



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 5-8428777

TUESDAY, JULY 4, 1989

<u>CONTENTS</u>	<u>PAGE NO.</u>
SIR GEOFFREY VISITS TWO VBP DETENTION CENTRES	1
FOUR QUESTIONS, NINE BILLS ON LEGCO AGENDA	3
MONETARY STATISTICS FOR MAY 1989	4
SPECIAL STAMPS ON MODERN PAINTINGS AND SCULPTURES	7
SAI KUNG FIGHT CRIME CAMPAIGN STARTS	8
SUMMER ACTIVITIES FOR 50,000 YOUTHS	9
EASTERN DB TO DISCUSS CONFIDENCE ISSUE	10
TRANSPORT POLICY GREEN PAPER ON DB COMMITTEE AGENDA	10
DB COMMITTEE TO REVIEW COMMUNITY BUILDING PROJECTS	11
NORTHCOTE COLLEGE OF EDUCATION CELEBRATES GOLDEN JUBILEE	12
KEEP TOILET CLEAN DRIVE STARTS	13
AUCTION OF SPECIAL CAR NUMBERS	14
TEMPORARY TRAFFIC ARRANGEMENTS IN SHA TIN	15
TEMPORARY LANE CLOSURES ON TAI PO TAI WO ROAD	15

TUESDAY, JULY 4, 1989

- 1 -

SIR GEOFFREY VISITS TWO VBP DETENTION CENTRES

* * * * *

THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, SIR GEOFFREY HOWE, TODAY (TUESDAY) VISITED TWO DETENTION CENTRES IN THE NEW TERRITORIES FOR VIETNAMESE BOAT PEOPLE.

ACCOMPANIED BY THE SECRETARY FOR SECURITY, MR GEOFFREY BARNES, AND THE COMMISSIONER FOR CORRECTIONAL SERVICES, MR CHAN WA-SHEK, SIR GEOFFREY FLEW BY HELICOPTER TO WU KAI SHA, AND WAS DRIVEN TO THE WHITEHEAD DETENTION CENTRE.

THE CENTRE IS RUN BY THE CORRECTIONAL SERVICES DEPARTMENT AND PHASE ONE, WHICH OPENED IN JANUARY, ACCOMMODATES 4,619 BOAT PEOPLE. PHASE TWO OPENED ON JUNE 20, AND ALREADY ACCOMMODATES 3,250.

CORRECTIONAL SERVICES OFFICERS BRIEFED SIR GEOFFREY ON THE CENTRE'S OPERATION, AND SHOWED HIM AROUND THE HUTS. DURING HIS VISIT, SIR GEOFFREY STOPPED TO CHAT, THROUGH AN INTERPRETER, TO GROUPS OF BOAT PEOPLE.

FROM WU KAI SHA, SIR GEOFFREY FLEW TO SHEK KONG AIRFIELD WHERE, IN THE FACE OF THE CONTINUING INFLUX OF BOAT PEOPLE, THE GOVERNMENT OPENED A DETENTION CENTRE ON PART OF THE RUNWAY LAST MONTH.

THE FIRST BATCH OF BOAT PEOPLE WAS MOVED IN ON JUNE 21, AND THE NUMBER LIVING IN THE TENTED ACCOMMODATION NOW TOTALS 4,192.

THE BRITISH GOVERNMENT, WHICH IN APRIL AND JUNE ANNOUNCED CONTRIBUTIONS TOTALLING \$135 MILLION TO HELP HONG KONG IN PROVIDING EMERGENCY ACCOMMODATION FOR BOAT PEOPLE, FLEW IN EXTRA TENTS AFTER THE LOCAL SUPPLY WAS EXHAUSTED.

SIR GEOFFREY WAS SHOWN THROUGH THE CENTRE, WHICH IS RUN BY THE POLICE, AND WAS ALSO INTRODUCED TO SOME BOAT PEOPLE WHO HAVE ACCEPTED OFFERS OF REPATRIATION TO THEIR HOMELAND.

AMONG THOSE WHO ACCOMPANIED SIR GEOFFREY ON HIS TOUR OF THE CENTRE WERE THE DEPUTY COMMANDER OF BRITISH FORCES, BRIGADIER GILES ARNOLD, AND THE POLICE REGIONAL COMMANDER FOR THE NEW TERRITORIES, MR RICHARD SMALLSHAW.

SPEAKING TO REPORTERS AFTER THE VISIT, SIR GEOFFREY SAID: "I'D LIKE TO GIVE YOU THREE STRONG REACTIONS FROM MY VISIT TODAY TO TWO OF THE MANY BOAT PEOPLE CAMPS HERE IN HONG KONG.

"FIRST OF ALL, I WOULD LIKE TO SAY JUST HOW WELL THE HONG KONG AUTHORITIES ARE COPING WITH THE FLOOD OF NEW ARRIVALS. I WOULD LIKE TO PAY A WARM TRIBUTE TO ALL THOSE INVOLVED, THE POLICE, THE CORRECTIONAL SERVICE OFFICERS, THE AUXILIARY AND VOLUNTARY SERVICE WORKERS.

"THE BRITISH GOVERNMENT, IN HONG KONG ALONE, HAS CONTRIBUTED OVER 12 MILLION POUNDS STERLING, THAT IS HK\$150 MILLION, IN RECENT MONTHS. THE TENTS YOU HAVE GOT HERE ARE ONE RESULT OF THAT.

/"THE SECOND

TUESDAY, JULY 4, 1989

- 2 -

"THE SECOND POINT I WANT TO MAKE IS TO SAY HOW GLAD I AM THAT THERE WERE SUCH GENEROUS RESETTLEMENT PLEDGES MADE IN THE CONFERENCE AT GENEVA LAST MONTH. BECAUSE THOSE PLEDGES IN RESPECT OF REFUGEES MEAN THAT ALL THOSE WHO QUALIFY AS REFUGEES WILL BE ON THEIR WAY TO NEW HOMES OVER THE NEXT THREE YEARS. "

"THAT IS SOME 55,000 PEOPLE IN THE REGION AS A WHOLE, OF WHOM OVER 14,000 ARE HERE IN HONG KONG. WE ARE LOOKING TO THE UNHCR TO HELP FIND NEW HOMES FOR THOSE PEOPLE.

"THE PHILIPPINE OFFER OF LAND FOR A PROCESSING CENTRE, TO WHICH THE U.K. IS PREPARED TO CONTRIBUTE FIVE MILLION POUNDS STERLING, THAT IS HK\$60 MILLION, SHOULD CONSIDERABLY EASE THE BURDEN ON HONG KONG.

"MY THIRD REACTION, AND IT IS THE MOST DIFFICULT TO STATE, IS HOW WRONG IT IS FOR SO MANY PEOPLE WHO WILL NEVER QUALIFY AS REFUGEES TO GO ON COMING HERE IN VAIN.

"BECAUSE THE TRUTH IS, AS THE GENEVA CONFERENCE RECOGNISED, THAT THEY HAVE NO PROSPECT OF RESETTLEMENT ANYWHERE ELSE. FOR THEM TO HAVE TO SPEND YEARS IN CAMPS IS INTOLERABLE. THEIR ONLY FUTURE LIES BACK HOME. THEY MUST BE ALLOWED TO RETURN HOME IN SAFETY AND IN DIGNITY.

"THAT'S WHY WE HAVE BEEN SEEKING AND HAVE OBTAINED ASSURANCES ON THOSE POINTS FROM THE GOVERNMENT OF VIETNAM. SO I HOPE THAT BEFORE LONG THE NON-REFUEES WILL BE RETURNING TO VIETNAM IN SUBSTANTIAL NUMBERS.

"AND I URGE AS STRONGLY AS I POSSIBLY CAN THOSE WHO ARE STILL THERE NOT TO SET SAIL IN PURSUIT OF A DREAM OF A LIFE IN THE WEST WHICH DOES NOT, AND CANNOT, EXIST. IT IS CYNICAL INDEED FOR ANYONE TO TRY TO PERSUADE THEM OTHERWISE, BECAUSE THERE IS NO PROSPECT THAT THEY WILL BE ABLE TO MAKE A NORMAL LIFE ELSEWHERE."

IN REPLY TO A QUESTION ON MANDATORY REPATRIATION, SIR GEOFFREY SAID: "WE ARE WELL DOWN THAT TRACK. I'VE HAD TWO MEETINGS WITH MY VIETNAMESE OPPOSITE NUMBER. WE ARE GETTING WELL ESTABLISHED, THE ESSENTIAL FEATURES THAT PEOPLE RETURNING TO VIETNAM, AS YOU KNOW A NUMBER HAVE ALREADY PUT THEMSELVES FORWARD, SHOULD BE, AND WILL BE, WELL TREATED. THAT IS WHY I SAID THE FLOW WILL BE MOVING IN THE OPPOSITE DIRECTION QUITE SOON."

NOTING THAT HE COULD NOT GIVE THE DATE YET FOR THE REPATRIATION, SIR GEOFFREY SAID: "IT'S QUITE CLEAR THAT WE DO NEED TO ACHIEVE THAT REVERSAL OF THE FLOW, BECAUSE WHAT GENEVA ENDORSED, WAS THE FACT THAT THE GREAT MAJORITY OF THEM CANNOT QUALIFY AS REFUGEES, AND THEY HAVE NO PROSPECTS OF REACHING ANYWHERE BEYOND THESE CAMPS HERE."

/THE FOREIGN

THE FOREIGN SECRETARY SAID THE UNITED STATES WAS ALMOST THE ONLY ARTICULATE OPPOSITION TO WHAT WAS HAPPENING, BUT EVEN THE UNITED STATES HAD ACKNOWLEDGED THE FIRST ESSENTIAL FACT THAT THE GREAT MAJORITY OF THEM WOULD NOT QUALIFY AS REFUGEES, AND COULD NOT BE EXPECTED TO GO FOR RESETTLEMENT ELSEWHERE IN THE WORLD.

"AND THE LOGIC OF THAT MUST BE THAT THE RIGHT PLACE FOR THEM IS BACK IN THEIR HOMELAND RATHER THAN PILED UP IN CONDITIONS SUCH AS THOSE THAT WE SEE HERE," SIR GEOFFREY SAID.

- - - - 0 - - - -

FOUR QUESTIONS, NINE BILLS ON LEGCO AGENDA
* * * * *

MEMBERS OF THE LEGISLATIVE COUNCIL WILL ASK A TOTAL OF FOUR QUESTIONS AND CONSIDER NINE BILLS AT THE COUNCIL'S MEETING TOMORROW (WEDNESDAY).

SIX OF THE BILLS WILL BE INTRODUCED FOR FIRST AND SECOND READINGS.

THEY ARE THE COMPANIES (AMENDMENT) BILL 1989, THE HONG KONG INDUSTRIAL ESTATES CORPORATION (AMENDMENT) BILL 1989, THE PROTECTION OF INVESTORS (AMENDMENT) BILL 1989, THE SUPPLEMENTARY APPROPRIATION (1988-89) BILL 1989, THE CHARITABLE TRUST FUNDS (MISCELLANEOUS AMENDMENT) BILL 1989, AND THE LI PO CHUN CHARITABLE TRUST FUND (AMENDMENT) BILL 1989.

THE SECOND READING DEBATES ON THREE BILLS WILL RESUME AND WHEN THEY ARE COMPLETED EACH BILL IS DUE TO GO THROUGH THE COMMITTEE STAGE AND THIRD READING.

THESE BILLS ARE THE CONSUMER COUNCIL (AMENDMENT) BILL 1989, THE DUTIABLE COMMODITIES (AMENDMENT) (NO. 2) BILL 1989 AND THE IMMIGRATION (AMENDMENT) BILL 1989.

THE FINANCIAL SECRETARY WILL MOVE TWO MOTIONS UNDER THE COMPANIES ORDINANCE AND THE BANKRUPTCY ORDINANCE RESPECTIVELY.

IN ADDITION, THE FINANCIAL SECRETARY WILL PRESENT THE REPORT OF CHANGES TO THE APPROVED ESTIMATES OF EXPENDITURE APPROVED DURING THE FINAL QUARTER OF 1988-89 PUBLIC FINANCE ORDINANCE: SECTION EIGHT.

MEMBERS WILL ALSO DEBATE A MOTION ON THE FOREIGN AFFAIRS COMMITTEE REPORT ON HONG KONG, MOVED BY THE SENIOR MEMBER, THE HON ALLEN LEE.

THE MOTION READS: "THAT THIS COUNCIL TAKES NOTE OF THE FOREIGN AFFAIRS COMMITTEE REPORT ON HONG KONG AND URGES STRONGLY THAT THE BRITISH GOVERNMENT SHOULD URGENTLY TAKE ADEQUATE AND APPROPRIATE MEASURES TO ENSURE A SAFE AND SECURE FUTURE FOR THE PEOPLE OF HONG KONG, INCLUDING THE RESTORATION OF FULL BRITISH CITIZENSHIP TO BRITISH SUBJECTS IN HONG KONG."

- - - - 0 - - - -

TUESDAY, JULY 4, 1989

- 4 -

MONETARY STATISTICS FOR MAY 1989

* * * * *

THE GROWTH RATES OF BOTH HONG KONG DOLLAR AND FOREIGN CURRENCY DEPOSITS SLOWED DOWN IN MAY COMPARED WITH APRIL, ACCORDING TO STATISTICS PUBLISHED TODAY (TUESDAY) BY THE MONETARY AFFAIRS BRANCH.

THE BROADER DEFINITIONS OF HONG KONG DOLLAR MONEY SUPPLY, HK\$M2 AND HK\$M3, GREW LESS RAPIDLY IN MAY THAN IN APRIL. THE NARROWEST DEFINITION, HK\$M1, ROSE DURING THE MONTH, FOLLOWING TWO CONSECUTIVE MONTHLY DECLINES.

