



DAILY INFORMATION BULLETIN

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

WEDNESDAY, FEBRUARY 20, 1991

<u>CONTENTS</u>	<u>PAGE NO.</u>
IMPORTANT FOR CHINA TO BE WELL-INFORMED ABOUT HK: GOVERNOR	1
GOVERNOR TO THE FOREIGN CORRESPONDENTS' CLUB	3
TRANSCRIPT OF A QUESTION AND ANSWER SESSION AFTER THE GOVERNOR'S SPEECH AT THE FCC	9
JI PENGFEI AND LU PING TO VISIT HK	20
ORDERS-ON-HAND, EMPLOYMENT AND PAYROLL FIGURES FOR DECEMBER 1990 RELEASED	20
MISCONCEPTIONS ON NATIONALITY PACKAGE CLARIFIED	25
EARLY RENEWAL OF MULTIPLE VISIT PERMIT FOR TAIWAN RESIDENTS URGED	27
WORN-OUT BUILDINGS DECLARED DANGEROUS	28
DIRECTOR OF MARINE SIGNS SEVENTH SURVEY AGREEMENT	29
ELECTION FORUMS FOR EASTERN DISTRICT CANDIDATES OVER WEEKEND	30
WAN CHAI DISTRICT CHILDREN'S CHOIR TO GIVE CONCERT	31

WEDNESDAY, FEBRUARY 20, 1991

- 1 -

IMPORTANT FOR CHINA TO BE WELL-INFORMED ABOUT HK: GOVERNOR

* * * * *

THE GOVERNOR, SIR DAVID WILSON, SAID TODAY (WEDNESDAY) THAT AS 1997 APPROACHES, THE HONG KONG GOVERNMENT MUST INCREASINGLY TRY TO SEE TO IT THAT CHINA IS WELL INFORMED ABOUT WHAT WE ARE DOING HERE, HOW HONG KONG RUNS ITSELF, AND WHAT OUR OWN MAJOR PLANS ARE FOR THE FUTURE.

SPEAKING AT A LUNCHEON MEETING OF THE FOREIGN CORRESPONDENTS' CLUB, SIR DAVID SAID: "THAT I SEE AS NECESSARY, SO CHINA UNDERSTANDS HONG KONG BETTER; UNDERSTANDS ITS SYSTEM; UNDERSTANDS THE WAY IT OPERATES; UNDERSTANDS THE WAY IN WHICH WE ARE TRYING TO PLAN LONG TERM FOR THE FUTURE OF HONG KONG."

"EQUALLY, I THINK IT IS VERY IMPORTANT AND THIS TOO MATTERS BOTH NOW AND FOR THE FUTURE, THAT THERE SHOULD BE IN HONG KONG A GOVERNMENT WHICH IS EFFECTIVE AND ACTIVE; WHICH TAKES DECISIONS AND IS SEEN TO BE THE SOURCE OF THOSE DECISIONS.

"THAT IS WHAT YOU NEED IF HONG KONG IS GOING TO BE A PROSPEROUS, DYNAMIC, ECONOMIC COMMUNITY. ONLY IF HONG KONG IS PROSPEROUS AND DYNAMIC, WILL IT BE SUCCESSFUL NOW TO THE BENEFIT OF ITS OWN CITIZENS; ONLY THEN WILL IT BE SUCCESSFUL POST-97; ONLY THEN WILL IT BE HELPFUL TO THE WHOLE PROCESS OF ECONOMIC MODERNISATION IN CHINA," THE GOVERNOR SAID.

SIR DAVID SAID IN REACHING THIS BALANCE BETWEEN KEEPING CHINA WELL-INFORMED ABOUT WHAT WAS HAPPENING; HAVING HERE A GOVERNMENT WHICH WAS EFFECTIVE AND TOOK ITS OWN DECISIONS, WE WOULD HAVE TO FEEL OUR WAY FORWARD OVER THE NEXT SIX-AND-A-HALF YEARS.

"WE ARE FINDING ON THE AIRPORT PROJECT, WAYS FORWARD OF TRYING TO MAKE SURE THAT CHINA IS KEPT CAREFULLY INFORMED. THAT I THINK IS THE RIGHT WAY TO DO IT. WE NEED TO HAVE A BENEVOLENT VIEW FROM CHINA, SUPPORT FROM CHINA FOR THAT GENERAL PROJECT, IF IT IS GOING TO BE CARRIED OUT EFFECTIVELY AND ECONOMICALLY EFFICIENTLY, AND THAT TOO IS TO EVERYBODY'S BENEFIT," HE SAID.

THE GOVERNOR SAID THAT HONG KONG'S RELATIONSHIP WITH CHINA WAS QUITE CLEARLY A CRUCIAL PART OF OUR LIVES HERE IN HONG KONG NOW, AND IN THE FUTURE.

"IT'S ESSENTIAL THAT WE SHOULD TRY TO MANAGE THAT RELATIONSHIP IN THE BEST POSSIBLE WAY. IT WON'T BE EASY AND IT WON'T BE SIMPLE," HE SAID.

TURNING TO THE POLITICAL DEVELOPMENT IN HONG KONG, SIR DAVID SAID THIS WAS AN IMPORTANT YEAR IN THE TERRITORY'S HISTORY WITH ELECTIONS AT ALL THREE LEVELS; DISTRICT BOARD LEVEL, MUNICIPAL COUNCIL LEVEL AND THE FIRST DIRECT ELECTIONS TO THE LEGISLATIVE COUNCIL.

/"OVER THE

"OVER THE LAST FEW YEARS A GREAT DEAL HAS BEEN SAID ABOUT THE NEED FOR A MORE PARTICIPATORY FORM OF GOVERNMENT AND THE HONG KONG GOVERNMENT HAS TRIED TO EVOLVE THE SYSTEM TO TAKE ACCOUNT OF THOSE VIEWS.

"NOW IS THE TIME TO SEE THAT WORKING IN PRACTICE AND IT NEEDS A GREAT DEAL MORE THAN TALK. IT NEEDS PEOPLE WHO ARE PREPARED TO TAKE PART IN THE POLITICAL PROCESS; IT NEEDS PEOPLE WHO ARE PREPARED TO TAKE THE TIME, THE TROUBLE AND GO THROUGH ALL THE DIFFICULTIES OF STANDING FOR ELECTION, OR SUPPORTING THOSE WHO DO STAND FOR ELECTION," HE SAID.

SIR DAVID NOTED THAT PARTICIPATION ALSO REQUIRED PEOPLE TO REGISTER TO VOTE AND THEN ACTUALLY TO TURN OUT TO VOTE.

"ALL OF THAT NEEDS EFFORT; ALL OF THAT NEEDS COMMITMENT. WE'VE HAD OVER MANY YEARS IN HONG KONG OUR OWN PARTICULAR POLITICAL SYSTEM; WE'VE HAD VERY MANY PEOPLE; HUNDREDS, THOUSANDS OF PEOPLE WHO HAVE SERVED IN THAT POLITICAL SYSTEM IN MANY DIFFERENT WAYS, ADVISORY CAPACITIES; APPOINTED MEMBERS OF DIFFERENT LEVELS OF GOVERNMENT," HE SAID.

"WE ARE NOW MOVING TO ANOTHER STAGE IN WHICH PEOPLE WHO ARE GOING TO SERVE HONG KONG WILL HAVE TO DO SO IN A MORE DIRECT WAY; TAKING PART IN ELECTIONS; DOING THINGS WHICH PERHAPS BY CUSTOM AND TRADITION THEY HAVEN'T BEEN USED TO DOING; TAKING PART IN PUBLIC ARGUMENTS ON THE HUSTINGS, THAT IS SOMETIMES UNCOMFORTABLE FOR PEOPLE FROM A TRADITIONAL BACKGROUND WHO HAVE SERVED HONG KONG WELL UP TO NOW.

"BUT THAT IS WHAT IS NEEDED NOW FOR THE SAKE OF BUILDING UP THE LEADERSHIP OF HONG KONG'S FUTURE. SO I HOPE AS A FINAL POINT TO MAKE THAT IN THIS YEAR, 1991 WHICH IS OF ENORMOUS IMPORTANCE IN EVOLVING OUR POLITICAL SYSTEM, THAT WE WILL HAVE MORE PEOPLE; AS MANY PEOPLE AS POSSIBLE; WILLING, ACTIVELY TO TAKE PART IN THAT POLITICAL PROCESS," SIR DAVID SAID.

WEDNESDAY, FEBRUARY 20, 1991

- 3 -

GOVERNOR TO THE FOREIGN CORRESPONDENTS' CLUB

* * * * *

IT'S NICE TO BE HERE AT A CLUB OF WHICH I AM A MEMBER, BUT I HAVE TO SAY THAT MY MEMBERSHIP ADVANTAGES SO FAR CONSIST OF EVERY NOW AND THEN I GET A BILL FOR DRINKS WHICH I HAVEN'T CONSUMED. IT'S ONE OF THE MANY STATE SECRETS THERE, LONG MAY IT REMAIN SO. THIS OCCASION I HAVE ACTUALLY HAD THE MEAL BUT I HAVE TO PAY FOR THE MEAL MYSELF BY SPEAKING. IT'S A NICE OPPORTUNITY TO DO SO AND SEE SO MANY FRIENDS AROUND THESE TABLES INCLUDING, AND I WON'T LOOK STRAIGHT AT HIM, MY ANAESTHETIST WHO IS HERE TO SEE WHETHER THE ANAESTHETIC THAT HE APPLIED, ROUGHLY A WEEK AGO, IS STILL FUNCTIONING OR NOT.

ON A MUCH MORE SERIOUS NOTE THOUGH, I WOULD LIKE TO SAY THAT THERE IS ONE PERSON I AM SORRY NOT TO SEE HERE TODAY. I DO NOT KNOW HIM PERSONALLY BUT HE IS A MEMBER OF THIS CLUB, MR DONAHUE. AND I THINK WE ALL FEEL THE VERY DEEPEST SYMPATHY FOR HIM AFTER THE TRAGIC ACCIDENT THE OTHER DAY, AND FROM WHAT I'VE SEEN OF REPORTS OF IT, TO A GREAT SENSE OF ADMIRATION FOR THE COURAGE WITH WHICH HE FACED THAT APPALLING ACCIDENT. THAT IS SOMEBODY I'M SORRY NOT TO SEE HERE TODAY.

I AM BILLED TO TALK ABOUT DEVELOPMENTS IN HONG KONG. I COULD TALK ABOUT DEVELOPMENTS IN HONG KONG FOR THE WHOLE AFTERNOON AND YOU'D NEVER GET BACK TO YOUR WORK. I THEREFORE PROPOSE TO RESTRICT MYSELF TO THREE BROAD AREAS AND TO DEAL WITH THIS IN BROAD TERMS.

ONE IS, IN GENERAL TERMS, THE WAY IN WHICH OUR ECONOMY HAS BEEN DEVELOPING. THE SECOND IS THE NATURE AND THE DYNAMIC OF RELATIONSHIP WITH CHINA AND THE THIRD, IS CERTAIN ASPECTS OF THE EVOLUTION OF OUR OWN POLITICAL SYSTEM AT THE MOMENT. I PROPOSE TO SPEAK UNSTRUCTURED, NOT OFF A WRITTEN TEXT, AND I HOPE AT THE END OF THAT, THEN TO GIVE YOU A CHANCE TO ASK ANY QUESTION YOU WANT TO.

/THE ECONOMY

THE ECONOMY --- AND I CHOOSE THIS MAINLY BECAUSE THE WORLD ECONOMY AT THE MOMENT IS IN A DIFFICULT SITUATION AND THE GULF CRISIS MAKES THAT POTENTIALLY WORSE. AND I THINK ITS WORTHWHILE, IN THAT SORT OF CONTEXT, LOOKING AT WHAT'S BEEN HAPPENING WITH OUR OWN ECONOMY HERE AND THE WAY THAT IS RESTRUCTURING, AND THE WAY IN WHICH WE AS A RESULT OF THAT ARE, I THINK, HELPED IN TERMS OF THE WORLD ECONOMIC PROBLEMS GOING ON AT THE MOMENT. THE MAIN RESTRUCTURING, QUITE CLEARLY, OVER THE LAST DECADE, IS THE WAY IN WHICH WE ARE GOING TOWARDS BEING A SERVICE-ORIENTATED ECONOMY; SERVICES NOW AMOUNT FOR SOME 70 PER CENT OF OUR GDP; AND IF YOU THINK IN TERMS OF THE WORKFORCE, ABOUT 60 PER CENT OF OUR WORKFORCE IS NOW IN SERVICE-ORIENTATED INDUSTRIES AS OPPOSED TO SOMETHING LIKE 40 PER CENT IN 1979. SO THERE IS A CLEAR SHIFT IN THE WAY ECONOMY IS STRUCTURED. IT HAS CREATED IT'S OWN PROBLEMS, AND EVERYBODY KNOWS ABOUT THE PROBLEMS, THEY ARE MUCH REPORTED, WE HAVE A LABOUR SHORTAGE; THE ECONOMY HAS BEEN GROWING SO RAPIDLY; WE NEED SO MANY MORE PEOPLE IN THE SERVICE SECTOR THAT WE DON'T HAVE ENOUGH OF THE TALENT WE NEED AND WE HAVE SUFFERED ALSO FROM THE BRAIN-DRAIN, SO THOSE TWO THINGS GO TOGETHER. PARTLY AS A RESULT OF THAT, BUT OTHER FACTORS TOO, WAGES HAVE BEEN RISING VERY RAPIDLY AND WE HAVE TO WATCH OUT FOR THE PROBLEM OF PRICING OURSELVES OUT OF OUR OWN MARKET. AND THIRDLY, WE HAVE BEEN SUFFERING FROM EXCESSIVE INFLATION. WE'RE NOT ALONE IN THE WORLD IN THAT, BUT IT IS A PROBLEM WHICH WE DO NEED, IF WE CAN, TO TRY TO GET UNDER CONTROL. BUT OUR ABILITY, OUR LEVERS TO DEAL WITH THAT ARE VERY LIMITED.

