL AGENCIES AND COMPANIES TO FIND WORKERS FOR THEM, BECAUSE THEIR PRACTICE IS TO CHARGE A CERTAIN PERCENTAGE OF THE WORKERS' PAY AS A FEE FOR THEIR PROCUREMENT SERVICES.

"I AM CONFIDENT, HOWEVER, THAT THESE DIFFICULTIES CAN BE OVERCOME. FOR EXAMPLE, WHILE THE EMPLOYMENT ORDINANCE DOES NOT PERMIT AN EMPLOYER TO DEDUCT WAGES AUTOMATICALLY FOR REMITTANCE TO EMPLOYMENT AGENCIES, THE GOVERNMENT WOULD HAVE NO OBJECTION IF AN EMPLOYER WERE TO REMIT A PART OF HIS EMPLOYEES' WAGES PROVIDED THAT THIS IS DONE AT THE EXPLICIT REQUESTS OF HIS EMPLOYEES.

/IN OTHER

"IN OTHER WORDS WE REGARD THE PAYMENT OF WAGES IN FULL AS BEING INVIOLETE, BUT WE WOULD NOT STAND IN THE WAY OF AN EMPLOYER ENTERING INTO A PRIVATE ARRANGEMENT WITH HIS EMPLOYEES OVER REMITTANCES," HE SAID.

MR YEUNG SAID THAT MORE IMPORTANTLY, THE IMMIGRATION DEPARTMENT AND THE LABOUR DEPARTMENT WOULD BE PROVIDED WITH ADDITIONAL STAFF TO COPE WITH THE WORK ARISING FROM THESE IMPORTATION SCHEMES.

"INSOFAR AS THE LABOUR DEPARTMENT IS CONCERNED, THE WORK INVOLVED IN ENSURING THAT THE EMPLOYMENT ORDINANCE IS COMPLIED WITH INCLUDES THE BRIEFING OF BOTH EMPLOYERS AND EMPLOYEES ON THEIR RESPECTIVE RIGHTS AND OBLIGATIONS, AND ON INSPECTIONS OF BOTH WORKPLACES AND DOMESTIC ACCOMMODATION.

"THE SCHEMES WILL, OF COURSE, BE MONITORED BY THE STEERING GROUP ON A REGULAR BASIS AND I SHALL KEEP THE OMELCO MANPOWER PANEL INFORMED OF PROGRESS FROM TIME TO TIME.

"I SHOULD PERHAPS ADD THAT THE GOVERNMENT WILL HAVE NO HESITATION IN TAKING BOTH EMPLOYERS AND EMPLOYEES TO COURT FOR BREACHES OF EMPLOYMENT LEGISLATION OR OF VISA CONDITIONS," HE SAID.

ON CONSULTATION, MR YEUNG NOTED THAT IN RECENT WEEKS THE GOVERNMENT HAD BEEN CRITICISED FOR HAVING FAILED TO CONSULT THE LABOUR ADVISORY BOARD BEFORE IT ANNOUNCED ITS DECISION TO ALLOW FURTHER IMPORTS OF LABOUR, AND SEVERAL MEMBERS OF LEGCO HAD ECHOED THIS CRITICISM.

HE SAID THE GOVERNMENT HAD CAREFULLY CONSIDERED THE PROPRIETY OF CONSULTING THE LABOUR ADVISORY BOARD BEFORE THE GOVERNMENT'S PROPOSALS WERE PUT TO THE EXECUTIVE COUNCIL, AND HAD COME TO THE CONCLUSION THAT IT WOULD NOT BE ENTIRELY APPROPRIATE TO TAKE THIS STEP.

IN THE FIRST PLACE, HE SAID, THE LABOUR ADVISORY BOARD ADVISED 'THE COMMISSIONER FOR LABOUR ON SUCH MATTERS AFFECTING LABOUR, INCLUDING LEGISLATION AND RECOMMENDATIONS FOR THE INTERNATIONAL LABOUR ORGANISATION, AS THE COMMISSIONER MAY REFER TO IT ...', WHEREAS THE ISSUES BEING DEBATED AFFECTED THE DEVELOPMENT OF HONG KONG'S ECONOMY AND WENT WELL BEYOND PURELY LABOUR CONSIDERATIONS.

"SECONDLY, THE VIEWS OF BOTH EMPLOYERS' REPRESENTATIVES AND TRADE UNION REPRESENTATIVES ARE ALREADY WELL KNOWN, FOR THEY HAVE BEEN DEBATED LONG AND HARD IN RECENT YEARS.

"THIRDLY, GIVEN THAT THOSE VIEWS ARE DIAMETRICALLY OPPOSED, THE ADVICE OF THE LABOUR ADVISORY BOARD WOULD MOST LIKELY HAVE BEEN SO FINELY BALANCED AS TO HAVE BEEN INCONCLUSIVE," HE SAID.

MR YEUNG ALSO SAID HE COULD NOT AGREE WITH SUGGESTIONS THAT THE GOVERNMENT HAD NOT DONE ENOUGH TO IMPROVE THE WELL-BEING OF LOCAL WORKERS, PARTICULARLY IN THE AREA OF EMPLOYMENT BENEFITS.

"AS I SAID WHEN MOVING THE SECOND READING OF THE EMPLOYMENT (AMENDMENT) (NO. 2) BILL 1990 LAST WEEK, THE AIM OF THE GOVERNMENT'S LABOUR POLICIES IS TO ACHIEVE A LEVEL OF STATUTORY PROTECTION FOR OUR WORKFORCE BROADLY COMPARABLE TO THE BEST IN THE ASIA PACIFIC REGION.

"WITHIN THE PAST 12 MONTHS ALONE, WE HAVE EXTENDED THE SCOPE OF THE PROTECTION OF WAGES ON INSOLVENCY FUND TO COVER SEVERANCE PAYMENTS, WE HAVE AMENDED THE EMPLOYMENT ORDINANCE TO PROTECT REGULAR PART-TIME WORKERS, WE HAVE INTRODUCED INTO THIS COUNCIL A BILL THAT WILL EXTEND PAID ANNUAL LEAVE FROM SEVEN TO 14 DAYS A YEAR.

"I EXPECT THAT, DURING THE NEXT SESSION, THE GOVERNMENT WOULD BE INTRODUCING NEW LEGISLATION FOR THE PRUDENTIAL SUPERVISION OF RETIREMENT SCHEMES, AND AMENDING LEGISLATION TO PROVIDE A HIGHER DEGREE OF SECURITY FOR SEVERANCE PAYMENT ENTITLEMENTS AGAINST THE RISK OF BUSINESS INSOLVENCIES.

"I CAN ASSURE HONOURABLE MEMBERS THAT THE LABOUR ADVISORY BOARD WILL PRESS AHEAD WITH FORESIGHT AND VIGOUR," HE SAID.

MR YEUNG ALSO NOTED THAT THE HON TAM YIU-CHUNG HAD QUESTIONED THE NEED TO ALLOW FURTHER IMPORTATION OF OPERATIVES ON THE GROUNDS THAT THE GOVERNMENT'S MANPOWER SURVEY OF MARCH 1990 INDICATED A SURPLUS OF MANPOWER AT THE LOWER SECONDARY EDUCATION LEVEL BY 1991.

"I WOULD LIKE TO MAKE IT CLEAR THAT THE MANPOWER SURVEY WAS DESIGNED TO HELP US ASSESS EDUCATIONAL AND TRAINING NEEDS; IT WAS NOT AN EXERCISE TO PROJECT THE DEMAND FOR AND THE SUPPLY OF LABOUR.

"IN OTHER WORDS, THE EXCESS OF ABOUT 33,000 PEOPLE AT THE LOWER SECONDARY EDUCATION LEVEL BY 1991 MEANS THAT BY NEXT YEAR, THERE WILL BE ABOUT 33,000 PEOPLE IN ACTUAL EMPLOYMENT WHOSE JOBS CALL FOR A HIGHER LEVEL OF EDUCATION AND TRAINING THAN THEY HAD ACTUALLY ACHIEVED WHEN THEY LEFT FORM 3.

"THE OBVIOUS CONCLUSION TO BE DRAWN FROM THIS IS THAT THERE WILL BE A GREATER NEED FOR CONTINUING EDUCATION AND RE-TRAINING IN RESPECT TO WHICH WE HAVE THE HELP OF THE OPEN LEARNING INSTITUTE AND THE VOCATIONAL TRAINING COUNCIL.

"IT DOES NOT MEAN THAT IMPORTING EXPERIENCED OPERATIVES WOULD RESULT IN THESE 33,000 PEOPLE BEING DISPLACED," MR YEUNG SAID.

SUPPORT FOR RELAXATION OF LABOUR IMPORTATION POLICY

* * * * *

RELAXATION OF THE POLICY ON IMPORTATION OF LABOUR IS A MEASURED STEP IN THE RIGHT DIRECTION, THE HON PAUL CHENG SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE MOTION ON THE IMPORTATION OF LABOUR, MR CHENG SAID SUCH IMPORTATION WAS A MEANS OF ADDRESSING THE TERRITORY'S INFLATION PROBLEM THAT WAS CURRENTLY COUPLED WITH ESCALATING WAGES AND A HIGH RATE OF LABOUR TURNOVER.

HE SAID THE PROPOSAL TO ALLOW IN 14,700 FOREIGN WORKERS SUPPORTED MEASURES TO BREAK CONTINUING INFLATION AS WELL AS FITTING IN WITH PLANS FOR MAJOR INFRASTRUCTURAL PROJECTS WHICH WOULD HAVE HUGE MANPOWER REQUIREMENTS.

"SIMILARLY, THE POLICY DECISION PAVES THE WAY FOR THE PORT AND AIRPORT DEVELOPMENT PLANS SO AS TO PREVENT ANY DELAY IN THE CONSTRUCTION OF THESE PROJECTS," HE SAID.

MR CHENG SAID THE POLICY DECISION ALSO ADDRESSED A MOST ACUTE LABOUR SHORTAGE IN THE MANUFACTURING SECTOR WHICH NEEDED SEMI-SKILLED AND UNSKILLED WORKERS.

FURTHERMORE, THE DECISION ENCOURAGED LOCAL MANUFACTURERS TO RETAIN THEIR FACTORIES IN HONG KONG, AND THIS MEANT MORE EMPLOYMENT OPPORTUNITIES FOR LOCAL WORKERS, HE SAID.

MR CHENG POINTED OUT THAT IMPORTED LABOUR WAS NOT CHEAP, NOTING THAT EMPLOYERS MUST ALLOW FOR TRANSPORT AND HOUSING COSTS AND THAT COMMITMENT TO MEDIAN WAGES WOULD BE A PREREQUISITE FOR THIS POLICY.

MR CHENG CALLED ON LABOUR UNIONS WHO OPPOSED THE IMPORTATION OF LABOUR TO SEE THE BIGGER PICTURE.

"THE COMBINATION OF A TIGHT LABOUR MARKET WITH RISING WAGES JEOPARDISES THE COMPETITIVENESS OF HONG KONG PRODUCTS AND THE ATTRACTIVENESS OF HONG KONG TO INVESTORS," HE SAID.

HE ALSO STRESSED THE NEED TO IMPROVE COMMUNICATIONS BETWEEN EMPLOYERS AND EMPLOYEES SO THAT THERE WAS UNDERSTANDING THAT THE LIMITED IMPORTATION OF FOREIGN WORKERS WAS A CONTRIBUTION TO SOLVING A MUCH BIGGER PROBLEM THAN LABOUR OPPOSITION WAS CURRENTLY FACING.

LABOUR PLAN IS FOR LONG-TERM GOOD

* * * * *

EMPLOYERS SUPPORT THE IMPORTATION OF LABOUR NOT FOR SHORT-TERM EFFECT BUT FOR THE LONG-TERM GOOD OF THE ECONOMY, THE HON STEPHEN CHEONG SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

NOTING THAT EMPLOYERS GENERALLY HAD A WIDE CHOICE OF MEANS TO CARRY OUT THEIR INVESTMENT PLANS, MR CHEONG ASKED WHY THEY SHOULD RUN THE RISK OF BEING LABELLED UNFAIRLY AND PUT SO MUCH EFFORT INTO PRESENTING THE MACRO ECONOMIC PICTURE IF THEY DID NOT GENUINELY WISH TO SEE HONG KONG DO WELL.

SPEAKING IN THE MOTION DEBATE ON THE IMPORTATION OF LABOUR, MR CHEONG SAID HONG KONG NEEDED ALL SECTORS TO WORK TOGETHER TO ADDRESS PROBLEMS COOLLY, CALMLY, RATIONALLY AND IN A NON-CONFRONTATIONAL ATMOSPHERE.

"RADICAL ACTIONS ARE NOT CONDUCIVE TO LONG-TERM STABILITY AND PROSPERITY OF HONG KONG. I WOULD PLEAD THAT LEADERS OF ALL SECTORS OF OUR COMMUNITY SHOULD BEAR THIS IN MIND IF THEY REALLY WISH TO CONTRIBUTE TOWARDS THE CONTINUED SUCCESS OF HONG KONG," HE SAID.

MR CHEONG SUGGESTED THE IMPORTED LABOUR ISSUE SHOULD BE ADDRESSED NOT ONLY FROM THE SHORT-TERM NEGATIVE ANGLE BUT OVER A WIDER AND LONGER TERM PERSPECTIVE.

HE SAID THE SHORTAGE OF LABOUR WAS EVIDENT IN GENERAL AMONG ALL SECTORS, AND THAT HONG KONG WOULD BE UNLIKELY TO ACHIEVE THE AVERAGE GROWTH OF 5.5 PER CENT IN GNP AS PREDICTED FOR THE NEXT FIVE YEARS UNLESS SUFFICIENT HUMAN RESOURCES WERE AVAILABLE.

SHOULD HONG KONG FAIL TO ADDRESS THE PROBLEM, INVESTMENTS WOULD BE LIMITED AND PATCHY, RESULTING IN A REDUCTION IN JOB OPPORTUNITIES, HE SAID.

"SUCH A SITUATION WILL LEAD TO VERY QUICK AND SHARP WAGE LEVEL DECLINES WHENEVER HONG KONG IS HIT BY ECONOMIC RECESSION," HE SAID.

MR CHEONG NOTED THAT THE EXPERIENCE OF COUNTRIES SUCH AS WEST GERMANY AND SINGAPORE HELPED TO ILLUSTRATE THAT IMPORTATION OF LABOUR WOULD HELP TO IMPROVE THE QUALITY OF LIFE.

HE SAID HONG KONG WAS IN THE COURSE OF UPGRADING THE SKILLS OF ITS WORKFORCE. FEWER PEOPLE WISHED TO TAKE UP MENIAL JOBS, AND IMPORTATION WOULD BE THE SOLUTION.

THIS WOULD ALSO PROVIDE AN OPPORTUNITY FOR HONG KONG WORKERS TO BE BETTER TRAINED SO AS TO EARN MORE AND TO PARTICIPATE IN THE DEVELOPMENT OF HONG KONG, HE SAID.

ADEQUATE WORKFORCE NEEDED FOR INDUSTRIES

* * * * *

THE ULTIMATE OBJECTIVE OF THE GOVERNMENT'S PLAN TO RELAX THE IMPORTATION OF LABOUR IS TO PROVIDE ADEQUATE WORK FORCE FOR HONG KONG'S INDUSTRIES SO THAT ITS CONTINUED ECONOMIC GROWTH IS SATISFACTORILY MAINTAINED, THE HON CHENG HON-KWAN SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE MOTION ON THE IMPORTATION OF LABOUR, MR CHENG SAID HE AGREED THAT INITIALLY 2,000 WORKERS SHOULD BE IMPORTED TO FACILITATE THE CONSTRUCTION OF THE NEW AIRPORT AND RELATED INFRASTRUCTURES WHICH MUST BE COMPLETED WITHIN A VERY TIGHT SCHEDULE.