TOTAL LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS DECLINED IN MAY COMPARED WITH APRIL, LARGELY DUE TO THE FALL IN OFFSHORE LOANS. LOANS TO FINANCE VISIBLE TRADE AND OTHER LOANS FOR USE IN HONG KONG CONTINUED TO INCREASE DURING THE MONTH.

DEPOSITS

HONG KONG DOLLAR DEPOSITS WITH AUTHORISED INSTITUTIONS GREW BY 1.0 PER CENT IN MAY FOLLOWING INCREASES OF 0.7 PER CENT AND 1.9 PER CENT IN MARCH AND APRIL RESPECTIVELY. OF THESE DEPOSITS, DEMAND AND SAVINGS DEPOSITS ROSE BY 3.2 PER CENT AND 2 PER CENT RESPECTIVELY, WHILE TIME DEPOSITS RECORDED ZERO GROWTH.

DURING THE 12 MONTHS ENDING MAY 1989, TOTAL HONG KONG DOLLAR DEPOSITS GREW BY 15.5 PER CENT.

FOREIGN CURRENCY DEPOSITS WITH AUTHORISED INSTITUTIONS GREW BY 0.4 PER CENT IN MAY, FOLLOWING INCREASES OF 3.0 PER CENT AND 3.4 PER CENT IN MARCH AND APRIL RESPECTIVELY. OF THESE DEPOSITS, U.S. DOLLAR DEPOSITS INCREASED BY 3.1 PER CENT WHILE NON-U.S. DOLLAR DEPOSITS FELL BY 2.7 PER CENT.

OVER THE YEAR, TOTAL FOREIGN CURRENCY DEPOSITS INCREASED BY 29.7 PER CENT.

FOREIGN CURRENCY SWAP DEPOSITS INCREASED BY 4.3 PER CENT IN MAY, AFTER INCREASES OF 7.4 PER CENT AND 3.0 PER CENT IN MARCH AND APRIL RESPECTIVELY. ADJUSTED TO INCLUDE THESE DEPOSITS, HONG KONG DOLLAR DEPOSITS GREW BY 1.4 PER CENT IN MAY AND BY 21.2 PER CENT COMPARED WITH A YEAR EARLIER.

ON THE OTHER HAND, FOREIGN CURRENCY DEPOSITS, ADJUSTED TO EXCLUDE SWAP DEPOSITS, FELL BY 0.1 PER CENT IN MAY AND BY 25.7 PER CENT OVER THE YEAR.

DEPOSITS OF ALL CURRENCIES WITH BANKS GREW BY 1.1 PER CENT IN MAY WHILE THOSE WITH DEPOSIT-TAKING COMPANIES FELL BY 4.8 PER CENT. DURING THE 12 MONTHS ENDING MAY 1989, THE FORMER ROSE BY 24.4 PER CENT WHILE THE LATTER GREW BY 14.6 PER CENT.

/MONEY SUPPLY

MONEY SUPPLY

HK\$M1, HK\$M2 AND HK\$M3 ROSE BY 1.1 PER CENT, 0.7 PER CENT AND 0.8 PER CENT RESPECTIVELY. THESE COMPARED WITH CORRESPONDING RATES OF -2.9 PER CENT, 1.3 PER CENT AND 1.6 PER CENT IN APRIL.

DURING THE 12 MONTHS ENDING MAY 1989, HK\$M1, HK\$M2 AND HK\$M3 GREW BY 10.6 PER CENT, 14.8 PER CENT AND 15.2 PER CENT RESPECTIVELY.

ADJUSTED TO TAKE ACCOUNT OF SWAP DEPOSITS, HK\$M2 AND HK\$M3 EACH GREW BY 1.2 PER CENT IN MAY. COMPARED WITH A YEAR EARLIER, THEIR CORRESPONDING GROWTH RATES WERE 20.5 PER CENT AND 20.4 PER CENT.

TOTAL M1, M2 AND M3 GREW BY 0.5 PER CENT, 0.9 PER CENT AND 0.5 PER CENT RESPECTIVELY IN MAY. THEIR CORRESPONDING GROWTH RATES IN APRIL WERE -2.4 PER CENT, 2.4 PER CENT AND 2.7 PER CENT.

OVER THE YEAR, TOTAL M1, M2 AND M3 GREW BY 9.8 PER CENT, 24.0 PER CENT AND 23.3 PER CENT RESPECTIVELY.

LOANS AND ADVANCES

TOTAL OUTSTANDING LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS DECLINED BY 1.7 PER CENT IN MAY, COMPARED WITH AN INCREASE OF 5.0 PER CENT IN MARCH AND A DECLINE OF 1.9 PER CENT IN APRIL.

OF THE TOTAL OUTSTANDING LOANS, THOSE DENOMINATED IN HONG KONG DOLLARS GREW BY 2.0 PER CENT WHILE THOSE DENOMINATED IN FOREIGN CURRENCIES FELL BY 4.6 PER CENT.

LOANS TO FINANCE VISIBLE TRADE OF HONG KONG GREW BY 3.0 PER CENT IN MAY, FOLLOWING INCREASES OF 2.2 PER CENT AND 4.4 PER CENT IN MARCH AND APRIL RESPECTIVELY. OVER THE YEAR, THESE LOANS GREW BY 31.8 PER CENT.

OTHER LOANS FOR USE IN HONG KONG GREW BY 2.0 PER CENT IN MAY COMPARED WITH INCREASES OF 3.9 PER CENT AND 2.9 PER CENT IN MARCH AND APRIL RESPECTIVELY. OVER THE YEAR, THESE LOANS GREW BY 37.1 PER CENT.

LOANS FOR USE OUTSIDE HONG KONG DECREASED BY 5.6 PER CENT IN MAY, AFTER AN INCREASE OF 7.5 PER CENT IN MARCH AND A DECLINE OF 8.1 PER CENT IN APRIL. OVER THE YEAR, THESE LOANS GREW BY 14.4 PER CENT.

NUMBER OF REPORTING INSTITUTIONS

THE NUMBERS OF REPORTING LICENSED BANKS AND LICENSED DEPOSIT-TAKING COMPANIES REMAINED UNCHANGED AT 161 AND 35 RESPECTIVELY WHILE THAT OF REGISTERED DEPOSIT-TAKING COMPANIES INCREASED BY ONE TO 211.

TUESDAY, JULY 4, 1989

- 6 -

MONETARY STATISTICS - MAY 1989

(HK\$mn)

	May 1989	Earlier months (% change to May 1989)		
		Apr 1989	Feb 1989	May 1988
Money Supply				
11 - HK\$	79,113	78,265 (1.1 %)	82,844 (-4.5 %)	71,539 (10.6 %)
Foreign currency	8,533	8,890 (-4.0 %)	10,331 (-17.4 %)	8,282 (3.0 %)
Total	87,646	87,175 (0.5 %)	93,175 (-5.9 %)	79,822 (9.8 %)
12 - HK\$	373,932	371,267 (0.7 %)	365,820 (2.2 %)	325,720 (14.8 %)
Foreign currency	524,927	519,146 (1.1 %)	487,988 (7.6 %)	399,001 (31.6 %)
Total	898,859	890,413 (0.9 %)	853,807 (5.3 %)	724,721 (24.0 %)
13 - HK\$	411,309	408,119 (0.8 %)	400,052 (2.8 %)	357,020 (15.2 %)
Foreign currency	558,410	556,626 (0.3 %)	521,515 (7.1 %)	429,682 (30.0 %)
Total	969,718	964,745 (0.5 %)	921,567 (5.2 %)	786,702 (23.3 %)
Notes and coins in circulation	35,143	35,300 (-0.4 %)	36,415 (-3.5 %)	30,241 (16.2 %)
of which held by public	30,307	30,976 (-2.2 %)	31,757 (-4.6 %)	26,469 (14.4 %)
Total Deposits				
Total Demand deposits	57,339	56,199 (2.0 %)	61,418 (-6.6 %)	53,333 (7.5 %)
Total Savings deposits	163,268	162,000 (0.8 %)	170,136 (-4.0 %)	176,199 (-7.3 %)
Total Time deposits with banks	630,836	624,195 (1.1 %)	574,512 (9.8 %)	455,027 (38.6 %)
Total Time deposits with dies	68,699	72,142 (-4.8 %)	65,692 (4.6 %)	59,955 (14.6 %)
HK\$ deposits	368,424	364,747 (1.0 %)	355,739 (3.6 %)	319,066 (15.5 %)
US\$ deposits	297,293	298,238 (3.1 %)	270,733 (9.8 %)	227,991 (30.4 %)
Other foreign currency deposits	214,425	261,551 (-2.7 %)	245,265 (3.7 %)	197,455 (28.9 %)
All deposits	920,142	914,535 (0.6 %)	871,758 (5.6 %)	744,513 (23.6 %)
Foreign currency swap deposits	55,147	52,858 (4.3 %)	47,751 (15.5 %)	30,324 (81.9 %)
Total Loans and advances				
To finance H.K.'s visible trade	62,561	60,734 (3.0 %)	66,955 (9.8 %)	47,451 (31.8 %)
To finance merchandising trade not touching H.K.	9,332	11,912 (-21.7 %)	11,816 (-21.0 %)	5,180 (80.2 %)
Other loans for use in H.K.	533,923	523,654 (2.0 %)	489,677 (9.0 %)	389,431 (37.1 %)
Other loans for use outside H.K.	373,718	396,070 (-5.6 %)	401,220 (-6.9 %)	326,624 (14.4 %)
Other loans where the place of use is not known	69,643	74,815 (-6.9 %)	76,202 (-8.6 %)	60,081 (15.9 %)
Loans in HK\$	483,631	474,346 (2.0 %)	436,541 (10.8 %)	340,919 (41.9 %)
Loans in foreign currencies	565,347	592,838 (-4.0 %)	599,329 (-5.7 %)	487,848 (15.9 %)
Total loans and advances	1,049,177	1,067,184 (-1.7 %)	1,055,670 (1.3 %)	828,767 (26.6 %)

- - - - 0 - - - -

/7

TUESDAY, JULY 4, 1989

- 7 -

SPECIAL STAMPS ON MODERN PAINTINGS AND SCULPTURES

* * * * *

A SET OF SPECIAL STAMPS ON THE THEME OF MODERN PAINTINGS AND SCULPTURES OF HONG KONG WILL BE ISSUED ON JULY 19, THE POST OFFICE ANNOUNCED TODAY (TUESDAY).

THE STAMPS, IN DENOMINATIONS OF 60 CENTS, \$1.40, \$1.80 AND \$5, WERE DESIGNED BY MR KAN TAI-KEUNG AND PRINTED BY ENSCHEDE SECURITY PRINTING LTD OF HOLLAND.

THEY WILL BE DISPLAYED AT THE GENERAL POST OFFICE AND THE TSIM SHA TSUI POST OFFICE FROM JULY 8 AND AT THE SOUTH GALLERY OF THE SHA TIN NEW TOWN PLAZA ON JULY 15 AND 16.

OFFICIAL FIRST DAY COVERS AT 50 CENTS EACH WILL BE ON SALE FROM TOMORROW.

ADVANCE ORDERS FOR FIRST DAY TREATMENT OF FIRST DAY COVERS ARE NOW ACCEPTED UNTIL JULY 13 AT ALL POST OFFICES. THE MINIMUM QUANTITY PER ORDER IS FIVE COVERS.

CUSTOMERS WISHING TO AVOID CONGESTION ON THE FIRST DAY OF ISSUE ARE ADVISED TO MAKE USE OF THIS SERVICE.

FOR THE CONVENIENCE OF CUSTOMERS, FIRST DAY COVERS PRE-AFFIXED WITH A SET OF STAMPS AND CANCELLED WITH THE PHILATELIC BUREAU DATESTAMP WILL BE AVAILABLE FOR SALE AT \$10.30 EACH AT DESIGNATED COUNTERS OF 21 OFFICES ON JULY 19.

THEY ARE THE BEACONSFIELD HOUSE POST OFFICE, CAUSEWAY BAY POST OFFICE, GENERAL POST OFFICE, KING'S ROAD POST OFFICE, PEAK POST OFFICE, SAI YING PUN POST OFFICE AND TSAT TSZ MUI POST OFFICE ON HONG KONG ISLAND; THE AIRPORT POST OFFICE, CHEUNG SHA WAN POST OFFICE, GRANVILLE ROAD POST OFFICE, KOWLOON BAY POST OFFICE, KOWLOON CENTRAL POST OFFICE, KWUN TONG POST OFFICE, MONG KOK POST OFFICE AND TSIM SHA TSUI POST OFFICE IN KOWLOON; AND THE SHA TIN CENTRAL POST OFFICE, TAI PO POST OFFICE, SHEK WU HUI POST OFFICE, TSUEN WING STREET POST OFFICE, TUEN MUN SAN HUI POST OFFICE AND YUEN LONG POST OFFICE IN THE NEW TERRITORIES.

- - - - 0 - - - -

/8

TUESDAY, JULY 4, 1989

- 8 -

SAI KUNG FIGHT CRIME CAMPAIGN STARTS

* * * * *

THE SAI KUNG DISTRICT FIGHT CRIME CAMPAIGN WHICH STARTS TODAY (TUESDAY) WILL HELP ENHANCE RESIDENTS' UNDERSTANDING OF CRIME PREVENTION AND PROMOTE THEIR CO-OPERATION WITH THE POLICE, A SPOKESMAN FOR THE DISTRICT'S FIGHT CRIME COMMITTEE SAID.

IN THIS CONNECTION, THE CAMPAIGN'S ORGANISING COMMITTEE HAS INVITED TELEVISION ACTRESS, MISS LISA WANG MING-CHUEN, TO BE THE STANDARD-BEARER OF THIS YEAR'S DISTRICT FIGHT CRIME CAMPAIGN.

SHE WILL HELP PROMOTE THE CAMPAIGN MESSAGES OF "ANTI-SHOPTHEFT", "HOME SECURITY" AND "ANTI-JUVENILE DELINQUENCY".