BUT THERE ARE TWO AREAS WHICH ARE PLACES WHERE ONE CAN LOOK AT WITH A GREATER DEGREE OF OPTIMISM, AND I'D LIKE TO POINT TO THOSE. THERE ARE TWO ASSETS, AS IT WERE. ONE IS THE CONNECTION WITH CHINA, AND PARTICULARLY WITH SOUTHERN CHINA WHICH HAS GROWN ENORMOUSLY OVER THE LAST 10 YEARS. IT SOMETIMES STRIKES ME WHEN I HAVE VISITORS COMING HERE WHO HAVEN'T BEEN IN HONG KONG IN THE PAST. AND I TAKE THEM AS I SOMETIMES DO, BY HELICOPTER TRIP UP TO THE BORDER. YOU LOOK OVER THE BORDER TO SHENZHEN. IT IS PROBABLY IMPOSSIBLE FOR THOSE PEOPLE TO REMEMBER AS I DO, AND I'M SURE MANY OF YOU IN THIS ROOM DO, WHAT SHENZHEN LOOKED IN 1978. IT WAS JUST A RAILWAY STATION, A SMALLISH VILLAGE. NOW AS YOU LOOK ACROSS THE LOW HILLS AT THE BORDER, AND IF YOUR HELICOPTER TURNS FAST, IT'S DIFFICULT TO TELL WHETHER YOU'RE LOOKING AT CHINA OR AT HONG KONG. THAT IS THE NATURE OF THIS VERY RAPID CHANGE.

/OUR OWN

WEDNESDAY, FEBRUARY 20, 1991

- 5 -

OUR OWN HONG KONG INVOLVEMENT IN CHINA, PARTICULARLY GUANGDONG, IS ENORMOUS. SOMETHING LIKE \$7 BILLION WORTH OF HONG KONG INVESTMENT GOING INTO GUANGDONG; SOMETHING LIKE ONE-AND-A-HALF TO TWO MILLION PEOPLE WORKING FOR HONG KONG ENTERPRISE IN GUANGDONG. IT'S A COLOSSAL ASSET TO HONG KONG THAT IT HAS SUSTAINED US IN OUR ECONOMIC GROWTH OVER THE LAST FEW YEARS. AND EVEN IF YOU LOOK AT THAT QUESTION OF THE BRAIN-DRAIN, THE DRAIN WHICH IS NOT OFTEN NOTICED IS THAT WE HAVE PEOPLE MOVING ACROSS THE BORDER INTO CHINA; WE'VE GOT SOMETHING LIKE 50,000 MANAGERIAL STAFF WORKING IN CHINA FOR HONG KONG ENTERPRISE.

ANOTHER ASPECT OF THIS IS THAT GUANGDONG ITSELF, SOUTHERN CHINA AS A WHOLE, BUT GUANGDONG IN PARTICULAR IS GROWING VERY RAPIDLY AND WE ARE CLOSELY CONNECTED WITH THAT AREA OF RAPID GROWTH. I DON'T WANT TO OVER-LARD WHAT I SAY WITH STATISTICS, BUT EXPORT GROWTH LAST YEAR IN GUANGDONG WAS SOMETHING LIKE 43 PER CENT; FOR CHINA AS A WHOLE IT WAS SOMETHING LIKE 15-AND-A-HALF PER CENT, AND I THINK THAT GIVES ONE A PICTURE OF THE WAY IN WHICH GUANGDONG IS CONTINUING TO FORGE AHEAD AS A MAJOR CENTRE OF THE CHINA EXPORT TRADE. FOR INDUSTRIAL OUTPUT, GUANGDONG ACCOUNTS FOR 10 PER CENT OF THE INDUSTRIAL OUTPUT OF THE WHOLE OF CHINA. SO WE HAVE A MAJOR ASSET IN TERMS OF OUR VERY CLOSE RELATIONSHIP WITH OUR NEXT DOOR NEIGHBOUR, GUANGDONG.

BUT IT GOES WIDER THAN THAT. THE FACT THAT WE ARE DEVELOPING INCREASINGLY AS A CENTRE FOR REGIONAL TRADE; REGIONAL TRANSPORT; REGIONAL TOURISM; REGIONAL SERVICES, THAT TOO I THINK IS AN IMMENSE ASSET. WE ARE A KEY PART OF THE ASIA-PACIFIC REGION AND THAT ITSELF IS ANOTHER RAPIDLY DEVELOPING PART OF THE WORLD. AGAIN, JUST TO USE SOME STATISTICS; ASIA-PACIFIC TRADE IN THE LATTER HALF OF THE 1980'S GREW BY SOMETHING LIKE 65 PER CENT; WORLD TRADE GREW BY ONLY 45 PER CENT. SO WE ARE PART OF THAT RAPIDLY GROWING AREA OF THE WORLD. AND I THINK THERE ARE A LOT OF FOREIGN COMPANIES WHO REALISE THAT AND THAT IS ONE REASON WHY THEY'VE POSITIONED THEMSELVES IN HONG KONG. THE NUMBER OF NEW COMPANIES COMING INTO HONG KONG IS SOMETHING LIKE, NET, NET 80 A YEAR.

SO THOSE ARE TWO REASONS WHY JUST IN VERY BROAD TERMS, I THINK WE CAN LOOK, NOT IN A TOTALLY RELAXED WAY AT WHAT'S HAPPENING TO THE WORLD ECONOMY, THAT WOULD BE NAIVE BECAUSE WE WILL BE AFFECTED BY WHAT HAPPENS IN THE WORLD ECONOMY AS A WHOLE, PARTICULARLY OUR MAJOR MARKETS. BUT WE DO FIND OURSELVES CUSHIONED BY BEING VERY CLOSE TO CHINA, AND PARTICULARLY THE RAPIDLY GROWING AREA OF SOUTHERN CHINA AND BY BEING PART OF THE RAPIDLY GROWING ASIA-PACIFIC REGION.

LET ME TURN TO THE SECOND BROADBRUSH AREA, AND I WISH TO DEAL WITH THIS IN BROADBRUSH TERMS AT THE MOMENT, OUR RELATIONSHIP WITH CHINA IN GENERAL TERMS, THAT IS POLITICAL AS WELL AS ECONOMIC, I'VE SKETCHED IN THE ECONOMIC.

/THAT RELATIONSHIP

WEDNESDAY, FEBRUARY 20, 1991

WEDNESDAY, FEBRUARY 20, 1991

- 6 -

THAT RELATIONSHIP IS QUITE CLEARLY A CRUCIAL PART OF OUR LIVES HERE IN HONG KONG NOW, AND IN THE FUTURE. IT'S ESSENTIAL THAT WE SHOULD TRY TO MANAGE THAT RELATIONSHIP IN THE BEST POSSIBLE WAY. IT WON'T BE EASY AND IT WON'T BE SIMPLE. WE'VE GOT NOW SIX-AND-HALF YEARS BEFORE THE TRANSFER OF SOVEREIGNTY IN 1997. THAT WHOLE PROCESS IS SOMETHING WHICH IS UNPRECEDENTED IN TERMS OF WORLD HISTORY; THERE ARE NO INTERNATIONAL, HISTORICAL BLUEPRINTS TO GO BY, WE HAVE TO FIND OUR OWN WAY FORWARD. IF ONE LOOKS AT THE WAY IN WHICH OUR RELATIONSHIP WITH CHINA HAS DEVELOPED, BROADBRUSH, POLITICAL AS WELL AS ECONOMIC, IT MIRRORS THE WAY IN WHICH OUR ECONOMIC CONTACTS WITH GUANGDONG HAVE GROWN. AGAIN, TRANSFER YOURSELF BACK, LET'S SAY 12, 13 YEARS; 1978 - 1979. YOU COULD ONLY GET PHYSICALLY TO CHINA BY TAKING A TRAIN TO THE BORDER, GETTING OUT, CARRYING YOUR SUITCASE, WALKING ACROSS THE BRIDGE AT LOWU. THERE WERE NO OTHER WAYS OF GETTING TO CHINA. GOVERNMENT CONTACTS WERE MINIMAL; THERE WERE HARDLY ANY OFFICIAL CONTACTS BETWEEN THE HONG KONG GOVERNMENT AND THE REGIONAL GOVERNMENTS OF CHINA, LET ALONE THE CENTRAL GOVERNMENT OF CHINA. ALL THAT HAS CHANGED VERY DRAMATICALLY INDEED IN THE LAST 12 OR 13 YEARS.

IN HANDLING THIS NOW WE CONSTANTLY HAVE TO THINK WHAT IS IN THE BEST INTERESTS OF HONG KONG NOW; WHAT IS IN THE BEST OF HONG KONG LONG TERM; HOW CAN WE BEST MANAGE THE RELATIONSHIP FOR HONG KONG NOW; HOW CAN WE BEST MANAGE IT SO THAT WHEN THE SPECIAL ADMINISTRATIVE REGION IS SET UP IN 1997, IT STARTS OFF WITH A FIRM, GOOD FOUNDATION. THERE ARE BOUND TO BE, ON BOTH SIDES, UNCERTAINTIES; THERE ARE BOUND TO BE SUSPICIONS ON BOTH SIDES. WE COME TO THIS WITH A BACKGROUND OF LACK OF CONTACT OVER MANY YEARS; SOME HISTORICAL SUSPICIONS WE CONSTANTLY HAVE TO OVERCOME ON BOTH SIDES, AND I EMPHASIZE THIS, ON BOTH SIDES; SUSPICIONS, MYTHOLOGY AND SO ON.

I BELIEVE MYSELF THAT AS 1997 APPROACHES IN THIS SIX-AND-A-HALF YEAR PERIOD, WE MUST INCREASINGLY TRY TO SEE TO IT THAT CHINA IS WELL INFORMED ABOUT WHAT WE ARE DOING HERE; HOW HONG KONG RUNS ITSELF; WHAT ARE OUR OWN MAJOR PLANS ARE FOR THE FUTURE. THIS IS ONE OF THE THEMES THAT I USED IN MY SPEECH TO THE LEGISLATIVE COUNCIL LAST OCTOBER. THAT I SEE AS NECESSARY, SO CHINA, THE CENTRAL PEOPLE'S GOVERNMENT, UNDERSTANDS HONG KONG BETTER; UNDERSTANDS ITS SYSTEM; UNDERSTANDS THE WAY IT OPERATES; UNDERSTANDS THE WAY IN WHICH WE ARE TRYING TO PLAN LONG TERM FOR THE FUTURE OF HONG KONG. EQUALLY, I THINK IT IS VERY IMPORTANT AND THIS TOO MATTERS BOTH NOW AND FOR THE FUTURE, THAT THERE SHOULD BE IN HONG KONG A GOVERNMENT WHICH IS EFFECTIVE AND ACTIVE; WHICH TAKES DECISIONS AND IS SEEN TO BE THE SOURCE OF THOSE DECISIONS. THAT IS WHAT YOU NEED IF HONG KONG IS GOING TO BE A PROSPEROUS, DYNAMIC, ECONOMIC COMMUNITY. ONLY IF HONG KONG IS PROSPEROUS AND DYNAMIC, WILL IT BE SUCCESSFUL NOW TO THE BENEFIT OF ITS OWN CITIZENS; ONLY THEN WILL IT BE SUCCESSFUL POST-97; ONLY THEN WILL IT BE HELPFUL TO THE WHOLE PROCESS OF ECONOMIC MODERNIZATION IN CHINA. SO, THAT TOO IS SOMETHING WHICH IS IN EVERYBODY'S INTEREST.

/IN REACHING

WEDNESDAY, FEBRUARY 20, 1991

- 7 -

IN REACHING THIS BALANCE BETWEEN KEEPING CHINA WELL-INFORMED ABOUT WHAT'S HAPPENING; HAVING HERE A GOVERNMENT WHICH IS EFFECTIVE AND TAKES ITS OWN DECISIONS, WE WILL HAVE TO FEEL OUR WAY FORWARD OVER THE NEXT SIX-AND-A-HALF YEARS. WE ARE FINDING ON THE AIRPORT PROJECT, WAYS FORWARD OF TRYING TO MAKE SURE THAT CHINA IS KEPT CAREFULLY INFORMED. THAT I THINK IS THE RIGHT WAY TO DO IT. WE NEED TO HAVE A BENEVOLENT VIEW FROM CHINA, SUPPORT FROM CHINA FOR THAT GENERAL PROJECT, IF IT IS GOING TO BE CARRIED OUT EFFECTIVELY AND ECONOMICALLY EFFICIENTLY, AND THAT TOO IS TO EVERYBODY'S BENEFIT.

THE WHOLE PROCESS NEEDS A CONTINUOUS BUILDING UP OF CONTACTS. IT'S VERY DIFFERENT NOW FROM WHAT IT WAS 12 YEARS AGO, BUT STILL OUR ONTACTS ARE PERHAPS MORE LIMITED THAN THEY SHOULD BE. THEY ARE NOT THAT SMALL. WE HAD SOMETHING LIKE 100 DIFFERENT DELEGATIONS FROM THE HONG KONG GOVERNMENT WHICH WENT TO THE MAINLAND OF CHINA LAST YEAR. WE HAD ABOUT 80 DELEGATIONS COMING THE OTHER WAY. THEY COVERED ALL SORTS OF UNDRAMATIC SUBJECTS LIKE METEOROLOGY, BORDER CONTROL, FOOD AND HEALTH AND TECHNOLOGICAL CO-OPERATION. THERE ARE INNUMERABLE PRIVATE SECTOR CONTACTS IN THE BUSINESS WORLD. THERE ARE INNUMERABLE PERSONAL AND FAMILY CONTACTS; THERE IS SOMETHING LIKE 40 MILLION PERSON JOURNEYS ACROSS THAT BORDER EVERY YEAR, AND THAT IS A COLOSSAL NUMBER. BUT I DO BELIEVE THAT THERE IS ROOM FOR BUILDING UP THOSE CONTACTS INCREASINGLY IN THE FUTURE. WE NEED FOR INSTANCE, IN THE CIVIL SERVICE, TO HAVE OUR CIVIL SERVANTS BETTER INFORMED ABOUT HOW THE CHINESE SYSTEM WORKS AND HAVING MORE CONTACT WITH PEOPLE IN CHINA. AND WE WILL BE HAVING VISITS BY CIVIL SERVANTS TO CHINA, I HOPE ON A REGULAR BASIS, ONE TAKING PLACE NEXT MONTH. SO THERE IS A GREAT DEAL OF WORK TO BE DONE ON THAT FIELD OF BUILDING UP CONTACTS WITH CHINA AND TRYING TO WORK OUT, OVER THE NEXT SIX-AND-A-HALF YEARS WHAT IS THE BEST AND WHAT IS THE RIGHT WAY FORWARD.