"THESE PROJECTS ARE ADDITIONAL TO THE NORMAL PUBLIC WORKS PROGRAMME, THEREFORE ADDITIONAL RESOURCES FROM ELSEWHERE ARE REQUIRED WITHOUT DISRUPTING OTHER NORMAL WORKS PROJECTS," HE SAID.

IN DUE COURSE, MR CHENG ADDED, HE WOULD URGE EVEN MORE RESOURCES TO BE PROVIDED AS NECESSARY WHEN THE WORKLOAD OF THE AIRPORT PROJECTS INCREASED.

MR CHENG WARNED, HOWEVER, THAT IN THE IMPLEMENTATION OF THE SCHEME, IT WAS IMPORTANT FOR THE GOVERNMENT TO ENSURE THAT THE INTEREST OF THE LOCAL WORKERS WAS WELL PROTECTED.

HE POINTED OUT THAT THERE WAS PERHAPS A NEED TO SET UP A POLICING SYSTEM TO MONITOR THE WORKING OF THE SCHEMES.

"IT IS NECESSARY TO MANAGE THE SCHEMES FLEXIBLY TAKING INTO ACCOUNT THE SITUATION OF DEMAND AND SUPPLY IN EACH TRADE AT THE TIME AND MAKE SUITABLE ADJUSTMENT WHERE APPROPRIATE," MR CHENG SAID.

- - - - 0 - - - -

IMPORTED WORKERS SHOULD BE TOLD OF STATUS

* * * * *

FOREIGN WORKERS SHOULD BE TOLD IN CLEAR AND UNAMBIGUOUS TERMS OF THEIR STATUS IN HONG KONG, THE HON RONALD ARCULLI SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE DEBATE ON THE MOTION ON IMPORTATION OF LABOUR, MR ARCULLI SAID THAT IN FAIRNESS TO HONG KONG AND THE FOREIGN WORKERS TO BE BROUGHT HERE ISSUES RELATED TO THEIR IMMIGRATION STATUS SHOULD BE ADDRESSED BEFORE GOING AHEAD WITH IMPORTATION OF LABOUR.

WHILE IN FAVOUR OF IMPORTED LABOUR, MR ARCULLI SAID ONE PROBLEM TO BE ADDRESSED WOULD BE THE RELATIONSHIP BETWEEN A MAN AND A WOMAN WHERE EITHER OR BOTH MIGHT BE FOREIGN WORKERS; OR WHERE ONE MIGHT BE A FOREIGN WORKER AND THE OTHER A HONG KONG PERMANENT RESIDENT.

/HE NOTED

WEDNESDAY, JULY 4, 1990

- 9 -

HE NOTED THAT UNDER PRESENT IMMIGRATION REGULATIONS, FOREIGN WORKERS WHO WERE NOT OF CHINESE ORIGIN DID NOT HAVE THE RIGHT OF ABODE IN HONG KONG EVEN THOUGH THEY HAD STAYED HERE FOR OVER SEVEN YEARS.

THE PROBLEM COULD BECOME MORE COMPLICATED AS THEY MIGHT GET MARRIED AND HAVE CHILDREN HERE.

"WE CERTAINLY WOULD NOT WANT HONG KONG TO WITNESS A REPEAT OF THE HEART-BREAKING SCENES OF THE SEPARATION OF PARENT AND CHILD NOR THE DETENTION IN PRISON OF PARENT AND CHILD," HE SAID.

WITH REGARD TO WORKERS FROM CHINA, HE SAID: "I BELIEVE THE ADMINISTRATION SHOULD CONSIDER WHETHER FOREIGN WORKERS FROM MAINLAND CHINA, WHO ARE OF THE CHINESE RACE AND WHO HAVE BEEN ORDINARY RESIDENT IN HONG KONG FOR SEVEN YEARS CONTINUOUSLY, WOULD ACQUIRE THE RIGHT OF ABODE HERE.

"MOREOVER, WHETHER BY THEIR EMPLOYMENT HERE ARE THEY ORDINARY RESIDENT IN HONG KONG?"

- - - - 0 - - - -

COMMUNITY SHOULD SUPPORT LABOUR IMPORTATION SCHEME

* * * * *

THE COMMUNITY SHOULD SUPPORT THE GOVERNMENT POLICY ON THE IMPORTATION OF LABOUR WHICH IS TO THE BENEFIT OF HONG KONG AS A WHOLE, THE HON MARTIN BARROW SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE MOTION IN THE DEBATE ON THE IMPORTATION OF LABOUR, MR BARROW SAID FEARS THAT THE GOVERNMENT'S LABOUR IMPORTATION PLAN WOULD DAMPEN JOB OPPORTUNITIES OR SUPPRESS WAGES FOR THE LOCAL WORKFORCE WERE UNFOUNDED, BECAUSE THE NUMBER INVOLVED REPRESENTED ONLY HALF A PER CENT OF THE TOTAL WORKFORCE.

HE ALSO SAID THERE WOULD BE EXCITING DEVELOPMENTS AHEAD FOR HONG KONG'S ECONOMY. IN ADDITION TO INFRASTRUCTURE DEVELOPMENT, THE TERRITORY WOULD CONTINUE TO PROMOTE ITSELF AS A REGIONAL CENTRE AND AS A FINANCIAL CENTRE, AS A TOURISM DESTINATION, AS A BASE FOR BUSINESS WITH CHINA, AND AS A SPECIALIST MANUFACTURING CENTRE; AND ALL OF THESE WOULD NEED A REASONABLE SUPPLY OF LABOUR.

MR BARROW ADDED THAT INCREASES IN WAGES AND IMPROVED LIVING STANDARDS OF HONG KONG'S LABOUR FORCE WOULD ONLY BE POSSIBLE IF EMPLOYERS CONTINUED TO INVEST IN THE TERRITORY. "BUT THEY WILL ONLY DO SO IF THERE IS SUFFICIENT LABOUR AVAILABLE," HE SAID.

/NOTING THAT

NOTING THAT PROTECTION OF THE LOCAL PEOPLE AND THE NEED FOR PROPER SYSTEMS TO BE IN PLACE WAS FULLY RECOGNISED IN THE GOVERNMENT'S PROPOSALS, MR BARROW SAID MONITORING ARRANGEMENTS AND SPOT CHECKS BY THE LABOUR DEPARTMENT WERE ESSENTIAL, BOTH TO ENSURE IMPORTED WORKERS WERE NOT EXPLOITED AND THAT THE SCHEME WAS MEETING ITS OBJECTIVES.

HE CALLED ON THE GOVERNMENT NOT TO WRAP THE SCHEME UP IN SO MUCH RED TAPE AS TO MAKE IT UNWORKABLE.

----- 0 -----

LABOUR IMPORTATION A MOVE IN THE RIGHT DIRECTION

* * * * *

THE IMPORTATION OF 14,700 TECHNICIANS, EXPERIENCED OPERATIVES AND CONSTRUCTION WORKERS IS A MOVE IN THE RIGHT DIRECTION, BUT IT MUST BE IMPLEMENTED IN A MANNER THAT IS WELL MANAGED AND CONTROLLED.

THE HON NELLIE FONG SAID THIS TODAY (WEDNESDAY) WHEN SPEAKING IN SUPPORT OF THE MOTION ON THE IMPORTATION OF LABOUR IN THE LEGISLATIVE COUNCIL.

EXPRESSING SYMPATHY FOR THE WORKERS' CONCERN REGARDING THEIR JOB OPPORTUNITIES AND WAGE LEVEL, MRS FONG SAID THE LABOUR SHORTAGE IN HONG KONG, IF NOT REMEDIED, WOULD AFFECT THE TERRITORY'S PROSPERITY AND THE WELL-BEING OF ITS PEOPLE.

"WE NEED TO WORK TOGETHER TO ACHIEVE THE GOAL OF MAINTAINING AND INCREASING PROSPERITY OF THE TERRITORY AND THIS REQUIRES CO-OPERATION AND UNDERSTANDING," SHE SAID.

----- 0 -----

EMPLOYERS UNDERSTAND LABOUR'S CONCERN

* * * * *

EMPLOYERS UNDERSTAND VERY WELL THE EXPRESSED CONCERNS OF LABOUR AND THE NEED TO ENSURE AGAINST ANY FORM OF EXPLOITATION OF LABOUR NOW AND IN THE FUTURE, THE HON JAMES MCGREGOR SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID EMPLOYERS HAD WORKED CONSTRUCTIVELY WITH THE REPRESENTATIVES OF LABOUR IN MANY DIFFERENT WAYS AND IN MANY DIFFERENT FORMS ON THE DEVELOPMENT OF THE PRESENT SYSTEM OF SOCIAL LEGISLATION AND SECURITY.

SPEAKING IN SUPPORT OF THE MOTION IN THE DEBATE ON THE IMPORTATION OF LABOUR, MR MCGREGOR SAID HE WAS WELL AWARE OF THE ESSENTIAL INTERESTS OF LABOUR AND WAS NOT LIKELY TO DO ANYTHING WHICH WOULD HARM LABOUR.

/HE NOTED

HE NOTED THAT HONG KONG HAD A LONG HISTORY OF MUTUAL CO-OPERATION BETWEEN EMPLOYERS AND EMPLOYEES AND SUCH EFFORTS HAD GIVEN THE TERRITORY ONE OF THE BEST MANAGEMENT/LABOUR RELATIONS RECORDS IN THE WORLD WITH FEWER MAN DAYS LOST IN INDUSTRIAL DISPUTES THAN VIRTUALLY ALL OTHER ECONOMIES IN THE WORLD.

MR MCGREGOR SAID EMPLOYERS AND EMPLOYEES FORMED A NATURAL ECONOMIC ALLIANCE EACH DEPENDING UPON THE OTHER AND EACH RESPECTING THE OTHER.

"ALL OF US ENJOY THE SAME RIGHTS AND ARE ENTITLED TO THE SAME DIGNITY," HE SAID.

- - - - 0 - - - -

RELAXING LABOUR IMPORTATION A RIGHT MOVE

* * * * *

THE PROPOSALS RELAXING LABOUR IMPORTATION ARE A VERY DEFINITE MOVE IN THE RIGHT DIRECTION, THE HON JAMES TIEN SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE MOTION ON THE IMPORTATION OF LABOUR, MR TIEN SAID HE STRONGLY BELIEVED THAT INFLATION IN HONG KONG WAS THE DIRECT RESULT OF LABOUR SHORTAGE AND THAT INFLATION WOULD QUICKLY SUBSIDE WITH THE ARRIVAL OF AN ADEQUATE LABOUR FORCE.

MR TIEN SPOKE ON THE SITUATION OF THE GARMENT INDUSTRY AND THE EFFECT OF THE LABOUR IMPORT SCHEME ON IT.

HE SAID THE POSSIBLE ALLOCATED FIGURE OF 3,000 OPERATIVES TO THE GARMENT SECTOR WOULD COVER ROUGHLY 10 PER CENT OF ITS VACANCIES.

HE BELIEVED THAT THIS SMALL IMPROVEMENT OF 10 PER CENT COULD HAVE DRAMATIC POSITIVE EFFECTS ON THE INDUSTRY'S EFFICIENCY AS NEW OPERATIVES COULD BE PROFITABLY EMPLOYED IN "BOTTLENECK AREAS".

MR TIEN EXPLAINED THAT AS A RESULT OF SEVERE LABOUR SHORTAGE BUILT UP IN THE PAST FEW YEARS, HONG KONG WORKERS NOW TENDED TO BE RATHER SPECIALISED AND CHOOSY ABOUT THEIR JOB.

"FOR EXAMPLE, IN A SHIRT FACTORY, A WORKER MAKING COLLARS WILL ONLY MAKE COLLARS, NOT SLEEVES, CUFFS OR ANY OTHER OPERATIONS.

"WHAT WE REQUIRE IS TO IMPORT OPERATIVES PREPARED TO ACT.... LIKE UTILITY PLAYERS. THESE NEW WORKERS CAN BE FLEXIBLE, ACCOMMODATING, AND PUT TO UNBLOCK THE BOTTLENECKS."

MR TIEN SAID THE CLOTHING INDUSTRY HAD CONSISTENTLY BEEN ACCUSED OF "SALINE DRIPPING", THAT IS, NOT PROVIDING SPECIALISED WORKERS WITH ADEQUATE WORK EVERY DAY.

- 12 -

HE FELT THAT UTILITY WORKERS COULD HELP EVEN OUT THE FLOW OF PRODUCTION IN BOTTLENECK AREAS AND WOULD REDUCE THE SO CALLED "SALINE DRIPPING" FOR HONG KONG WORKERS.

NOTING THAT THE PROPOSALS ENVISAGED PAYMENT OF MEDIAN WAGES IN ALL SECTORS FOR IMPORTED LABOUR, HE SAID THEIR SALARY AND BENEFITS WOULD NOT UNDERCUT LOCAL WORKERS, NOR WOULD THEY BE USED AS A PAWN FOR BARGAINING BY EMPLOYERS.

MR TIEN ADDED THAT ONCE THE LABOUR IMPORT POLICY WAS SHOWN TO BE SUCCESSFUL, THE TREND OF MANUFACTURERS LEAVING HONG KONG FOR PLACES WITH ABUNDANT LABOUR WOULD IN SOME MEASURE BE REVERSED.

- - - - 0 - - - -

CALL TO PROTECT WORKERS' RIGHT TO WORK
* * * * *

HONG KONG WORKERS' RIGHT TO WORK SHOULD BE PROTECTED IN CONSIDERING THE IMPORTATION OF LABOUR, THE HON ELSIE TU TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE MOTION DEBATE ON IMPORTATION OF LABOUR, MRS TU NOTED THAT THERE MIGHT BE SHORTAGE OF LABOUR IN CERTAIN INDUSTRIES, AND THAT THE GOVERNMENT SHOULD CAREFULLY IDENTIFY WHERE THE SHORTAGE WAS, BEFORE SETTING OUT ON A COURSE THAT COULD LEAD TO LABOUR UNREST.

SHE SUGGESTED THAT WORKERS SHOULD BE INFORMED WHICH FACTORIES NEEDED THE WORKERS TO HELP JUSTIFY WHETHER THERE ACTUALLY WAS A LABOUR SHORTAGE, OR THIS MOVEMENT WAS INTENDED TO REDUCE WAGES.

MRS TU SAID THE GOVERNMENT SHOULD ALSO MONITOR THE SITUATION AND PASS LEGISLATION TO CONTROL MALPRACTICE SHOULD SUCH NEED ARISE.

"WE SHOULD MAKE SURE THAT THE STABLE DOORS ARE SHUT BEFORE THE HORSES CAN BOLT, INSTEAD OF FINDING OUT TOO LATE THAT OPEN DOORS HAVE BEEN LEFT FOR DISHONEST PEOPLE.

"THE GOVERNMENT SHOULD NOT ALLOW FREE ENTERPRISE TO CHEAT WORKERS OF THE FRUITS OF THEIR LABOURS OTHERWISE WHAT FREEDOM IS LEFT TO THE WORKERS?" SHE ASKED.