THE FIRST ACTIVITY OF THE CAMPAIGN WAS TO PUT UP AN ANTI-CRIME PUBLICITY SIGNBOARD AT CLEAR WATER BAY SECOND BAY EARLIER TODAY TO REMIND BEACHGOERS TO TAKE GREATER CARE OF THEIR BELONGINGS AND TO REPORT ANY THEFTS TO THE POLICE.

MORE PUBLICITY SIGNBOARDS WILL BE PUT UP AT VARIOUS CARPARKS AND BEACHES IN THE SAI KUNG DISTRICT IN THE NEXT FEW WEEKS.

THE SAI KUNG DISTRICT NEIGHBOURHOOD WATCH SCHEME, THE FIRST SIX PHASES OF WHICH HAVE BEEN VERY WELL RECEIVED BY LOCAL RESIDENTS, HAS ALREADY STARTED ITS PHASE VII EXERCISE AT PO YAN HOUSE OF PO LAM ESTATE, TSEUNG KWAN O AT THE END OF LAST MONTH.

UNDER THIS SCHEME, RESIDENTS ARE ENCOURAGED TO REPORT CRIME TO THE POLICE AND GIVE MUTUAL HELP TO THEIR NEIGHBOURS SO AS TO DETER BURGLARS AND OTHER CRIMINALS.

THE FIGHT CRIME MESSAGE IS ALSO SPREAD THROUGH THE INTRODUCTION OF A LIFT DISPLAY PROJECT IN WHICH PLASTIC SHEETS FOR DISPLAYING CRIME PREVENTION LEAFLETS ARE DISTRIBUTED TO MUTUAL AID COMMITTEES AND OWNERS CORPORATIONS IN THE DISTRICT.

ARRANGEMENTS WILL BE MADE FOR THE DISTRICT'S FIGHT CRIME COMMITTEE MEMBERS AND SECONDARY SCHOOL STUDENTS TO VISIT THE POLICE MUSEUM AND THE WONG TAI SIN POLICE STATION. THESE VISITS WILL ENABLE THEM TO HAVE A BETTER UNDERSTANDING OF THE OPERATION OF THE POLICE FORCE.

THE HIGHLIGHT OF THE CAMPAIGN WILL BE A CRIME PREVENTION CARNIVAL AND PRIZE PRESENTATION CEREMONY TO BE HELD AT THE SAI KUNG TANG SHIU KIN SPORTS GROUND AT THE END OF THE YEAR.

OTHER ACTIVITIES INCLUDE VARIETY SHOW, CRIME PREVENTION SEMINARS AND VARIOUS COMPETITIONS. PUBLICITY MATERIALS WILL ALSO BE PRINTED FOR DISTRIBUTION TO THE PUBLIC.

ALL SAI KUNG RESIDENTS ARE WELCOME TO TAKE PART IN THE DISTRICT'S FIGHT CRIME ACTIVITIES.

- - - - 0 - - - -

/9

TUESDAY, JULY 4, 1989

- 9 -

SUMMER ACTIVITIES FOR 50,000 YOUTHS

* * * * *

MORE THAN 50,000 YOUNG PEOPLE IN THE CENTRAL AND WESTERN DISTRICT ARE EXPECTED TO TAKE PART IN A VARIETY OF WHOLESOME ACTIVITIES ORGANISED UNDER THE DISTRICT'S SUMMER YOUTH PROGRAMME (SYP) THIS YEAR.

A TOTAL OF 600 PROJECTS AIMED AT PROMOTING A MORE BALANCED DEVELOPMENT OF YOUTH WILL BE HELD DURING THE SUMMER VACATION FOR CHILDREN AND YOUNGSTERS AGED BETWEEN SIX AND 25.

THE CHAIRMAN OF THE DISTRICT'S SYP CO-ORDINATING COMMITTEE, MR CHAN HAY, SAID TODAY (TUESDAY) THAT APART FROM RECREATIONAL AND CULTURAL PURSUITS, THERE WILL BE A NUMBER OF ACTIVITIES SPECIALLY DESIGNED TO ENHANCE SOCIAL AWARENESS AND COMMUNITY PARTICIPATION.

"ACTIVITIES SUCH AS VISITS, SAILING, KEEP-FIT AND MARTIAL ARTS CLASSES, CAMPING, DANCING, LANGUAGE LEARNING, BALL GAMES, CALLIGRAPHY, SWIMMING, DRAMA, HAIRDRESSING COURSES AND EXPEDITIONS WILL PROVIDE PARTICIPANTS WITH LOTS OF FUN AND THE CHANCE TO DEVELOP THEIR POTENTIAL," MR CHAN ADDED.

THE CENTRAL AND WESTERN DISTRICT SUMMER YOUTH PROGRAMME IS JOINTLY ORGANISED BY THE DISTRICT OFFICE, THE POLICE, URBAN SERVICES DEPARTMENT, SOCIAL WELFARE DEPARTMENT, THE INDEPENDENT COMMISSION AGAINST CORRUPTION, AREA COMMITTEES, VOLUNTARY AGENCIES AND OTHER LOCAL ORGANISATIONS.

IT HAS RECEIVED A SPONSORSHIP OF \$365,000 FROM THE ROYAL HONG KONG JOCKEY CLUB.

THE PROGRAMME WILL START OFF WITH A VARIETY SHOW AT THE FORBES STREET PLAYGROUND IN KENNEDY TOWN ON SUNDAY (JULY 9) AFTERNOON.

BROCHURES FOR THE ACTIVITIES AND FREE STALL GAMES COUPONS FOR THE SUNDAY EVENT ARE NOW AVAILABLE AT THE CENTRAL AND WESTERN DISTRICT OFFICE ON THE GROUND FLOOR OF HARBOUR BUILDING, ITS SUB-OFFICES IN THE CENTRAL GOVERNMENT OFFICES AND KENNEDY TOWN, AND THE WESTERN COMMUNITY CENTRE AT 36 WESTERN STREET.

ENQUIRIES CAN BE MADE ON 5-8523002.

- - - - 0 - - - -

/10

TUESDAY, JULY 4, 1989

- 10 -

EASTERN DB TO DISCUSS CONFIDENCE ISSUE

* * * * *

THE EASTERN DISTRICT BOARD WILL DISCUSS WAYS TO BOOST THE CONFIDENCE OF HONG KONG PEOPLE IN THE TERRITORY'S FUTURE AT ITS MEETING ON THURSDAY (JULY 6).

MEMBERS WILL ALSO CONSIDER A PROGRESS REPORT BY THE HOSPITAL SERVICES DEPARTMENT ON THE CONSTRUCTION OF THE PAMELA YOUDE HOSPITAL IN CHAI WAN.

THE HOSPITAL WILL PROVIDE A FULL ACCIDENT AND EMERGENCY SERVICE FOR RESIDENTS OF THE EASTERN DISTRICT AFTER ITS SCHEDULED OPENING IN APRIL 1992.

IN ADDITION, MEMBERS WILL EXPRESS THEIR VIEWS ON A CONSULTATION PAPER ON PROPOSALS FOR CHANGES TO THE REHABILITATION OF OFFENDERS ORDINANCE.

OTHER ITEMS ON THE AGENDA ARE THE FIVE-YEAR URBAN COUNCIL CAPITAL WORKS PROGRAMME, THE NAMING OF A NEW HOME OWNERSHIP SCHEME IN CHAI WAN AND A PROPOSAL TO INTRODUCE LEGISLATION TO PROTECT THE USE OF THE DISTRICT BOARD LOGO.

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE EASTERN DISTRICT BOARD MEETING WHICH WILL BEGIN AT 2.30 PM ON THURSDAY (JULY 6) IN THE CONFERENCE ROOM OF THE EASTERN DISTRICT OFFICE, FIRST FLOOR, 880-886 KING'S ROAD.

TRANSPORT POLICY GREEN PAPER ON DB COMMITTEE AGENDA

* * * * *

THE NORTH DISTRICT BOARD'S TRAFFIC AND TRANSPORT COMMITTEE WILL DISCUSS THE GREEN PAPER ON TRANSPORT POLICY IN HONG KONG AT ITS MEETING TOMORROW (WEDNESDAY).

MEMBERS WILL COMMENT ON THE FINDINGS OF THE 1988 REVIEW ON PEDESTRIAN PROBLEM SPOTS IN NORTH DISTRICT, WHICH WAS CARRIED OUT BY THE TRANSPORT DEPARTMENT.

/THE MEETING

TUESDAY, JULY 4, 1989

- 11 -

THE MEETING WILL ALSO DISCUSS A PROPOSAL BY THE KOWLOON MOTOR BUS COMPANY TO OPERATE ROUTE 71X, PLYING BETWEEN SHEUNG SHUI AND CHEUNG SHA WAN, ONLY AT PEAK PERIODS DUE TO LOW PATRONAGE.

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE MEETING OF THE NORTH DISTRICT BOARD'S TRAFFIC AND TRANSPORT COMMITTEE TO BE HELD TOMORROW (WEDNESDAY) IN THE CONFERENCE ROOM OF THE NORTH DISTRICT OFFICE, JOCKEY CLUB ROAD, FANLING.

THE MEETING WILL BEGIN AT 2 PM.

- - - - 0 - - - -

DB COMMITTEE TO REVIEW COMMUNITY BUILDING PROJECTS

* * * * *

THE CENTRAL AND WESTERN DISTRICT BOARD'S COMMUNITY BUILDING AND SERVICES COMMITTEE WILL REVIEW ITS WORK PLAN FOR THE CURRENT FINANCIAL YEAR AT A MEETING ON THURSDAY (JULY 6).

THE COMMITTEE WILL ALSO CONSIDER A DOCUMENT ON NEW SERVICES TO BE PROVIDED BY THE SOCIAL WELFARE DEPARTMENT IN THE DISTRICT IN 1989-90.

AT THE MEETING, MEMBERS WILL COMMENT ON THE SCHEME FOR IMPORTING SKILLED LABOUR. A PAPER OUTLINING THE URBAN COUNCIL'S JOINT CULTURAL AND ENTERTAINMENT PROGRAMMES WITH THE DISTRICT BOARD, DISTRICT OFFICE, AREA COMMITTEES AND THE DISTRICT ASSOCIATION FOR CULTURE AND ARTS WILL BE TABLED.

- - - - -

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER THE MEETING OF THE CENTRAL AND WESTERN DISTRICT BOARD'S COMMUNITY BUILDING AND SERVICES COMMITTEE, WHICH WILL BEGIN AT 2.30 PM ON THURSDAY (JULY 6) IN ROOM 1416, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL.

- - - - 0 - - - -

/12

TUESDAY, JULY 4, 1989

- 12 -

NORTHCOTE COLLEGE OF EDUCATION CELEBRATES GOLDEN JUBILEE

* * * * *

THE NORTHCOTE COLLEGE OF EDUCATION WILL HOLD A GOLDEN JUBILEE EXHIBITION AND OPEN DAY TO MARK ITS 50TH ANNIVERSARY AT ITS CAMPUS AT SASSOON ROAD, POK FU LAM, BETWEEN THURSDAY (JULY 6) AND SATURDAY (JULY 8).

THE EXHIBITION WILL FOCUS ON THE DEVELOPMENT OF THE COLLEGE IN THE PAST 50 YEARS, HIGHLIGHTING SOME OF ITS CONTRIBUTIONS IN TEACHER EDUCATION.

THERE WILL BE DISPLAYS, DEMONSTRATIONS AND VIDEO SHOWS TO ILLUSTRATE THE CURRENT TEACHER TRAINING PROGRAMMES OPERATED BY THE COLLEGE.

THE CHIEF SECRETARY, SIR DAVID FORD, WILL OFFICIATE AT A CEREMONY ON THURSDAY (JULY 6) TO MARK THE OPENING OF THE COLLEGE'S 50TH ANNIVERSARY CELEBRATIONS. THE DIRECTOR OF EDUCATION, MR Y.T. LI, WILL ALSO ATTEND.

TEACHERS AND SENIOR SECONDARY STUDENTS ARE WELCOME TO ATTEND THE COLLEGE'S EXHIBITION AND OPEN DAY BETWEEN NOON AND 4.30 PM ON THURSDAY, BETWEEN 9 AM AND 4.30 PM ON FRIDAY AND BETWEEN 9 AM TO NOON ON SATURDAY.

- - - - -

NOTE TO EDITORS:

YOU ARE INVITED TO COVER THE NORTHCOTE COLLEGE OF EDUCATION'S GOLDEN JUBILEE EXHIBITION AND OPEN DAY AT THE COLLEGE'S MAIN BUILDING AT 21 SASSOON ROAD, POK FU LAM.

THE OPENING CEREMONY WILL BEGIN AT 10.15 AM ON THURSDAY (JULY 6).

- - - - 0 - - - -

/13

TUESDAY, JULY 4, 1989

- 13 -

KEEP TOILET CLEAN DRIVE STARTS
* * * * *

A TERRITORY-WIDE "KEEP THE TOILET CLEAN DRIVE", ORGANISED BY THE HEALTH EDUCATION UNIT OF THE MUNICIPAL SERVICES BRANCH, IS BEING HELD FROM THIS MONTH TO SEPTEMBER.

SPONSORED BY THE URBAN COUNCIL AND THE REGIONAL COUNCIL, THE DRIVE AIMS TO AROUSE PUBLIC AWARENESS OF THE IMPORTANCE IN KEEPING PUBLIC TOILETS CLEAN.

A SPOKESMAN FOR THE HEALTH EDUCATION UNIT POINTED OUT THAT IT IS MOST IMPORTANT TO KEEP TOILETS, ESPECIALLY THE PUBLIC AND THE COMMUNAL TOILETS, DRY AND CLEAN.

"A DIRTY TOILET IS NOT ONLY A NUISANCE WHICH ADVERSELY AFFECTS OUR ENVIRONMENT, IT MAY ALSO BRING ABOUT THE SPREAD OF GASTROINTESTINAL DISEASES LIKE CHOLERA, VIRAL HEPATITIS, DYSENTERIES, TYPHOID FEVER AND FOOD POISONING.