FINALLY, ONE GENERAL POINT ABOUT POLITICAL DEVELOPMENT IN HONG KONG. THIS IS AN IMPORTANT YEAR IN HONG KONG'S HISTORY. WE HAVE ELECTIONS AT ALL THREE LEVELS; DISTRICT BOARD LEVEL, MUNICIPAL COUNCIL LEVEL AND FINALLY IN THE LEGISLATIVE COUNCIL WITH OUR FIRST DIRECT ELECTIONS.

/OVER THE

WEDNESDAY, FEBRUARY 20, 1991

- 8 -

OVER THE LAST FEW YEARS A GREAT DEAL HAS BEEN SAID ABOUT THE NEED FOR A MORE PARTICIPATORY FORM OF GOVERNMENT AND THE HONG KONG GOVERNMENT HAS TRIED TO EVOLVE THE SYSTEM TO TAKE ACCOUNT OF THOSE VIEWS. NOW IS THE TIME TO SEE THAT WORKING IN PRACTICE AND IT NEEDS A GREAT DEAL MORE THAN TALK. IT NEEDS PEOPLE WHO ARE PREPARED TO TAKE PART IN THE POLITICAL PROCESS; IT NEEDS PEOPLE WHO ARE PREPARED TO TAKE THE TIME, THE TROUBLE AND GO THROUGH ALL THE DIFFICULTIES OF STANDING FOR ELECTION, OR SUPPORTING THOSE WHO DO STAND FOR ELECTION, AND AT A LOWER ORDER, IT REQUIRES PEOPLE TO REGISTER TO VOTE AND THEN ACTUALLY TO TURN OUT TO VOTE. ALL OF THAT NEEDS EFFORT; ALL OF THAT NEEDS COMMITMENT. WE'VE HAD, OVER MANY YEARS IN HONG KONG OUR OWN PARTICULAR POLITICAL SYSTEM; WE'VE HAD VERY MANY PEOPLE; HUNDREDS, THOUSANDS OF PEOPLE WHO HAVE SERVED IN THAT POLITICAL SYSTEM IN MANY DIFFERENT WAYS, ADVISORY CAPACITIES; APPOINTED MEMBERS OF DIFFERENT LEVELS OF GOVERNMENT. THEY HAVE SERVED US VERY WELL INDEED AND I WOULD LIKE TO EXPRESS APPRECIATION FOR WHAT THEY HAVE DONE. WE ARE NOW MOVING TO ANOTHER STAGE IN WHICH PEOPLE WHO ARE GOING TO SERVE HONG KONG WILL HAVE TO DO SO IN A MORE DIRECT WAY; TAKING PART IN ELECTIONS; DOING THINGS WHICH PERHAPS BY CUSTOM AND TRADITION, THEY HAVEN'T BEEN USED TO DOING; TAKING PART IN PUBLIC ARGUMENTS ON THE HUSTINGS, THAT IS SOMETIMES UNCOMFORTABLE FOR PEOPLE FROM A TRADITIONAL BACKGROUND WHO HAVE SERVED HONG KONG WELL UP TO NOW.

BUT THAT IS WHAT IS NEEDED NOW FOR THE SAKE OF BUILDING UP THE LEADERSHIP OF HONG KONG'S FUTURE. SO I HOPE AS A FINAL POINT TO MAKE THAT IN THIS YEAR, 1991 WHICH IS OF ENORMOUS IMPORTANCE IN EVOLVING OUR POLITICAL SYSTEM, THAT WE WILL HAVE MORE PEOPLE; AS MANY PEOPLE AS POSSIBLE; WILLING, ACTIVELY TO TAKE PART IN THAT POLITICAL PROCESS.

THANK YOU VERY MUCH.

- - - - 0 - - - -

/TRANSCRIPT OF

WEDNESDAY, FEBRUARY 20, 1991

- 9 -

TRANSCRIPT OF A QUESTION AND ANSWER SESSION
AFTER THE GOVERNOR'S SPEECH AT THE FCC
* * * * *

THE GOVERNOR WILL NOW TAKE QUESTIONS. WHEN YOU HAVE A QUESTION TO ASK PLEASE STAND UP, IDENTIFY YOURSELF AND WHERE YOU ARE FROM. FIRST QUESTION.

Q.: FROM KEVIN SINCLAIR ...

A.: GOVERNOR: I SUPPOSE I CLASSIFY THAT AS A SIMPLE QUESTION. YES, THERE HAVE BEEN PROBLEMS IN THE LEGAL DEPARTMENT. IF YOU LOOK AT THOSE PROBLEMS AND THE PEOPLE INVOLVED YOU WILL FIND THEY GO BACK A GOOD DEAL IN HISTORY AND THEY ARE NOW BEING DEALT WITH. I DO NOT BELIEVE THE WAY TO DEAL WITH THEM IS TO ASK THE PRESENT ATTORNEY GENERAL TO RESIGN. I BELIEVE THE THING TO DO IS TO GET A GRIP OF SOME OF THE PROBLEM AREAS OF THE LEGAL DEPARTMENT AND I AM, MYSELF, VERY GLAD TO SEE THAT THAT HAS BEEN DONE. I THINK A GREAT DEAL HAS NOW BEEN DONE IN THE LEGAL DEPARTMENT TO CLEAR UP SOME OF THE AREAS WHERE THERE WERE PROBLEMS. SOME OF THOSE DIFFICULTIES ARE NOW THE SUBJECT OF LEGAL PROCEEDINGS BUT THE KEY THING IS ACTION HAS BEEN TAKEN WHERE THERE HAVE BEEN PROBLEMS IDENTIFIED.

Q.: NOW, MR CHAIRMAN, DAVID BOTTOMLY, ASIAN COMMERCIAL RESEARCH. SIR, THE GOVERNOR HAS GIVEN US A VERY ARTICULATE, VERY CLEAR SPEECH AND CLEARLY MUCH PRAISE MUST GO TO THE SURGEONS OF HIS RECENT EXPERIENCE. HOWEVER, SIR, THE OPINION POLLS PUBLISHED OVER THE LAST EIGHTEEN MONTHS BY THE SOUTH CHINA MORNING POST HAVE SHOWN A STEADY DECLINE IN PUBLIC OPINION ABOUT YOUR GOVERNMENT. DO YOU FEEL THAT - TWO QUESTIONS REALLY: DOES IT WORRY YOU THAT THE PUBLIC, DESPITE THE MANY VIRTUES YOU HAVE PRESENTED TO US TODAY, DECLINES TO BELIEVE THEM AND IS SCEPTICAL AND SECONDLY, DO YOU FEEL IT IMPORTANT TO TAKE SOME KIND OF ACTION FURTHER TO CONVEY TO PEOPLE POINTS WHICH MIGHT TURN ROUND THIS RATHER SERIOUS DECLINE IN YOUR GOVERNMENT'S PUBLIC STANDING?

/A.: GOVERNOR:

A.: GOVERNOR: THANK YOU VERY MUCH. MOST OF YOU PROBABLY CAN'T SEE THE QUESTION BUT LUCKILY I CAN. I DON'T KNOW WHICH PUBLIC OPINION POLLS YOU READ. LET ME PUT IT LIKE THIS: EVERY GOVERNMENT IN THE WORLD - IF THERE WERE OTHER GOVERNORS IN MY POSITION I WOULD SAY EVERY GOVERNOR, BUT THERE AREN'T MANY OF US AROUND, WOULD LIKE TO SEE PUBLIC OPINION POLLS WHICH HAD MAXIMUM SUPPORT. IF YOU LOOK AT THE OPINION POLLS GIVING VIEWS OF THE HONG KONG GOVERNMENT AND YOU COMPARE THEM WITH VIEWS OF OTHER GOVERNMENTS ROUND THE WORLD THE SURPRISING THING IN MANY WAYS IS THAT OUR OPINION POLL RATINGS ARE CONSISTENTLY AS HIGH AS THEY ARE AND MANY GOVERNMENTS AROUND THE WORLD, I THINK, WOULD BE VERY PLEASED TO SEE THOSE SORT OF FIGURES. NOW, I DON'T WANT THAT IN ANY WAY TO SOUND COMPLACENT BECAUSE I AM NOT COMPLACENT. HONG KONG HAS AN IMMENSE NUMBER OF PROBLEMS. IT IS FACING VARIOUS UNCERTAINTIES ABOUT ITS OWN FUTURE, IT LIVES IN A WORLD WHICH, IN ITSELF, IS UNCERTAIN. I WOULD BE SURPRISED IF THERE WERE NOT PEOPLE WHO WERE CRITICAL OF THE GOVERNMENT. I AM, HOWEVER, PLEASED, GENUINELY PLEASED, BY THE AMOUNT OF SUPPORT THE HONG KONG GOVERNMENT HAS, ALWAYS HAS HAD AND CONTINUES TO HAVE THROUGHOUT SOCIETY BECAUSE THAT IS WHAT IS GOING TO MATTER ENORMOUSLY TO HONG KONG IN THE FUTURE. WE DO HAVE PROBLEMS. WE HAVE TO FACE THOSE PROBLEMS AS REALISTICALLY AS WE CAN TO THE GREATEST EXTENT WE CAN. WE NEED TO TRY TO TACKLE THEM AS A COMMUNITY, NOT SIMPLY ONE PART OF THE COMMUNITY ATTACKING ANOTHER PART OF THE COMMUNITY FOR NOT PULLING ALL OF ITS EGGS OUT OF THE BASKET, BUT TRYING TO SEE TOGETHER WHAT IS THE RIGHT WAY FORWARD FOR HONG KONG.

NOW, FOR WHAT IT IS WORTH AND WHY I SAY WHAT OPINION POLLS DO YOU LOOK AT, THE POINT THAT STRUCK ME IN THE LATEST SERIES THAT I WAS WATCHING, WHICH I THINK WAS THE SRH ONES, WERE THAT THE POLITICAL CONFIDENCE INDICATORS HAD RISEN AFTER 1989 AND WERE REMAINING PRETTY STEADY, BUT IT WAS THE ECONOMIC CONFIDENCE INDICATORS THAT WERE DROPPING RATHER THAN THE POLITICAL CONFIDENCE ONES.

Q.: ARE YOU SURPRISED BY, AND HOW DO YOU ACCOUNT FOR THE FACT THAT ONLY 10,000 PEOPLE HAVE APPLIED TO DATE AND IT WOULD APPEAR THAT BY THE FEBRUARY 28TH DEADLINE THE NUMBER OF APPLICATIONS WILL BE FAR BELOW THE ESTIMATES FOR THOSE APPLYING FOR BRITISH PASSPORTS?

A.: GOVERNOR: THIS IS ON THE BRITISH NATIONALITY ACT. YES, I THINK I AM SURPRISED BY THE NUMBERS TO DATE. WHAT WE DON'T KNOW, OF COURSE, IS HOW MANY APPLICATIONS WILL COME IN BEFORE THE DEADLINE CLOSES. BUT, TO MY MIND THE KEY THING IS THAT THE NATIONALITY PACKAGE IS THERE ON OFFER; IF PEOPLE WANT TO TAKE IT UP, FAIR AND GOOD. IF FOR WHATEVER REASON PEOPLE DON'T WANT TO TAKE IT UP FAIR AND GOOD. THAT'S THEIR RIGHT. EXACTLY - LET ME JUST FINISH THE POINT. EXACTLY HOW MANY PEOPLE WILL APPLY BY THE END OF THIS MONTH I DON'T KNOW AND THE PRECISE REASONS WHY PEOPLE HAVE DECIDED NOT TO PUT IN APPLICATIONS, AGAIN, IT IS VERY DIFFICULT INDEED TO GUESS BECAUSE YOU ARE TRYING TO GUESS ON NON ACTION BY A WHOLE RANGE OF DIFFERENT PEOPLE AND I DON'T THINK I WOULD VENTURE EVEN TO TRY TO GUESS. SORRY, YOU HAVE A SECOND POINT?

/Q.:

Q.:

A.: GOVERNOR: I CANNOT HONESTLY GIVE YOU AN ANSWER TO THAT BECAUSE I DON'T KNOW AND I IMAGINE THAT THEY ARE VARIOUS. ALL I WOULD SAY IS THAT IF PEOPLE DO WANT TO APPLY AND IT IS ENTIRELY UP TO THEM WHETHER THEY WANT TO OR NOT, THEY SHOULD DO SO BEFORE THE END OF THE MONTH.

Q.: ROGER THOMAS, FREELANCE BROADCASTER AND PUBLIC AFFAIRS OFFICIAL. MAY I ASK YOU WHY, WHEN HONG KONG IS MAKING A DETERMINED EFFORT TO UNDERLINE ITS INTERNATIONAL SIGNIFICANCE, THE GOVERNMENT APPEARS TO BE MAKING A DETERMINED EFFORT TO UNDERMINE THE ENGLISH SERVICE OF RTHK, BOTH IN ITS SCOPE AND ITS PROFESSIONAL ABILITY?