- - - - 0 - - - -

WEDNESDAY, JULY 4, 1990

- 13 -

PRACTICAL STEPS TAKEN TO ASSIST IVORY WORKERS

* * * * *

THE ADMINISTRATION HAS TAKEN PRACTICAL STEPS TO ASSIST THOSE FORMERLY EMPLOYED IN THE IVORY CARVING INDUSTRY, THE SECRETARY FOR ECONOMIC SERVICES, THE HON ANSON CHAN, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THESE INCLUDED HELPING THE DISPLACED IVORY WORKERS TO FIND ALTERNATIVE EMPLOYMENT AND ARRANGING PART-TIME TRAINING COURSES IN BONE AND HORN CARVING IN RESPONSE TO A REQUEST BY THE HONG KONG IVORY MANUFACTURING WORKERS UNION, SHE SAID.

WINDING UP THE SECOND READING DEBATE ON THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) (AMENDMENT) BILL 1990, MRS CHAN NOTED THAT ON JUNE 29, MEMBERS OF THE FINANCE COMMITTEE HAD APPROVED EXPENDITURE OF SOME \$5.88 MILLION TO MEET THE COST OF THESE COURSES AND TO PROVIDE FOR A MONTHLY SUBSISTENCE ALLOWANCE OF \$2,500 TO EACH WORKER PARTICIPATING IN THE RE-TRAINING SCHEME.

ALTHOUGH THERE WAS NOTHING THE GOVERNMENT COULD DO TO ALTER THE CIRCUMSTANCES WHICH HAD LED TO THE NEED TO ENACT THE BILL, THE GOVERNMENT DID SYMPATHISE WITH THOSE WHOSE LIVELIHOOD HAD BEEN ADVERSELY AFFECTED BY THE CONVENTION ON THE INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (CITES) BAN, MRS CHAN SAID.

SHE POINTED OUT THAT IT WAS IN SPECIFIC RECOGNITION OF THEIR DIFFICULTIES THAT THE GOVERNMENT HAD PERSUADED THE UNITED KINGDOM TO ENTER A SIX-MONTH RESERVATION, ON BEHALF OF HONG KONG, TO ENABLE LOCAL TRADERS TO TRY AND DISPOSE OF AS MUCH OF THEIR STOCKS AS POSSIBLE TO COUNTRIES WHO WERE NOT PARTIES TO CITES, OR WHO HAD ALSO ENTERED RESERVATIONS.

NOTING THAT THIS SIX-MONTH PERIOD WOULD EXPIRE ON JULY 17 THIS YEAR, MRS CHAN SAID IT WAS NECESSARY THAT THE REQUISITE LOCAL LEGISLATION BE ENACTED BEFORE THAT DATE IN ORDER TO FULFIL HONG KONG'S INTERNATIONAL OBLIGATIONS.

"THE ADMINISTRATION HAS NOT FELT ABLE TO ACCEDE TO REQUESTS BY THE IVORY WORKSHOP OPERATORS FOR DIRECT FINANCIAL ASSISTANCE TO BE MADE AVAILABLE TO THEM IN THE FORM OF CASH COMPENSATION TO COVER LOSSES AND INTEREST-FREE LOANS TO ASSIST THEM IN STARTING UP NEW BUSINESSES.

"AS A MATTER OF PRINCIPLE WE DO NOT BELIEVE THAT PUBLIC FUNDS (WHETHER IN THE FORM OF OUTRIGHT GRANTS OR OF INTEREST-FREE LOANS), SHOULD BE MADE AVAILABLE TO INDUSTRIES OR TRADES WHICH ARE ADVERSELY AFFECTED BY CHANGES IN ECONOMIC OR COMMERCIAL CIRCUMSTANCES BEYOND OUR CONTROL," MRS CHAN SAID.

"EVEN IF WE WERE TO CONSIDER SUCH A COURSE, IN THIS CASE, WE WOULD FACE ENORMOUS PRACTICAL DIFFICULTIES IN DECIDING WHO SHOULD BE ELIGIBLE FOR SUCH ASSISTANCE AND ON WHAT BASIS," SHE ADDED.

/MRS CHAN

MRS CHAN PAID TRIBUTE TO THE HON ANDREW WONG AND HIS COLLEAGUES ON THE AD HOC GROUP ON IVORY, FOR THE VERY CAREFUL CONSIDERATION THEY HAD GIVEN TO THE PROBLEMS ARISING FROM THE DECISION BY THE INTERNATIONAL COMMUNITY TO BAN THE COMMERCIAL IMPORT AND EXPORT OF RAW IVORY AND IVORY PRODUCTS.

SHE NOTED THAT THE AD HOC GROUP HAD DEVOTED ITS TIME AND EFFORT TO THIS ISSUE AND HAD PROVIDED A VALUABLE CHANNEL OF COMMUNICATION BETWEEN THE ADMINISTRATION AND REPRESENTATIVES OF THE IVORY TRADE.

"THEY HAVE APPROACHED THEIR TASK IN A CONSTRUCTIVE SPIRIT AND WITH GREAT SENSITIVITY TO OUR INTERNATIONAL OBLIGATIONS," SHE SAID.

- - - - 0 - - - -

CALL TO GIVE LOANS TO IVORY TRADE
* * * * *

THE GOVERNMENT SHOULD CONSIDER OFFERING LOAN FACILITIES TO THE IVORY TRADE BY ACCEPTING AS SECURITY IVORY STOCKS HELD BY THEM, THE HON ANDREW WONG SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR WONG SAID THE REQUEST WAS MADE BY THE LEGCO AD HOC GROUP, OF WHICH HE IS THE CONVENER, TO STUDY THE IVORY TRADE IN VIEW OF THE LARGE SIZE OF THE STOCK HELD AND THE LIMITED MARKET OPENED TO THE TRADE.

SPEAKING AT THE RESUMED DEBATE OF THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) (AMENDMENT) BILL 1990, HE SAID THE AD HOC GROUP WAS AWARE OF THE DIFFICULTIES INVOLVED BUT HOPED THE ADMINISTRATION WOULD GIVE FURTHER CONSIDERATION TO THE PROPOSAL IN HELPING THE TRADERS WHO WOULD FACE THE BAN ON INTERNATIONAL TRADE ON IVORY.

MR WONG SAID ARRANGEMENTS HAD BEEN MADE FOR THE RE-TRAINING OF IVORY WORKERS WHO WOULD ALSO RECEIVE SUBSISTENCE ALLOWANCE DURING THE RE-TRAINING PERIOD.

AS FOR IVORY TRADERS AND OPERATORS, THE DEPARTMENTS CONCERNED WOULD PROVIDE ADVICE AND ASSISTANCE AS APPROPRIATE, HE ADDED.

MR WONG NOTED THAT CITES, THE ACRONYM OF THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA, HAD DECIDED TO BAN INTERNATIONAL TRADE IN IVORY WITH EFFECT FROM JANUARY THIS YEAR AND THE GOVERNMENT HAD SECURED A SIX-MONTH RESERVATION PERIOD FOR THE EXPORT OF EXISTING STOCK OF IVORY.

"HAVING CONSIDERED THE IMPLICATIONS OF THE BILL, THE AD HOC GROUP IS IN UNANIMOUS AGREEMENT THAT BEING PART OF THE INTERNATIONAL COMMUNITY, HONG KONG MUST BE SEEN TO BE PLAYING ITS ROLE IN INTERNATIONAL AFFAIRS.

"BY SEEKING A SIX-MONTH RESERVATION TO THE CITES DECISION TO BAN IVORY EXPORTS, HONG KONG HAS ATTRACTED SEVERE CRITICISM FROM THE INTERNATIONAL COMMUNITY.

"IT IS, THEREFORE, IN THE WIDER INTERESTS OF HONG KONG TO EFFECT STRICT ENFORCEMENT OF THE BAN AFTER THE EXPIRY OF THE RESERVATION PERIOD ON JULY 17, 1990," MR WONG SAID.

- - - - 0 - - - -

FULL PUBLICITY PROGRAMME ON GAS SAFETY BILL'S PROVISIONS

* * * * *

THE SECRETARY FOR ECONOMIC SERVICES, THE HON ANSON CHAN, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) SHE FULLY AGREED WITH A LEGCO AD HOC GROUP THAT THERE SHOULD BE A FULL PROGRAMME OF PUBLICITY FOR THE PROVISIONS OF THE GAS SAFETY BILL 1990 AND THE SIX SETS OF REGULATIONS WHICH WOULD EMBODY THE DETAILED AND TECHNICAL MEASURES OF THE LEGISLATIVE PACKAGE.

"THIS PROGRAMME WILL BE IMPLEMENTED IN CONSULTATION WITH THE GAS INDUSTRY AND THE GAS SAFETY ADVISORY COMMITTEE AS THE PROVISIONS OF THE LEGISLATION COME INTO EFFECT," MRS CHAN SAID IN WINDING UP THE SECOND READING DEBATE ON THE BILL.

SHE THANKED PROF THE HON C.K. POON AND HIS COLLEAGUES ON THE AD HOC GROUP FOR THEIR DETAILED EXAMINATION OF THE BILL, WHICH HAD RESULTED IN THE SUGGESTION OF A NUMBER OF SIGNIFICANT IMPROVEMENTS TO BOTH THE ENGLISH AND CHINESE VERSIONS.

ALL THE AMENDMENTS WHICH WOULD BE MOVED DURING THE COMMITTEE STAGE BY PROF POON, THE HON CHENG HON-KWAN AND THE HON MIRIAM LAU HAD THE FULL SUPPORT OF THE ADMINISTRATION, SHE ADDED.

"SPECIFICALLY, THE PROPOSED AMENDMENT TO CLAUSE 12, WHICH WOULD EXPLICITLY LIMIT TO EMERGENCY SITUATIONS ONLY GAS SAFETY INSPECTORS' POWER OF ENTRY TO DOMESTIC PREMISES WITHOUT A WARRANT DOES, I BELIEVE, REFLECT A PROPER CONCERN FOR THE PROTECTION OF PRIVACY.

"SECONDLY, THE AD HOC GROUP'S PROPOSED AMENDMENT TO CLAUSE 18 WHICH WOULD EXCLUDE OFFICERS FROM THE SAME DEPARTMENT AS THE GAS AUTHORITY FROM BEING APPOINTED TO AN APPEAL BOARD WOULD, I BELIEVE, GIVE APPELLANTS A WELCOME ADDITIONAL ASSURANCE OF THE IMPARTIALITY OF APPEAL BOARDS," MRS CHAN SAID.

- - - - 0 - - - -

WEDNESDAY, JULY 4, 1990

- 16 -

GAS BILL AIMS TO ENSURE SAFETY

* * * * *

THE OVERALL OBJECTIVE OF THE GAS SAFETY BILL 1990 IS TO ENSURE THE SAFETY OF GAS CUSTOMERS, THE GENERAL PUBLIC AND ALL PERSONS EMPLOYED IN THE GAS INDUSTRY AGAINST RISKS IN RELATIONS TO FUEL GASES, PROFESSOR THE HON POON CHUNG-KWONG SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE RESUMED DEBATE ON THE BILL, PROF POON SAID THE BILL WOULD PROVIDE A FRAMEWORK FOR COMPREHENSIVE SAFETY LEGISLATION WITH RESPECT TO FUEL GASES.

HE NOTED THAT THE ONLY FUEL GAS RELATED ACTIVITIES COVERED BY LEGISLATION AT PRESENT WERE THE STORAGE AND TRANSPORTATION OF LIQUEFIED PETROLEUM GAS, UNDER THE DANGEROUS GOODS ORDINANCE, AND THE STORAGE OF TOWN GAS IN GAS HOLDERS, UNDER THE GASHOLDERS EXAMINATION ORDINANCE.

ALL OTHER ASPECTS OF FUEL GAS SUPPLY, MANUFACTURE AND USE WERE OUTSIDE THE SCOPE OF EXISTING LEGISLATION, HE ADDED.

AS CONVENER OF THE LEGISLATIVE COUNCIL AD HOC GROUP THAT STUDIED THE BILL, PROF POON SAID THE AD HOC GROUP MET NINE TIMES AND PUT FORTH SOME 60 POINTS OF QUERY AND CONCERN ON THE LEGAL PROVISIONS, AS WELL AS ON THE ENGLISH AND CHINESE TEXTS OF THE BILL.

AS A RESULT, ABOUT 30 AMENDMENTS WOULD BE MOVED TO THE DRAFT BILL, HE ADDED.

PROF POON SAID A MAJOR CONCERN OF THE AD HOC GROUP WAS ON THE FORCIBLE ENTRY INTO DOMESTIC PREMISES BY AN AUTHORISED OFFICER AND IT WAS AGREED THAT SUCH ACTION COULD ONLY TAKE PLACE WHERE THERE WAS AN IMMINENT DANGER TO ANY PERSON OR PROPERTY.

"THE AD HOC GROUP IS SATISFIED THAT THIS WOULD HELP TO AVOID ANY POSSIBLE ABUSE OF POWERS IN THE FUTURE," HE SAID.

- - - - 0 - - - -

REVIEW OF EDUCATION ORDINANCE GIVEN PRIORITY

* * * * *

A REVIEW OF THE EDUCATION ORDINANCE IS BEING GIVEN PRIORITY AND SHOULD BE COMPLETED BY EARLY NEXT YEAR, THE COVENER OF THE LEGCO AD HOC GROUP THAT STUDIED THE EDUCATION (AMENDMENT) BILL 1990, THE HON DAVID CHEUNG, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN SUPPORT OF THE BILL DURING THE RESUMED DEBATE ON IT, MR CHEUNG STRESSED THAT THERE SHOULD BE NO SLIPPAGE IN THE REVIEW.

/MR CHEUNG

MR CHEUNG SUMMARISED THE MAJOR AREAS OF THE BILL WHICH THE AD HOC GROUP HAD STUDIED. HE NOTED THAT THE MOST CONTROVERSIAL WAS THE PROPOSAL TO REPEAL THE SECTION OF THE ORDINANCE WHICH EMPOWERED THE GOVERNOR IN COUNCIL TO MAKE REGULATIONS PROHIBITING POLITICAL, SUBVERSIVE OR TENDENTIOUS ACTIVITIES OR PROPAGANDA IN SCHOOLS AND AMONGST TEACHERS AND PUPILS.

INSTEAD, THE ADMINISTRATION PROPOSED THAT THE DIRECTOR OF EDUCATION COULD EXERCISE CONTROL ON EDUCATIONAL GROUNDS BY ISSUING GUIDELINES TO SCHOOLS RELATING TO POLITICAL ACTIVITIES.

HE SAID WHILST SOME LEGCO MEMBERS WERE IN SUPPORT OF REPEALING THIS SECTION, OTHERS WERE WORRIED THAT THE USE OF ADMINISTRATIVE GUIDELINES WOULD NOT BE A SUFFICIENT SAFEGUARD TO STUDENTS AGAINST INFLUENCES FROM UNDESIRABLE POLITICAL INDOCTRINATION AND BIASED POLITICAL EDUCATION.

MR CHEUNG SAID MEMBERS AGREED, AFTER DISCUSSION WITH THE ADMINISTRATION, THAT THE SECTION BE AMENDED TO EMPOWER THE GOVERNOR IN COUNCIL TO MAKE REGULATIONS PROVIDING FOR THE CONTROL OF THE DISSEMINATION OF INFORMATION, OR EXPRESSION OF OPINION, OF A CLEARLY BIASED POLITICAL NATURE IN SCHOOLS.

