

## \$58m set aside for authority

By LOUIS NG

THE new Telecommunications Authority is set to receive a budget of \$58.6 million to set up its own office.

The budget, if approved by the Legislative Council on Friday, will allow the authority to start work on July 1.

Telecommunication policies are now looked after by the Post Office's telecommunications branch.

But in a paper prepared for legislators, the Government said the existing arrangement did not provide adequate legal powers or manpower to cope with the introduction of competition to local networks and further liberalisation of international telecommunications.

The authority will carry out important policies, such as the opening of the local telephone network after 1995, and the introduction of price caps.

In the budget, the \$52.8 million will be offset by reducing the Post Office's existing expenditure, with 215 existing posts in the telecommunications branch being transferred to the new authority. An extra \$4.5 million will be used to create 26 new posts.

The new Director-General of Telecommunications will be a directorate post of D5 rank, which is the same rank as that of Postmaster-General.

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