A.: GOVERNOR: I DON'T KNOW HOW MANY MEMBERS OF RTHK YOU HAVE HERE, OR ARE YOU ALL JUST LISTENERS? I DON'T - IT IS NOT EASY FOR ME TO ANSWER THAT QUESTION IN DETAIL, BECAUSE I DON'T HAVE ENOUGH OF THE DETAIL AT MY FINGERTIPS. ALL I WOULD SAY IS THAT I DON'T ACCEPT THAT IT IS A GOVERNMENT POLICY TO UNDERMINE THE ENGLISH LANGUAGE CAPABILITY OF RTHK. WHAT WE DO HAVE TO DO IS TO TRY TO MAKE SURE THAT RTHK IS AS COST EFFECTIVE AS POSSIBLE AND IT HAS TO CATER FOR AN AUDIENCE WHICH IS PREDOMINANTLY CANTONESE SPEAKING AND AT THE SAME TIME IT HAS TO CATER FOR A MINORITY ENGLISH SPEAKING AUDIENCE. I, TOO, AM A LISTENER TO RTHK AND ONE OF THE THINGS THAT I HAVE FOUND VERY VALUABLE AS A NEW SERVICE OVER THE LAST YEAR OR MORE IS THE REBROADCASTING OF THE WORLD SERVICE OF THE BBC. I THINK THAT IS A TREMENDOUS SERVICE AND I FOR ONE APPRECIATE IT.

Q.: BRIAN CAP IF THE AIM OF THE HONG KONG GOVERNMENT IS TO KEEP THE CHINESE GOVERNMENT INFORMED AS YOU STATED IN YOUR SPEECH, HOW IS IT THAT THERE HAVE BEEN SO MANY MISUNDERSTANDINGS OVER THE AIRPORT PROJECT?

A.: GOVERNOR: THAT IS NOT AN EASY QUESTION TO ANSWER, IS IT? THE WISH IS NOT ALWAYS IMMEDIATELY FOLLOWED BY THE FULFILLMENT OF THE WISH ON THAT OR ANYTHING ELSE. THERE ARE, AS I WAS SAYING, AN IMMENSE - THERE IS AN IMMENSE BACKGROUND OF MISUNDERSTANDINGS ALWAYS FROM BOTH SIDES THAT YOU HAVE TO TRY AND OVERCOME IN ORDER TO GET INFORMATION ACROSS. THE AIRPORT EXPERIENCE, I SUPPOSE, HAS SHOWN US THAT WE HAVE NOT ALWAYS SUCCEEDED IN EXPLAINING THINGS CLEARLY ENOUGH OR WE HAVE NOT SUCCEEDED IN PERSUADING PEOPLE IN CHINA OF THE REASONS FOR WHAT WE WERE DOING. ALL ONE CAN SAY NOW IS THAT WHEN YOU IDENTIFY A PROBLEM, THE BEST THING IS TO TRY TO DEAL WITH IT AND THAT IS THE REASON FOR HAVING THE EXPERT TALKS WHICH ARE STARTING TOMORROW IN PEKING, THE THIRD ROUND OF EXPERT TALKS, AND I HOPE THAT THEY WILL MAKE SOME SUBSTANTIAL PROGRESS.

Q.: CHRIS PETERSON THE AIRPORT TALKS - MANY WERE DISTURBED BY THE SECOND PRESS ... THAT SPRANG UP. I WONDER IF YOU COULD EXPLAIN THE BACKGROUND TO IT AND PERHAPS REFER TO THE REPORTS WHICH I DON'T KNOW WERE CONFIRMED OR NOT, BUT HONG KONG WAS BEHIND IT?

/A.: GOVERNOR:

A.: GOVERNOR: LET ME TRY TO EXPLAIN IT AS I SEE IT. FIRST OF ALL, SHOULD ONE HAVE TALKS WHICH ARE CARRIED OUT CONFIDENTALLY BETWEEN EXPERTS AND TO THAT MY ANSWER IS "YES" IT IS QUITE RIGHT TO DO SO. IT IS SOMETHING WHICH HAPPENS ALL AROUND THE WORLD EVERYDAY OF THE YEAR, THE WHOLE TIME. WE FOUND THAT OVER PREVIOUS EXPERT TALKS THAT THERE HAVE BEEN PROBLEMS AND THAT THEY HAVE BEEN REFLECTED IN THE TALKS THEMSELVES BECAUSE OF A LOT OF WHAT SEEMED TO BE SIDE COMMENTS, MAYBE BACKGROUND BRIEFING BY BOTH SIDES, WHICH WAS NOT PARTICULARLY HELPFUL TO THE PROCESS OF TRYING TO REACH AN UNDERSTANDING. SO, WE DO HAVE AN UNDERSTANDING WITH CHINA AND THIS IS A CLEAR UNDERSTANDING, THERE IS NO SECRET ABOUT IT, THAT THIS ROUND OF TALKS SHOULD BE CONFIDENTIAL AND BOTH SIDES AGREED THAT THEY WOULD NOT BE SIDE-BRIEFING THE PRESS DURING THE TALKS. AND I THINK THAT THAT IS PERFECTLY REASONABLE CORRECT POSITION TO TAKE BECAUSE WE WANT TO MAKE PROGRESS AND THESE ARE, AFTER ALL, NOTHING MORE THAN EXPERT TALKS. THE QUESTION OF WHETHER JOURNALISTS SHOULD GO TO CHINA OR NOT, THAT IS SOMETHING WHICH CAN ONLY BE FOR CHINA, THAT IS NOT FOR US AT ALL, AND IF JOURNALISTS WANT TO GO TO CHINA TOMORROW TO PHOTOGRAPH THE BEGINNING OF THE TALKS THEN, EXCELLENT. GOOD LUCK TO THEM.

Q.: BRITISH PRIME MINISTER MAJOR HAS JUST TURNED DOWN A REQUEST BY THE DALAI LAMA FOR A MEETING IN BRITAIN NEXT MONTH, DO HONG KONG'S CIRCUMSTANCES FIGURE AT ALL IN THIS DECISION, AND IF SO, WHAT DAMAGE IS CHINA IN A POSITION TO DO TO THIS COLONY SHOULD HE DECIDE TO GO AHEAD AND MEET WITH THE SPIRITUAL LEADER OF AN AUTONOMOUS REGION?

A.: GOVERNOR: I THINK ON SOMETHING LIKE THAT, WHERE I HAVE SO MANY THINGS IN HONG KONG TO DEAL WITH, I SHALL LEAVE THE BRITISH PRIME MINISTER TO ANSWER QUESTIONS HIMSELF ABOUT WHAT HE DECIDES TO DO.

Q.: SUZANNA HO, LIVERPOOL POST AND HONG KONG COUNCIL OF WOMEN :

WHAT PROGRESS IS THE GOVERNMENT MAKING IN ESTABLISHING A COMMISSION FOR THE SPECIAL NEEDS OF WOMEN IN HONG KONG, AND ON THE EXTENSION TO HONG KONG OF THE INTERNATIONAL COVENANT FOR THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN?

A.: GOVERNOR: THAT - I KNOW IT SHOULDN'T SOUND AS THOUGH IT IS A VERY TECHNICAL QUESTION, BUT FOR ME THAT IS A VERY TECHNICAL QUESTION. I WOULD MUCH RATHER, IF YOU DON'T MIND - CERTAINLY ON THE SECOND PART OF THAT WHICH I DON'T KNOW OFF THE TOP OF MY HEAD - SEND YOU A LETTER, AN ANSWER, ON THAT. ON THE GENERAL QUESTION, WE WOULD LIKE IN GENERAL TERMS TO HAVE THE MINIMUM AMOUNT OF DISCRIMINATION AGAINST WOMEN BUT THAT HAS TO BE, INEVITABLY, A RATHER GENERAL QUESTION (ANSWER) TO YOUR VERY SPECIFIC QUESTION. MAY I SEND YOU A WRITTEN REPLY ON THAT, IT WOULD BE MUCH EASIER?

Q.: ON THE SPECIFIC QUESTION ...

A.: GOVERNOR: PLEASE - YES, I WILL DO.

/Q.: EMILY LAU

Q.: EMILY LAU OF THE FAR EASTERN ECONOMIC REVIEW : SIR DAVID, I WANT TO ASK YOU A QUESTION WHICH FOLLOWS ON FROM WHAT MR PAUL BAYFIELD SAID AT THE OPENING. GIVEN THE FACT THAT THE CHINESE GOVERNMENT HAS SAID THAT THEY ARE THE ONLY PEOPLE WHO CAN SPEAK FOR THE HONG KONG PEOPLE, AND THE FACT THAT THEY HAVE TO HAVE THE FINAL SAY ON ANYTHING THAT STRADDLES 1997, TOGETHER WITH THE FACT THAT THERE ARE NO PLANS FOR THE HONG KONG ADMINISTRATION TO HAND OVER THE REIGNS OF POWER TO PEOPLE ELECTED BY THE HONG KONG PEOPLE, DO YOU THINK THE HONG KONG PEOPLE CAN LOOK TO THE FUTURE WITH CONFIDENCE? THE FACT THAT THE PROMISES IN THE JOINT DECLARATION THAT WE WILL HAVE A HIGH DEGREE OF AUTONOMY, AND THAT THE GOVERNMENT HERE WILL BE ACCOUNTABLE TO THE PEOPLE, ARE THOSE PROMISES STILL GOOD, OR IS THE BRITISH ADMINISTRATION TELLING US THAT THE FUTURE GOVERNMENT OF HONG KONG WILL BE A GOVERNMENT THAT IS A PUPPET OF PEKING?

A.: GOVERNOR: I SEE NO REASON TO SAY THAT THE PROMISES IN THE JOINT DECLARATION ARE IN ANY WAY CHANGED ON EITHER SIDE. AS FAR AS BRITAIN IS CONCERNED, AND OF COURSE THAT IS THE ONLY ONE I CAN SPEAK DIRECTLY FOR, THERE IS NO CHANGE WHATSOEVER IN THE BRITISH COMMITMENT TO THE JOINT DECLARATION. I HAVE SEEN NOTHING TO SUGGEST THAT THERE IS ANY CHANGE ON THE CHINESE SIDE TO THE JOINT DECLARATION AND THE PROMISES THAT THEY HAVE UNDERTAKEN IN THE JOINT DECLARATION. THOSE PROMISES INCLUDE THE WAY IN WHICH HONG KONG WILL OPERATE AFTER 1997 AND THAT INCLUDES POLICIES FOR HONG KONG TO HAVE A HIGH DEGREE OF AUTONOMY. SO THOSE SHOULD REMAIN - THEY ARE THERE ON THE RECORD, A FIRM COMMITMENT BY THE CHINESE GOVERNMENT.

NOW WE HAVE - TO PUT THIS IN A MORE PRACTICAL WAY - WE HAVE TO, OVER THE NEXT SIX-AND-A-HALF YEARS, FIND WAYS BY WHICH WE CAN BOTH KEEP THE CHINESE GOVERNMENT INFORMED OF MAJOR POLICY DECISIONS, THE WAY IN WHICH WE DO THINGS, SO THAT THEY UNDERSTAND WHAT THOSE ARE, SO THAT THEY DO NOT GET TAKEN BY SURPRISE BY MAJOR THINGS THAT WE ARE DOING HERE, BECAUSE THAT I THINK COULD WELL BE DISRUPTIVE. AND WE HAVE TO AT THE SAME TIME MAKE SURE THAT BOTH NOW, HONG KONG GOVERNMENT AND HONG KONG, TAKES THE DECISIONS WHICH ARE WITHIN ITS OWN FRAMEWORK OF AUTONOMY FOR TAKING DECISIONS, AND TO TRY TO SET THE RIGHT FRAMEWORK FOR THE SAR TO DO THE SAME AFTER 1997.

NOW YOU MENTIONED A CERTAIN AMOUNT ABOUT POLITICS AND ACCOUNTABILITY, AND THERE IS WHERE I WOULD LIKE TO GET BACK TO THE POINT I WAS MAKING EARLIER ABOUT THE EVOLUTION OF OUR POLITICAL SYSTEM. WE NOW HAVE, THIS YEAR, A CHANCE FOR PEOPLE TO TAKE PART IN THE POLITICAL SYSTEM. I WOULD LIKE TO SEE THEM DOING SO, BECAUSE ONLY IF THEY DO SO, AND DO SO IN SUBSTANTIAL NUMBERS, AND DO SO RIGHT ACROSS THE SPECTRUM OF POLITICAL OPINIONS IN HONG KONG, CAN WE BUILD UP A LEGISLATIVE COUNCIL WHICH WILL BE THE SORT OF LEGISLATIVE COUNCIL NEEDED TO FULFIL THE ROLE IT HAS UNDER THE JOINT DECLARATION, OF HAVING A GOVERNMENT WHICH IS ACCOUNTABLE TO THE LEGISLATIVE COUNCIL AS IS WRITTEN DOWN. WE NEED PEOPLE NOW TO TAKE PART IN THE PROCESS. IT WON'T BE EASY, THERE ARE NO MAGIC FORMULAS FOR IT BUT IT NEEDS HARD EFFORT.

/Q. SIR,

Q. SIR, IF YOU COULD SPEAK TO HONG KONG'S FUTURE AS A FINANCIAL CENTRE IN SOUTH-EAST ASIA AND A POSSIBLE CHALLENGE POSED BY SINGAPORE. THE SINGAPORE GOVERNMENT HAS A WIDE PANOPLY OF INCENTIVES IT HAS OFFERED HONG KONG COMPANIES TO SET UP SHOP. THE OTHER DAY 'GOLDPEAK' LISTED DOWN THERE - ONE OF THE REASONS THEY ARE LISTING IN SINGAPORE AND SETTING UP THEIR MAIN OPERATIONS FOR THEIR MOST PRODUCTIVE PART OF THE COMPANY IS BECAUSE OF A PACKAGE OF TAX- INCENTIVES AND ALSO RESIDENCY. MAJOR UK FUND MANAGERS HAVE SET UP SHOP IN SINGAPORE RATHER THAN HONG KONG BECAUSE THE GOVERNMENT THERE HAS ALLOCATED A PORTION OF THE CPF FOR THEIR MANAGEMENT. HALF-A-DOZEN FOREX DEALERS HAVE MOVED DOWN TO SINGAPORE, IN PART BECAUSE OF LOWER TAXES. MY QUESTION, SIR, IS: DO YOU SEE THIS AS A SIGNIFICANT CHALLENGE FROM SINGAPORE? AND (2): IS THE GOVERNMENT THINKING OF SOME SORT OF PACKAGE - WHETHER IT BE TAX- INCENTIVES AND SUCH - IN ORDER TO RETAIN AND ATTRACT COMPANIES TO HONG KONG?