THE BILL ALSO PROPOSED TO AMEND THE ORDINANCE SO THAT WHERE A PARENT HAD NO REASONABLE EXCUSE FOR NOT SENDING HIS CHILD TO SCHOOL, THE DIRECTOR OF EDUCATION MIGHT SERVE AN ATTENDANCE ORDER ON THE PARENT TO REQUIRE THE CHILD TO ATTEND, HE SAID.

IN RESPONSE TO CONCERN AMONG SOME SCHOOLS THAT THEY MIGHT BECOME DUMPING GROUNDS FOR SCHOOL DROP-OUTS, MR CHEUNG SAID THE ADMINISTRATION HAD AGREED THAT AN ADVISORY COMMITTEE SHOULD BE APPOINTED TO ADVISE ON THE GUIDELINES TO BE FOLLOWED IN THE SELECTION OF SCHOOL PLACES FOR CHILDREN WHO MIGHT BECOME THE SUBJECT OF ATTENDANCE ORDERS.

NOTING THAT THERE WAS STILL SOME CONCERN ABOUT THE USE OF ATTENDANCE ORDERS, MR CHEUNG SAID UNLESS THE CONCEPT OF COMPULSORY EDUCATION WERE NOT ACCEPTED, THERE APPEARED TO BE NO VALID GROUNDS FOR NOT TAKING REASONABLE STEPS TO ENSURE THAT A CHILD BE GIVEN THE OPPORTUNITY TO RECEIVE APPROPRIATE SCHOOLING.

ON THE NEW SECTION WHICH PROVIDED THAT NO PERSON SHOULD, WITHOUT THE PERMISSION IN WRITING OF THE DIRECTOR OF EDUCATION, EXPEL OR SUSPEND A CHILD PLACED IN A SCHOOL UNDER AN ATTENDANCE ORDER, THE GROUP NOTED THAT UNDER THE EXISTING CODES OF AID, SCHOOLS NEEDED TO INFORM THE DIRECTOR ONLY WHEN THE SUSPENSION OF A PUPIL WAS FOR MORE THAN THREE SCHOOL DAYS, MR CHEUNG SAID.

HE SAID THE GROUP CONSIDERED IT INAPPROPRIATE TO REQUIRE A SCHOOL TO SEEK THE DIRECTOR'S PERMISSION BEFORE IT SUSPENDED EVEN FOR ONE DAY, A PUPIL PLACED UNDER AN ATTENDANCE ORDER ON GROUNDS OF UNSATISFACTORY CONDUCT, AS ALL PUPILS IN A SCHOOL SHOULD BE DEALT WITH IN SIMILAR MANNER IN DISCIPLINARY MATTERS.

TO MEET MEMBERS' POINT, THE ADMINISTRATION HAD AGREED TO DELETE FROM THE NEW SECTION THAT PART WHICH PROHIBITED THE SUSPENSION OF A PUPIL.

INSTEAD, THE ISSUE OF SUSPENSION WOULD BE DEALT WITH ADMINISTRATIVELY BY AMENDING THE CODES OF AID FOR SCHOOLS TO PROVIDE THAT THE DIRECTOR NEEDED ONLY BE INFORMED WHERE A CHILD NAMED IN AN ATTENDANCE ORDER WAS TO BE SUSPENDED FOR UP TO THREE SCHOOL DAYS, MR CHEUNG SAID.

ON THE SUGGESTED MAXIMUM PENALTY FOR CONTRAVENING NEW SUBSECTIONS REGARDING THE ATTENDANCE ORDERS - A FINE OF \$5,000 AND IMPRISONMENT FOR TWO YEARS - THE GROUP FELT THAT A TWO-YEAR IMPRISONMENT WAS TOO HARSH ON SCHOOLS AND SHOULD BE REDUCED TO THREE MONTHS, MR CHEUNG SAID, ADDING THAT THIS HAD BEEN ENDORSED BY THE ADMINISTRATION.

- - - - 0 - - - -

EDUCATION BILL MAY AGGRAVATE DELINQUENCY

* * * * *

A PROPOSED AMENDMENT IN THE EDUCATION (AMENDMENT) BILL 1990 MAY AGGRAVATE JUVENILE DELINQUENCY IN SECONDARY SCHOOLS, THE HON ELSIE TU SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING IN THE SECOND READING DEBATE ON THE BILL, MRS TU SAID SHE COULD NOT FULLY SUPPORT THE AMENDMENT TO SECTION 74 OF CLAUSE 6 OF THE BILL, WHICH SOUGHT TO SOLVE THE PROBLEM OF DELINQUENCY BY PUTTING RESPONSIBILITY UPON PARENTS, TEACHERS AND SCHOOL MANagements.

SHE SAID IN HER ESTIMATION, THE AMENDMENT WAS IN BREACH OF THE INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS WHICH THE GOVERNMENT CLAIMED TO SUPPORT.

NOTING THAT THE COVENANT RECOMMENDED FREE EDUCATION BUT DID NOT MENTION THAT IT SHOULD BE COMPULSORY, MRS TU SAID THE PROPOSED AMENDMENT WOULD REMOVE FURTHER THE RIGHT OF A CHILD AND HIS PARENTS TO REJECT A FORM OF EDUCATION WHICH WAS NOT ONLY UNSUITABLE FOR THE CHILD BUT WAS ACTUALLY HARMFUL TO HIMSELF, HIS PARENTS AND HIS SCHOOL.

MRS TU SAID THAT AT THE END OF FORM ONE, THE SIGNALS WERE CLEAR WHETHER THE TYPE OF EDUCATION A CHILD WAS RECEIVING WAS SUITABLE FOR HIS NATURE OR HIS FUTURE.

"THE CHILD AT THIS POINT NEEDS TO BE GIVEN A CHOICE, TO TAKE UP APPRENTICESHIP OR TO ENTER A PRE-VOCATIONAL COURSE.

"IF HE HAS SERIOUS BEHAVIOURAL PROBLEMS HE SHOULD ENTER A REFORMATORY SCHOOL WHICH PROVIDES PSYCHOTHERAPY TO DISCOVER THE CAUSE OF DELINQUENCY AND GIVE APPROPRIATE TREATMENT," SHE ADDED.

MRS TU SAID THE SECTION OF THE AMENDMENT COULD PREVENT THE SCHOOLS FROM RESCUING THEIR PUPILS AND TEACHERS, BY PROHIBITING EXPULSION AND LIMITING SUSPENSION OF THOSE WITH SERIOUS BEHAVIOURAL PROBLEMS.

- - - - 0 - - - -

BILL REMOVES REDUNDANT PROVISIONS IN RATING ORDINANCE

* * * * *

THE RATING (AMENDMENT) BILL 1990, WHICH SEEKS TO AMEND THE RATING ORDINANCE TO DELETE A NUMBER OF PROVISIONS WHICH ARE NOW REDUNDANT AND TO CLARIFY OTHER PROVISIONS WHICH, IN RECENT YEARS, HAVE GIVEN RISE TO CERTAIN ADMINISTRATIVE DIFFICULTIES, WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE BILL, THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, SAID ONE OF THE REDUNDANT PROVISIONS CONCERNED SPECIFIED RATING AREAS.

"LIABILITY FOR RATES WAS INTRODUCED IN HONG KONG ON A GRADUAL BASIS, AND THERE ARE NOW 47 SPECIFIED RATING AREAS, EACH REQUIRING THE PUBLICATION OF A SEPARATE VALUATION LIST IN ACCORDANCE WITH SECTION 11(1) OF THE ORDINANCE.

"SINCE APRIL 1, 1988, THE RATING ORDINANCE HAS BEEN APPLICABLE THROUGHOUT HONG KONG AND CONSEQUENTLY, ALL RATEABLE TENEMENTS ARE NOW SITUATED IN EITHER THE URBAN COUNCIL AREA OR THE REGIONAL COUNCIL AREA.

"THE BILL THEREFORE PROPOSES TO DELETE ALL REFERENCES TO SPECIFIED AREAS IN THE RATING ORDINANCE AND REPLACE THEM, WHERE APPROPRIATE, WITH REFERENCES TO THE URBAN AND REGIONAL COUNCIL AREAS," SIR PIERS SAID.

HE SAID THE PROVISION CONCERNING NOTICES OF NEW RATEABLE VALUES GAVE RISE TO SOME ADMINISTRATIVE DIFFICULTIES.

"FOLLOWING A GENERAL REVALUATION EXERCISE, THE COMMISSIONER OF RATING AND VALUATION IS REQUIRED TO SERVE UPON THE OWNER OR OCCUPIER OF A TENEMENT A NOTICE OF A NEW RATEABLE VALUE," HE SAID.

THIS HAD TO BE DONE NOT LATER THAN THE FIRST DAY OF MARCH OF THE YEAR IN WHICH THE REVALUATION WAS TO TAKE EFFECT.

THE TIMING OF THAT REQUIREMENT PRESENTED A PROBLEM IN THAT STRICT ADHERENCE TO THE DEADLINE DICTATED THAT DECISIONS CONCERNING RATES PERCENTAGE CHARGES AND ANY RATES RELIEF SCHEME WOULD HAVE TO BE TAKEN IN ADVANCE OF THE BUDGET, SIR PIERS SAID.

"FURTHERMORE, THE NECESSITY TO SERVE NOTICES OF NEW RATEABLE VALUE IS CONSIDERED TO BE OF SECONDARY IMPORTANCE IN RELATION TO THE PRINCIPAL OBJECTIVE OF A GENERAL REVALUATION EXERCISE, WHICH IS TO PRODUCE A NEW VALUATION LIST.

"THE BILL THEREFORE SEEKS TO REMOVE THE STATUTORY REQUIREMENT TO SERVE NOTICES OF NEW RATEABLE VALUE.

"THAT REQUIREMENT WILL BE REPLACED BY AN ADMINISTRATIVE ARRANGEMENT WHEREBY DETAILS OF THE NEW RATEABLE VALUE WILL BE INCLUDED IN THE SECOND QUARTER RATES DEMAND SENT TO RATEPAYERS IN MARCH OR APRIL OF THE YEAR IN WHICH THE VALUATION LIST TAKES EFFECT," HE SAID.

SIR PIERS EMPHASISED THAT RATEPAYERS WOULD NOT BE DISADVANTAGED BY THAT PROPOSAL BECAUSE THEIR RIGHT TO OBJECT TO A NEW RATEABLE VALUE WOULD NOT BE DIMINISHED IN ANY WAY.

"IN ADDITION, THE BILL SEEKS TO INTRODUCE A FEW MINOR AMENDMENTS TO CLARIFY CERTAIN AMBIGUOUS PROVISIONS, TO REMOVE CERTAIN OUTDATED PROVISIONS AND TO ASSIST IN THE ADMINISTRATION OF THE PRINCIPAL ORDINANCE," HE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

- - - - 0 - - - -

SURPLUS FOR 1989-90 FINALISED AT \$11,063 MILLION
* * * * *

THE FINAL GOVERNMENT CONSOLIDATED CASH SURPLUS FOR THE 1989-90 FINANCIAL YEAR IS \$11,063 MILLION, THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THIS WAS A HELPFUL INCREASE OVER THE REVISED SURPLUS OF \$9.3 BILLION FORECAST IN HIS BUDGET SPEECH, SIR PIERS SAID IN MOVING THE SECOND READING ON THE SUPPLEMENTARY APPROPRIATION (1989-90) BILL 1990.

THE ACCOUNTS FOR 1989-90 HAD BEEN FINALISED BY THE DIRECTOR OF ACCOUNTING SERVICES, HE SAID.

ON THE GENERAL REVENUE ACCOUNT, ACTUAL REVENUE AMOUNTED TO \$74,365 MILLION AND TOTAL EXPENDITURE AMOUNTED TO \$69,662 MILLION INCLUDING TRANSFERS TO FUNDS OF \$17,700 MILLION.

THE FINAL SURPLUS ON GENERAL REVENUE ACCOUNT AFTER TRANSFERS TO FUNDS WAS THUS \$4,703 MILLION. IF THE FUND ACCOUNTS WERE INCLUDED, ACTUAL TOTAL REVENUE AMOUNTED TO \$82,429 MILLION AND TOTAL EXPENDITURE AMOUNTED TO \$71,366 MILLION.

SIR PIERS SAID THE EXPENDITURE CHARGED TO 55 HEADS WAS IN EXCESS OF THE SUM APPROPRIATED FOR THOSE HEADS BY THE APPROPRIATION ORDINANCE 1989. THIS WAS BECAUSE SUFFICIENT OFFSETTING SAVINGS COULD NOT BE FOUND WITHIN THE HEADS CONCERNED.

"IN ACCORDANCE WITH SECTION 9 OF THE PUBLIC FINANCE ORDINANCE, THIS EXCESS HAS BEEN INCLUDED IN THE SUPPLEMENTARY APPROPRIATION (1989-90) BILL 1990 NOW BEFORE MEMBERS.

"THE BILL SEEKS TO GIVE FINAL LEGISLATIVE AUTHORITY FOR THE AMOUNT OF SUPPLEMENTARY PROVISION APPROVED IN RESPECT OF PARTICULAR HEADS OF EXPENDITURE BY THE FINANCE COMMITTEE OR UNDER POWERS DELEGATED BY IT," HE SAID.

THE TOTAL NET SUPPLEMENTARY APPROPRIATION REQUIRED IN RESPECT OF THE 55 HEADS OF EXPENDITURE WAS \$3,749.4 MILLION.

/THIS EXCESS

THIS EXCESS WAS LARGELY ACCOUNTED FOR BY THE 1989 PAY ADJUSTMENT AND THE DIRECTORATE SALARY STRUCTURE REVIEW IN RESPECT OF THE CIVIL SERVICE (\$1,729.4 MILLION) AND GOVERNMENT SUBVENTED ORGANISATIONS (\$939.5 MILLION).

OTHER MAJOR CONTRIBUTING FACTORS INCLUDED THE ADVANCE PAYMENT OF WATER CHARGES (\$474.0 MILLION) AND ADDITIONAL EXPENDITURE ON PENSION AND GRATUITY PAYMENTS ARISING FROM PENSION AND SALARY INCREASES (\$324.1 MILLION).

SIR PIERS SAID THE COST OF THE 1989 PAY ADJUSTMENT AND PENSION INCREASE HAD BEEN ANTICIPATED IN THE 1989-90 ESTIMATES UNDER THE "ADDITIONAL COMMITMENTS" SUBHEAD.

"SAVINGS WERE ALSO MADE IN OTHER SUBHEADS THROUGH CONTINUED TIGHT CONTROL OVER PUBLIC EXPENDITURE, AND I WOULD LIKE TO THANK THE CONTROLLING OFFICERS AND OTHERS WHO HAVE CONTRIBUTED TO RESTRAINT.

"BECAUSE OF THESE SAVINGS AND THE PROVISION MADE FOR ADDITIONAL COMMITMENTS, TOTAL EXPENDITURE FOR THE YEAR IS WITHIN THE SUM APPROPRIATED IN THE APPROPRIATION ORDINANCE 1989," HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

- - - - 0 - - - -

BILL PROVIDES FOR SETTING UP OF HK SHIPPING REGISTER
* * * * *

THE ADMINISTRATION HOPES THAT, FOLLOWING THE ENACTMENT OF THE MERCHANT SHIPPING (REGISTRATION) BILL 1990 BY THE LEGISLATIVE COUNCIL, THE HONG KONG SHIPPING REGISTER WILL BE ABLE TO COME INTO OPERATION BY THE END OF 1990, THE SECRETARY FOR ECONOMIC SERVICES, THE HON ANSON CHAN, SAID TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE BILL IN THE LEGISLATIVE COUNCIL, MRS CHAN SAID THE SETTING UP OF AN INDEPENDENT HONG KONG SHIPPING REGISTER WOULD GREATLY ENHANCE HONG KONG'S STATUS AS A LEADING CENTRE OF SHIPPING AND MARITIME COMMERCE.