"FROM THE HYGIENE POINT OF VIEW, PROPER TOILETS SHOULD HAVE THE FOLLOWING BASIC FACILITIES : AMPLE SUPPLY OF FLUSHING WATER; SUFFICIENT PROVISION OF TISSUE PAPER; SUFFICIENT NUMBER OF LITTER BINS; SUFFICIENT WASHBASINS PROVIDED WITH SOAP; AND THE PROVISION OF HAND DRYING MACHINE OR PAPER TOWELS," HE NOTED.

THE SPOKESMAN REMINDED THOSE PERSONNEL WHO ARE RESPONSIBLE FOR THE MANAGEMENT OF TOILETS TO KEEP THE TOILETS ALWAYS DRY, CLEAN AND HYGIENIC.

"CHOKAGE OF DRAINS AND INADEQUATE SUPPLY OF FLUSHING WATER SHOULD BE PROMPTLY RECTIFIED," HE SAID.

THE SPOKESMAN ALSO REMINDED THE PUBLIC TO REMEMBER THE FOLLOWING STEPS WHEN THEY USE PUBLIC TOILETS: FLUSH THE WATER CLOSET IMMEDIATELY AFTER USE; USE TISSUE PAPER AND AVOID DUMPING HARD PAPERS OR FOREIGN MATTERS INTO THE WATER CLOSET; WASH THEIR HANDS AFTER USING THE TOILET; AND AVOID SPILLING WATER ONTO THE FLOOR DURING HAND WASHING.

IN ADDITION TO ISSUING PRESS RELEASES AND RADIO API'S (ANNOUNCEMENTS IN THE PUBLIC INTEREST), POSTERS AND STICKERS CARRYING THE CAMPAIGN MESSAGE WILL BE DISTRIBUTED TO THE MANAGEMENT OF RESTAURANTS, CINEMAS, SCHOOLS, CIVIC CENTRES, MARKETS, SHOPPING ARCADES, PUBLIC RESORTS AND OTHER PLACES WHERE PUBLIC TOILETS ARE PROVIDED.

ORGANISATIONS OR MANAGERIAL PERSONNEL WHO WISH TO OBTAIN FREE COPIES OF THE POSTERS AND STICKERS ARE WELCOME TO CONTACT THE HEALTH EDUCATION UNIT ON 3-7236234 OR 3-7871230.

- - - - 0 - - - -

/14

TUESDAY, JULY 4, 1989

- 14 -

AUCTION OF SPECIAL CAR NUMBERS
* * * * *

THE TRANSPORT DEPARTMENT WILL HOLD ANOTHER AUCTION OF SPECIAL VEHICLE REGISTRATION NUMBERS ON SATURDAY (JULY 8) AT 10 AM AT THE CITY HALL RECITAL HALL.

A TOTAL OF 40 SPECIAL CAR NUMBERS WILL BE AVAILABLE FOR BIDDING.

THEY ARE:

EA741	EB168	EA6862	EA10
AR252	AA560	339	AE329
CK1631	DZ1111	AT219	EB728
EB8839	EC136	EB369	CC416
1950	AG1821	EB817	DJ181
AK1357	HK7300	DM3838	EA9392
EB139	DZ2002	BB8119	EA5889
DF75	EB866	EB1238	EB2779
EB8889	EB687	AD707	EB265
EB3386	EB3682	EA328	EA9388

SUCCESSFUL BIDDERS MUST PAY BY CHEQUE IMMEDIATELY AFTER THE BIDDING.

A TRANSPORT DEPARTMENT SPOKESMAN REMINDED BIDDERS THAT THE VEHICLE REGISTRATION NUMBER WOULD BE ASSIGNED ONLY TO A VEHICLE REGISTERED IN THE NAME OF THE SUCCESSFUL BIDDER WITHIN 12 MONTHS OF THE AUCTION.

THE CERTIFICATE OF INCORPORATION MUST BE PRODUCED IMMEDIATELY AFTER THE AUCTION IF THE VEHICLE REGISTRATION MARK IS TO BE REGISTERED UNDER THE NAME OF A BODY CORPORATE.

PROCEEDS OF THE AUCTION WILL AS USUAL GO TO THE GOVERNMENT LOTTERIES FUND.

THE COMING AUCTION WILL BE THE 139TH ORGANISED BY THE TRANSPORT DEPARTMENT SINCE MAY 1973.

- - - - 0 - - - -

/15

TUESDAY, JULY 4, 1989

- 15 -

TEMPORARY TRAFFIC ARRANGEMENTS IN SHA TIN
* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT TO FACILITATE THE CONSTRUCTION OF TATE'S CAIRN TUNNEL AND ITS APPROACH ROADS, TWO ROAD SECTIONS IN SHA TIN WILL BE CLOSED BETWEEN 10 PM AND 7 AM THE NEXT DAY FROM THURSDAY (JULY 6) FOR FOUR NIGHTS.

THE TWO SECTIONS ARE SIU LEK YUEN ROAD WESTBOUND BETWEEN KWONG SIN STREET AND SHA TIN WAI ROAD; AND SHA TIN WAI ROAD SOUTHBOUND BETWEEN SIU LEK YUEN ROAD AND NGAU PEI SHA STREET.

DURING THE CLOSURES, MOTORISTS ON SIU LEK YUEN ROAD WESTBOUND HEADING FOR CITY ONE, SHA TIN, WILL BE DIVERTED VIA KWONG SIN STREET, AN UNNAMED ROAD AND SHA TIN WAI ROAD.

- - - - 0 - - - -

TEMPORARY LANE CLOSURES ON TAI PO TAI WO ROAD
* * * * *

THE TRANSPORT DEPARTMENT ANNOUNCES THAT TWO SECTIONS OF TAI PO TAI WO ROAD WESTBOUND BETWEEN TAI PO ROAD (TAI WO) AND TOLO HIGHWAY WILL BE CLOSED TO TRAFFIC TO FACILITATE ROAD RESURFACING WORKS.

A 75-METRE SECTION ALONG THE SLOW LANE SOUTH OF TAI PO ROAD (TAI WO) WILL BE CLOSED FROM 9 AM TOMORROW (WEDNESDAY) TO 9 AM ON JULY 7.

ANOTHER 75-METRE STRETCH ALONG THE FAST LANE SOUTH OF TAI PO ROAD (TAI WO) WILL BE CLOSED FROM 9 AM ON JULY 7 TO 9 AM ON JULY 9.

- - - - 0 - - - -



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 5-8428777

(SUPPLEMENT)

TUESDAY, JULY 4, 1989

TRANSCRIPT OF THE PRESS CONFERENCE GIVEN BY
THE SECRETARY OF STATE FOR FOREIGN AND
COMMONWEALTH AFFAIRS, SIR GEOFFREY HOWE,
ON JULY 4, 1989

TUESDAY, JULY 4, 1989

- 1 -

FOREIGN SECRETARY GIVES PRESS CONFERENCE

* * * * *

THE FOLLOWING IS A FULL TRANSCRIPT OF THE PRESS CONFERENCE GIVEN TODAY (TUESDAY) BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, SIR GEOFFREY HOWE:

SIR GEOFFREY (OPENING STATEMENT): MY LATEST VISIT HERE HAS BEEN OF VERY GREAT VALUE. WHEN I ARRIVED I SAID THAT I WOULD LISTEN AS WELL AS EXPLAIN. OVER THE LAST THREE DAYS I HAVE MANAGED TO MEET A VERY WIDE RANGE OF PEOPLE.

MY DISCUSSIONS WITH THE GOVERNOR AND HIS ADVISERS HAVE BEEN, AS YOU WOULD EXPECT, OF PARTICULAR IMPORTANCE. I HAVE ALSO TALKED TO MANY OTHER PEOPLE FROM DIFFERENT WALKS OF LIFE, INCLUDING SOME OF THOSE WHO HAVE LED DEMONSTRATIONS DURING MY VISIT.

I HAVE ALSO HAD A CHANCE TO SEE SOMETHING OF THE WAY IN WHICH HONG KONG IS CONTINUING TO DEVELOP ITS FACILITIES AND INFRASTRUCTURE, BY VISITING THE SPLENDID NEW CONVENTION CENTRE AND THE EASTERN HARBOUR CROSSING.

DURING MY MEETINGS I HAVE EXPRESSED MY ADMIRATION FOR THE FORTITUDE WITH WHICH THE PEOPLE OF HONG KONG HAVE RESPONDED TO RECENT EVENTS IN CHINA. I PAY PARTICULAR TRIBUTE TO THE DEDICATION OF THOSE IN THE PUBLIC SERVICE.

I HAVE, OF COURSE, BEEN DEEPLY IMPRESSED BY THE VERY GREAT SENSE OF ANXIETY, ABOVE ALL ON THE QUESTION OF NATIONALITY AND RIGHT OF ABODE. I HAVE EXPLAINED HOW THE BRITISH GOVERNMENT SEES MATTERS, AND HOW WE CAN REALISTICALLY TRY TO RESPOND TO LOCAL CONCERNS ABOUT THE PROSPECTS FOR THE NEXT FEW YEARS.

SOME OF WHAT I HAVE HAD TO SAY HAS NOT BEEN WELCOME. BUT IT WOULD HAVE BEEN DISHONEST OF ME TO PROMISE WHAT NO BRITISH GOVERNMENT CAN DELIVER; TO ISSUE INSURANCE POLICIES FOR ALL THAT WE SHOULD NOT BE ABLE TO HONOUR.

BUT I HAVE ALSO WANTED TO REAFFIRM THE VIEW, WHICH IS IN SUBSTANCE COMMON GROUND, THAT THE JOINT DECLARATION, WITH ITS PROSPECT OF THE GREATEST POSSIBLE AUTONOMY, REMAINS THE BEST FOUNDATION FOR HONG KONG'S FUTURE. INDEED THE IMPORTANCE OF THE JOINT DECLARATION HAS BEEN HEIGHTENED BY WHAT HAS HAPPENED IN CHINA.

I, AND THE BRITISH GOVERNMENT AS A WHOLE, WILL TAKE ACCOUNT OF THE CHANGED MOOD IN HONG KONG IN WHAT WE SAY AND DO OVER THE COMING MONTHS. I SHALL BE GOING BACK TO LONDON WITH SEVEN POINTS PARTICULARLY IN MIND.

/* FIRST

TUESDAY, JULY 4, 1989

- 2 -

- * FIRST, ON THE QUESTION OF NATIONALITY WE INTEND TO MAKE AN EARLY ANNOUNCEMENT OF A SCHEME THAT WILL MAKE SOME PROVISION FOR PEOPLE IN BOTH THE PUBLIC AND PRIVATE SECTORS ON THE BASIS NOT SIMPLY OF CONNECTIONS WITH BRITAIN, BUT ALSO OF THE VALUE OF THEIR SERVICE TO HONG KONG. THE OBJECTIVE OF THIS SCHEME WILL BE TO GIVE PEOPLE THE CONFIDENCE TO REMAIN IN HONG KONG, NOT TO ENCOURAGE THEM TO LEAVE.
- * SECOND, IN MADRID LAST WEEK I ALERTED OUR EUROPEAN COMMUNITY PARTNERS TO THE PROBLEMS WHICH HONG KONG FACES AND THE NEED FOR THE INTERNATIONAL COMMUNITY TO RALLY ROUND HONG KONG. SINCE MY ARRIVAL HERE I HAVE ALSO BEEN IN DIRECT TOUCH WITH THE SIX OTHER COUNTRIES THAT WILL BE REPRESENTED AT THE ECONOMIC SUMMIT IN PARIS NEXT WEEK. WE SHALL CONTINUE TO WORK ENERGETICALLY TO MOBILISE THE SUPPORT OF THE INTERNATIONAL COMMUNITY ON HONG KONG'S BEHALF OVER THE MONTHS AND YEARS AHEAD.
- * THIRD, ACTION ON A BILL OF RIGHTS IS BEING PURSUED URGENTLY.
- * FOURTH, THE WISHES OF THE PEOPLE OF HONG KONG WILL CONTINUE TO BE FUNDAMENTAL TO OUR APPROACH TO THE DEVELOPMENT OF REPRESENTATIVE GOVERNMENT IN THE TERRITORY. IT IS ALREADY PLAIN THAT PLANS FOR 1991 WILL HAVE TO BE REVISED, AND THAT WE SHALL NEED TO CONSIDER WHAT FURTHER STEPS SHOULD BE TAKEN BEFORE 1997.
- * FIFTH, THE DRAFTING OF THE BASIC LAW. OUR OBJECTIVE MUST BE TO ENSURE FULL CONFORMITY WITH THE SPIRIT AS WELL AS THE LETTER OF THE JOINT DECLARATION SO THAT IT MATCHES UP TO THE NEEDS OF THE HONG KONG PEOPLE AS THEY FACE THE FUTURE. I HAVE ALREADY DRAWN ATTENTION TO ARTICLE 18 WHICH I KNOW CAUSES YOU SUCH ANXIETY.
- * SIXTH, IT IS VERY CLEAR TO ME THAT THE LEADERSHIP IN PEKING NEED TO TAKE EARLY AND TANGIBLE ACTION TO RESTORE CONFIDENCE IN CHINA'S INTENTIONS TOWARDS HONG KONG. I SHALL BE PRESSING THIS STRONGLY UPON THEM.
- * FINALLY, ON THE MATTER OF VIETNAMESE BOAT PEOPLE, LET ME SIMPLY REPEAT MY MESSAGE OF THIS MORNING. WE ARE CONTINUING TO MAKE PROGRESS WITH THE GOVERNMENT OF VIETNAM OVER THE EARLY REPATRIATION OF THOSE PEOPLE WHO DO NOT QUALIFY AS REFUGEES. I HOPE THAT GOOD PROGRESS WILL BE APPARENT BEFORE LONG.