A.: GOVERNOR: I ALWAYS THINK OF OURSELVES AND SINGAPORE, IF YOU WILL FORGIVE THE BRITISH ANALOGY, OF RATHER LIKE RIVALRY BETWEEN OXFORD AND CAMBRIDGE, BECAUSE WE CONSTANTLY ARE RIVALS BUT VERY FRIENDLY RIVALS. THERE IS NO DOUBT THAT SINGAPORE WOULD LIKE TO ATTRACT PEOPLE FROM HONG KONG, AND THAT IS IN THE FINANCIAL SPHERE AND I THINK IT'S IN A WHOLE LOT OF OTHER SPHERES. SO FAR, I'M BOUND TO SAY, I DON'T THINK THAT THEY HAVE BEEN TREMENDOUSLY SUCCESSFUL. WE WILL GO ON TRYING TO BUILD UP HONG KONG AS A FINANCIAL SERVICES CENTRE FOR THIS AREA IN THAT SORT OF FRIENDLY RIVALRY.

OUR OWN SYSTEM HERE IS BASED ON, TO THE EXTENT WE CAN, SIMPLICITY OF STRUCTURE, SIMPLICITY OF TAX. IT IS LOW TAX BUT IT IS ALSO A VERY SIMPLE TAX REGIME. WE ALSO TRY TO HAVE A REGULATORY ENVIRONMENT WHICH IS ADEQUATE BUT NOT EXCESSIVE, AND AGAIN WE HOPE THAT THAT IS GOING TO BE CONDUCIVE TO BUILDING THIS PLACE UP AS A FINANCIAL CENTRE. I WON'T TRY TO DEAL WITH THE FINANCIAL SECRETARY'S BUDGET NOW, I THINK THAT HAS TO WAIT FOR TWO WEEKS, BUT WE ESSENTIALLY ON TAX MEASURES TRY TO KEEP THINGS SIMPLE RATHER THAN TO GIVE SPECIAL CONCESSIONS, AND WE BELIEVE THAT IS WHAT HAS HELPED TO MAKE HONG KONG A SUCCESSFUL PLACE.

IT IS, I THINK, AN INTERESTING POINT THAT ALTHOUGH WE FACE HERE UNCERTAINTIES ABOUT THE FUTURE AND THEREFORE PEOPLE WORRYING ABOUT THAT, ALTHOUGH THERE ARE ATTEMPTS TO BUILD UP RIVALS TO HONG KONG ALL ROUND THE REGION, SO FAR, HAPPILY, THOSE HAVE NOT BEEN PARTICULARLY SUCCESSFUL. I BELIEVE THAT WE HAVE MORE SINGAPOREANS WORKING HERE IN HONG KONG THAN THERE ARE HONGKONGERS WORKING IN SINGAPORE, AND I AM DELIGHTED BY THAT.

Q.: PHILIP BARHAM : SIR, YOU MAY NOT BE IN CHARGE OF THE MOVEMENTS OF THE DALAI LAMA BUT YOU ARE IN CHARGE OF ENTRY INTO HONG KONG. COULD YOU EXPLAIN WHAT PARANOIA GRIPS YOUR GOVERNMENT THAT IT DOESN'T ALLOW THE LIKES OF A DISTINGUISHED SOVIET ACADEMICIAN, GEORGIY ARBATOV, INTO THIS TERRITORY WHICH IS SUPPOSED TO BE AN INTERNATIONAL CITY?

/A.: GOVERNOR:

A.: GOVERNOR: WHAT WE HAVE BEEN DOING ON EASTERN EUROPE AND THE SOVIET UNION IN GENERAL IS RELAXING OUR POLICIES. WE HAVE HAD STRICT POLICIES TOWARDS EASTERN EUROPE AND THE SOVIET UNION OVER MANY YEARS, AS YOU KNOW, AND WE ARE IN THE PROCESS OF RELAXING THOSE. WE ARE JUST AT THE BEGINNING OF THAT PROCESS. WITHOUT GOING INTO GREAT DETAIL ON THE PARTICULAR CASE YOU MENTION, THAT CAME BEFORE THE NEW POLICIES OF RELAXATION HAD COME IN WITH RATHER SHORT NOTICE. BUT THE GENERAL TREND, THE GENERAL DIRECTION IN WHICH WE ARE TRYING TO GO, IS A MORE RELAXED POLICY FOR EASTERN EUROPE AND THE SOVIET UNION, AND FOR SOME OTHER COUNTRIES WHICH WE WERE PREVIOUSLY MORE RESTRICTIVE TOWARDS.

Q.: KAISER SUNG, TAX ... BUSINESS PRESS : ON THE AIRPORT ISSUE, A CHINESE REPRESENTATIVE HAS PROPOSED TO ESTABLISH A CONSULTATIVE CONFERENCE OR COMMITTEE. IN THE EVENT OF SUCH ESTABLISHMENT, WHAT SIZE WILL IT BE? BECAUSE THE CHINESE POLITICAL CONSULTATIVE CONFERENCE IS A HUGE BODY.

A.: GOVERNOR: THE QUESTION WAS: IF IT WAS SET UP WHAT SIZE WOULD IT BE? WELL IT IS AN 'IF' QUESTION. LET ME TRY TO TACKLE THAT SLIGHTLY MORE BROADLY, IF I MAY. THERE IS, I THINK, A NEED FOR US - THE HONG KONG GOVERNMENT - TO TRY TO DO MORE TO EXPLAIN TO PEOPLE IN HONG KONG ABOUT THE AIRPORT PROJECT; TO TRY TO MAKE SURE WE DISSEMINATE INFORMATION AS WIDELY AND IN AS MUCH DETAIL AS POSSIBLE. AND THAT, I THINK, IS SOMETHING THAT WE HAVE TO WORK ON OVER THE NEXT FEW MONTHS. I DON'T, MYSELF, HAVE A CLOSED MIND ON THE PRECISE WAY IN WHICH WE SHOULD DO THIS. I'VE SEEN IN THE PRESS, REFERENCES TO THE IDEA OF AN ADVISORY COMMITTEE OR A CONSULTATIVE COMMITTEE, AND ON SOME OTHER MAJOR AREAS OF COURSE WE HAVE HAD ADVISORY COMMITTEES OF THAT SORT. BUT THAT IS WHAT IT IS AT THE MOMENT, IT IS ONE OF MANY IDEAS, AND I THINK THE MAIN POINT IS TO TRY TO DO MORE FROM OUR SIDE - THE HONG KONG GOVERNMENT - TO EXPLAIN THE NATURE OF THE AIRPORT PROJECT, THE DETAILS OF IT, TO THOSE WHO ARE GENUINELY INTERESTED IN IT.

PERHAPS I COULD JUST SAY ANOTHER WORD OR TWO ABOUT THE AIRPORT. I DO SEE THIS AS BEING SOMETHING WHICH IS ENORMOUSLY IMPORTANT FOR THE FUTURE OF HONG KONG, AND IMPORTANT THAT WE SHOULD START WORK ON IT NOW. THE EASY OPTION - IF I COULD PUT IT LIKE THAT - FOR THE PRESENT HONG KONG ADMINISTRATION WOULD BE NOT TO DO ANYTHING ABOUT THIS, TO SAY THIS IS A BIG PROJECT, IT'S A LONG TERM PROJECT, LET US LEAVE IT UNTIL AFTER 1997. I THINK THAT WOULD BE FAILING IN OUR OWN RESPONSIBILITIES TOWARDS HONG KONG AND ITS FUTURE. THERE IS NO DOUBT IN MY MIND THAT OVER A SPAN OF YEARS - AND YOU CAN CHOOSE ANY PARTICULAR DATE YOU LIKE - BUT AFTER NOT TOO LONG KAI TAK GETS SATURATED. NO DOUBT IN MY MIND AT ALL, AND THIS GOES BACK TO AN EARLIER QUESTION, THAT OTHER PLACES IN SOUTH-EAST ASIA WOULD DEARLY LIKE TO REPLACE HONG KONG AS A REGIONAL CENTRE. THOSE OTHER PLACES, SEVERAL OF THEM, ARE GOING AHEAD FAST WITH BUILDING UP THEIR TRANSPORT FACILITIES. UNLESS WE IN HONG KONG DO THAT NOW, START PLANNING, START ACTING NOW, WE WILL BE DOING AN IMMENSE DISSERVICE TO THE POST-1997 HONG KONG, SO THAT IS WHY THE GOVERNMENT IS COMMITTING SO MUCH EFFORT TO TRY TO DO THIS.

/Q.: SIR DAVID

Q: SIR DAVID, IN TALKING ABOUT RELATIONS WITH CHINA YOU SAID THERE WERE SUSPICIONS ON BOTH SIDES, COULD YOU TELL US WHAT YOUR OWN SUSPICIONS ARE ABOUT THE INTENTIONS OF THE BEIJING AUTHORITIES? AND IN A BID TO INCREASE UNDERSTANDING, YOU TALKED ABOUT THE IMPORTANCE OF PROVIDING ENOUGH INFORMATION AS POSSIBLE TO THE CHINESE AUTHORITIES. CAN YOU TELL US IF THERE WILL BE ANY INFORMATION AT ALL WHICH WILL BE FIRST MADE AVAILABLE TO THE PEOPLE OF CHINA OR THE CHINESE AUTHORITIES BEFORE IT IS MADE AVAILABLE TO THE PEOPLE OF HONG KONG?

A.: GOVERNOR: THE SIMPLE ANSWER TO THE FIRST PART OF YOUR QUESTION IS, NO. I DON'T PROPOSE TO DO THAT. WHAT I WILL DO INSTEAD THOUGH IS THIS. IF YOU GO BACK IN HISTORY YOU WILL FIND THAT THIS SORT OF PROBLEM, THE SORT OF SUSPICIONS, THE SORT OF MYTHOLOGIES THAT BUILD UP ON BOTH SIDES IS NOTHING NEW AT ALL. IT CERTAINLY EXISTED IN THE 19TH CENTURY, IT EXISTED VERY STRONGLY IN THE 1920'S AND THE 1930'S, AND WHAT I DO BELIEVE IS THAT WE NEED TO BE CONSCIOUS OF THAT AS A PROBLEM. WE LIVE HERE IN HONG KONG IN A HIGH-SPEED, HIGH-TECHNOLOGY SOCIETY; INFORMATION FLOWS AROUND THIS PLACE AT IMMENSE SPEED. SOME OF THAT INFORMATION ITSELF IS RUMOUR, GOSSIP, MYTHOLOGY, BUT WE ARE VERY USED TO WORKING OUT FOR OURSELVES WHICH IS MYTHOLOGY AND WHICH IS TRUE BECAUSE WE ARE BEING BOMBARDED WITH THIS SORT OF INFORMATION THE WHOLE TIME.

WE HAVE TO TRY TO PUT OURSELVES, EVERY NOW AND THEN, IN THE MINDS OF THE PEOPLE WHO ARE LOOKING AT HONG KONG FROM OUTSIDE - LET'S SAY FROM PEKING - AND TRY TO LOOK AT IT THROUGH THEIR EYES AND SEE HOW THEY SEE IT. TRY TO SEE WHAT SORT OF MYTHOLOGY THEY MAY HAVE, SORT OF SUSPICIONS, AND TRY TO PIN THOSE DOWN AND DEAL WITH THEM. THE SAME ACTUALLY, FOR WHAT IT'S WORTH, APPLIES TO OUR DEALINGS WITH MANY OTHER PLACES IN THE WORLD BUT IT IS PARTICULARLY APPARENT IN DEALING WITH CHINA.

YOUR SECOND QUESTION WAS: WAS THERE INFORMATION THAT WE WOULD PASS TO CHINA BEFORE TO THE PEOPLE OF HONG KONG? INEVITABLY IN SOME DISCUSSIONS THERE ARE THINGS WHICH WE WILL BE DISCUSSING EITHER WITH THE CHINESE GOVERNMENT OR WITH OTHER GOVERNMENTS BEFORE THAT IS AVAILABLE TO THE PEOPLE OF HONG KONG, THAT IS AN INEVITABLE PART OF GOVERNMENT DISCUSSIONS. BUT ON A MAJOR PROJECT - SOMETHING LIKE, LET'S SAY THE AIRPORT - WHAT I WOULD LIKE TO SEE IS, AS WE TAKE DECISIONS - AND ALL ALONG, LET ME SAY, WE'VE HAD TO HAVE IN OUR MINDS WHAT ARE THE DIFFERENT PHASINGS FOR THE AIRPORT THAT WE MIGHT HAVE TO ADOPT - AS WE LOOK AT THOSE, REACH CONCLUSIONS, MAKE DECISIONS, THEN THOSE THINGS WE WOULD LIKE TO DISSEMINATE AS WIDELY AS POSSIBLE WITH THE BACKGROUND REASONS FOR DOING IT, AND THEN SEEK APPROVAL AS IS NECESSARY. I MEAN THE PRECISE APPROVAL WE ALWAYS NEED IS THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL, BUT ALSO WIDER UNDERSTANDING FROM PEOPLE IN HONG KONG.

/Q: THINGS THAT

WEDNESDAY, FEBRUARY 20, 1991

- 17 -

Q: THINGS THAT YOU SAID EARLIER. NUMBER 1. YOU MENTIONED THAT IT IS VERY IMPORTANT TO KEEP CONFIDENTIAL THE DISCUSSIONS BETWEEN HONG KONG GOVERNMENT AND THE CHINESE GOVERNMENT ON THE AIRPORT TALKS, THAT IS THE NEXT ROUND OF TALKS BEGINNING TOMORROW; AND NUMBER TWO IS YOU STRESS IT IS IMPORTANT FOR HONG KONG PEOPLE TO GET INVOLVED IN LOCAL POLITICS; TO TAKE PART IN DIRECT ELECTIONS. HOW CAN YOU CONVINCHE HONG KONG PEOPLE TO TAKE PART IN LOCAL POLITICS WHEN THEY ARE BEING KEPT IN THE DARK ABOUT IMPORTANT DECISIONS AND DISCUSSIONS BETWEEN THE TWO GOVERNMENTS?

