

\$2b deficit forecast alarms councillors

By BELLETTE LEE

REGIONAL Councillors yesterday raised concern about the municipal assembly's estimated \$2-billion deficit by 1995.

Most councillors who spoke at the annual forum proposed more commercial sponsorship and the streamlining of administrative procedures to ease the expected difficulty.

The council chairman, Mr Cheung Yan-lung, said the New Territories population was expected to increase to three million, resulting in a heavier financial burden to the assembly.

Next year, the body would place the highest priority on securing sufficient resources, he said.

He suggested relaxing restrictions on sponsorship offered by tobacco companies under the name of non-cigarette products.

And, he urged his colleagues to adopt a flexible approach in soliciting and selecting extra tobacco company sponsorship.

The proposal, he said, was based on the council's biennial festival which received considerable commercial sponsorship.

"The council, after discovering this new financial source, should develop along this line in the future.

"It is difficult for the council to accept direct sponsorship from tobacco firms. But as long as they are part of society, we should recognise their contribution," he said.

The council's vice-chairman, Mr Albert Chan Wai-yip, was worried that the Government might cut public subsidies for the council's capital works projects to save funds for the \$127-billion port and airport scheme.

The council, he noted, would have to spend \$6 billion in the next five years on at least 250 projects.

He proposed contracting out to private companies some of the assembly's services, such as market management, to save resources.

He also suggested seeking more sponsorship from the Royal Hongkong Jockey Club for large-scale construction projects.

Mr Chan suggested the introduction of computerisation and automation in an effort to cut the huge expense on staff.

Councillor Mr Kan Chung-nin urged the Regional Services Department to allot specific areas in beaches, parks, recreational and cultural centres for advertisements.

This could ease the council's dependence on rates.