"IT WILL ALSO MARK AN IMPORTANT STEP FORWARD IN THE IMPLEMENTATION OF THE JOINT DECLARATION," SHE SAID.

MRS CHAN EXPLAINED THAT THE PRESENT ARRANGEMENTS UNDER WHICH HONG KONG REGISTERED SHIPS FORMED PART OF THE UNITED KINGDOM REGISTER COULD NOT CONTINUE BEYOND 1997.

SHE NOTED THAT A PROVISION IN THE JOINT DECLARATION STIPULATED THAT "THE HONG KONG SPECIAL ADMINISTRATIVE REGION SHALL BE AUTHORISED BY THE CENTRAL PEOPLE'S GOVERNMENT TO CONTINUE TO MAINTAIN A SHIPPING REGISTER AND ISSUE RELATED CERTIFICATES UNDER ITS OWN LEGISLATION IN THE NAME OF 'HONG KONG, CHINA'".

/"IN ORDER

"IN ORDER TO IMPLEMENT THIS PROVISION AND TO ENSURE A SMOOTH TRANSITION OF THE ARRANGEMENTS FOR THE NEW HONG KONG REGISTER, IT IS IMPORTANT THAT IT BE ESTABLISHED WELL BEFORE 1997," SHE SAID.

MRS CHAN SAID THE MERCHANT SHIPPING (REGISTRATION) BILL 1990 CONTAINED DETAILED PROVISIONS COVERING THE SETTING UP OF THE NEW REGISTER OF HONG KONG AND ITS ADMINISTRATION; THE REQUIREMENTS AND PROCEDURES PERTAINING TO REGISTRATION, CLOSURE OF REGISTRATION AND PROVISIONAL REGISTRATION; THE TRANSFER AND TRANSMISSION OF PROPERTY IN REGISTERED SHIPS; THE REGISTRATION OF SHIP MORTGAGES; THE REGISTRATION AND TRANSFER OF GOVERNMENT SHIPS; SPECIFICATIONS ON THE FLYING OF THE PROPER COLOURS; AND THE ARRANGEMENTS TO BE APPLIED DURING THE PERIOD OF TRANSITION FROM THE OLD TO THE NEW REGISTER.

THROUGHOUT THE PROCESS OF PLANNING FOR THE NEW REGISTER, THE GOVERNMENT HAD CONSIDERED IT ESSENTIAL THAT ITS PROVISIONS SHOULD REFLECT HONG KONG'S OBLIGATIONS AS AN ASSOCIATE MEMBER OF THE INTERNATIONAL MARITIME ORGANISATION, PARTICULARLY AS THESE RELATED TO SAFETY AT SEA AND THE WELFARE OF SEAMEN, MRS CHAN SAID.

"WE HAVE ALSO CONSIDERED IT MOST IMPORTANT TO TAKE ACCOUNT OF THE NEEDS OF THOSE WHO WILL SEEK TO USE THE REGISTER IN FUTURE, AS WELL AS THE NEEDS OF THE ORGANISATIONS CONCERNED WITH THE WELFARE, CONDITIONS OF SERVICE AND TRAINING OF SHIPS' CREWS," SHE SAID.

MRS CHAN SAID A CONSULTATIVE DOCUMENT WAS PUBLISHED IN 1985 SETTING OUT THE GENERAL PRINCIPLES ON WHICH THE INDEPENDENT HONG KONG SHIPPING REGISTER SHOULD OPERATE, AND THE HONG KONG SHIPPING REGISTER PLAN WAS PREPARED AND PUBLISHED IN OCTOBER 1986 IN THE LIGHT OF THE RESPONSE TO THIS DOCUMENT.

THE PLAN CALLED FOR THE SETTING UP OF A STEERING GROUP TO WORK OUT DETAILED RECOMMENDATIONS FOR THE HONG KONG SHIPPING REGISTER.

THE STEERING GROUP, WHICH WAS DULY CONVENED IN FEBRUARY 1987, COMPRISED VIRTUALLY ALL PARTIES WITH AN INTEREST IN THE FUTURE REGISTER, NOTABLY SHIPOWNERS, BANKERS, MARITIME LAW EXPERTS, SEAMEN'S UNIONS AND GOVERNMENT DEPARTMENTS.

IN EXPRESSING APPRECIATION FOR THE TIME AND EFFORT CONTRIBUTED BY MEMBERS OF THE STEERING GROUP AND ITS VARIOUS SUB-COMMITTEES, MRS CHAN SAID THEIR ADVICE HAD PROVED INVALUABLE, AND VIRTUALLY ALL OF ITS RECOMMENDATIONS HAD BEEN ADOPTED IN THE DRAFTING OF THE BILL.

MRS CHAN EMPHASISED THAT THE HONG KONG SHIPPING REGISTER WOULD IN NO SENSE BE A "FLAG OF CONVENIENCE".

SHE NOTED THAT SHIPOWNERS SEEKING REGISTRATION WOULD NEED TO DEMONSTRATE THAT THEY HAD, OR WERE PREPARED TO ESTABLISH, GENUINE LINKS WITH HONG KONG.

"IN PRACTICE THIS MEANS EITHER THAT A MAJORITY OF THE INTEREST IN THE SHIP MUST BE OWNED BY ONE OR MORE 'QUALIFIED PERSONS'; OR THAT THE SHIP IS OPERATED UNDER DEMISE CHARTER BY A BODY CORPORATE BEING A 'QUALIFIED PERSON'.

"'QUALIFIED PERSONS', AS DEFINED IN THE BILL, ARE EITHER HOLDERS OF VALID IDENTITY CARDS WHO ARE ORDINARILY RESIDENT IN HONG KONG, COMPANIES INCORPORATED IN HONG KONG, OR OVERSEAS COMPANIES REGISTERED IN HONG KONG UNDER PART XI OF THE COMPANIES ORDINANCE," SHE SAID.

SHE ADDED THAT THE OWNER MUST ALSO ARRANGE FOR THE APPOINTMENT OF A "REPRESENTATIVE PERSON" TO REPRESENT THE SHIP'S OWNERS IN RESPECT OF ALL MATTERS CONCERNING THE SHIP'S OPERATION UNDER THE TERMS OF THE REGISTER.

THIS PERSON MUST EITHER BE A QUALIFIED OWNER OR PART OWNER OF THE SHIP, OR A HONG KONG COMPANY WHICH WAS IN THE BUSINESS OF MANAGING OR ACTING AS AN AGENT FOR SHIPS, SHE SAID.

MRS CHAN POINTED OUT THAT THE TERMS OF THE HONG KONG REGISTER WOULD BE MORE FLEXIBLE, IN MANY ASPECTS, THAN THOSE NOW APPLICABLE UNDER THE UNITED KINGDOM REGISTER.

UNLIKE THE UK REGISTER WHICH RESTRICTED THE NUMBER OF PAST OWNERS OF A SHIP THAT COULD BE REGISTERED, THE CURRENT BILL PROVIDED FOR THE PROPERTY IN A SHIP TO BE DIVIDED INTO ANY NUMBER OF SHARES OR PARTS HAVING ANY NUMBER OF OWNERS FOR THE PURPOSE OF REGISTRATION, SHE SAID.

THE BILL ALSO PROVIDED FOR A SYSTEM OF PROVISIONAL REGISTRATION WHICH WOULD ENABLE OWNERS TO REGISTER THEIR SHIPS INITIALLY FOR A PERIOD OF THREE MONTHS, WITHIN WHICH TIME IT WOULD BE NECESSARY FOR THE OWNER TO COMPLETE THE VARIOUS SURVEY REQUIREMENTS, SHE ADDED.

MRS CHAN NOTED THAT SUCH ARRANGEMENT WOULD ALLOW OWNERS THE FLEXIBILITY TO REGISTER THEIR SHIPS INITIALLY, EVEN WHILE IN PORTS REMOTE FROM HONG KONG, PROVIDING THEY COULD ENSURE THAT THE NECESSARY SURVEYS WERE CARRIED OUT WITHIN THE PRESCRIBED TIME LIMIT.

TO FACILITATE THE PROCESS OF TRANSITION TO THE NEW ARRANGEMENTS, MRS CHAN SAID THE BILL PROVIDED THAT SHIPS NOW REGISTERED ON THE CURRENT REGISTER WOULD BE DEEMED TO BE REGISTERED UNDER THE NEW HONG KONG REGISTER.

SHIPS FOR WHICH AN APPLICATION FOR REGISTRATION IN HONG KONG WAS PENDING AT THE TIME THE HONG KONG SHIPPING REGISTER CAME INTO OPERATION WOULD BE REGISTERED UNDER THE NEW HONG KONG REGISTER, PROVIDING THEY COMPLIED FULLY WITH THE REQUIREMENTS OF THE FORMER REGISTER, SHE ADDED.

DEBATE ON THE BILL WAS ADJOURNED.

TWO AMENDMENT BILLS INTRODUCED TO REMOVE LOOPHOLES

* * * * *

TWO AMENDMENT BILLS WHICH CONTAIN A MISCELLANY OF PROPOSED AMENDMENTS AIMED AT REMOVING THE LOOPHOLES AND ANOMALIES CURRENTLY EXISTING IN THE MERCHANT SHIPPING (SAFETY) ORDINANCE AND THE SHIPPING AND PORT CONTROL ORDINANCE WERE INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE MERCHANT SHIPPING (SAFETY) AMENDMENT BILL 1990, THE SECRETARY FOR ECONOMIC SERVICES, THE HON ANSON CHAN, SAID THE MORE IMPORTANT AMENDMENTS RELATED TO THE IMPROVEMENT OF THE APPLICATION OF THE CONVENTION ON INTERNATIONAL REGULATIONS FOR PREVENTING COLLISIONS AT SEA 1972.

THESE INCLUDED EXTENDING THE APPLICATION OF THE MERCHANT SHIPPING (SAFETY) (DISTRESS SIGNALS AND PREVENTION OF COLLISIONS) REGULATIONS TO JUNKS AND TRAWLERS, AND TO LICENSED VESSELS WHILST OUTSIDE THE WATERS OF HONG KONG, AND INCREASING THE MAXIMUM PENALTIES FOR CONTRAVENTIONS OF THE REGULATIONS.

"ANOTHER PROPOSAL IS TO ALLOW MORE FLEXIBILITY IN ADOPTING TECHNICAL STANDARDS UNDER THE SCHEDULES OF THE MERCHANT SHIPPING (SAFETY) REGULATIONS BY ALLOWING THE DIRECTOR OF MARINE TO PRESCRIBE SUCH STANDARDS," MRS CHAN SAID.

MRS CHAN EXPLAINED THAT THE POWERS TO PRESCRIBE TECHNICAL STANDARDS WERE CURRENTLY VESTED IN THE GOVERNOR IN COUNCIL.

"IT IS PROPOSED THAT THE GOVERNOR IN COUNCIL MAY, IF HE THINKS FIT, DELEGATE SUCH POWERS TO THE DIRECTOR OF MARINE WHEN HE CONSIDERS THE ADOPTION OF FUTURE MERCHANT SHIPPING (SAFETY) REGULATIONS," SHE SAID.

TO STREAMLINE OPERATIONS, MRS CHAN SAID IT WAS ALSO PROPOSED THAT THE DIRECTOR OF MARINE, RATHER THAN THE SECRETARY FOR ECONOMIC SERVICES, SHOULD BE GIVEN POWERS TO GRANT EXEMPTIONS FROM THE PROVISIONS OF THE MERCHANT SHIPPING (SAFETY) ORDINANCE AND ITS REGULATIONS.

"THESE EXEMPTIONS WILL CONTINUE TO BE GRANTED ON CONDITION THAT THE SAFETY OF THE SHIPS CONCERNED AND THE WELFARE OF THE CREW ON BOARD ARE NOT COMPROMISED," SHE SAID.

ON ANOTHER FRONT, MRS CHAN NOTED THAT EXPERIENCE SHOWED THAT THE SUBMISSION OF EVIDENCE FROM OVERSEAS MARITIME AUTHORITIES FREQUENTLY TOOK LONGER THAN THE CURRENT SIX-MONTH PERIOD WITHIN WHICH CRIMINAL PROCEEDINGS MIGHT BE BROUGHT.

"THE ADMINISTRATION HAS THEREFORE PROPOSED THAT THE TIME LIMIT FOR THE INITIATION OF CRIMINAL PROCEEDINGS FOR OFFENCES AGAINST THE TWO ORDINANCES SHOULD BE EXTENDED TO TWO YEARS FOR OFFENCES COMMITTED OUTSIDE HONG KONG," SHE SAID.

OTHER MINOR AMENDMENTS INCLUDED PROPOSALS AIMED AT HARMONISING THE LEVELS OF MAXIMUM PENALTIES UNDER DIFFERENT REGULATIONS, AND EMPOWERING THE DIRECTOR OF MARINE TO AUTHORISE CLASSIFICATION SOCIETIES TO ISSUE LOAD LINE CERTIFICATES.

MRS CHAN EXPLAINED THAT LOAD LINES, WHICH WERE PAINTED ON SHIPS' SIDES, SPECIFIED THE LIMIT TO WHICH A SHIP MIGHT BE IMMERSSED WHEN FULLY LADEN AND LOAD LINE CERTIFICATES WERE ISSUED BY MARITIME ADMINISTRATIONS, OR CLASSIFICATION SOCIETIES ON THEIR BEHALF, IN ACCORDANCE WITH INTERNATIONAL SAFETY CONVENTIONS.

"THE PRESENT PROPOSAL IS TO EMPOWER THE DIRECTOR OF MARINE TO DELEGATE THE AUTHORITY TO ISSUE THE CERTIFICATES TO SOME OF THESE SOCIETIES.

"THIS WILL GIVE SHIPOWNERS ADDITIONAL FLEXIBILITY IN FULFILLING THE REQUIREMENT TO REGISTER THEIR SHIPS IN HONG KONG THROUGH THE SOCIETIES' GLOBAL NETWORK OF SURVEY OFFICES," SHE SAID.

WHEN MOVING THE SECOND READING OF THE SHIPPING AND PORT CONTROL (AMENDMENT) BILL 1990, MRS CHAN POINTED OUT THAT HER COMMENTS ON THE MERCHANT SHIPPING (SAFETY) (AMENDMENT) BILL 1990 ALSO APPLIED TO THIS BILL.

MRS CHAN SAID THE TWO AMENDMENT BILLS WERE TECHNICAL IN NATURE AND DID NOT INVOLVE ANY CHANGE IN CURRENT POLICIES.

DEBATES ON THE TWO BILLS WERE ADJOURNED.

- - - - 0 - - - -

MOTIONS TO IMPLEMENT BUDGET REVENUE PROPOSALS PASSED

* * * * *

THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) PASSED THREE MOTIONS MOVED BY THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS, TO IMPLEMENT REVENUE PROPOSALS IN THE 1990 BUDGET.

THEY CONCERN INCREASES IN DUTIES PAYABLE AND RATES CHARGEABLE UNDER THE DUTIABLE COMMODITIES ORDINANCE, THE RATING ORDINANCE AND THE BETTING DUTY ORDINANCE.

