

# 'Airport fund plan'

THE Pro-Beijing Federation of Trade Unions yesterday came up with a new reason for setting up a central provident fund — the Chek Lap Kok airport project.

Contributions from both employers and employees of five per cent of salaries could fund half the airport project, the federation said.

Supporters of such a fund maintain that Hongkong needs a new airport — and a new source of funding its construction.

The general secretary of the federation's Labour Education and Development Centre, Wong Hung, said a provident fund could provide half the money for the ambitious airport project.

The fund could realise \$100 billion by 1997 if it was set up next year, Mr Wong said.

This was \$20 billion a year if employers and employees each contributed five per cent of each employee's salary to the fund.

The plan was first suggested by the feder-

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— Wong Hung

ation in 1986 but was rejected by the Government on the grounds that it would be an unfair financial burden on small firms.

The Government believed that managing the fund would also pose problems.

Mr Wong said the airport project could now provide an outlet for the fund to generate income.

Under the federation's plan, the private sector would pay for 20 per cent of the airport's cost, currently estimated at \$79 million.

If the central provident fund paid for 50 per cent, this means use of Government reserves would be reduced to the remaining 30 per cent of the total expenditure.

Mr Wong said a similar idea had been put into practice in Singapore, where part of the country's central provident fund, set up in the 1960s, had been used for infrastructure and airport development.

“It will be an airport truly belonging to Hongkong people if their pensions can contribute to the project,” Mr Wong said.

The federation also urged the Government to show more concern for the less well-off when formulating its blueprint for the new project.

It warned of a possible worsening of living standards for lower income earners if the airport project went ahead because a tightening of government budgeting might lead to a

reduction in social welfare expenditure.

There would also be extra pressure on inflation and overseas labour recruitment could be increased to help reduce construction costs, to the detriment of local construction workers.

The federation said the problems would be exacerbated if the airport were completed too quickly.

It therefore called for a construction schedule beyond 1997.

“The Government should not set the deadline at 1997 purely for political reasons,” said Chan Yuen-han, member of the federation's standing executive committee.

She also called for grassroot participation in the Airport Authority and release of information by the government on the airport plan for public scrutiny.

The federation's suggestions will be forwarded to the Governor and the Xinhua News Agency later this week.