A: GOVERNOR: I DON'T SEE THAT AS BEING A CONTRADICTION EITHER HERE OR AS IT WOULD APPLY ANYWHERE ELSE IN THE WORLD. ANYWHERE ELSE IN THE WORLD YOU WOULD GET PEOPLE ACTIVELY TAKING PART IN POLITICS, WANTING TO TAKE PART IN POLITICS. ANYWHERE ELSE IN THE WORLD YOU WOULD FIND CONFIDENTIAL DISCUSSIONS GOING ON THE WHOLE TIME BETWEEN GOVERNMENTS. THAT IS A PART OF THE NATURAL WAY, BOTH IN WHICH GOVERNMENTS WORK, AND IN WHICH POLITICAL PARTICIPATION WORKS. THE MORE PEOPLE GET INVOLVED IN POLITICS, THE MORE, FOR INSTANCE, YOU GET PEOPLE WHO TAKE PART IN THE LEGISLATIVE COUNCIL THEN THE CLOSER THEY GET TO THE DECISION TAKING PROCESS. I DON'T SEE ANY CONTRADICTION IN THE TWO THINGS I WAS SAYING.

WE HAVE TIME FOR A COUPLE MORE QUESTIONS. JOHN ELLIOT HERE AND THEN PETER SILETS.

Q: JOHN ELLIOT, FINANCIAL TIMES. TO DATE THERE SEEMS TO BE A CLASH BETWEEN YOUR WILLINGNESS TO INFORM PEKING AND THEIR DESIRE TO BE CONSULTED. PRESUMABLY IN THEIR TERMINOLOGY IT MEANS THAT THEY WANT TO INFLUENCE DECISIONS. HOW WILLING ARE YOU TO ALLOW PEKING TO INFLUENCE YOUR DECISIONS AS OPPOSED MERELY TO INFORM WHICH IS THE WORD YOU USED TODAY AND BEFORE? SECONDLY, YOU HAVE JUST MENTIONED THE POSSIBILITY OF PHASING ON THE AIRPORT, WHICH IS YOUR TERM, I THINK, FOR THE CURRENT PASSWORD OF SCALING DOWN. ARE YOU WILLING TO SCALE DOWN THE AIRPORT IN RESPONSE TO PEKING AND IF YOU DID HOW DO YOU THINK PEOPLE HAVE ANY FAITH AT ALL IN AUTONOMY AFTER 1997?

/A: GOVERNOR:

A: GOVERNOR: LET ME TAKE THE SECOND OF THOSE FIRST WHILE IT IS IN MY MIND. PHASING IS NOT EXACTLY THE SAME AS SCALING DOWN. PHASING IS SOMETHING WHICH WE HAVE ALWAYS BEEN LOOKING AT, BECAUSE LET US SAY YOU HAVE AN ULTIMATE PLAN FOR AN AIRPORT; LET US SAY FOR THE SAKE OF EXAMPLE, THAT YOU HAVE AN ULTIMATE PLAN FOR A TWO RUNWAY AIRPORT OPERATING 24 HOURS A DAY CONNECTED BY A ROAD SYSTEM CONNECTED BY A RAIL SYSTEM. YOU DO NOT QUITE OBVIOUSLY GO RIGHT INTO THE WHOLE OF THAT ON DAY 1, TWO RUNWAYS. YOU HAVE TO PHASE THAT. YOU CAN ALSO PHASE OTHER PARTS OF THAT PROGRAMME WITHOUT SCALING DOWN THE FINAL SCHEME. IF ONE TRIED TO SCALE DOWN, HAVE AS IT WERE A SMALLER AIRPORT ON THE CHEAP, YOU VERY QUICKLY GET TO THE POINT WHERE THERE IS NO POINT IN REPLACING KAI TAK. SO, IN TRYING TO PLAN FOR A FUTURE AIRPORT, IT ONLY MAKES SENSE IF YOU ARE PLANNING FOR SOMETHING WHICH WILL BE MUCH BIGGER LONG TERM, MUCH MORE EFFECTIVE LONG TERM, MUCH MORE ECONOMIC LONG TERM, THAN KAI TAK IS NOW. OTHERWISE, YOU ARE NOT PLANNING FOR DEVELOPMENT. HOW YOU PHASE THE PARTICULAR ELEMENTS OF THAT MAKES A GREAT DEAL OF DIFFERENCE TO THE CASH FLOW OF THE PROJECT ITSELF AND YOU HAVE GOT THE OPTIONS BETWEEN SPENDING A CONSIDERABLE AMOUNT OF CASH UP FRONT OR DELAYING THE EXPENDITURE BUT FINDING THAT WHEN YOU MAKE THAT EXPENDITURE AFTER HOW MANY YEARS THAT IT IS COSTING YOU A CERTAIN AMOUNT MORE. THERE ARE ALWAYS THESE OPTIONS.

THE OTHER QUESTION. IF WE ARE TALKING TO THE CHINESE AND EXPLAINING TO THEM WHAT WE ARE DOING, I SEE PART OF THAT PROCESS AS BEING A WILLINGNESS TO LISTEN TO WHAT THEY HAVE GOT TO SAY. THERE IS NO POINT IN TALKING TO SOMEBODY IF YOU ARE NOT PREPARED TO LISTEN TO WHAT THEY SAY IN RESPONSE AND, AS NECESSARY, IT WOULD BE RIGHT TO TAKE ACCOUNT OF VIEWS IF THEY SEEM IMPORTANT AND RELEVANT TO THE DECISIONS WE ARE TAKING. BUT IT WILL ALSO BE IMPORTANT THAT DECISIONS SHOULD BE TAKEN HERE IN HONG KONG ABOUT HONG KONG MATTERS.

Q: BUT WHAT DOES THAT DO IF CHINA IS SEEN TO HAVE INFLUENCE ON THE CONFIDENCE OF A HIGH DEGREE OF AUTONOMY AFTER 1997?

/A: GOVERNOR:

A: GOVERNOR: THAT BECOMES DIFFICULT TO PIN DOWN IN SORT OF FACTUAL POINTS. LET ME PUT IT LIKE THIS. WE HAVE GOT AN AIRPORT PROJECT AT THE MOMENT WHERE WE HAVE HAD A CONSIDERABLE AMOUNT OF PUBLIC CHINESE CRITICISM OF THE PLANS. THAT IS NOT, IN MY VIEW, HELPFUL TO GETTING THE AIRPORT BUILT EFFECTIVELY AND CHEAPLY AND TO THE BENEFIT OF HONG KONG. I WOULD FAR RATHER SEE AN UNDERSTANDING BY CHINA AND WITH CHINA OF THE PLANS THAT WE HAVE GOT. THAT I THINK WOULD HELP HONG KONG TO GET AHEAD WITH BUILDING AN AIRPORT AND TO DO IT AS ECONOMICALLY, EFFECTIVELY AS POSSIBLE. LET ME PUT THAT IN EVEN MORE SPECIFIC TERMS BECAUSE THIS IS REALLY WHAT IT GETS DOWN TO. IF YOU ARE LOOKING FOR INVESTMENT, PRIVATE SECTOR INVESTMENT IN SOMETHING LIKE AN AIRPORT, PRIVATE SECTOR INVESTORS INEVITABLY WILL LOOK AT THE OVERALL POLITICAL CLIMATE FOR THEIR DECISION. IF THERE IS WORRY ABOUT CRITICAL COMMENT FROM CHINA ON THE AIRPORT, THEY WILL LOAD THEIR BIDS WITH A CERTAIN INSURANCE MARGIN AND THE COST OF THAT BID TO HONG KONG WILL BE THAT MUCH GREATER. I DON'T THINK THAT IS TO THE ADVANTAGE OF HONG KONG. I BELIEVE IT IS TO THE ADVANTAGE OF HONG KONG THAT WE SHOULD HAVE UNDERSTANDING WITH CHINA OF OUR PLANS AND PRIVATE SECTOR PARTICIPATION ON THE VERY BEST POSSIBLE COMMERCIAL TERMS.

Q: LISTENING TO YOUR PROBLEMS EXISTING HERE AND THOSE COMING, ONE WONDERS IF YOU, YOURSELF, OR YOUR SUPERIOR WANT YOU TO BE HERE UP TO 1997. COULD YOU COMMENT?

A: GOVERNOR: WELL, THE SIMPLE, I AM AFRAID, AND STRAIGHT FORWARD ANSWER IS THAT I DON'T KNOW HOW LONG I WILL SERVE IN HONG KONG. HOW CAN I TAKE THAT FURTHER THAN THAT? SIMPLY TO SAY THAT HONG KONG FOR ME IS THE MOST WORTHWHILE JOB THAT I COULD DO. I HAVE BEEN INVOLVED IN HONG KONG FOR NEARLY ALL MY LIFE, SINCE I WAS A STUDENT HERE IN THE EARLY 1960S, AND FOR AS LONG AS I AM ASKED TO DO THE JOB OF GOVERNOR AND FEEL THAT I CAN DO A USEFUL JOB I WILL TRY TO DO IT.

Q: DO YOU ENJOY IT?

I WOULD LIKE TO THANK SIR DAVID AND LADY WILSON FOR BEING WITH US TODAY AND AS A MEMENTO A BOOK OF HONG KONG POSTCARDS WITH OUR OWN POSTCARD ON THE COVER IS AVAILABLE IN THE SHOP DOWNSTAIRS. THANK YOU VERY MUCH.

GOVERNOR: THANK YOU VERY MUCH.

WEDNESDAY, FEBRUARY 20, 1991

- 20 -

JI PENGFEI AND LU PING TO VISIT HK

* * * * *

A GOVERNMENT SPOKESMAN TODAY (WEDNESDAY) ANNOUNCED THAT AT THE INVITATION OF THE HONG KONG GOVERNMENT, MR JI PENGFEI AND THE DIRECTOR OF THE HONG KONG AND MACAO AFFAIRS OFFICE OF CHINA'S STATE COUNCIL, MR LU PING, WILL VISIT HONG KONG FROM MARCH 4 TO 6.

- - - - 0 - - - -

ORDERS-ON-HAND, EMPLOYMENT AND PAYROLL
FIGURES FOR DECEMBER 1990 RELEASED

* * * * *

THE AVERAGE VOLUME OF ORDERS-ON-HAND REPORTED BY THE 200 LARGEST MANUFACTURING COMPANIES IN DECEMBER 1990 SHOWED LITTLE CHANGE WHEN COMPARED WITH NOVEMBER 1990, ACCORDING TO THE RESULTS OF A SURVEY RELEASED TODAY (WEDNESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

BUT THE VOLUME DECREASED BY 1% WHEN COMPARED WITH DECEMBER 1989.

COMPARED WITH NOVEMBER 1990, THE AVERAGE VOLUME OF ORDERS-ON-HAND IN DECEMBER 1990 INCREASED SLIGHTLY IN THE TEXTILES AND FABRICATED METAL PRODUCTS INDUSTRIES, BUT DECREASED SLIGHTLY IN THE ELECTRICAL AND ELECTRONIC PRODUCTS INDUSTRY.

OVER THE SAME PERIOD, ORDERS IN THE WEARING APPAREL AND PLASTIC PRODUCTS INDUSTRIES SHOWED LITTLE CHANGE.

COMPARED WITH DECEMBER 1989, THE ORDERS POSITION IN DECEMBER 1990 DROPPED IN MOST MANUFACTURING INDUSTRIES SURVEYED, PARTICULARLY IN THE PLASTIC PRODUCTS AND TEXTILES INDUSTRIES.

ON THE OTHER HAND, ORDERS IN THE ELECTRICAL AND ELECTRONIC PRODUCTS INDUSTRY INCREASED SLIGHTLY OVER THE SAME PERIOD.

THE AVERAGE VOLUME OF ORDERS-ON-HAND IS MEASURED IN TERMS OF THE NUMBER OF MONTHS AND REFERS TO ORDERS OUTSTANDING AS AT THE END OF THE REFERENCE MONTH.

ON EMPLOYMENT, THE MANUFACTURERS SURVEYED REPORTED THAT THEIR TOTAL WORKFORCE IN DECEMBER 1990 DECREASED BY 1% WHEN COMPARED WITH NOVEMBER 1990, AND BY 11% WHEN COMPARED WITH DECEMBER 1989.

COMPARED WITH NOVEMBER 1990, EMPLOYMENT IN DECEMBER 1990 DECREASED MODERATELY IN THE TEXTILES INDUSTRY AND TO A LESSER EXTENT IN MOST OTHER MANUFACTURING INDUSTRIES SURVEYED.

/OVER THE

OVER THE SAME PERIOD, THE WEARING APPAREL INDUSTRY REPORTED LITTLE CHANGE IN EMPLOYMENT.

COMPARED WITH DECEMBER 1989, EMPLOYMENT IN DECEMBER 1990 DECREASED IN MOST MANUFACTURING INDUSTRIES SURVEYED, WITH THE LARGEST DECREASES RECORDED IN THE PLASTIC PRODUCTS, TEXTILES AND THE ELECTRICAL AND ELECTRONIC PRODUCTS INDUSTRIES.

ON THE OTHER HAND, EMPLOYMENT IN THE FOOD AND DRINKS INDUSTRY SHOWED LITTLE CHANGE OVER THE SAME PERIOD.

IN DECEMBER 1990, PER CAPITA EARNINGS IN THE MANUFACTURING COMPANIES SURVEYED INCREASED BY 14%, IN MONEY TERMS, WHEN COMPARED WITH NOVEMBER 1990, DUE MAINLY TO THE ISSUE OF DOUBLE-PAY AND ANNUAL BONUSES BY A NUMBER OF MANUFACTURERS SURVEYED.

OVER THIS PERIOD, INCREASES IN PER CAPITA EARNINGS WERE RECORDED IN MOST MANUFACTURING INDUSTRIES SURVEYED, PARTICULARLY IN THE FOOD AND DRINKS, TEXTILES AND THE ELECTRICAL AND ELECTRONIC PRODUCTS INDUSTRIES.