IN MOVING THE FIRST MOTION UNDER THE DUTIABLE COMMODITIES ORDINANCE, SIR PIERS SAID THE PURPOSE OF THE MOTION WAS TO INCREASE THE DUTY PAYABLE UNDER THE DUTIABLE COMMODITIES ORDINANCE ON HYDROCARBON OILS BY ABOUT 30 PER CENT, THE SPECIFIC DUTY RATE ON INTOXICATING LIQUOR AND ALCOHOL BY 10 PER CENT, AND AD VALOREM RATE ON CHAMPAGNE AND SPARKLING WINES FROM 20 PER CENT TO 35 PER CENT, AND THE AD VALOREM RATE ON BRANDY, LIQUEURS, WHISKY, GIN, RUM VODKA AND OTHER SPIRITUOUS LIQUORS FROM 30 PER CENT TO 35 PER CENT.

/"IN ADDITION

"IN ADDITION THE MOTION SEEKS TO MERGE THE TWO CATEGORIES OF STILL WINES INTO ONE, AND INCREASES THE DUTY ON TOBACCO BY ABOUT 25 PER CENT.

"THE TOTAL ADDITIONAL REVENUE FROM THESE MEASURES IS ESTIMATED TO BE APPROXIMATELY \$1 BILLION PER ANNUM," HE SAID.

UNDER THE MOTION, THE INCREASES ARE EFFECTIVE FROM MARCH 7 THIS YEAR.

ON THE SECOND MOTION UNDER THE RATING ORDINANCE, THE FINANCIAL SECRETARY SAID THE PURPOSE OF THE MOTION WAS TO INCREASE THE GENERAL RATES CHARGE BY 1.5 PERCENTAGE POINTS.

"THE URBAN COUNCIL AND REGIONAL COUNCIL RATES PERCENTAGE CHARGES WILL REMAIN UNALTERED BUT THE OVERALL RATES CHARGE WILL NOW BE 7.5 PER CENT," HE SAID.

HE SAID THE PROPOSAL WOULD HELP TO REDRESS THE DECLINE IN RATES REVENUE EXPRESSED AS A PROPORTION OF RENTAL VALUES IN RECENT YEARS. THE ADDITIONAL YIELD TO GENERAL REVENUE IN 1990-91 WAS ESTIMATED TO BE APPROXIMATELY \$1.3 BILLION.

UNDER THE MOTION, THE INCREASE IS EFFECTIVE FROM APRIL 1 THIS YEAR.

IN MOVING THE THIRD MOTION UNDER THE BETTING DUTY ORDINANCE, SIR PIERS SAID THE PURPOSE OF THE MOTION WAS TO INCREASE THE RATES CHARGEABLE ON BOTH STANDARD AND EXOTIC BETS BY ONE PERCENTAGE POINT TO 10.5 PER CENT AND 17 PER CENT RESPECTIVELY WITH EFFECT FROM SEPTEMBER 1 THIS YEAR.

"THE INCREASE IN DUTY WILL BE BORNE ENTIRELY BY THE ROYAL HONG KONG JOCKEY CLUB THROUGH A REDUCTION IN THE CLUB'S COMMISSION.

"ADDITIONAL REVENUE IS ESTIMATED TO BE \$340 MILLION IN THE YEAR 1990-1991," HE SAID.

ALL THREE MOTIONS INVOLVED NO STAFFING IMPLICATIONS, HE ADDED.

- - - - 0 - - - -

SUMMARY OF CHANGES TO APPROVED ESTIMATES

* * * * *

A SUMMARY OF ALL CHANGES MADE TO THE APPROVED ESTIMATES OF EXPENDITURE FOR THE FINAL QUARTER OF THE FINANCIAL YEAR 1989-90 WAS TABLED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) BY THE FINANCIAL SECRETARY, THE HON SIR PIERS JACOBS.

SIR PIERS SAID SUPPLEMENTARY PROVISION OF \$3,876.9 MILLION WAS APPROVED.

/"THIS INCLUDED

"THIS INCLUDED \$2,668.9 MILLION FOR THE 1989 PAY ADJUSTMENT AND THE DIRECTORATE SALARY STRUCTURE REVIEW IN RESPECT OF THE CIVIL SERVICE AND GOVERNMENT SUBVENTED ORGANISATIONS.

"OF THE AMOUNT OF \$3,876.9 MILLION, \$3,037.5 MILLION WAS OFFSET BY SAVINGS UNDER THE SAME OR OTHER HEADS OF EXPENDITURE OR BY THE DELETION OF FUNDS UNDER THE ADDITIONAL COMMITMENTS SUBHEADS.

"THE REMAINING \$839.4 MILLION WAS NET SUPPLEMENTARY PROVISION," HE SAID.

APPROVED NON-RECURRENT COMMITMENTS WERE INCREASED BY \$123.1 MILLION DURING THE PERIOD, AND NEW NON-RECURRENT COMMITMENTS OF \$68.3 MILLION WERE ALSO APPROVED.

IN THE SAME PERIOD, A NET DECREASE OF 1,478 POSTS WAS APPROVED.

SIR PIERS SAID ITEMS IN THE SUMMARY HAD BEEN APPROVED EITHER BY FINANCE COMMITTEE OR UNDER DELEGATED AUTHORITY. THE LATTER HAD BEEN REPORTED TO THE FINANCE COMMITTEE.

- - - - 0 - - - -

MEDICAL CERTIFICATES REQUIREMENTS FOR IMPORTED WORKERS EXPLAINED
* * * * *

THERE IS AT PRESENT NO STATUTORY REQUIREMENT FOR IMPORTED WORKERS TO PRODUCE MEDICAL CERTIFICATES BEFORE THEY ARE ALLOWED TO ENTER HONG KONG, THE SECRETARY FOR HEALTH AND WELFARE, THE HON ELIZABETH WONG, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM DR THE HON LEONG CHE-HUNG, MRS WONG SAID THAT AS AN ADMINISTRATIVE MEASURE, HOWEVER, MEDICAL CERTIFICATES WERE REQUIRED TO BE PRODUCED BEFORE THE STANDARD CONTRACTS OF EMPLOYMENT FOR FOREIGN DOMESTIC HELPERS WERE ATTESTED OR EMPLOYMENT VISAS WERE ISSUED TO WORKERS IMPORTED UNDER THE 1989 SCHEME FOR IMPORTATION OF SKILLED LABOUR.

"THE REQUIREMENT FOR A MEDICAL CERTIFICATE UNDER THESE CIRCUMSTANCES IS FOR THE PURPOSE OF DETERMINING THE WORKER'S FITNESS FOR EMPLOYMENT AND TO MEET INTERNATIONAL LABOUR CONVENTION STANDARDS.

"IT IS NOT INTENDED AS A PREVENTIVE MEASURE AGAINST THE POSSIBLE SPREAD OF COMMUNICABLE DISEASES," MRS WONG EXPLAINED.

MRS WONG SAID THE WORLD HEALTH ORGANISATION HAD ADVISED THAT THE MOST EFFECTIVE MEANS OF PREVENTING THE SPREAD OF COMMUNICABLE DISEASES WAS THROUGH AN EPIDEMIOLOGICAL SURVEILLANCE SYSTEM.

"HONG KONG ALREADY HAS SUCH A SYSTEM THROUGH ITS COMPREHENSIVE NETWORK OF OUT-PATIENT CLINICS, ACCIDENT AND EMERGENCY DEPARTMENTS AND OTHER MEDICAL FACILITIES.

"THE EFFECTIVENESS OF THIS SYSTEM HAS BEEN PROVEN BY OUR SUCCESSFUL CONTROL OF COMMUNICABLE DISEASES IN THE PAST," SHE SAID.

AS TO DR LEONG'S QUESTION ABOUT THE COST TO GOVERNMENT IN PROVIDING HEALTH AND HOSPITAL SERVICES TO IMPORTED WORKERS, MRS WONG SAID THERE WAS NO DATA AVAILABLE ON THE UTILISATION OF THESE SERVICES AND THE COST COULD THEREFORE NOT BE CALCULATED.

- - - - 0 - - - -

TERTIARY INSTITUTIONS A HELP TO GOVT'S RESEARCH PROJECTS
* * * * *

THE GOVERNMENT IS ALREADY MAKING USE OF THE GROWING EXPERTISE IN THE TERTIARY INSTITUTIONS TO HELP IT CARRY OUT CONSULTANCY WORK, THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, THE HON GRAHAM BARNES, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM DR THE HON DANIEL TSE, MR BARNES SAID THE SERVICES AVAILABLE WERE SOMEWHAT LIMITED SO THAT ONLY QUITE SMALL CONSULTANCIES COULD BE HANDLED IN THIS WAY.

MR BARNES SAID ACADEMIC STAFF IN THE TERTIARY INSTITUTIONS HAD THEIR NORMAL TEACHING AND OTHER DUTIES TO PERFORM SO THAT THEY COULD NOT NORMALLY DEVOTE THEMSELVES FULL TIME TO CONSULTANCY WORK, NOR COULD THEY ACCEPT THE SAME DEGREE OF RESPONSIBILITY FOR THEIR WORK AS COMMERCIAL CONSULTANTS DID.

HE ADDED THAT WHERE THE TERTIARY INSTITUTIONS WERE PARTICULARLY USEFUL IN SCORE WAS IN CARRYING OUT CONTRACT RESEARCH.

"PROJECTS CONNECTED WITH CONSTRUCTION AND ENVIRONMENTAL MATTERS HAVE BEEN HANDLED IN THIS WAY SINCE 1981 AND SEVERAL ARE AT PRESENT IN HAND," THE SECRETARY SAID.

MR BARNES SAID ANOTHER GOOD WAY IN WHICH EXPERT TALENTS IN OUR TERTIARY INSTITUTIONS HAD BEEN EMPLOYED IN GOVERNMENT WORKS HAD BEEN THROUGH THEIR INVOLVEMENT IN CONSULTANCIES LET OUT TO COMMERCIAL CONSULTANTS.

"I THINK THIS IS AN EXCELLENT WAY TO GET THE TERTIARY INSTITUTIONS INVOLVED AND WE SHOULD ENCOURAGE IT WHENEVER SUCH ARRANGEMENTS ARE PROPOSED," HE SAID.

MR BARNES ADDED THAT THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT HAD BEEN VERY MUCH INVOLVED IN THE ESTABLISHMENT OF A BUILDING SERVICES RESEARCH CENTRE AT THE HONG KONG POLYTECHNIC, AND IT WAS ENVISAGED THAT THIS WOULD PROVIDE CONSULTANCY SERVICES TO THE GOVERNMENT WHEN IT BECAME OPERATIONAL.

- - - - 0 - - - -

WEDNESDAY, JULY 4, 1990

- 29 -

ANTI-SMOKING MEASURES DIRECTED AT YOUNG PEOPLE

* * * * *

A GOVERNMENT-SUBVENTED STATUTORY BODY, THE HONG KONG COUNCIL ON SMOKING AND HEALTH, IS ENGAGED IN EDUCATING THE PUBLIC, ESPECIALLY THE YOUNGER GENERATION, ON THE HEALTH HAZARDS OF SMOKING, THE SECRETARY FOR HEALTH AND WELFARE, THE HON ELIZABETH WONG, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION FROM THE HON DAVID CHEUNG, MRS WONG SAID THE COUNCIL'S PUBLICITY AND EDUCATIONAL ACTIVITIES IN THE COMING TWO YEARS WOULD BE DIRECTED SPECIFICALLY TOWARDS THE PROBLEM OF SMOKING AMONG YOUNG PEOPLE.

SHE SAID AS A FIRST STEP, A SURVEY ON SMOKING PREVALENCE AND ATTITUDES TOWARDS SMOKING AMONG JUNIOR SECONDARY SCHOOL STUDENTS HAD RECENTLY BEEN COMPLETED.

"THIS PROVIDES BASIC INFORMATION FOR THE PLANNING OF ACTIVITIES AND ESTABLISHES BASELINE DATA FOR SUBSEQUENT EVALUATION."

IN ADDITION TO A POP CONCERT AND A FAIR STAGED IN STATUE SQUARE ON MAY 27 TO MARK THE BEGINNING OF A YOUTH EDUCATIONAL PROGRAMME, OTHER ACTIVITIES WOULD BE ORGANISED TO INCREASE THE AWARENESS AMONG YOUNG PEOPLE OF THE ADVERSE HEALTH CONSEQUENCES OF SMOKING, TO ENCOURAGE THEM TO TAKE ACTION TO HELP CREATE A "SMOKE-FREE" ENVIRONMENT AND TO HELP YOUNG SMOKERS TO BREAK THE HABIT, SHE SAID.

MRS WONG SAID AN ANTI-SMOKING YOUTH PROJECT WOULD BE LAUNCHED LATER THIS YEAR TO SUPPLEMENT THE COUNCIL'S EFFORT.

"THIS CAMPAIGN IS FUNDED BY A \$2 MILLION GRANT FROM THE ROYAL HONG KONG JOCKEY CLUB AND ADMINISTERED BY THE COUNCIL, WITH THE SUPPORT OF A PUBLIC RELATIONS FIRM.

"OVER THE NEXT FEW MONTHS VARIOUS MESSAGES ON SMOKING WILL APPEAR IN THE MASS MEDIA, AND YOUNG PEOPLE WILL BE INVOLVED IN VARIOUS CAMPAIGN ACTIVITIES."

MRS WONG ADDED THAT SEVERAL GOVERNMENT DEPARTMENTS SUPPORTED THE COUNCIL'S ANTI-SMOKING ACTIVITIES.

THE CENTRAL HEALTH EDUCATION UNIT OF THE DEPARTMENT OF HEALTH HAD INCLUDED THE HEALTH HAZARDS OF SMOKING AS ONE OF THE THEMES IN THE YOUNG HEALTH LEADERS TRAINING COURSE WHICH IT ORGANISED FOR FORM THREE AND FIVE STUDENTS, SHE NOTED.

- - - - 0 - - - -

GOVT'S POLICY TO MAINTAIN PURCHASING POWER OF PENSIONS

* * * * *

IT HAS BEEN THE GOVERNMENT'S POLICY TO MAINTAIN THE PURCHASING POWER OF CIVIL SERVICE PENSIONS AGAINST PRICE INFLATION AND THIS IS IMPLEMENTED THROUGH ANNUAL PENSION ADJUSTMENTS IN ACCORDANCE WITH THE UPWARD MOVEMENTS OF CONSUMER PRICE INDEX (A).

THE HON SIR DAVID FORD, IN HIS CAPACITY AS CHIEF SECRETARY, INFORMED THE LEGISLATIVE COUNCIL OF THIS TODAY (WEDNESDAY) IN A WRITTEN REPLY TO A QUESTION FROM THE HON JAMES MCGREGOR.

"THERE HAS THEREFORE BEEN NO INCREASE IN THE LEVEL OF CIVIL SERVICE PENSIONS IN REAL TERMS NOR IS IT THE POLICY TO DO SO," HE SAID.

CIVIL SERVICE PENSIONS HAVE BEEN INCREASED AT THE FOLLOWING RATE IN THE PAST 10 YEARS:

YEAR	PENSION INCREASE AWARDED
----	-----
1981	14 PER CENT
1982	12 PER CENT
1983	9 PER CENT
1984	11 PER CENT
1985	6 PER CENT
1986	3 PER CENT
1987	3 PER CENT
1988	6 PER CENT
1989	9 PER CENT
1990	10 PER CENT
----	-----
CUMULATIVE TOTAL	120.8 PER CENT

SIR DAVID ADDED THAT PENSION INCREASES ALSO COVERED WIDOWS' PENSIONS PAYABLE UNDER THE WIDOWS AND ORPHANS PENSION SCHEME AND THE WIDOWS' AND CHILDREN'S PENSIONS SCHEME.