/SIMON MACKLIN

TUESDAY, JULY 4, 1989

- 3 -

SIMON MACKLIN (SCMP) : SIR GEOFFREY, WHILE THIS VISIT MAY HAVE BEEN OF VALUE TO YOU, WHAT VALUE DO YOU THINK IT HAS BEEN TO THE PEOPLE OF HONG KONG, SINCE YOU'VE BEEN ABLE TO SAY SO LITTLE?

SIR GEOFFREY: WELL, ALL THOSE WHO'VE CLAIMED TO SPEAK FOR THE PEOPLE OF HONG KONG, INCLUDING SOME OF THOSE MOST ANXIOUS ABOUT THE FUTURE, HAVE EXPRESSED THEMSELVES VERY GRATEFUL FOR MY VISIT HERE, PRECISELY BECAUSE IT HAS GIVEN THEM THE PLAINEST POSSIBLE OPPORTUNITY TO EXPRESS TO ME THEIR ANXIETIES AND THEIR CONSTRUCTIVE PROPOSALS FOR THE FUTURE. AND I'VE NO DOUBT THAT HAD I NOT COME AT A TIME OF SUCH CRITICAL IMPORTANCE FOR HONG KONG, THAT THE SOUTH CHINA MORNING POST WOULD NOT HAVE BEEN DIFFIDENT IN CRITICISING ME FOR FAILING TO TURN UP.

I'VE COME HERE BECAUSE I WANT TO HEAR AND MEET PEOPLE ON THE SPOT, TO ASSESS FOR MYSELF - AND ALSO TO MAKE CERTAIN VERY CLEAR STATEMENTS OF THE KIND THAT I'VE MADE IN THE STATEMENT I'VE JUST GIVEN.

CHRISTOPHER LOCKWOOD (DAILY TELEGRAPH) : YOU'VE TALKED ABOUT URGENTLY IMPRESSING UPON THE LEADERSHIP IN CHINA THE NEED FOR THEM TO TAKE CONCRETE ACTION TO REASSURE THE PEOPLE OF HONG KONG, HOW WILL YOU BE DOING THAT? WILL YOU BE VISITING PEKING TO NEGOTIATE DIRECTLY WITH THEM? AND IF YOU GO, WHO WOULD YOU TALK TO? YOU MENTION JIANG ZEMIN IN YOUR SPEECH, BUT NOT LI PENG, DENG XIAOPING, OR YANG SHANKUNG.

SIR GEOFFREY: WELL, LET ME MAKE IT CLEAR, I DON'T HAVE IN MIND ANY INSTANT PROGRAMME OF BI-LATERAL VISITS OR ANYTHING OF THAT KIND. BUT THERE ARE MANY DIFFERENT WAYS AND DIFFERENT LEVELS AT WHICH WE CAN BEGIN MAKING OUR VIEWS CLEAR. THERE HAS ALREADY BEEN CONTACT THROUGH EMBASSIES AT BOTH ENDS, AND THERE WILL BE OTHER OPPORTUNITIES AT WHICH WE CAN HAVE MEETINGS WITH PEOPLE OF DIFFERENT LEVELS AT DIFFERENT STAGES. AND OF COURSE, IN DUE COURSE, I SHALL BE LOOKING FOR OPPORTUNITIES OF MAKING DIRECT PERSONAL CONTACT WITH THE MOST APPROPRIATE PEOPLE.

AS I SAID IN MY SPEECH ON MONDAY, THE EVENTS OF JUNE 3-4 DESTROYED IN 24 HOURS THE CONSEQUENCES OF TEN YEARS' WORK BY MANY PEOPLE AND WE SHALL HAVE TO BE WORKING PATIENTLY AND TENACIOUSLY IN A WHOLE RANGE OF DIFFERENT WAYS. BUT HAVE NO DOUBT THAT HER MAJESTY'S GOVERNMENT WILL BE LOOKING FOR AND TAKING EVERY SENSIBLE OPPORTUNITY FOR PRESSING AS STRONGLY AS POSSIBLE UPON THOSE NOW IN CHARGE IN PEKING, THE IMPORTANCE FOR THEM, NOT JUST TO TAKE ONE ACTION, BUT TO ACT, AND TO ACT ON A SUSTAINED BASIS, TO TRY TO ERASE THE DAMAGING CONSEQUENCES OF WHAT HAPPENED THERE A MONTH AGO.

/SALLY BLYTH

TUESDAY, JULY 4, 1989

- 4 -

SALLY BLYTH (RTHK): YOU SAY THAT YOU WILL TAKE INTO ACCOUNT THE MOOD OF THE CHANGED ATMOSPHERE IN HONG KONG WHEN YOU GO BACK TO LONDON. BUT WHEN THE BRITISH CABINET IS CONSIDERING THE PROPOSALS ON NATIONALITY, WILL YOU, PERHAPS, BE PUSHING FOR MORE RADICAL ALTERATIONS IN THE LIGHT OF YOUR VISIT HERE?

SIR GEOFFREY HOWE: WELL, I DON'T DISCLOSE EVEN IN ADVANCE, WHAT I AM GOING TO SAY IN CABINET. BUT I CERTAINLY HAVE TAKEN ON BOARD - AS I THINK I HAD ALREADY, AS A MATTER OF FACT - THE EXTENT OF PEOPLE'S CONCERN HERE ON THE RIGHT OF ABODE QUESTION. ONE THING THAT I CAN SAY IS THAT THE VIEWS OF THE PEOPLE OF HONG KONG HAVE BEEN VERY EFFECTIVELY REPRESENTED BY THE LEADERS OF HONG KONG'S POLITICAL ESTABLISHMENT WHEN THEY CAME TO BRITAIN A WEEK OR TWO AGO, AND THEY WERE MADE VERY CLEAR TO THE MEMBERS OF THE FOREIGN AFFAIRS COMMITTEE WHEN THEY WERE HERE. SO WE ARE IN NO DOUBT ABOUT THEM. THEY HAVE BEEN TAKEN INTO ACCOUNT ALREADY.

SALLY BLYTH (RTHK) : SO, WHAT WAS THE USE OF YOUR VISIT THEN, IF THEY'VE ALREADY BEEN TAKEN INTO ACCOUNT?

SIR GEOFFREY : WELL, THEY HAVE BEEN TAKEN INTO ACCOUNT AS FULLY AS POSSIBLE, WITHOUT MY BEING ABLE TO SEE THEM FOR MYSELF HERE.

IRENE SUNG (SING TAO JIH PAO) : SIR GEOFFREY, YOU HAVE SAID THAT THE JOINT DECLARATION -- OFFERING THE BEST POSSIBLE GUARANTEE OF HONG KONG'S FUTURE, BUT HOW CAN YOU CONVINC HONG KONG PEOPLE TO BELIEVE THAT THE BINDING OF THE JOINT DECLARATION WON'T BE VANISHED AFTER 1997?

SIR GEOFFREY : WELL, WHAT I'VE SAID IS THAT THAT PROPOSITION IS, IN SUBSTANCE, COMMON GROUND. THAT IS THE VIEW EXPRESSED BY OMELCO, AS BY THE FOREIGN AFFAIRS COMMITTEE. ALMOST EVERYONE - NOT EVERYONE - BUT ALMOST EVERYONE WHO HAS CONSIDERED IT, HAS PROCLAIMED THE JOINT DECLARATION AS, IN ITSELF, AN ACHIEVEMENT. THEY'VE ALL JOINED WITH ME IN SAYING THAT CONFIDENCE IN IT HAS BEEN SERIOUSLY WEAKENED BY WHAT HAS HAPPENED IN PEKING BUT THAT WE HAVE TO START FROM IT AS THE BEST DEFINITION OF THE SAFEGUARDS THAT PEOPLE NEED TO CONSOLIDATE AND PUT IN PLACE MORE FIRMLY. SO WE START FROM THAT AND THAT'S WHY I GO ON TO SAY THAT IT'S FOR THE LEADERSHIP IN PEKING NOW, TO BEGIN TAKING ACTION AFTER ACTION TO HELP RESTORE SOME CONFIDENCE IN THEIR COMMITMENT TO IT. IT WILL TAKE A GREAT DEAL OF TIME AND THERE'S A HUGE GAP OF GROWTH AND CONFIDENCE TO BE OVERCOME. BUT EVERYONE AGREES THAT THE JOINT DECLARATION IS THE BEST STARTING POINT.

/JOHN ELLIOTT

TUESDAY, JULY 4, 1989

- 5 -

JOHN ELLIOTT (FINANCIAL TIMES) : HOW DO YOU REACT TO THE MESSAGE YOU'VE HEARD CONTINUALLY IN THE LAST TWO DAYS, THAT YOUR PLANS FOR PASSPORTS WILL BE DIVISIVE AND COULD DO MORE HARM THAN GOOD?

SIR GEOFFREY : I THINK I FOUND AN INCREASING REALISATION THAT THERE IS SUBSTANCE IN THE CASE THAT I'VE BEEN MAKING ABOUT THE DIFFICULTIES OF A COMPREHENSIVE, ALL-EMBRACING INSURANCE SCHEME. I THINK THERE IS ALSO AN UNDERSTANDING THAT THAT CASE IS BASED ON A REALISTIC APPRECIATION OF REALISTIC FACTORS. SO THEREFORE, THERE HAS BEEN A DEVELOPMENT IN PEOPLE'S THINKING, WHILE THEY STILL CONTINUE TO ARGUE - AND I UNDERSTAND IT - THAT ANYTHING LESS THAN A FULL SCHEME WILL BE DIVISIVE, THEY DO GO ON TO SAY THAT THE BEST SHOULD NOT BE THE ENEMY OF THE GOOD. I THINK THAT IS THE MOST IMPORTANT POINT. IF WE CAN DO ANYTHING TO HELP GIVE GREATER ASSURANCE TO SIGNIFICANT PARTS OF THE COMMUNITY HERE, THAT WILL BE SIGNIFICANTLY BETTER THAN NOTHING.

JOHN ELLIOTT (FINANCIAL TIMES) : PARTS OR A SIGNIFICANT PORTION?

SIR GEOFFREY: I DON'T SEE THE DIFFERENCE.

JOHN ELLIOTT: SIGNIFICANT PARTS, MEANS SELECTING CERTAIN PEOPLE.

SIR GEOFFREY: OH, I SEE. NO, WE'VE TRIED TO MAKE IT ON THE BASIS THAT IT'LL BE -- OUR APPROACH MUST BE AS NON-DIVISIVE AS POSSIBLE. AND THAT'S WHY I EMPHASISE THE IMPORTANCE OF THE PRIVATE AS WELL AS THE PUBLIC SECTOR.

WONG SAU-YING (AFP): ARE YOU ASHAMED OF THE FACT THAT THE BRITISH GOVERNMENT HAVE DONE SO LITTLE TO THE PEOPLE OF HONG KONG?

SIR GEOFFREY : NO, NOT IN THE LEAST. I'M IMPRESSED BY THE EXTENT TO WHICH REPRESENTATIVES OF THE PEOPLE OF HONG KONG HAVE ACKNOWLEDGED THE CANDOUR AND THE ENERGY AND DETERMINATION WITH WHICH WE'VE TRIED TO REPRESENT THEIR CASE. THE PEOPLE OF HONG KONG HAVE, TO THEIR CREDIT, ENORMOUS ACHIEVEMENTS IN THE CONTEXT OF A SITUATION THAT IS HISTORICALLY AND GEOGRAPHICALLY UNIQUELY EXPOSED. AND IT IS FOR THAT REASON THAT WE HAVE TRIED TO DO EVERYTHING WE CAN AT EVERY STAGE, TO HELP THEM. THE WORK WE HAD TO DO IN FACE OF, WHAT LOOKED LIKE VERY DIFFICULT ODDS AT THE OUTSET, TO SECURE THE JOINT DECLARATION, WAS VERY WARMLY APPRECIATED, AND STILL IS. THE FACT THAT IT'S NOW BEEN PLACED IN SUCH JEOPARDY BY WHAT'S HAPPENED IN PEKING, IS AS MUCH OF A SHOCK TO US AS IT IS TO THE PEOPLE OF HONG KONG, AND THE PEOPLE OF HONG KONG RECOGNISE THAT WE MUST THEREFORE ALL DO EVERYTHING WE CAN TOGETHER, TO TRY AND CONSOLIDATE THE POSITION. THE FACT THAT I CAN'T ACCEPT EVERY SINGLE COMPONENT OF WHAT THE PEOPLE OF HONG KONG WOULD PRESCRIBE AS IDEAL, DOES NOT MEAN THAT WE'RE NOT DOING A VERY GREAT DEAL.

/DEAN NELSON

TUESDAY, JULY 4, 1989

- 6 -

DEAN NELSON (SUNDAY MORNING POST): SIR GEOFFREY, WHAT IS YOUR RESPONSE TO THE REPORT BY PROFESSOR BERNARD CORREY, OF QUEEN MARY COLLEGE LONDON, WHICH SAID BRITAIN'S ECONOMY COULD ACTUALLY BENEFIT FROM THE ARRIVAL OF THREE AND A QUARTER MILLION HONG KONG CHINESE?

SIR GEOFFREY: WELL, I WAS STRUCK BY THE REPORT, WHICH I CONFESS I HAVEN'T YET READ COMPLETELY. BUT I WAS GRATEFUL TO THE SUNDAY MORNING POST FOR PRINTING, AS I UNDERSTOOD IT, ALL THE CONCLUSIONS, CHAPTER 10 OF THE REPORT, IN FULL. BECAUSE IT SEEMED TO ME THAT THAT CHAPTER SUCCEEDED IN SUMMARISING THE DIFFICULTIES AND THE PROBLEMS WITH AMPLE LUCIDITY, AND, IF ANYTHING, FORTIFIED THE ANXIETIES WHICH I EXPRESSED IN MY SPEECH YESTERDAY.