ON THE OTHER HAND, IN THE PLASTIC PRODUCTS INDUSTRY, MOST MANUFACTURERS SURVEYED HAD NOT YET ISSUED DOUBLE-PAY AND ANNUAL BONUSES TO THEIR EMPLOYEES AND A SLIGHT DECREASE IN PER CAPITA EARNINGS WAS RECORDED.

COMPARED WITH DECEMBER 1989, PER CAPITA EARNINGS IN DECEMBER 1990 INCREASED BY 11%, IN MONEY TERMS, IN THE MANUFACTURING COMPANIES SURVEYED.

PER CAPITA EARNINGS INCREASED IN ALL MANUFACTURING INDUSTRIES SURVEYED, WITH SUBSTANTIAL INCREASES RECORDED IN THE FABRICATED METAL PRODUCTS AND TEXTILES INDUSTRIES.

IT SHOULD, HOWEVER, BE CAUTIONED THAT THE DIFFERENT RATES OF INCREASE IN PER CAPITA EARNINGS AMONG THE INDUSTRIES SURVEYED WERE PARTLY AFFECTED BY THE DIFFERENCES IN THE TIMING OF ISSUE OF DOUBLE-PAY AND ANNUAL BONUSES BETWEEN 1989 AND 1990 BY SOME MANUFACTURING COMPANIES SURVEYED.

IN THE CONSTRUCTION COMPANIES SURVEYED, EMPLOYMENT IN DECEMBER 1990 DECREASED SLIGHTLY WHEN COMPARED WITH NOVEMBER 1990 AND MODERATELY WHEN COMPARED WITH DECEMBER 1989.

PER CAPITA EARNINGS IN DECEMBER 1990 INCREASED MODERATELY WHEN COMPARED WITH NOVEMBER 1990 AND SIGNIFICANTLY WHEN COMPARED WITH DECEMBER 1989.

IT SHOULD BE NOTED THAT FIGURES FOR THIS INDUSTRY COVER COMPANY EMPLOYEES ONLY; SITE WORKERS EMPLOYED BY LABOUR-ONLY SUB-CONTRACTORS ARE NOT INCLUDED.

IN THE SELECTED SERVICE SECTORS, THE OVERALL EMPLOYMENT IN DECEMBER 1990 AS REPORTED BY THE COMPANIES SURVEYED SHOWED LITTLE CHANGE WHEN COMPARED WITH NOVEMBER 1990, BUT INCREASED SLIGHTLY WHEN COMPARED WITH DECEMBER 1989.

IN DECEMBER 1990, PER CAPITA EARNINGS FOR THE SELECTED SERVICE SECTORS TAKEN TOGETHER INCREASED SUBSTANTIALLY OVER NOVEMBER 1990, DUE TO THE ISSUE OF DOUBLE-PAY AND ANNUAL BONUSES BY A NUMBER OF COMPANIES SURVEYED.

COMPARED WITH DECEMBER 1989, PER CAPITA EARNINGS IN DECEMBER 1990 INCREASED SIGNIFICANTLY FOR MOST SERVICE SECTORS SURVEYED, EXCEPT PUBLIC UTILITIES WHICH REPORTED ONLY A MODERATE INCREASE IN PER CAPITA EARNINGS.

THE DIFFERENT RATES OF INCREASE IN PER CAPITA EARNINGS AMONG THE SERVICE SECTORS SURVEYED WERE PARTLY AFFECTED BY THE DIFFERENCES IN THE TIMING OF ISSUE OF DOUBLE-PAY AND ANNUAL BONUSES BETWEEN 1989 AND 1990 BY SOME COMPANIES SURVEYED.

THE PERCENTAGE CHANGES IN ORDERS-ON-HAND, EMPLOYMENT AND PER CAPITA EARNINGS ARE SHOWN IN TABLES 1 TO 3.

THE SURVEY COVERED A PANEL OF THE 200 LARGEST MANUFACTURING COMPANIES AND THE 50 LARGEST COMPANIES IN THE CONSTRUCTION INDUSTRY AND SELECTED SERVICE SECTORS, CHOSEN BY REFERENCE TO THEIR EMPLOYMENT SIZES IN SEPTEMBER 1986.

THE DEPARTMENT CAUTIONED THAT AS THE SURVEY IS NOT BASED ON A SCIENTIFICALLY SELECTED SAMPLE, THE MAGNITUDES OF CHANGE INDICATED BY THE SURVEY RESULTS ARE MERELY A REFLECTION OF THE EXPERIENCE OF THE COMPANIES SURVEYED.

HOWEVER, GIVEN THE COMPOSITION OF THE PANEL, IT SHOULD BE ABLE TO PROVIDE A USEFUL INDICATION OF THE DIRECTION OF CHANGE FOR MAKING A QUICK ASSESSMENT OF DEVELOPMENTS IN THE ECONOMY IN THE SHORT TERM.

THE SURVEY REPORT FOR DECEMBER 1990 IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL, AND AT THE CENSUS AND STATISTICS DEPARTMENT PUBLICATIONS SALES COUNTER, 19TH FLOOR, WANCHAI TOWER 1, 12 HARBOUR ROAD, WAN CHAI, AT \$2.50 PER COPY.

ENQUIRIES ABOUT THE SURVEY RESULTS MAY BE MADE TO THE INDUSTRIAL PRODUCTION STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON TEL. 839 3222.

/TABLE 1

TABLE 1 : ORDERS-ON-HAND IN MANUFACTURING INDUSTRIES

INDUSTRY	ORDERS-ON-HAND		
	AS AT THE END OF DECEMBER 1990 (MONTHS)	CHANGE WHEN NOV. 90 (%)	COMPARED WITH DEC. 89 (%)
ALL MANUFACTURING INDUSTRIES	4.21	*	-1
WEARING APPAREL	4.60	*	-1
TEXTILES	2.07	+1	-13
PLASTIC PRODUCTS	2.31	*	-25
FABRICATED METAL PRODUCTS	4.12	+1	-5
ELECTRICAL AND ELECTRONIC PRODUCTS	5.22	-1	+3
OTHERS	4.09	*	*

* CHANGES WITHIN +/- 0.5%

TABLE 2 : EMPLOYMENT

INDUSTRY/SERVICES	PERSONS ENGAGED AT THE END OF DECEMBER 1990	
	CHANGE WHEN NOV. 90 (%)	COMPARED WITH DEC. 89 (%)
ALL MANUFACTURING INDUSTRIES	-1	-11
FOOD AND DRINKS	-1	*
WEARING APPAREL	*	-9
TEXTILES	-4	-18
PLASTIC PRODUCTS	-3	-21
FABRICATED METAL PRODUCTS	-2	-7
ELECTRICAL AND ELECTRONIC PRODUCTS	-1	-13
OTHERS	*	-5

/CONSTRUCTION #

CONSTRUCTION #	-2	-7
-----	---	---
SERVICES	*	+3
-----	-	---
BANKS	*	+3
HOTELS	*	-5
PUBLIC UTILITIES	*	*
OTHERS	*	+9

* CHANGES WITHIN +/- 0.5%

PERSONS ENGAGED COVER COMPANY EMPLOYEES ONLY; SITE WORKERS EMPLOYED BY LABOUR-ONLY SUB-CONTRACTORS ARE NOT INCLUDED.

TABLE 3 : PER CAPITA EARNINGS

INDUSTRY/SERVICES	PER CAPITA EARNINGS		
	AVERAGE AS IN DECEMBER 1990	CHANGE WHEN COMPARED WITH	
-----	-----	NOV. 90	DEC. 89
	(HK\$)	(%)	(%)
ALL MANUFACTURING INDUSTRIES	6,897	+14	+11
-----	-----	---	---
FOOD AND DRINKS	9,967	+45	+12
WEARING APPAREL	5,421	+10	+6
TEXTILES	6,577	+17	+17
PLASTIC PRODUCTS	6,038	-1	+8
FABRICATED METAL PRODUCTS	6,301	+6	+23
ELECTRICAL AND ELECTRONIC PRODUCTS	6,678	+13	+5
OTHERS	8,609	+9	+14
CONSTRUCTION #	9,077	+6	+14
-----	-----	---	---
SERVICES	14,613	+42	+13
-----	-----	---	---
BANKS	16,043	+66	+12
HOTELS	7,944	+23	+17
PUBLIC UTILITIES	13,501	+26	+6
OTHERS	16,013	+44	+21

/# PER CAPITA

PER CAPITA EARNINGS COVER COMPANY EMPLOYEES ONLY; SITE WORKERS EMPLOYED BY LABOUR-ONLY SUB-CONTRACTORS ARE NOT INCLUDED.

NOTE : DUE TO THE POSSIBLE INCLUSION OF IRREGULAR PAYMENTS (E.G. BACKPAY OR SPECIAL BONUS), "PER CAPITA EARNINGS" FOR A GIVEN MONTH MAY BE SUBJECT TO RATHER VOLATILE FLUCTUATIONS FROM TIME TO TIME. THEREFORE, IT IS PARTICULARLY ADVISABLE, IN STUDYING PER CAPITA EARNINGS STATISTICS, NOT TO TAKE A GIVEN MONTH'S DATA IN ISOLATION, BUT TO MAKE REFERENCE TO DATA OVER A LONGER PERIOD.

NOTE TO TABLES 1-3 :

UNLIKE "ORDERS-ON-HAND" AND "PER CAPITA EARNINGS", WHICH ARE AVERAGE FIGURES AMONGST THE COMPANIES SURVEYED, THE TOTAL NUMBER OF PERSONS ENGAGED BY THE COMPANIES SURVEYED IS NOT MEANINGFUL INFORMATION ON ITS OWN (BECAUSE THIS IS A PANEL SURVEY) AND IS THEREFORE NOT SHOWN.

- - - - 0 - - - -

MISCONCEPTIONS ON NATIONALITY PACKAGE CLARIFIED

* * * * *

A SPOKESMAN FOR THE IMMIGRATION DEPARTMENT SAID TODAY (WEDNESDAY) THAT MORE THAN 3,100 CALLS WERE RECEIVED BY THEIR SPECIAL HOTLINE ON THE BRITISH NATIONALITY SELECTION SCHEME IN THE PAST TWO DAYS.

THE VAST MAJORITY OF THESE CALLS WERE REQUESTS FOR HELP IN COMPLETING APPLICATION FORMS FOR BRITISH CITIZENSHIP UNDER THE SCHEME.

"HOWEVER, A QUICK ANALYSIS OF THESE CALLS HAS ALSO REVEALED A FEW BASIC, COMMON MISCONCEPTIONS," THE SPOKESMAN SAID.

EXAMPLES INCLUDE :

- * IS THERE A DIFFERENT PASS MARK FOR DIFFERENT OCCUPATIONAL GROUPS ?
- * WILL I GET A FULL BRITISH PASSPORT IF I AM SUCCESSFUL ?
- * WILL THE PASSPORT BE GOOD FOR ENTRY INTO EUROPEAN COMMUNITY COUNTRIES ?
- * WILL MEMBERS OF MY FAMILY BE INCLUDED ?
- * MUST I GO TO LIVE IN THE UK AFTER GETTING MY PASSPORT ?
- * DO I HAVE TO PAY UK TAXES IF I AM SUCCESSFUL ?
- * CAN I APPLY UNDER THE ENTREPRENEURS CLASS ?

THE SPOKESMAN SAID THESE MISCONCEPTIONS MIGHT HAVE ARISEN BECAUSE IT HAS BEEN SOME NINE MONTHS SINCE THE BASIC PRINCIPLES OF THE SCHEME WERE FIRST ANNOUNCED.

HE REITERATED THAT THERE WERE NO "PASSMARKS" AS SUCH.

"AN APPLICANT'S CHANCE DEPENDS ON THE NUMBER OF PLACES AVAILABLE IN THE OCCUPATIONAL GROUP IN WHICH HE IS APPLYING AND THE TOTAL NUMBER OF APPLICANTS IN THAT GROUP. THE FEWER THE NUMBER OF APPLICATIONS, THE HIGHER WILL BE THE CHANCE OF SUCCESS FOR THOSE WHO APPLY," HE SAID.

THE SPOKESMAN REITERATED THAT SUCCESSFUL APPLICANTS UNDER THE SCHEME WOULD BE GRANTED FULL BRITISH CITIZENSHIP, WHICH ENTITLED THEM TO ENTER FREELY INTO AND WITHIN THE UK WITHOUT ANY LIMITATION OF STAY OR IMMIGRATION CONDITION.

"PASSPORTS ISSUED UNDER THE SCHEME WILL BE FULL BRITISH PASSPORTS, AND WILL BE VALID FOR EC COUNTRIES JUST LIKE ANY OTHER BRITISH PASSPORT," HE SAID.

"MORE IMPORTANTLY, SPOUSES AND CHILDREN UNDER THE AGE OF 18 WILL ALSO BE REGISTERED AS BRITISH CITIZENS AT THE SAME TIME," HE ADDED.

THE SPOKESMAN AGAIN EXPLAINED THAT THE SPIRIT OF THE SCHEME WAS TO ANCHOR PEOPLE IN HONG KONG BY GIVING THEM AN INSURANCE POLICY WITHOUT REQUIRING THEM TO LIVE IN THE UK AT ALL.

"SUCCESSFUL APPLICANTS WILL HAVE ABSOLUTE FREEDOM TO CHOOSE WHETHER TO GO TO LIVE IN THE UK OR TO STAY IN HONG KONG.

"THE SCHEME IS DESIGNED TO ENCOURAGE PEOPLE TO STAY.

"AND IF THEY STAY IN HONG KONG, THERE IS ABSOLUTELY NO OBLIGATION TO PAY UK TAXES," HE SAID.

ON APPLICATIONS UNDER THE ENTREPRENEURS CLASS, THE SPOKESMAN SAID ALTHOUGH MOST CANDIDATES WOULD BE INVITED TO APPLY, OTHERS WHO CONSIDERED THEMSELVES ELIGIBLE COULD ALSO APPLY ON THEIR OWN INITIATIVE.

"WE ARE BOUND TO MISS OUT ON SOME VERY DESERVING CASES AND THESE PEOPLE SHOULD MAKE THEIR CASES KNOWN TO US BY PUTTING IN THEIR APPLICATIONS BEFORE FEBRUARY 28."