- - - - 0 - - - -

ACTION TO ENSURE ROADS AND PAVEMENTS ARE KEPT FREE

* * * * *

THE RELEVANT AUTHORITIES WILL CONTINUE TO TAKE ENFORCEMENT ACTION WHENEVER MANPOWER RESOURCES PERMIT, TO ENSURE THAT CARRIAGEWAYS AND PAVEMENTS ARE KEPT FREE FOR THEIR INTENDED PURPOSES, THE SECRETARY FOR TRANSPORT, THE HON MICHAEL LEUNG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IN A WRITTEN REPLY TO A QUESTION FROM THE HON LEUNG WAI-TUNG, MR LEUNG SAID CARRIAGEWAYS AND PAVEMENTS WERE FACILITIES BUILT FOR PUBLIC ACCESS, AND AS A GENERAL RULE THE NON-TRANSPORT USE OF SUCH CARRIAGEWAYS AND PAVEMENTS WAS TO BE DISCOURAGED.

THE COMMON FORMS OF MISUSE OF ROAD SPACE INCLUDED HAWKING ACTIVITIES BASED ON LORRIES AND VANS PARKED ON STREET, AND THE LONG-TIME OCCUPATION OF PARKING SPACES FOR STORAGE OR CAR REPAIRING PURPOSES.

HE SAID UNLICENSED HAWKING ACTIVITIES, WHETHER OR NOT CONDUCTED FROM A VEHICLE, WERE LIABLE TO PROSECUTION UNDER THE PUBLIC HEALTH AND MUNICIPAL SERVICES ORDINANCE.

THE ROAD TRAFFIC (PARKING) REGULATIONS PROVIDED FOR A MAXIMUM PERIOD OF PARKING OF NO MORE THAN 24 HOURS. IT WAS ALSO AN OFFENCE TO REPAIR A VEHICLE ON A ROAD OTHER THAN IN AN EMERGENCY.

MR LEUNG ADDED THAT UNDER EXISTING LEGISLATION, THE PERMITTED USES OF CARRIAGEWAYS AND PAVEMENTS WERE NORMALLY SHOWN BY APPROPRIATE SIGNS.

CONTRAVENING THE PRESCRIBED USE, SUCH AS ILLEGAL PARKING ON PAVEMENTS, WOULD BE SUBJECT TO A PENALTY UNDER THE ROAD TRAFFIC ORDINANCE AND REGULATIONS AND THE FIXED PENALTY (TRAFFIC CONTRAVENTIONS) ORDINANCE.

OBSTRUCTION OF PUBLIC PLACES CAUSED BY A VEHICLE OTHER THAN IN CONNECTION WITH LEGAL PARKING WAS SUBJECT TO PROSECUTION UNDER THE SUMMARY OFFENCES ORDINANCE, UNDER WHICH THE POLICE TOOK ENFORCEMENT ACTION, MR LEUNG SAID.

- - - - 0 - - - -

MOTION ON IMPORTATION OF LABOUR PASSED

* * * * *

A MOTION ON THE IMPORTATION OF LABOUR WAS PASSED IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE MOTION, WHICH WAS MOVED BY THE HON TAM YIU-CHUNG, READ: "THAT THIS COUNCIL TAKES NOTE OF THE GOVERNMENT'S RECENT RELAXATION OF THE POLICY ON IMPORTATION OF LABOUR."

TWENTY-ONE MEMBERS SPOKE IN THE DEBATE ON THE MOTION AND THE SECRETARY FOR EDUCATION AND MANPOWER SPOKE ON BEHALF OF THE GOVERNMENT.

THREE MOTIONS MOVED BY THE FINANCIAL SECRETARY UNDER THE DUTIABLE COMMODITIES ORDINANCE, THE RATING ORDINANCE AND THE BETTING DUTY ORDINANCE WERE ALSO PASSED.

IN OTHER BUSINESS, THREE BILLS WERE PASSED. THEY WERE THE EDUCATION (AMENDMENT) BILL 1990, THE ANIMALS AND PLANTS (PROTECTION OF ENDANGERED SPECIES) (AMENDMENT) BILL 1990, AND THE GAS SAFETY BILL 1990.

IN ADDITION, FIVE BILLS WERE INTRODUCED FOR FIRST AND SECOND READINGS. THEY WERE THE RATING (AMENDMENT) BILL 1990; THE SUPPLEMENTARY APPROPRIATION (1989-90) BILL 1990; THE MERCHANT SHIPPING (REGISTRATION) BILL 1990; THE MERCHANT SHIPPING (SAFETY) (AMENDMENT) BILL 1990; AND THE SHIPPING AND PORT CONTROL (AMENDMENT) BILL 1990.

DEBATES ON THESE BILLS WERE ADJOURNED.

- - - - 0 - - - -

EXCO APPROVES REVISION OF VEHICLE EXAMINATION FEES

* * * * *

THE EXECUTIVE COUNCIL HAS APPROVED THE REVISION OF VEHICLE EXAMINATION FEES CHARGED AT GOVERNMENT VEHICLE EXAMINATION CENTRES, WITH THE REVISION TO TAKE EFFECT FROM AUGUST 1.

A GOVERNMENT SPOKESMAN SAID THAT, IN DOLLAR TERMS, VEHICLE OWNERS WOULD PAY ONLY \$150 TO \$260 MORE A YEAR.

THE LAST REVISION OF CHARGES WAS MADE IN 1985.

THE NEW FEES WILL BE REVISED TO \$190 FOR A MOTOR CYCLE; \$310 FOR A PRIVATE CAR, TAXI OR TRAILER; \$370 FOR A LIGHT BUS AND GOODS VEHICLE OR SPECIAL PURPOSE VEHICLE NOT EXCEEDING 5.5 TONNES PERMITTED GROSS VEHICLE WEIGHT; \$500 FOR A SINGLE-DECKER BUS AND GOODS VEHICLE OR SPECIAL PURPOSE VEHICLE EXCEEDING 5.5 TONNES PERMITTED GROSS VEHICLE WEIGHT; AND \$560 FOR DOUBLE-DECKER BUSES.

THE SPOKESMAN SAID THAT VEHICLE EXAMINATION FEES AT GOVERNMENT VEHICLE EXAMINATION CENTRES HAD BEEN CHARGED AT A LEVEL WELL BELOW THE OPERATING COSTS OF THESE CENTRES.

THEY NEEDED TO BE INCREASED IN ORDER TO REDUCE THE SUBSTANTIAL LOSSES INCURRED IN OPERATING THE CENTRES, HE ADDED.

EVEN WITH THE REVISED CHARGES, THE FEES WOULD NOT COVER THE FULL OPERATING COST OF SERVICES PROVIDED BY GOVERNMENT VEHICLE EXAMINATION CENTRES, WHICH WOULD STILL OPERATE AT A LOSS.

THE SPOKESMAN SAID IT WAS NECESSARY FOR THE FEES TO BE REVIEWED ANNUALLY WITH THE OBJECTIVE OF GRADUALLY RECOVERING THE FULL COST.

- - - - 0 - - - -

EXPANDING AND OPENING UP MARKETS IMPORTANT

* * * * *

IT IS IMPORTANT FOR HONG KONG TO CONTINUE TO EXPAND EXISTING MARKETS, TO OPEN UP NEW MARKETS AND TO UPGRADE THE QUALITY AND DESIGN OF ITS PRODUCTS, THE DIRECTOR-GENERAL OF TRADE, MR T.H. CHAU, SAID THIS (WEDNESDAY) MORNING.

SPEAKING AT THE OPENING OF THE HONG KONG INTERNATIONAL FASHION JEWELLERY AND ACCESSORIES FAIR 1990 AND THE HONG KONG INTERNATIONAL STATIONERY AND PREMIUM FAIR 1990, MR CHAU SAID HONG KONG DEPENDED HEAVILY ON EXTERNAL TRADE.

HE SAID HONG KONG'S TOTAL TRADE AMOUNTED TO NEARLY TWO-AND-HALF TIMES ITS GROSS DOMESTIC PRODUCT AND HONG KONG HAD IN RECENT YEARS BECOME THE WORLD'S 11TH LARGEST TRADING ENTITY.

/HE SAID

HE SAID IF THE EEC COUNTRIES WERE COUNTED AS ONE, HONG KONG WAS ACTUALLY THE SIXTH LARGEST TRADING ENTITY IN THE WORLD.

"THE LARGEST TRADING NATION, THE UNITED STATES - WITH A POPULATION 40 TIMES THAT OF HONG KONG - HAS A TOTAL TRADE VALUE ONLY ABOUT SIX TIMES THAT OF HONG KONG.

"OURS IS A TRULY REMARKABLE ACHIEVEMENT," HE SAID.

MR CHAU SAID HONG KONG WAS BOTH A MAJOR MANUFACTURER AND A MAJOR EXPORTER OF JEWELLERY ITEMS.

"WHERE FASHION JEWELLERY IS CONCERNED, WE ARE THE WORLD'S LEADING EXPORTER.

"FOR A NUMBER OF YEARS HONG KONG HAS MAINTAINED THE POSITION AS THE WORLD'S LARGEST EXPORTER OF COSTUME JEWELLERY, WITH AN EXPORT VALUE OF \$1.2 BILLION IN 1989," HE SAID.

MR CHAU SAID STATIONERY AND PREMIUM ITEMS WERE ALSO PRODUCTS WITH GOOD MARKET POTENTIAL.

HE SAID HONG KONG'S DOMESTIC EXPORTS OF OFFICE AND STATIONERY SUPPLIES HAD BEEN GROWING STEADILY OVER THE LAST FEW YEARS.

"AS REGARDS PREMIUM ITEMS, WE ARE THE WORLD'S SECOND LARGEST EXPORTER OF BOTH WATCHES AND TOYS.

"GIVEN HONG KONG'S SOPHISTICATION IN DESIGN, QUALITY AND MARKETING, I CAN SEE VERY GOOD OPPORTUNITIES FOR OUR EXPORTS OF STATIONERY AND PREMIUM ITEMS," HE SAID.

- - - - 0 - - - -

STATUTORY COMPOUND INTEREST ON DEBT RECOMMENDED

* * * * *

THE LAW REFORM COMMISSION HAS RECOMMENDED THE PROVISION BY LAW OF COMPOUND INTEREST ON DEBTS THAT ARE NOT PAID ON TIME SO THAT CREDITORS DO NOT HAVE TO BEAR THE FINANCIAL BURDEN CAUSED BY LATE PAYERS.

THE RECOMMENDATION IS CONTAINED IN A REPORT ON THE LAW ON INTEREST ON DEBT AND DAMAGES PUBLISHED BY THE LAW REFORM COMMISSION TODAY (WEDNESDAY).

THE REPORT IS THE RESULT OF FOUR YEARS' WORK BY THE COMMISSION, AND A SUB-COMMITTEE CHAIRED BY MR GRAHAM CHENG, TO EXAMINE THIS COMPLEX AREA OF THE LAW WHICH DIRECTLY AFFECTS MANY PEOPLE.

EXPLAINING THE COMMISSION'S RECOMMENDATION, A SPOKESMAN FOR THE COMMISSION SAID THAT IT OFTEN HAPPENS THAT A DEBT IS PAID LATE, DEPRIVING THE CREDITOR OF THE USE OF THE MONEY UNTIL IT IS PAID. THE CREDITOR THEN HAS TO TAKE THE MATTER TO COURT IN ORDER TO GET A JUDGMENT AGAINST THE DEBTOR FOR THE MONEY OWED.

/UNDER THE

UNDER THE PRESENT LAW UNLESS THERE IS A PRIOR AGREEMENT THAT INTEREST SHOULD BE PAID THE CREDITOR CAN RECOVER INTEREST ON THE DEBT ONLY IF HE TAKES THE DEBTOR TO COURT.

IF THE DEBTOR PAYS THE DEBT BEFORE HE IS TAKEN TO COURT, THE CREDITOR CANNOT RECOVER ANY INTEREST. THE RESULT IS THAT THE DEBTOR WHO PAYS LATE, EVEN AS LATE AS THE DAY BEFORE HE RECEIVES THE COURT DOCUMENT TELLING HIM HE IS BEING SUED, DOES NOT HAVE TO PAY INTEREST.

THE COMMISSION SPOKESMAN SAID THAT THE PRESENT LAW THEREFORE PLACES THE SMALL CREDITOR AT A SERIOUS DISADVANTAGE.

THE LAW REFORM COMMISSION HAS CONCLUDED THAT IT IS UNJUST THAT CREDITORS SHOULD HAVE TO BEAR THE FINANCIAL BURDEN CAUSED BY LATE PAYERS.

IT PROPOSES THAT THE CREDITOR WHO IS NOT PAID ON TIME SHOULD BE ENTITLED, BY LAW, TO COMPOUND INTEREST ON THE MONEY HE IS OWED UNTIL HE IS PAID, UNLESS THERE HAS BEEN A PRIOR AGREEMENT TO THE CONTRARY.

THE STATUTORY INTEREST RATE SHOULD BE THE BEST LENDING RATE PLUS THREE PER CENT PER ANNUM, AND SHOULD BE AWARDED AT INTERVALS OF ONE MONTH.

THE COMMISSION RECOMMENDS THAT DEBTS PAYABLE IN FOREIGN CURRENCIES BUT SUBJECT TO HONG KONG LAW SHOULD ALSO BE INCLUDED IN THE SCHEME. THE STATUTORY INTEREST RATE SHOULD BE APPROPRIATE TO THE FOREIGN CURRENCY IN QUESTION.

THE APPROPRIATE GOVERNMENT DEPARTMENT SHOULD DETERMINE THE APPROPRIATE MARGIN OVER THE RECOGNISED BASE LENDING RATES; AND THE STATUTORY INTEREST SHOULD BE AWARDED AT COMPOUND RATES AND AT INTERVALS OF ONE MONTH.

THE COMMISSION CONSIDERS THAT CERTAIN EXCEPTIONS TO THE STATUTORY INTEREST SCHEME WOULD BE DESIRABLE:

- * OVERDUE RENTS SHOULD BE EXCLUDED SINCE THEIR RECOVERY INVOLVES SPECIAL POLICIES PECULIAR TO THE LAW OF LANDLORD AND TENANT.
- * THE PROPOSED RIGHT TO STATUTORY INTEREST IS DIFFICULT TO APPLY TO MONEY RECOVERABLE INDEPENDENTLY OF A CONTRACT, OR WHERE THERE IS NO CONTRACT AT ALL. QUASI-CONTRACTUAL OBLIGATIONS SHOULD THEREFORE BE EXCLUDED BECAUSE THEY ARE DIFFICULT TO DETERMINE AND ARE NOT STRICTLY CONTRACT DEBTS.
- * A DEBT PAYABLE UNDER AN OBLIGATION TO INDEMNIFY, AND ALL KINDS OF INDEMNITY INSURANCE SHOULD ALSO BE EXCLUDED FROM THE SCHEME. AN INDEMNIFIER IS NOT IN THE SAME POSITION AS THE ORDINARY DEBTOR SINCE HE IS LIABLE TO PAY WHEN THE CLAIM HAS BEEN PRESENTED AND HE NEEDS TIME TO INVESTIGATE AND VERIFY THE CLAIM. IT WOULD NOT BE FAIR TO REGARD HIM AS WITHHOLDING PAYMENT.

