



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
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Tuesday, August 6, 1996

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Code of Practice on use of debt recovery agencies issued

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Two chapters of the Code of Banking Practice (the Code) on personal referees and the use of debt collection agencies were issued by the Hong Kong Monetary Authority (HKMA) today (Tuesday) to provide further guidance to authorised institutions.

"The publication of these detailed guidelines should help promote best practices among authorised institutions and substantially reduce the complaints about improper behaviour of debt collection agencies appointed by authorised institutions.

"Institutions are expected to comply as quickly as possible with the requirements of the two chapters," said acting Deputy Chief Executive of HKMA, Mr Y K Choi.

The Code states clearly that referees have no legal or moral obligation to repay the liabilities of an institution's customers unless they have entered into a formal agreement to guarantee such liabilities.

It also requires authorised institutions to ask their customers to obtain prior consent of the referees for their names to be used. Institutions are not allowed to pass information about referees to their debt collection agencies.

On the use of debt collection agencies, the Code requires authorised institutions to specify in contract or by written instructions that their agencies must not resort to intimidation or violence, either verbal or physical, against any person in their debt recovery actions.

It also sets out practices which institutions should adopt in appointing and managing debt collection agencies, including the need to establish effective procedures to monitor the performance of their agencies and to respond promptly to complaints about their agencies.

"We believe that the problems relating to these two issues would largely subside.

"But if the public has any further complaints about improper behaviour of debt collection agencies appointed by authorised institutions, they can call the HKMA complaint hotline at 2878 1378.

"To remind the public of this channel, we have readvertised the HKMA complaint hotline to coincide with the release of the two chapters," said Mr Choi.

The Code of Banking Practice is developed by a working group comprising representatives of HKMA and the industry Associations. It aims to promote good banking services and a fair and cordial relationship between authorised institutions and their customers.

In view of the public concern on the issues of personal referees and the use of debt collection agencies, the working group has earlier agreed that these two chapters should be prepared and released in advance of the rest of the Code.

In preparing these chapters, the working group has taken account of the comments of the Consumer Council, industry associations and other relevant organisations. The provisions of the two chapters have also been agreed and endorsed by industry associations.

"The working group will continue its work on the development of the rest of the Code.

"The full Code is expected to be completed by the end of 1996, and the two chapters issued, which may be further refined, will be incorporated into the Code when it is ready," said Mr Choi.

End

Secondary 6 admission procedure begins tomorrow

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Students wishing to apply for some 24,060 places in government, aided or bought-place secondary school are reminded to follow the five-stage secondary six admission procedure.

Acting senior education officer, Mr Tang Fat-yuen, today (Tuesday) said: "Students from schools without S6 classes or with only one stream of S6 class, private schools and evening schools are reminded to find out from their own school what their linked school is."

Application for S6 places will begin tomorrow when the results of the Hong Kong Certificate of Education Examination (HKCEE) are released.

Students with at least 14 points from the best six subjects in one sitting of HKCEE can apply to their own or linked schools (Stage I) or apply to other schools on August 8 (Stage II).

Those satisfying minimum A-level entry requirements should apply to their own or linked schools on August 9 (Stage III) or apply to other schools on August 12 (Stage IV).

The registration of all these students (Stage I - IV) will be done on the day they apply.

Students who still have not secured an S6 place after Stages I to IV can apply for central allocation at eight specified centres on August 13 (Stage V).

Results of central allocation will be displayed at specified centres and district education offices at 9 am on August 17. Successful candidates should register with schools before 1 pm that day.

Students meeting the minimum A-Level requirements but are unable to secure an S6 place after the completion of Stage V may be able to get one at the beginning of the school year because some successful students may decide not to take up their places.

A list of these vacancies will be displayed and updated weekly at all district education offices up to the end of September. Applications should be made to these schools direct but admission will be entirely at the discretion of the school authorities.

Details on the five stages will be available at the Education Department's 24-hour automatic telephone enquiry system on 2891 0088 one day before each stage.

Students are also welcome to contact officers of the district education offices for assistance.

A central hotline at enquiries telephone numbers 2782 7037 to 2782 7039 or 2782 7340 will be set up from tomorrow to August 17 to provide students with advice or clarification about admission procedures, and to handle any complaints.

An educational counsellor will offer assistance to students with emotional problems at the department's Careers Education Centre at Room 206, Mong Kok Government Offices at 30 Luen Wan Street, Mong Kok, during the opening hours of the centre from tomorrow to August 12.

Students can also contact the educational counsellor on 2712 7958.

End

Hong Kong Monetary Authority tender results

Tender date	6 Aug 1996	6 Aug 1996
Paper on offer	EF bills	EF bills
Issue number	Q632	Y692
Issue date	7 Aug 1996	7 Aug 1996
Maturity date	6 Nov 1996	6 Aug 1997
Amount applied	HK\$6,186 MN	HK\$2,060 MN
Amount allotted	HK\$1,500 MN	HK\$500 MN
Average yield accepted	5.10 PCT	5.56 PCT
Highest yield accepted	5.11 PCT	5.57 PCT
Pro rata ratio	About 24 PCT	About 51 PCT
Average tender yield	5.12 PCT	5.59 PCT

Hong Kong Monetary Authority

Tenders to be held in the week beginning 12 Aug 1996

Tender date	12 Aug 1996	13 Aug 1996	13 Aug 1996
Paper on offer	EF notes	EF bills	EF bills
Issue number	2808	Q633	H671
Issue date	13 Aug 1996	14 Aug 1996	14 Aug 1996
Maturity date	13 Aug 1998	13 Nov 1996	12 Feb 1997
Tenor	2 years	91 days	182 days
Amount on offer	HK\$500+100MN	HK\$1,500+500MN	HK\$800+160MN
Coupon	6.00 PCT		

End

Hong Kong Monetary Authority money market operations

	\$ million	Time (hours)	Cumulative change (\$million)
Opening balance in the account	1,838	0930	+120
Closing balance in the account	1,835	1000	+120
Change attributable to :		1100	+120
Money market activity	+112	1200	+118
LAF today	-115	1500	+118
		1600	+112

LAF rate 4.00% bid/6.00% offer TWI 123.7 *+0.1* 6.8.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	4.96	2 years	2805	6.30	100.55	6.05
1 month	4.99	3 years	3907	6.80	101.07	6.50
3 months	5.10	5 years	5106	7.23	101.13	7.07
6 months	5.25	7 years	7305	7.60	101.79	7.39
12 months	5.55	5 years	M502	7.30	100.68	7.23

Total turnover of EF bills and notes - \$10,003 million

Closed August 6, 1996

End