LAW KWOK WAI (ORIENTAL DAILY) : SIR GEOFFREY, DON'T YOU NOTICE THAT THE CHINESE SHOP THAT YOU VISITED YESTERDAY AFTERNOON PUT ON A BIG BANNER SAYING "IMMIGRATION, BIG SALE". WHEN THE MINDS OF THE HONG KONG PEOPLE ARE OCCUPIED WITH THE IDEA OF IMMIGRATION EVERY DAY, DO YOU FEEL THAT THE PROSPERITY AND STABILITY THAT THE JOINT DECLARATION PROMISED, TO BE MAINTAINED?

SIR GEOFFREY: I UNDERSTAND, AS I'VE SAID ALREADY, THE EXTENT TO WHICH PEOPLE IN HONG KONG ARE CONCERNED WITH THE CITIZENSHIP, RIGHT OF ABODE ISSUE. BUT I BELIEVE THAT THE PEOPLE OF HONG KONG, CERTAINLY THOSE TO WHOM I HAVE SPOKEN, HAVE NOW A CLEARER AND BETTER UNDERSTANDING OF THE IMPOSSIBILITY OF BRITAIN OFFERING TO SIGN A BLANK CHEQUE FOR THREE, FOUR, OR FIVE MILLION PEOPLE. AND INDEED, THE MORE PEOPLE IN HONG KONG SEEK TO IMPRESS UPON US THE IMPORTANCE THEY ATTACH TO THAT PROPOSITION, IN A SENSE, THE MORE RECKLESS IT WOULD BECOME TO OFFER AN INSURANCE POLICY OF THAT KIND. THAT'S WHY I'VE SAID IN MY STATEMENT TODAY, WE SHALL BE SEEKING TO ENGAGE THE INTEREST OF OTHER COUNTRIES AROUND THE WORLD IN COMING TO THE ASSISTANCE OF HONG KONG SO FAR AS POSSIBLE, IF THAT NEED SHOULD EVER ARISE.

CLAUDIA ROSETTE (WALL STREET JOURNAL): I BELIEVE THAT PRIME MINISTER THATCHER'S GOVERNMENT HAS SOME APPRECIATION OF THE IMPORTANCE OF ELECTIONS AS AN INSTITUTIONAL MEANS OF MAKING PEOPLE'S NEEDS KNOWN AND ALLOWING THEM TO DEFEND THEIR RIGHTS. CAN YOU EXPLAIN TO ME THE LOGIC BEHIND WHATEVER CHOICE YOU'VE MADE, NOT TO CALL FULL ELECTIONS TO THE LEGISLATURE, FOR INSTANCE BY THE END OF THIS YEAR?

/SIR GEOFFREY

TUESDAY, JULY 4, 1989

- 7 -

SIR GEOFFREY: WELL, WE START FROM THE PREMISE WHICH I ARTICULATED IN MY SPEECH, AND INDEED IN MY STATEMENT TODAY, THAT ON A MATTER OF THIS KIND WE NEED TO BE GUIDED VERY MUCH BY THE OPINIONS OF THE PEOPLE OF HONG KONG. THE PRESENT CONSTITUTIONAL PROSPECT IS FOUNDED, TO THE BEST OF OUR JUDGEMENT, ON THOSE OPINIONS. THE MOST RECENT EXPRESSION HANG ON, CONTAIN YOURSELF -- THE MOST RECENT EXPRESSION OF THAT OPINION IS THAT EXPRESSED BY OMELCO ON MAY 24 WHICH OFFERED THE PROSPECT OF 50 PER CENT BY 1997. OMELCO HAVE MADE IT CLEAR THEY WILL BE RECONSIDERING THAT IN THE LIGHT OF MORE RECENT DEVELOPMENTS. WE HAVE MADE IT CLEAR WE SHALL BE GUIDED, VERY LARGELY, BY THE OUTCOME OF THAT CONSIDERATION.

CLAUDIA ROSETTE: BUT YOU ARE LISTENING TO PEOPLE WHO ARE LARGELY APPOINTED BY THE ADMINISTRATION. WHY NOT -- EVEN THE FRENCH DO THIS -- WHY NOT A REFERENDUM ON THE ISSUE OF ELECTIONS?

SIR GEOFFREY: WELL, I'M NOT SURE THAT THE COMMENDATION "EVEN THE FRENCH" IS MEANT TO PUT IT HIGHER OR LOWER IN THE PATTERN OF PRIORITIES. BUT THE FACT IS THAT REFERENDA HAVE NOT BEEN A FEATURE OF BRITISH GOVERNMENT EITHER IN THE UK OR ANYWHERE ELSE. AND WE DO, CLEARLY, HAVE TO TRY AND REACH A CONCLUSION THAT IS THE MOST SENSIBLE, BALANCING A WHOLE RANGE OF CIRCUMSTANCES. AND ALL THOSE CIRCUMSTANCES INVOLVE CONSIDERING THE HISTORY AND PATTERN OF REPRESENTATIVE GOVERNMENT IN HONG KONG SO FAR, AND PAYING SERIOUS ATTENTION TO THE OPINIONS OF PEOPLE WHO ARE GENUINELY CONCERNED WITH IT, WHICH INCLUDE AT LEAST, THOSE MEMBERS OF OMELCO.

PHILIP BOWRING (FAR EASTERN ECONOMIC REVIEW): WHY IS IT THAT THERE IS "NO WAY" TO QUOTE YOUR PHRASE, THAT BRITAIN COULD GRANT RIGHT OF ABODE TO 3.5 MILLION HONG KONG PEOPLE, GIVEN THE FACT THAT 40 MILLION SPANIARDS, EIGHT MILLION PORTUGUESE AND EIGHT MILLION GREEKS, ARE COMING FROM COUNTRIES WITH STANDARDS OF LIVING LOWER THAN HONG KONG, WITH VERY RECENT RECORDS OF DICTATORIAL REGIMES WHICH COULD PRODUCE ALL KINDS OF PROBLEMS IN THE FUTURE - IN PEOPLE LEAVING AND SO FORTH. WHY IS IT THAT THOSE PEOPLE ARE NOT A PROBLEM, ALL 60 MILLION OF THEM, BUT 3.5 MILLION HONG KONG PEOPLE APPARENTLY ARE?

SIR GEOFFREY: WELL, YOU'LL FIND THAT THERE'S AN INTERESTING SET OF DEVELOPMENTS TAKING PLACE IN THE WORLD TODAY, INVOLVING AS IT DOES THE EMERGENCE OF REGIONAL GROUPINGS OF INCREASINGLY CLOSE POLITICAL IDENTITY, WHEREBY THE UNCHECKED PATTERN OF EMIGRATION AROUND THE WORLD IS TENDING TO BE REGULATED BY THE ESTABLISHMENT OF BARRIERS OF ONE KIND OR ANOTHER, ROUND THOSE REGIONAL GROUPS. YOU'LL FIND THAT THE TREATY OF ROME SEEKS TO PROVIDE FREEDOM OF MOVEMENT FOR CITIZENS OF THE COMMUNITY BUT NOT BEYOND THAT. YOU'LL FIND THE UNITED STATES INCREASINGLY IS TENDING TO CHECK FREEDOM OF MOVEMENT AT ITS OWN EXTERNAL FRONTIERS.

/PHILIP BOWRING

TUESDAY, JULY 4, 1989

- 8 -

PHILIP BOWRING: BUT IS IT NOT, SIR GEOFFREY, THAT.....

SIR GEOFFREY: EVEN THE FAR EASTERN ECONOMIC REVIEW IS ENTITLED TO HAVE THE FULL ANSWER TO ITS QUESTION.....

PHILIP BOWRING: WOULD YOU ADDRESS YOURSELF THEN TO THE POINT WHICH HAS BEEN RAISED WHEN YOU'RE ANSWERING.

SIR GEOFFREY: PLEASE, PLEASE, PLEASE -- I DO NOT COME TO PRESS CONFERENCES TO BE HECKLED, AND YOURS IS THE FIRST OCCASION THAT I'VE HAD THAT HAPPEN.....

PHILIP BOWRING: I'M NOT HECKLING YOU, SIR GEOFFREY, I'M JUST ASKING YOU WHETHER, HAVING RAISED IT, YOU COULD ADDRESS YOURSELF TO THE FRENCH AND THE PORTUGUESE ISSUES?

SIR GEOFFREY: I'M AFRAID I'M NOT GOING TO ANSWER ANY FURTHER QUESTIONS FROM YOU, SIR.

LI YUK LIN (ATV): SIR GEOFFREY, YOU SAID A MOMENT AGO THAT THE JOINT DECLARATION IS THE BEST FOUNDATION FOR THE FUTURE OF HONG KONG. I KNOW THAT MR JI PENG FEI OF THE HONG KONG-MACAU OFFICE SAID THAT ONE COUNTRY TWO-SYSTEM CONCEPT WILL GIVE HONG KONG A HIGH DEGREE OF AUTONOMY, AND YET THEY CANNOT INTERFERE WITH THE INTERNAL AFFAIRS OF CHINA. IN THE PAST TWO MONTHS, MANY PEOPLE IN HONG KONG SUPPORTED THE BEIJING STUDENTS. TO THE BRITISH GOVERNMENT, AND TO YOU, DO YOU THINK THAT THIS WOULD JEOPARDISE THE CONCEPT OF ONE COUNTRY TWO SYSTEM, AND THEN ALSO PUT IN JEOPARDY THE JOINT DECLARATION. FROM YOUR ANGLE, DO YOU THINK THAT SUCH ACTIONS SHOULD STOP?

SIR GEOFFREY: I UNDERSTAND, OF COURSE, THE STARTING POINT BEING THE JOINT DECLARATION. I DREW ATTENTION TO THE FACT, YESTERDAY, THAT CHINESE LEADERS HAD BEEN REAFFIRMING THE IMPORTANCE OF ONE COUNTRY TWO SYSTEMS. THAT IN ITSELF IS NOT ENOUGH. BUT I'M SURE THE MOST IMPORTANT THING TO ACHIEVE, IS THE FLOURISHMENT OF THE SYSTEM WE'VE SOUGHT TO SECURE FOR HONG KONG HERE IN HONG KONG AND I THINK THAT IT MUST BE SENSIBLE TO CONCENTRATE ON THAT. IF ONE IS SEEKING TO PROTECT HONG KONG, AND THE SYSTEM WE'VE ESTABLISHED HERE FROM DOMINANCE OR INTERFERENCE BY THE OTHER SYSTEM IN THE OTHER PART OF THE COUNTRY, THEN IT MUST, I THINK, BE SENSIBLE TO SET ABOUT ESTABLISHING OUR OWN SYSTEM IN THE SAME WAY.

/ABC NEWS

TUESDAY, JULY 4, 1989

- 9 -

ABC NEWS : SIR GEOFFREY, DO YOU BELIEVE THAT THERE IS ANYTHING THAT THE UNITED STATES CAN OR SHOULD DO FOR HONG KONG, MOVING TOWARDS 1997?

SIR GEOFFREY: YES, TWO THINGS. ONE, IT SHOULD -I'M ALLOWED TO OFFER TWO ANSWERS TO THE QUESTION. THE FIRST ONE, THE UNITED STATES HAS JOINED WITH THE REST OF THE WORLD IN CONDEMNING VERY VIGOROUSLY WHAT'S HAPPENED IN PEKING AND CHINA, AND IN TAKING MEASURES, AS WE'VE ALL DONE IN THE EUROPEAN COMMUNITY, TO BREAK OFF HIGH LEVEL CONTACT, TO BAN ARMS SALES, AND TO RESTRAIN NEW DEALS FOR THE WORLD BANK AND SO ON. AND THAT'S FINE. BUT I THINK THE UNITED STATES WOULD BE PRUDENT TO AVOID GOING FURTHER DOWN THE ROAD TOWARDS ECONOMIC SANCTIONS. I'M QUITE CERTAIN THAT THE MOST SECURE WAY OF BEING ABLE TO RE-ESTABLISH CONTACT OF A SENSIBLE KIND, WITH SENSIBLE LEADERSHIP IN PEKING, IS TO RETAIN THE PROSPECT OF ECONOMIC RELATIONS WITH EACH OTHER. I SAY THAT, NOT JUST BECAUSE IT'S OF ENORMOUS IMPORTANCE TO HONG KONG; HONG KONG WOULD BE GRAVELY DAMAGED IF THE UNITED STATES, STILL LESS OTHER COUNTRIES, WERE TO ENGAGE IN ECONOMIC SANCTIONS, AND I BELIEVE THAT THEY'D BE WRONG FOR THEIR OWN SAKES. THAT'S POINT NUMBER ONE.

POINT NUMBER TWO. THE UNITED STATES HAS GOT TO FOLLOW THROUGH THE LOGIC OF ITS OWN MESSAGE ON VIETNAMESE BOAT PEOPLE. MR EAGLEBURGER IN THE SPEECH THAT HE MADE IN GENEVA AT THE CONFERENCE THE OTHER DAY, SAID AS FOLLOWS:

"THOSE WHO FLEE CLANDESTINELY AND CANNOT ESTABLISH A WELL FOUNDED FEAR OF PERSECUTION, MUST UNDERSTAND THAT SUCH FLIGHT NO LONGER LEADS TO RESETTLEMENT. SUCH PERSONS WILL FACE AND INDEFINITE STAY IN A HOLDING CAMP. IT IS IMPORTANT FOR THOSE THINKING OF FLEEING THE FORMER NORTH VIETNAM, TO REALISE THAT MOST WILL FAIL TO QUALIFY AS REFUGEES AND WILL THEREFORE NOT BE ELIGIBLE FOR RESETTLEMENT."

THERE YOU HAVE THE REPRESENTATIVE OF THE UNITED STATES TELLING THE GENEVA REFUGEE CONFERENCE THAT ANYONE WHO LEAVES VIETNAM WILL BE STOPPED IN HONG KONG; WILL HAVE NO PROSPECT OF GOING ON TO THE REST OF THE WORLD. AND YET THE UNITED STATES, ALMOST ALONE IN THAT CONFERENCE, WAS UNWILLING TO ACCEPT THE LOGIC OF ITS OWN ARGUMENT AND RECOGNISE THAT THE ONLY PLACE IN WHICH VIETNAMESE PEOPLE COULD LOOK FORWARD TO A FUTURE IS BACK IN THEIR OWN COUNTRY. SO THAT'S THE SECOND, MOST IMPORTANT THING THE UNITED STATES CAN DO. IT WAS ALMOST ALONE IN THAT CONFERENCE, IN FAILING TO FOLLOW THROUGH THE LOGIC OF MR EAGLEBURGER'S SPEECH. SO PLEASE URGE THEM TO DO JUST THAT.