APART FROM INTEREST ON DEBT, THE COMMISSION'S REPORT ALSO DEALS WITH INTEREST ON DAMAGES. THE REPORT CONCLUDES THAT THERE IS NO GENERAL NEED FOR REFORM, BUT PROPOSES SOME MINOR CHANGES TO THE LAW.

THE COMMISSION IS OF THE VIEW THAT THERE SHOULD BE NO GENERAL ENTITLEMENT TO INTEREST ON DAMAGES BUT THAT THE AWARD OF INTEREST ON DAMAGES SHOULD BE LEFT TO THE COURT'S DISCRETION.

IT PROPOSES THAT THE APPROPRIATE RATE OF INTEREST TO COMPENSATE THE PLAINTIFF IN RESPECT OF SPECIAL DAMAGES, INCLUDING LOSS OF EARNINGS AND OUT OF POCKET EXPENSES TO THE DATE OF TRIAL, IN PERSONAL INJURY CASES SHOULD BE HALF OF THE TOTAL OF ADDING THREE PER CENT TO THE BEST LENDING RATE AT THE TIME OF THE AWARD.

IT RECOMMENDS THAT THE RATE OF INTEREST IN RESPECT OF GENERAL DAMAGES TO COMPENSATE THE PLAINTIFF FOR PAIN, SUFFERING AND LOSS OF AMENITIES, WHICH ARE NON-PECUNIARY LOSS, IN PERSONAL INJURY CASES SHOULD BE AWARDED AT THE LOW RATE OF TWO PER CENT FROM THE SERVICE OF THE WRIT TO THE DATE OF TRIAL AS THE AWARD ALREADY TAKES INTO ACCOUNT INFLATION AND THE EXACT JUDGMENT SUM IS UNKNOWN AT THE DATE OF SERVICE OF THE WRIT.

IT ALSO RECOMMENDS THAT THERE SHOULD BE NO DIVISION OF THE AWARD OF PAIN, SUFFERING AND LOSS OF AMENITIES, AND INTEREST SHOULD BE AWARDED ON THE WHOLE AWARD.

- - - - 0 - - - -

SUMMER FUN FOR EASTERN YOUNGSTERS
* * * * *

NO FEWER THAN 250 RECREATIONAL AND EDUCATIONAL ACTIVITIES ARE IN STORE FOR YOUNG PEOPLE IN THE EASTERN DISTRICT THIS SUMMER.

THE ACTIVITIES, ORGANISED BY 42 LOCAL ORGANISATIONS, HAVE BEEN CO-ORDINATED BY THE EASTERN DISTRICT YOUTH RECREATIONAL CO-ORDINATING COMMITTEE WITH SPONSORSHIP FROM THE DISTRICT BOARD AND THE ROYAL HONG KONG JOCKEY CLUB.

A SPOKESMAN FOR THE COMMITTEE SAID TODAY (WEDNESDAY) THAT A MAIN FEATURE OF THE DISTRICT'S SUMMER YOUTH PROGRAMME WAS TO ENABLE PARTICIPANTS TO EXPERIENCE COMMUNITY SERVICE WORK, WHILE HAVING FUN DURING THE TWO-MONTH HOLIDAY.

A NUMBER OF ACTIVITIES HAVE BEEN DESIGNED TO ENHANCE THEIR AWARENESS OF THE IMPORTANCE OF ENVIRONMENTAL PROTECTION, BUILDING FOR A BETTER HONG KONG AND CARING FOR THE ELDERLY.

ALSO, THERE WILL BE A NUMBER OF LEADERSHIP TRAINING COURSES AND YOUTH DEVELOPMENT PROGRAMMES TO HELP THEM DEVELOP THEIR POTENTIALS AND INTERPERSONAL RELATIONSHIPS.

/TO MARK

TO MARK THE OPENING OF THE PROGRAMME, A THREE-HOUR CARNIVAL WILL BE HELD IN VICTORIA PARK ON SUNDAY (JULY 8), BEGINNING AT 2 PM.

ADMISSION IS FREE. TICKETS FOR STALL GAMES ARE NOW AVAILABLE AT THE EASTERN DISTRICT OFFICE AT 880-886 KING'S ROAD.

ENQUIRIES ON DETAILS OF THE EASTERN DISTRICT SYP CAN BE MADE ON TEL. 561 4649.

- - - - 0 - - - -

DB TO DISCUSS UC DISTRICT WORKS PROJECTS
* * * * *

THE MONG KOK DISTRICT BOARD WILL DISCUSS THE DISTRICT WORKS PROJECTS UNDER THE URBAN COUNCIL'S FIVE-YEAR CAPITAL WORKS PROGRAMME AT ITS MEETING TOMORROW (THURSDAY).

MEMBERS WILL BE CONSULTED ON THE PRIORITY OF CAPITAL WORKS PROJECTS BEING PLANNED FOR THE DISTRICT.

THEY WILL CONSIDER THE ALLOCATION OF \$300,000 FOR INSTALLATION OF CHRISTMAS AND NEW YEAR LIGHTING, \$80,000 FOR CARRYING OUT AN ENVIRONMENTAL IMPROVEMENT CAMPAIGN AND \$80,000 FOR HOLDING A CONCERT AT THE HONG KONG CULTURAL CENTRE.

IN ADDITION, MEMBERS WILL STUDY PROGRESS REPORTS BY THE DISTRICT MANAGEMENT COMMITTEE AND VARIOUS COMMITTEES OF THE DISTRICT BOARD.

.....

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE MONG KOK DISTRICT BOARD MEETING TOMORROW (THURSDAY) IN THE DISTRICT OFFICE CONFERENCE ROOM, FIRST FLOOR, 157 PRINCE EDWARD ROAD. THE MEETING WILL BEGIN AT 2.30 PM.

- - - - 0 - - - -

IMPORTATION OF FOREIGN LABOUR ON AGENDA
* * * * *

THE COMMERCE AND INDUSTRY COMMITTEE OF THE TUEN MUN DISTRICT BOARD WILL DISCUSS THE IMPORTATION OF FOREIGN LABOUR AT A MEETING TOMORROW (THURSDAY).

MEMBERS WILL BE BRIEFED ON THE PROGRESS OF A SURVEY OF THE EMPLOYMENT SITUATION OF VIETNAMESE REFUGEES IN TUEN MUN.

/THE COMMITTEE

- 37 -

THE COMMITTEE WILL ALSO EXAMINE AN APPLICATION FOR FUNDS TO REPAIR THE DB'S NOTICE BOARDS.

- - - - -

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER A MEETING OF THE TUEN MUN DISTRICT BOARD'S COMMERCE AND INDUSTRY COMMITTEE TO BE HELD TOMORROW (THURSDAY) IN THE DB CONFERENCE ROOM, THIRD FLOOR, TUEN MUN GOVERNMENT OFFICES, 1 TUEN HI ROAD, TUEN MUN.

THE MEETING WILL BEGIN AT 2.30 PM.

- - - - 0 - - - -

DB COMMITTEE TO CONSIDER FUND APPLICATIONS

* * * * *

THE NORTH DISTRICT BOARD'S RECREATION AND CULTURE COMMITTEE WILL CONSIDER A NUMBER OF APPLICATIONS FOR FUNDS FOR ORGANISING RECREATIONAL AND SPORTS ACTIVITIES IN THE DISTRICT AT ITS MEETING TOMORROW (THURSDAY).

MEMBERS WILL ALSO STUDY THE COMMITTEE'S FINANCIAL STATEMENT AND A REPORT OF THE NORTH DISTRICT ARTS ADVANCEMENT ASSOCIATION.

OTHER ITEMS ON THE AGENDA INCLUDE THE USE OF MAJOR RECREATIONAL VENUES IN THE DISTRICT, THE REGIONAL COUNCIL'S ENTERTAINMENT PROGRAMME FOR THE DISTRICT IN JULY AND AUGUST, AND THE ATTENDANCE RATE FOR CULTURAL ACTIVITIES IN THE NORTH DISTRICT TOWN HALL.

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE MEETING OF THE NORTH DISTRICT BOARD'S RECREATION AND CULTURE COMMITTEE TO BE HELD TOMORROW (THURSDAY) IN THE CONFERENCE ROOM OF THE NORTH DISTRICT OFFICE, JOCKEY CLUB ROAD, FANLING.

THE MEETING WILL BEGIN AT 2.30 PM.

- - - - 0 - - - -

THREE OVERSTAYERS FROM CHINA ARRESTED

* * * * *

IMMIGRATION INVESTIGATORS CONDUCTED IDENTITY CHECKS ON 71 PERSONS AT 32 LOCATIONS DURING AN OPERATION IN TSING YI AND KWAI CHUNG AREAS YESTERDAY (TUESDAY).

DURING THE OPERATION, THREE OVERSTAYERS -- TWO WOMEN AGED 21 AND 28, AND ONE MAN AGED 27 -- WERE APPREHENDED. THEY ARE ALL NATIVES OF FUKIEN.

THEY ARE TWO-WAY PERMIT HOLDERS AND HAVE OVERSTAYED IN HONG KONG FOR ABOUT TWO TO FOUR MONTHS.

A SPOKESMAN FOR THE IMMIGRATION DEPARTMENT REITERATED THAT THOSE WHO BREACH THEIR CONDITION OF STAY HERE ARE LIABLE TO PROSECUTION AND UPON CONVICTION TO A FINE OF \$5,000 AND TWO YEARS' IMPRISONMENT.

- - - - 0 - - - -

ACTION ON ILLEGAL STRUCTURES IN SHEK KIP MEI

* * * * *

THE BUILDING AUTHORITY IS SEEKING TO CLOSE CERTAIN ILLEGAL STRUCTURES IN SHEK KIP MEI, KOWLOON, SO THAT THEY CAN BE DEMOLISHED WITHOUT DANGER TO THE OCCUPIERS OR THE PUBLIC.

THE ILLEGAL STRUCTURES ARE LOCATED AT THE COMMON STAIRCASE LANDINGS ON THE GROUND FLOOR OF NOS. 1 AND 3, 9 AND 11, 13 AND 15, 21 AND 23 AND 25 AND 27, BERWICK STREET.

IN THE SAME OPERATION, ACTION WILL ALSO BE TAKEN AGAINST THE ILLEGAL STRUCTURES AT A YARD ON THE GROUND FLOOR OF NOS. 1 TO 25 (ODD NUMBERS ONLY EXCEPT NUMBER 17), AND ON THE THIRD FLOOR OF NO. 25, BERWICK STREET.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS FROM THE TSUEN WAN DISTRICT COURT ON AUGUST 23 THIS YEAR WERE POSTED ON A CONSPICUOUS PART OF THE STRUCTURES TODAY (WEDNESDAY).

UNDER THE BUILDINGS ORDINANCE, A CLOSURE ORDER IS REQUIRED BEFORE DEMOLITION CAN BE CARRIED OUT.

IT IS EXPECTED THAT DEMOLITION WORK WILL BE CARRIED OUT ONCE THE CLOSURE ORDERS ARE OBTAINED.

- - - - 0 - - - -

WEDNESDAY, JULY 4, 1990

- 39. -

TRAFFIC ARRANGEMENT IN WESTERN DISTRICT

* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON FRIDAY (JULY 6), THE EXISTING RIGHT-TURN FROM SOUTHBOUND CHIU KWONG STREET INTO WESTBOUND DES VOEUX ROAD WEST WILL BE BANNED.

VEHICLES ON CONNAUGHT ROAD WEST HEADING FOR WESTBOUND DES VOEUX ROAD WEST WILL BE DIVERTED VIA KA ON STREET.

- - - - 0 - - - -

TEMPORARY URBAN CLEARWAY IN MONG KOK

* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON FRIDAY (JULY 6), THE FOLLOWING SECTIONS OF ROAD IN MONG KOK WILL BE TEMPORARILY DESIGNATED URBAN CLEARWAYS FROM 7 AM TO 10 AM AND 4 PM TO 7 PM DAILY FOR ABOUT SEVEN WEEKS TO FACILITAE ROAD WORKS AT THE JUNCTION OF PRINCE EDWARD ROAD WEST AND SAI YEE STREET:

- THE SOUTHERN KERBSIDE LANE OF PRINCE EDWARD ROAD WEST FROM ITS JUNCTION WITH SAI YEE STREET TO A POINT ABOUT 130 METRES TO THE EAST OF THE SAME JUNCTION; AND
- THE EASTERN KERBSIDE LANE OF SAI YEE STREET FROM ITS JUNCTION WITH PRINCE EDWARD ROAD WEST TO A POINT ABOUT 25 METRES TO THE SOUTH OF THE SAME JUNCTION.

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

- - - - 0 - - - -

URBAN CLEARWAY IN KWAI CHUNG

* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON FRIDAY (JULY 6), THE SLIP ROAD LINKING THE NORTHBOUND CARRIAGEWAY OF KWAI CHUNG ROAD AND CONTAINER PORT ROAD WILL BE DESIGNATED AN URBAN CLEARWAY 24 HOURS DAILY.

ALL MOTOR VEHICLES, EXCEPT THOSE WITH PERMITS ISSUED BY THE COMMISSIONER FOR TRANSPORT, WILL BE PROHIBITED FROM STOPPING FOR PASSENGERS AND GOODS WITHIN THE RESTRICTED AREA.

- - - - 0 - - - -

WEDNESDAY, JULY 4, 1990

- 40 -

URBAN CLEARWAY IN SHA TIN

* * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON FRIDAY (JULY 6), THE NORTHERN KERBSIDE LANE OF THE UNNAMED ROAD BETWEEN THE EGRESS FROM THE CARPARK AT GRANDWAY GARDEN AND TAI WAI ROAD IN SHA TIN WILL BE DESIGNATED AN URBAN CLEARWAY FROM 7 AM TO 7 PM DAILY.

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

- - - - 0 - - - -

TEMPORARY TRAFFIC ARRANGEMENTS IN FANLING

* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT TO FACILITATE THE INSTALLATION OF PRECAST BEAMS AT KIU TAU VEHICULAR BRIDGE, IN FANLING, THE FOLLOWING TEMPORARY ROAD CLOSURES AND TRAFFIC DIVERSIONS WILL BE IMPLEMENTED ON FRIDAY (JULY 6) AND SATURDAY (JULY 7) FROM 12.01 AM TO 5.30 AM:

- * THE SOUTHBOUND TAI PO ROAD (FANLING) SECTION BETWEEN WO HOP SHEK INTERCHANGE AND KIU TAU WILL BE CLOSED.

MOTORISTS ON SOUTHBOUND TAI PO ROAD FANLING HEADING FOR KOWLOON ARE ADVISED TO TRAVEL VIA TAI WO SERVICE ROAD EAST TO REJOIN TAI PO ROAD (FANLING);

- * THE NORTHBOUND TAI PO ROAD (TAI WO) SECTION BETWEEN LAM KAM ROAD INTERCHANGE AND WO HOP SHEK INTERCHANGE WILL BE CLOSED.

MOTORISTS ON NORTHBOUND TAI PO ROAD (FANLING) HEADING FOR FANLING, SHEUNG SHUI AND YUEN LONG ARE ADVISED TO TRAVEL VIA LAM KAM ROAD INTERCHANGE, TAI WO SERVICE ROAD WEST, JOCKEY CLUB ROAD, ROAD D3 AND KAI LENG ELEVATED ROUNDABOUT TO REJOIN TAI PO ROAD (FANLING).

- - - - 0 - - - -