"HOWEVER, THOSE WHO ARE INVITED TO APPLY NEED NOT OBSERVE THIS DEADLINE AS INVITATIONS ARE BEING ISSUED IN BATCHES AND THE PERIOD FOR APPLICATION WILL BE SPECIFIED IN THE LETTERS," HE ADDED.

THE SPOKESMAN ALSO POINTED OUT THAT MORE THAN 2,150 APPLICATION FORMS WERE RECEIVED IN THE PAST TWO DAYS.

"THERE IS JUST SLIGHTLY MORE THAN A WEEK BEFORE THE FEBRUARY 28 DEADLINE AND PEOPLE INTENDING TO APPLY SHOULD NOT WAIT UNTIL THE LAST MINUTE," HE SAID.

EARLY RENEWAL OF MULTIPLE VISIT PERMIT FOR TAIWAN RESIDENTS URGED

* * * * *

THE IMMIGRATION DEPARTMENT TODAY (WEDNESDAY) ANNOUNCED THAT TAIWAN TRAVELLERS HOLDING MULTIPLE VISIT PERMITS (MTPS) ISSUED DURING THE MONTHS OF JUNE, JULY AND AUGUST 1990 MAY APPLY TO RENEW THEIR PERMITS THREE MONTHS IN ADVANCE.

THE MULTIPLE VISIT PERMIT SCHEME WAS INTRODUCED ON JUNE 1, 1990.

DURING THE FIRST THREE MONTHS OF ITS INCEPTION, A TOTAL OF 236,000 WAS ISSUED.

BY JUNE, THE IMMIGRATION DEPARTMENT IS EXPECTED TO FACE A LARGE NUMBER OF RENEWAL APPLICATIONS.

"TO HELP SPREAD THE WORKLOAD AND TO MAINTAIN A SATISFACTORY SERVICE TO THE PUBLIC, THE DEPARTMENT INVITES APPLICANTS TO SUBMIT THEIR RENEWAL APPLICATIONS WELL IN ADVANCE," A SPOKESMAN FOR THE IMMIGRATION DEPARTMENT URGED.

THE SPOKESMAN EXPLAINED THAT AN EARLY RENEWAL OF PERMITS DOES NOT BRING TO AN EARLY END OF THEIR FIRST ONES.

THIS IS BECAUSE THE REPLACEMENT PERMITS WILL BE VALID FROM THE DATE OF EXPIRY OF THE FIRST ONE AND THEY MAY USE THEIR CURRENT PERMITS UNTIL EXPIRY, THE SPOKESMAN ADDED.

THERE ARE CURRENTLY TWO TYPES OF MULTIPLE VISIT PERMITS: FOR SOCIAL VISITS AND BUSINESS VISITS.

WITH EFFECT FROM JUNE 1, THE TWO TYPES OF PERMITS WILL BE MERGED INTO ONE.

APPLICANTS CURRENTLY HOLDING A PERMIT FOR SOCIAL OR BUSINESS VISIT MAY APPLY FOR RENEWAL AND WILL BE ISSUED WITH A REPLACEMENT PERMIT.

THIS NEW PERMIT WILL BE VALID FOR ONE YEAR AND GOOD FOR A STAY OF NOT MORE THAN 14 DAYS ON EACH OCCASION, IRRESPECTIVE OF THE NATURE OF VISITS.

HOLDERS OF MULTIPLE PERMITS FOR SOCIAL VISIT UNDER THE EXISTING SCHEME WILL ALSO BE GRANTED A STAY OF NOT MORE THAN 14 DAYS WITH EFFECT FROM JUNE 1.

TO FACILITATE TAIWAN TRAVELLERS, THE IMMIGRATION DEPARTMENT WILL ALSO INTRODUCE A JUMBO MULTIPLE VISIT PERMIT VALID FOR TWO YEARS WITH EFFECT FROM JUNE 1.

"THE JUMBO PERMIT, A 32-PAGE DOCUMENT, WILL BE ISSUED AT A FEE OF \$460. THIS, WE BELIEVE, WILL BE WELCOMED BY FREQUENT TRAVELLERS," THE SPOKESMAN SAID.

/THE EXISTING

THE EXISTING ARRANGEMENTS FOR CHANNELLING PERMIT APPLICANTS THROUGH AUTHORISED AIRLINES WILL REMAIN UNCHANGED.

REPLACEMENT PERMIT APPLICATIONS MAY ALSO BE SUBMITTED BY THE APPLICANTS THEMSELVES OR THROUGH THEIR LOCAL SPONSORS.

"SINGLE JOURNEY PERMITS WILL REMAIN AVAILABLE TO THOSE SOCIAL VISITORS WHO DO NOT NEED MULTIPLE VISIT FACILITIES OR WHO REQUIRE A LONGER PERIOD OF STAY THAN 14 DAYS," THE SPOKESMAN SAID.

- - - - 0 - - - -

WORN-OUT BUILDINGS DECLARED DANGEROUS

* * * * *

THE BUILDING AUTHORITY TODAY (WEDNESDAY) DECLARED A BUILDING AT 24 SHAU KEI WAN MAIN STREET EAST ON HONG KONG ISLAND TO BE DANGEROUS AND AN ADJACENT BUILDING AT NO. 24A ON THE SAME STREET LIABLE TO BECOME DANGEROUS.

THE AUTHORITY ALSO DECLARED TWO OTHER BUILDINGS AT TAI SAN STREET IN CHEUNG CHAU TO BE DANGEROUS.

IN A STATEMENT ISSUED THIS MORNING, THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR SAID NO. 24 IN SHAU KEI WAN MAIN STREET EAST IS A TWO-STOREY PRE-WAR BUILDING USED AS A STORE.

IT IS CONSTRUCTED OF MASONRY AND BRICK WALLS WITH A TIMBER FIRST FLOOR AND A METAL PURLIN CORRUGATED SHEET ROOF.

NUMBER 24A ON THE SAME STREET IS A NARROW SINGLE-STOREY STRUCTURE DOMESTICALLY OCCUPIED. IT IS OF THE SAME CONSTRUCTION AS NO. 24. THE STRUCTURE HAS A TIMBER ROOF AND SHARES A COMMON ENCLOSING WALL WITH NO. 24.

INSPECTION OF NO. 24 HAS SHOWN THAT THE ENCLOSING WALLS ARE FRACTURED IN SEVERAL PLACES AND PART OF THE TIMBER FIRST FLOOR HAS COLLAPSED WITH THE REMAINDER IN AN ADVANCED STAGE OF DECAY. THE ROOF IS ALSO SHOWING SIGNS OF DILAPIDATION.

IT IS CONSIDERED THAT THE BUILDING HAS NOW REACHED AN ADVANCED STATE OF DILAPIDATION AND SHOULD BE CLOSED AND DEMOLISHED AS BEING DANGEROUS.

THE BUILDING AT NO. 24A IS ALSO HAVING MARKED SIGNS OF DILAPIDATION WITH FRACTURED ENCLOSING WALLS. SUCH DEFECTS WILL NOT ENABLE IT TO WITHSTAND THE DEMOLITION OF NO. 24.

THEREFORE, THE BUILDING AT NO. 24A SHOULD BE CLOSED AND DEMOLISHED.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS FROM THE HONG KONG DISTRICT COURT ON MARCH 21, WERE POSTED TODAY ON THE BUILDINGS.

/MEANWHILE, THE

WEDNESDAY, FEBRUARY 20, 1991

- 29 -

MEANWHILE, THE TWO BUILDINGS COMPRISING NO. 3 TAI SAN STREET, CHEUNG CHAU, ARE DECLARED DANGEROUS.

IN A STATEMENT ISSUED THIS MORNING, THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR SAID THE TWO-STOREY DOMESTIC BUILDINGS ARE CONSTRUCTED OF LOADBEARING MASONRY AND BRICK WALLS WITH TIMBER JOISTS/RAFTERS.

INSPECTION OF THE STRUCTURES HAS SHOWN THAT THE MAJORITY OF THE TIMBER JOISTS ARE IN AN ADVANCED STAGE OF DECAY. FURTHERMORE, THE EXTERNAL WALLS ARE EXHIBITING FRACTURES AND POOR BONDING OF THE BLOCKWORK.

IT IS CONSIDERED THAT THE BUILDINGS SHOULD BE CLOSED AND DEMOLISHED.

NOTICES OF INTENTION TO APPLY FOR CLOSURE ORDERS FROM THE HONG KONG DISTRICT COURT ON APRIL 17, WERE POSTED TODAY ON THE BUILDINGS.

- - - - 0 - - - -

DIRECTOR OF MARINE SIGNS SEVENTH SURVEY AGREEMENT
* * * * *

THE DIRECTOR OF MARINE, MR MICHAEL C.C. SZE, HAS GIVEN APPROVAL FOR A SHIP CLASSIFICATION SOCIETY, GERMANISCHER LLOYD, TO CONDUCT STATUTORY SURVEYS ON SHIPS JOINING THE AUTONOMOUS HONG KONG SHIPPING REGISTER.

MR SZE SIGNED AN AGREEMENT WITH THE DIRECTOR (SHIP SAFETY DIVISION) OF GERMANISCHER LLOYD, MR HARTMUT HORMANN, AT A CEREMONY TODAY (WEDNESDAY) AT THE MARINE DEPARTMENT HEADQUARTERS IN HARBOUR BUILDING, PIER ROAD, CENTRAL.

TODAY'S SIGNING BRINGS TO SEVEN THE TOTAL NUMBER OF SHIP CLASSIFICATION SOCIETIES RECOMMENDED BY THE STEERING GROUP ON THE SETTING UP OF THE AUTONOMOUS HONG KONG SHIPPING REGISTER TO CONDUCT STATUTORY SHIP SURVEYS ON BEHALF OF THE DIRECTOR OF MARINE.

- - - - 0 - - - -

WEDNESDAY, FEBRUARY 20, 1991

- 30 -

ELECTION FORUMS FOR EASTERN DISTRICT CANDIDATES OVER WEEKEND

* * * * *

CANDIDATES CONTESTING IN DIFFERENT CONSTITUENCIES IN THE FORTHCOMING DISTRICT BOARD ELECTIONS IN THE EASTERN DISTRICT WILL PRESENT THEIR PLATFORMS AT 12 ELECTION FORUMS ON SATURDAY (FEBRUARY 23) AND SUNDAY (FEBRUARY 24).

THE FORUMS ARE ORGANISED BY THE EASTERN DISTRICT OFFICE TO ENABLE ELECTORS TO GET ACQUAINTED TO THE CANDIDATES BEFORE GOING TO THE BOOTHS ON MARCH 3.

A SPOKESMAN FOR THE CITY AND NEW TERRITORIES ADMINISTRATION SAID MOST OF THE FORUMS WILL BE HELD OUT-DOOR AT CONVENIENT LOCATIONS TO ATTRACT CROWDS.

DETAILS OF THE FORUMS ARE AS FOLLOWS:

FEBRUARY 23 (SATURDAY)

CONSTITUENCY	TIME	VENUE
CAUSEWAY BAY NORTH	11 AM	VICTORIA PARK BANDSTAND
QUARRY BAY SOUTH/ KORNHILL	11 AM	PODIUM OUTSIDE KORNHILL BLOCK Q
CHAI WAN WEST	11 AM	CHAI WAN COMMUNITY CENTRE
CAUSEWAY BAY SOUTH	3 PM	LAI KIT HOUSE SQUARE, LAI TAK TSUEN
A KUNG NGAM	3 PM	FACTORY STREET PLAYGROUND
CHAI WAN SOUTH	3 PM	COVERED RECREATION PLAYGROUND AT WAN TSUI ESTATE PHASE III

FEBRUARY 24 (SUNDAY)

CONSTITUENCY	TIME	VENUE
NORTH POINT NORTH	10 AM	PROVIDENT GARDEN
QUARRY BAY NORTH/ TAIKOO SHING	11 AM	PODIUM OUTSIDE TIEN SHING MANSION, TAIKOO SHING
CHAI WAN CENTRAL/ CHAI WAN NORTH	11 AM	YUE WAN COMMUNITY HALL

. /NORTH POINT

WEDNESDAY, FEBRUARY 20, 1991

- 31 -

NORTH POINT EAST	3 PM	KING'S ROAD PLAYGROUND
SAI WAN HO/ SHAU KEI WAN	3 PM	ALDRICH BAY PLAYGROUND
HENG FA CHUEN	3 PM	HENG FA CHUEN STATION ROOF SQUARE

THERE WILL NOT BE ANY FORUM FOR THE SINGLE-SEAT CAUSEWAY BAY EAST AND NORTH POINT SOUTH CONSTITUENCIES AS THE CANDIDATES HAVE BEEN ELECTED UNOPPOSED.

- - - - -

ATTENTION NEWS EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE ELECTION FORUMS.

- - - - 0 - - - -

WAN CHAI DISTRICT CHILDREN'S CHOIR TO GIVE CONCERT

* * * * *

THE WAN CHAI DISTRICT CHILDREN'S CHOIR WILL STAGE ITS ANNUAL CONCERT AT THE CITY HALL CONCERT HALL ON SATURDAY (FEBRUARY 23), BEGINNING AT 3 PM.

THE 50-STRONG CHOIR WILL SING A SELECTION OF CHINESE AND WESTERN SONGS. THERE WILL ALSO BE DANCES AND CHORAL PERFORMANCES BY SPECIAL GUESTS.

THE CONCERT HAS BEEN ORGANISED BY THE WAN CHAI DISTRICT ARTS, CULTURAL, RECREATIONAL AND SPORTS ASSOCIATION AND CO-ORGANISED BY THE DISTRICT OFFICE, WITH SPONSORSHIP FROM THE DISTRICT BOARD.

FREE ADMISSION TICKETS ARE NOW AVAILABLE AT THE WAN CHAI DISTRICT OFFICE'S SUB-OFFICE ON THE GROUND FLOOR, 2 O'BRIEN ROAD, WAN CHAI.

- - - - 0 - - - -