/HARVEY PONG

HARVEY PONG (WAH KIU YAT PAO) : ACCORDING TO THE TIMETABLE, IN 1992 THE FIRST GURKHA BATTALION OF 48 BRIGADE WILL BE WITHDRAWN FROM HONG KONG. DO YOU THINK IT'S WISE TO RUN DOWN THE GURKHAS IN MID-1990'S WHEN THEY MAY BE REQUIRED EVEN MORE THAN EVER TO PROVIDE STABILITY IN HONG KONG, AND TO COPE WITH DISORDER THAT MAY ARISE?

SIR GEOFFREY: I THINK THE MOST IMPORTANT CONSIDERATION AMONGST MANY THAT HAVE TO BE TAKEN INTO ACCOUNT, ADDRESSING THAT QUESTION, IS THE PROVISION IN THE JOINT DECLARATION THAT HONG KONG SHOULD BE RESPONSIBLE FOR ITS OWN INTERNAL SECURITY. IT'S FOR THAT REASON THAT THE HONG KONG POLICE FORCE ESTABLISHMENT HAS BEEN GROWING IN THE YEARS SINCE THE JOINT DECLARATION WAS MADE. AND I'M SURE THAT IT IS RIGHT, SO FAR AND AS FAST AS WE CAN MAKE PROGRESS IN THAT DIRECTION, FOR HONG KONG'S INTERNAL SECURITY TO BE BASED, NOT UPON SOLDIERS FROM ANYWHERE ELSE, BUT UPON HER OWN POLICE FORCE. SO, I THINK THAT'S A GOOD REASON FOR OUR BEING RELUCTANT TO LEAN ANY MORE THAN WE HAVE TO ON THE GURKHAS OR ANYBODY ELSE. ALL DECISIONS, OF COURSE, CAN BE RECONSIDERED.

HARVEY PONG: WILL THERE BE A REVIEW ON WITHDRAWAL PLANS?

SIR GEOFFREY: ALL DECISIONS, AT ALL TIMES, ARE CAPABLE OF RECONSIDERATION. BUT THE POINT I'M MAKING, THE CENTRAL POINT IS THAT FOR HONG KONG'S OWN INTERESTS, IT IS BEST TO MAKE AS STEADY PROGRESS AS POSSIBLE TOWARDS HAVING INTERNAL SECURITY BASED FIRMLY AND PROGRESSIVELY ON ITS OWN POLICE FORCE.

KATE ADIE (BBC) : YOU TALK, IN ONE OF YOUR POINTS THAT YOU'RE GOING TO TAKE BACK FROM THIS MEETING, ABOUT BOTH YOUR MEETINGS -- THAT PEKING NEEDS TO TAKE POSITIVE ACTION TO RESTORE CONFIDENCE, WHICH IS A FINE THOUGHT. WHAT EVIDENCE DOES HER MAJESTY'S GOVERNMENT HAVE OF TRUST BEING HELD IN THE PEKING GOVERNMENT. IT'S ONE THING TO HOPE; WHAT EVIDENCE DO YOU HAVE THAT THE GOVERNMENT OF BRITAIN AND THE PEOPLE OF HONG KONG CAN TRUST THE PRESENT CHINESE RULERS?

SIR GEOFFREY: THE BURDEN OF MY SPEECH YESTERDAY, AND IN MY STATEMENT TODAY, STARTS FROM THE PREMISE THAT THE TRUST THAT HAD BEEN BUILT UP OVER TEN YEARS BEFORE JUNE 4, HAS BEEN VERY LARGELY DESTROYED BY WHAT HAPPENED THERE. AND IT'S FOR THAT REASON I'VE EMPHASISED IN MY SPEECH THERE, AND AGAIN TODAY, THAT THAT TRUST WILL HAVE TO BE RECREATED BY A WHOLE SERIES OF ACTIONS, RATHER THAN WORDS, FROM THE PEKING GOVERNMENT. THE WAY IN WHICH THEY TREAT THEIR OWN PEOPLE FROM NOW ON, WILL NEED TO BE TRANSFORMED FROM WHAT IS NOW HAPPENING. THE WAY IN WHICH THEY RESPOND TO THE CASE THAT WE MAKE IN RELATION TO THE BASIC LAW WILL NEED TO BE VERY SERIOUSLY EXAMINED. BUT I DON'T BEGIN TO SAY THAT THERE IS ANY SINGLE ACTION THAT ANY CHINESE LEADER COULD TAKE, THAT COULD WIPE THE SLATE CLEAN, OR ANYTHING LIKE IT. IT'S GOING TO BE A LONG BUSINESS, AND IT'S BECAUSE OF THE EXTENT TO WHICH TRUST HAS BEEN SO LARGELY DESTROYED, THAT WE NEED TO TRY AND BUILD IN OTHER FORTIFICATIONS FOR THE CENTRAL BASIS OF HONG KONG'S DEFENCE, WHICH IS ONE COUNTRY TWO SYSTEMS. SO THAT POINT, IS ONE OF A NUMBER WE HAVE TO PURSUE.

/KATE ADIE

TUESDAY, JULY 4, 1989

- 11 -

KATE ADIE: MAY I JUST PUT AS A SUPPLEMENTARY, PLEASE. YOU SAY IT TAKES A LONG TIME. THERE IS NOT A LONG TIME LEFT BEFORE 1997. ARE YOU PREPARED TO GIVE A CERTAIN NUMBER OF YEARS FOR THIS TRUST TO BE RE-ESTABLISHED?

SIR GEOFFREY: THE DATE, 1997, WAS INSCRIBED IN HISTORY 95 YEARS AGO. I CAN'T CHANGE THAT. THE FACT THAT IT'S AS CLOSE AS IT IS UNDERLINES THE TRAGEDY INVOLVED IN WHAT HAPPENED IN PEKING A MONTH AGO. BUT WE HAVE TO START FROM WHERE WE ARE. AND WE SHALL HAVE TO PRESS ALL THE POINTS I'VE OUTLINED; AND IMPRESS THEM AT EVERY POSSIBLE OPPORTUNITY, ON CHINA. AND I DON'T JUST MEAN DRAW THEIR ATTENTION TO IT. ONE HAS TO TRY AND SECURE THE UNDERSTANDING OF THOSE WHO CURRENTLY RULE CHINA, AND OF THOSE WHO MAY REPLACE THEM, THAT IF THEY DREAM OF ACHIEVING THE PROSPECT OF HONG KONG RETURNING TO CHINA'S GREATER SOVEREIGNTY WITH ANYTHING LIKE ITS PRESENT STABILITY AND PROSPERITY, THEN THEY HAVE GOT TO ADDRESS THEMSELVES WITH THE UTMOST SERIOUSNESS TO A WHOLE AGENDA - WHICH I CAN'T SKETCH NOW - AND ALONGSIDE THAT, WE SEEK TO MOBILISE WORLD OPINION AS WIDELY AS WE POSSIBLY CAN. THE FACT THAT THE JOINT DECLARATION WAS REGISTERED WITH THE UNITED NATIONS AS A JOINT AGREEMENT BETWEEN TWO PERMANENT MEMBERS OF THE SECURITY COUNCIL, MEANS THAT WE HAVE TO COME BACK TO THAT TIME AND TIME AGAIN. IF PEKING SEEKS TO SECURE AND MAINTAIN A POSITION IN ANY SENSE COMPATIBLE WITH THAT ROLE, THEN THEY HAVE TO ADDRESS THEMSELVES TO THIS AGENDA CONTINUOUSLY, AND ENERGETICALLY.

ONG HOCK CHUAN (HK STANDARD) : SIR GEOFFREY, YOU SAID THAT PEOPLE HAD CONFIDENCE IN THE JOINT DECLARATION, YET 60,000 PEOPLE EMIGRATE OUT OF HONG KONG EVERY YEAR. THESE ARE THE CREAM OF HONG KONG. OBVIOUSLY, THEY DO NOT JOIN YOU IN HAVING CONFIDENCE IN THE JOINT DECLARATION. DO YOU THINK THESE PEOPLE HAVE CONFIDENCE IN THE JOINT DECLARATION?

SIR GEOFFREY: WHAT I WAS SAYING IS NOT THAT PEOPLE CAN HAVE, OR DO HAVE, OR SHOULD HAVE TOTAL CONFIDENCE IN THE JOINT DECLARATION. WHAT I WAS SAYING THOUGH IS THAT IT IS COMMON GROUND BETWEEN ALL THOSE WHO SEEK TO REPRESENT THE PEOPLE OF HONG KONG, AS WELL AS OURSELVES, THAT THE JOINT DECLARATION IS THE BEST PLACE ON WHICH TO STAND. IT REPRESENTS A DEFINITION OF WHAT WE ARE TRYING TO ACHIEVE, WHICH IS SEPARATENESS FOR HONG KONG, IN A ROLE AND LIFESTYLE OF ITS OWN. OF COURSE, NOBODY IS ABLE TO SAY "THAT IS FOR SURE, FAIL-SAFE, FOREVER" - FAR FROM IT. OF COURSE, THE PATTERN OF EMIGRATION FROM HONG KONG - WHICH HAS TAKEN PLACE OVER THE YEARS ANYWAY AND WHICH IS NOW TAKING PLACE ON A MUCH MORE SUBSTANTIAL SCALE - IS A MEASURE OF THE EXTENT TO WHICH PEOPLE DO NOT HAVE CONFIDENCE IN THAT. THAT'S ONE REASON WHY I'VE GONE THROUGH THE SEVEN POINTS THAT I'VE SET OUT HERE. THEY ARE ALL THINGS THAT BRITAIN CAN DO, AND WILL DO, TO TRY AND STRENGTHEN THAT CONFIDENCE. BUT NEITHER BRITAIN NOR ANYBODY ELSE CAN DELIVER 100 PER CENT GUARANTEES OF RELIABILITY IN THAT RESPECT.

/NICOLA PARKINSON

TUESDAY, JULY 4, 1989

- 12 -

NICOLA PARKINSON (DAILY EXPRESS) : HAS THE BRITISH GOVERNMENT MADE ANY PROVISION FOR THE POSSIBLE ARRIVAL OF 300 MILLION EUROPEANS AFTER 1992?

SIR GEOFFREY: NO, BECAUSE THE EUROPEAN ARRANGEMENTS AND IT GIVES ME THE OPPORTUNITY OF RE-ADDRESSING MYSELF TO THE FAR EASTERN ECONOMIC REVIEW, AS LONG AS HE CAN LISTEN TO ME PATIENTLY -- THE EUROPEAN DEAL IS PROVIDING FOR FREE MOVEMENT ALL WAYS, BY 320 MILLION PEOPLE THROUGHOUT THE COMMUNITY. MILLIONS AND MILLIONS OF BRITONS TRAVEL TO SPAIN, FOR EXAMPLE, EVERY YEAR CURRENTLY. THERE'S A GROWING DEVELOPING PATTERN OF THAT KIND AND THAT IS SOMETHING WHICH WE HAVE BEEN LIVING WITH AS A COMMITMENT SINCE 1972, PROVIDING FOR FREEDOM OF MOVEMENT WITHIN ONE GEOGRAPHICAL REGION. BUT THE IMPACT OF AN OPEN-ENDED PLEDGE TO THREE, FOUR, FIVE, SIX MILLION PEOPLE IN HONG KONG, WOULD BE TOTALLY DIFFERENT FROM THAT BECAUSE THEY WOULD BE COMING, NOT JUST AS MIGRANTS FOR WORK, MATCHING BRITISH MIGRANTS GOING ROUND THE REST OF THE COMMUNITY, BUT AS A NET SUBSTANTIAL ADDITION OF PEOPLE COMING TO SETTLE. THAT'S THE DIFFERENCE.

STEVE VINES (OBSERVER): SIR GEOFFREY, I'M SURE THAT PEOPLE HAVE SAID TO YOU WHILE YOU'VE BEEN HERE THAT BRITISH POLICY MIGHT CREATE AN ANTI-BRITISH BACKLASH. AND ALSO, INDEED, THAT THE BRITISH ADMINISTRATION MIGHT FIND IT DIFFICULT TO GOVERN HERE. WHAT IS YOUR RESPONSE TO THOSE VIEWS?

SIR GEOFFREY: WELL, TO TAKE THEM ON BOARD, OF COURSE, AND RECOGNISE THAT IT'S A POINT THAT IT HAS BEEN PUT AND CAN BE PUT. BUT THEN TO GO ON TO SAY THAT THE ADMINISTRATION HERE HAS THE STRENGTH OF NOT BEING A BRITISH ADMINISTRATION; IT'S AN ADMINISTRATION INSPIRED BY THE STYLE AND POLICY OF BRITISH GOVERNMENT OVER MANY YEARS BUT IT'S AN ADMINISTRATION NOW WHICH IS HEAVILY DOMINATED BY THE IMPACT OF HONG KONG PEOPLE THEMSELVES. AND ITS PERFORMANCE THROUGH THE PROBLEMS OF RECENT MONTHS, CONFIRMS ONE'S UNDERSTANDING OF ITS MATURITY AND ABILITY TO ADDRESS THESE THINGS. SO FAR AS THE WIDER QUESTION IS CONCERNED, IT'S UNDERSTANDABLE, OF COURSE, THAT IN THE FACE OF THE SHOCKING EVENTS OF THE LAST MONTH, PEOPLE SHOULD BE LOOKING TO FIND SOMEONE WHOM THEY CAN BLAME FOR IT. AND UNDERSTANDABLE TO LOOK OUT TOWARDS BRITAIN AS HAVING A GREATER ROLE THAN IS ACTUALLY POSSIBLE. BUT MY IMPRESSION, NOT LEAST FROM THIS VISIT, IS THAT NOBODY ACTUALLY WANTS TO SUSTAIN THAT KIND OF VIEW. THAT THERE IS A RECOGNITION THAT WE DO HAVE TO ADDRESS THIS IN PARTNERSHIP, AS I SAID IN MY ARRIVAL STATEMENT, AND THAT PROVIDED BRITAIN IS SEEN TO BE RESPONDING ALONG THE LINES SET OUT IN MY STATEMENT THIS AFTERNOON, THEN THAT UNDERSTANDING WILL BE MAINTAINED. OF COURSE IT'S A HAZARD TO KEEP IN MIND, BUT I DON'T BELIEVE IT'S ONE THAT WILL BE SUSTAINED.

/SINON WINCHESTER

SINON WINCHESTER (GUARDIAN): SIR GEOFFREY, IF THIS IS YOUR FINAL WORD NOW, ON RIGHT OF ABODE, OBVIOUSLY ALL HONG KONG NOW IS GOING TO BE TERRIBLY KEEN TO KNOW WHO ARE GOING TO BE THE LUCKY 100,000, 150,000, OR WHATEVER IT IS, FOR WHOM THESE IMMIGRATION RULES ARE GOING TO BE WAIVED OR CHANGED IN SOME WAY. NOW, YOUR OFFICIALS HAVE SUGGESTED THAT THIS IS GOING TO BE SET UP BEFORE THE SUMMER RECESS, ABOUT EIGHT WEEKS AWAY, AND I UNDERSTAND AT THE MOMENT YOU DON'T WANT TO SAY TOO MUCH ABOUT WHO IS GOING TO BE SELECTED, AND WHAT TYPE OF PEOPLE ARE GOING TO BE SELECTED. BUT WHO IS GOING TO DO THE SELECTING? WILL IT BE A COMMITTEE IN LONDON? IS IT GOING TO BE A COMMITTEE IN HONG KONG, OF PEOPLE THAT ARE GOING TO VET APPLICATIONS? ARE THE NAMES GOING TO BE PUBLISHED IN THE SOUTH CHINA MORNING POST, LIKE THE NEW YEAR'S HONOURS LIST, OR WHAT?

SIR GEOFFREY: WELL, THAT'S AN INTERESTING RANGE OF QUESTIONS, TO WHICH THE ANSWER REMAINS, AS I SAID IN MY STATEMENT THAT WE INTEND TO MAKE AN EARLY ANNOUNCEMENT OF THE SCHEME. AND YOU'LL HAVE TO CONTAIN YOUR CURIOSITY UNTIL THEN. I SHOULD, INCIDENTALLY, ADD THAT IN FURTHER ANSWER TO THE EXHILARATING INQUIRY FROM THE FAR EASTERN ECONOMIC REVIEW, THAT ONE OF MY ADVISERS WHO HAS BEEN RECENTLY WORKING ON THE EUROPEAN COMMUNITY, REMINDS ME THAT THE EUROPEAN COMMUNITY TREATY DOES NOT GIVE EVERYONE IN THE COMMUNITY A RIGHT OF RESIDENCE. IT IS HEAVILY QUALIFIED IN THE SENSE THAT WORK-SEEKERS CANNOT STAY IN ANOTHER COUNTRY IF THEY DON'T FIND WORK. AND THERE ARE NO AUTOMATIC RIGHTS FOR SETTLEMENT, FOR EXAMPLE TO STUDENTS AND PENSIONERS. SO IT IS A MUCH MORE INHIBITED AND RESTRICTED SCHEME THAN ANYTHING THAT WOULD BE INVOLVED IN THE RIGHT OF ABODE TO PEOPLE FROM HONG KONG. I'M GRATEFUL TO MY ADVISER.

DAPHNE TSE (TVB NEWS): RECENTLY, SIR GEOFFREY, IN THE LIGHT OF THE RECENT MASSACRE THE CHINESE GOVERNMENT HAVE COME OUT TO DENY THAT SUCH THINGS HAVE HAPPENED. THEY SAID THAT THEY WOULD NOT TAKE ACTION - REPRISALS - AGAINST THE STUDENTS BUT NOW THEY HAVE. WHY IS IT THAT THE BRITISH GOVERNMENT IS SO SURE THAT THE CHINESE GOVERNMENT WILL KEEP ITS WORD ON THE JOINT DECLARATION AND ONE COUNTRY TWO SYSTEMS? WHAT IS THE BASIS FOR THEIR CONFIDENCE AND FAITH?

SIR GEOFFREY: YOU DO ME AN INJUSTICE IF YOU THINK THAT WE'RE SURE. THE VERY POINT THAT I'VE BEEN MAKING, IN RESPONSE TO - NOT JUST QUESTIONS PUT IN THIS PRESS CONFERENCE - IS THAT THE CONFIDENCE IN THAT COMMITMENT AND IN THAT APPROACH HAS BEEN VERY SEVERELY DAMAGED. AND ACTIONS OF THE KIND YOU IDENTIFY HAVE DONE NOTHING TO REPAIR THAT DAMAGE. THAT'S WHY ONE OF THE CENTRAL MESSAGES TO GET THROUGH TO THE CHINESE LEADERSHIP IS THAT QUITE APART FROM WHAT THEY DO FOR AND TO THEIR OWN PEOPLE IN MAINLAND CHINA, IF THEY ARE TO ACHIEVE ANYTHING TOWARDS THE RESTORATION OF CONFIDENCE IN THE DECLARATION AND IN THE ONE COUNTRY TWO SYSTEMS PROPOSITION, THEN THEY NEED TO APPLY THEMSELVES FROM NOW ON, TO AN ACTIVE AGENDA OF DEEDS NOT WORDS, TO BEGIN RESTORING THAT CONFIDENCE. AND I'M VERY CONSCIOUS OF THE FACT, AS SOMEBODY POINTED OUT, THAT'S TAKING PLACE WITHIN A TIMESCALE MUCH CONSTRAINED, COMPARED WITH THE START OF THE PROCESS TEN YEARS BACK.

/DAPHNE TSE

TUESDAY, JULY 4, 1989

- 14 -

DAPHNE TSE: BUT WHAT I WAS ASKING WAS: HOW COULD YOU PUT YOUR MIND AT EASE IN HANDING OVER ALL SIX MILLION PEOPLE BACK TO CHINA, WITHOUT SUCH GUARANTEE THAT THEY WILL HONOUR THE JOINT DECLARATION?

SIR GEOFFREY: WELL, ONE COMES BACK

DAPHNE TSE: IT'S NOT WHAT YOU SAID -- IT SHOULD EASE THE MATTER?

SIR GEOFFREY: I KNOW, BUT ONE COMES BACK TO THE FACT, YOU SEE, THAT HONG KONG, AS A RESULT OF THIS HISTORICAL ECCENTRICITY WHICH HAS NOT MADE ANY OF OUR LIVES ANY EASIER, IS HELD ON THE TERMS OF THE LEASE THAT EXPIRES IN 1997. AND THE BASIS ON WHICH WE HAVE BEEN ABLE TO SECURE ACCEPTANCE BY THE GOVERNMENT OF CHINA, OF ALL THE COMMITMENTS CONTAINED IN THE JOINT DECLARATION, OF THE WHOLE COMMITMENT TO ONE COUNTRY TWO SYSTEMS FOR 50 YEARS THEREAFTER, HAS BEEN ACKNOWLEDGEMENT BOTH WAYS, OF THAT LEASE. NOW THERE IS NOTHING THAT I CAN DO TO PREVENT THAT LEASE COMING TO AN END IN 1997. THAT'S WHY WE HAVE TO DO EVERYTHING WE CONCEIVABLY CAN TO CONSOLIDATE CONVICTION AND CONFIDENCE IN THE JOINT DECLARATION. THAT'S THE FOUNDATION, AS I SAY, THAT EVERYONE ACKNOWLEDGES AS THE BEST STARTING POINT. WE'VE GOT TO WORK AS HARD AS WE CAN TO STRENGTHEN IT.

CHRIS POMERY (TIMES): SIR GEOFFREY, YOU SAY YOU'RE GOING TO MOBILISE SUPPORT ON HONG KONG'S BEHALF WITHIN THE EUROPEAN COMMUNITY AND OTHER MEMBER COUNTRIES OF THE PARIS CONFERENCE. SINCE BRITAIN'S CREDIT IS OBVIOUSLY NOT GOOD ENOUGH TO OFFER A BLANK CHEQUE, COULD YOU EXPLAIN HOW THIS SORT OF REVOLVING-DOOR PROCESS IS GOING TO WORK? AND HOW FAST IT MIGHT REVOLVE? AND WHEN IT MIGHT STOP?

SIR GEOFFREY: I THINK THERE ARE A NUMBER OF DIFFERENT TIME-SCALES IN WHICH IT MAY BE POSSIBLE TO ADDRESS IT. FOR EXAMPLE, IN THE EARLIER STAGE, TO PURSUADE THE KEY ECONOMIC COUNTRIES OF THE CASE AGAINST ECONOMIC SANCTIONS AGAINST CHINA, TO PREVENT THAT DOING FURTHER DAMAGE TO HONG KONG. FOR EXAMPLE, IN THE MORE DISTANT STAGE, AS I'VE SAID ALREADY, TO SEEK TO SECURE THEIR UNDERSTANDING AND COMMITMENT AS FAR AS POSSIBLE TO THE PRINCIPLE OF HELP IF THE WORST KIND OF CATAclysm SHOULD OVERTAKE HONG KONG AT A LATER STAGE. WHETHER IT IS POSSIBLE TO SECURE ADDITIONAL COMMITMENTS OF A MORE INSTANT KIND AND A MORE PRACTICALLY USEFUL KIND, IS SOMETHING WHICH WE SHALL ALSO WANT TO EXAMINE, BUT I'D RATHER NOT GO INTO THAT AT THIS STAGE.

/CHRIS POMERY

CHRIS POMERY: SIR GEOFFREY, I WAS TALKING TO ONE OF YOUR ADVISERS THE OTHER DAY AND HE SAID THAT THE GOVERNMENT IS NOT PLANNING FOR A CATASTROPHE. SO IT'S NOT CLEAR WHAT OTHER GOVERNMENTS WOULD DO. I MEAN, SINCE HONG KONG PEOPLE ARE VERY ANXIOUS TO KNOW WHAT THEIR FUTURE MIGHT BE, COULD YOU PLEASE AMPLIFY JUST A LITTLE BIT?

SIR GEOFFREY: WELL, NO GOVERNMENT PLANS FOR A CATASTROPHE. THE PEOPLE OF HONG KONG, THE LAST THING THEY WANT US TO DO IS TO PLAN FOR A CATASTROPHE.

CHRIS POMERY: WELL, A LOT OF PEOPLE ARE PLANNING FOR A CATASTROPHE HERE.

SIR GEOFFREY: YOU'RE JOINING THE RANKS OF THE HECKLERS... SO FAR AS CATASTROPHE IS CONCERNED, WHAT WE CAN DO IS TO TRY AND ENSURE A FULL WIDESPREAD DEEP PERCEPTION OF JUST HOW CATAclysmic THAT WOULD BE, AND A WILLINGNESS BY KEY GOVERNMENTS TO RESPOND GENEROUSLY AND EFFECTIVELY IN FACE OF THAT, AND THAT'S THE PROPOSITION I'VE ALREADY BEEN PUTTING TO SOME OF MY COLLEAGUES. THAT IS THE ULTIMATE CATAclysm SCENARIO. AHEAD OF THAT, AS I SAY, THE MOST INSTANT THING IS TO SECURE A SENSIBLE RESPONSE TO THE QUESTION OF ECONOMIC SANCTIONS, NAMELY TO RULE THEM OUT. IN BETWEEN, IT MAY BE POSSIBLE - IT MAY BE POSSIBLE, I SAY NO MORE THAN THAT - TO SECURE SOME MORE SPECIFIC HELP FROM A WIDER RANGE OF COUNTRIES IN RESPONSE TO THE CRY FOR SOME KIND OF INSURANCE POLICY. I DON'T KNOW.

STEWART PALLISTER (ATV NEWS) : YOUR COLLEAGUE, ROBERT ADLEY, HAS SUGGESTED THAT BRITAIN WOULD TURN ITS BACK ON HONG KONG IF HONG KONG WERE TO BECOME UNGOVERNABLE BEFORE 1997. WHAT ARE YOUR THOUGHTS ON THAT? AND THE POSSIBILITY THAT HONG KONG MAY BECOME UNGOVERNABLE?

SIR GEOFFREY: WELL ON THAT POINT, I'VE ALREADY DEALT WITH THAT AND SAID THAT UNGOVERNABILITY, IN FACE OF THE RECORD AND ACHIEVEMENT OF HONG KONG AND THE HONG KONG GOVERNMENT OVER RECENT MONTHS AND YEARS, SEEMS TO ME TO BE A VERY UNLIKELY PROPOSITION. BECUASE HONG KONG HAS GOT AN EXTREMELY GOOD GOVERNMENT, OF GROWING EXPERIENCE, OF GROWING INDEPENDENCE FROM THE UK, ESTABLISHING WITH EVERY MONTH THAT PASSES, A STRONGER AND STRONGER TRACK RECORD FOR THE GOVERNMENT OF THE SAR WHEN THAT COMES. SO FAR AS MY COLLEAGUE, MR ADLEY, IS CONCERNED, HE IS ONE OF - WHAT IS IT, 400 CONSERVATIVE MEMBERS OF PARLIAMENT? HE IS, EMPHATICALLY, NOT A MEMBER OF THE GOVERNMENT, AND HE SPEAKS FOR HIMSELF AND I HOLD MYSELF NOT IN ANY SENSE ACCOUNTABLE FOR HIS VIEWS.