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Report on 'interviews' of civil servants clarified

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In response to press enquiries on the Xinhua News Agency statement and Mr Zhang Junsheng's comments, a government spokesman tonight (Wednesday) reiterated that there have been and will continue to be contacts between senior civil servants and officials of the Chinese side.

The spokesman went on to say that there was no question of these chats being interviews or of civil servants somehow being screened. "The Basic Law is very clear on what are the requirements for Principal Officials. It is also very clear that it is for the Chief Executive to nominate and report to the Central People's Government for appointment those persons whom he wishes to be the Principal Officials," he said.

The spokesman said that such contacts would enhance mutual understanding and communication between officials of the two sides.

End

Bills on Budget revenue proposals to be introduced

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A total of 10 Bills, which are necessary to implement the Budget revenue proposals, will be gazetted on Friday (April 19).

The Inland Revenue (Amendment) Bill 1996 seeks to increase the salaries tax allowances as announced in the Budget, to introduce the new dependent brother/sister allowance and the tax deduction for training expenses, and to allow hotels to amortise refurbishment expenditure over a five-year period.

The Inland Revenue (Amendment) (No. 2) Bill 1996 seeks to apply a concessionary tax rate at half of the normal profits tax rate to profits and interest income derived from qualified debt instruments registered, cleared and issued in Hong Kong.

The Inland Revenue (Amendment) (No. 3) Bill 1996 seeks to provide certainty in law in respect of profits tax liability regarding offshore funds managed in Hong Kong, and that of stock brokers acting as agents for non-residents in share trading and fund investment.

The Business Registration (Amendment) Bill 1996 seeks to increase the maximum average monthly turnover level below which businesses are exempt from business registration fees. For sale of goods, the level is increased by 100% to $30,000, and for sale of services, it is increased by 150% to $10,000.

The Estate Duty (Amendment) Bill 1996 seeks to raise the exemption level of estate duty from $6 million to $6.5 million and widen the band widths of the two marginal duty rates from $1 million to $1.5 million.

The Stamp Duty (Amendment) Bill 1996 seeks to adjust stamp duty rates on property transactions to bring relief to home buyers of flats with value up to $3.5 million.

The Motor Vehicles (First Registration Tax)(Amendment) Bill 1996 aims to plug the tax loophole whereby some motor vehicle dealers manipulate their first registration tax liability by artificially suppressing the retail price of the standard motor vehicle and over-declaring the value of tax exempted items like vehicle accessories and distributor's warranties. Besides, the Bill also provides sanctions against abuse to obtain first registration tax remission, which are essential to the implementation of the scrapping incentive scheme for the replacement of private vehicles of ten or more years old, as announced in the Budget.

The Air Passenger Departure Tax (Amendment) Bill 1996 seeks to increase the air passenger departure tax from $50 to $100.

The Betting Duty (Amendment) Bill 1996 seeks to increase the betting duty rate from 11.5% to 12% for standard bets and 17.5% to 18% for exotic bets. The increase will be offset by a corresponding reduction in the betting commission of the Royal Hong Kong Jockey Club. The prize money pool will not be affected. The increase will take effect from September 1996.

The Dutiable Commodities (Amendment) (No. 2) Bill 1996 seeks to increase tobacco and fuel duty by 9% which is broadly in line with inflation.

The increase on tobacco and fuel duty came into effect on March 6, and the proposals in respect of air passenger departure tax, estate duty, stamp duty on property transactions and business registration fees took effect on April 1 under Public Revenue Protection Orders signed by the Governor on March 5. The Orders are valid for four months.

The Secretary for the Treasury will introduce the Bills into the Legislative Council on Wednesday (May 1).

To implement the Budget proposal to waive stamp duty for market makers on stock transactions for the purpose of hedging options transactions, the Governor-in-Council has made the Stamp Duty (Jobbing Business) (Options Market Makers) Regulation under the Stamp Duty Ordinance. The Regulation will also be gazetted on April 19 and tabled in the Legislative Council on April 24. It will come into operation on June 1.

End

Appointments to Housing Authority

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The following supersedes GIS960417022 issued at 4.30 pm. Please note that the number of newly-appointed members should be 10 instead of seven.

The Secretary for Housing, Mr Dominic S W Wong, announced today (Wednesday) that the Governor has re-appointed four serving members and appointed 10 new members to the Hong Kong Housing Authority for a term of two years with effect from April 1, 1996. The appointments were made on a personal basis.

The four re-appointed members are:

* Mr Fung Kin-kee (Legislative Councillor);
* Professor Yeung Yue-man (academic in housing development);
* Mr Lee Wing-tat (Legislative and Regional Councillor);
* Mr Joseph Chow Ming-kuen (civil and structural engineer).

The 10 newly-appointed members are:

* Mr Chan Bing-woon (solicitor and district board chairman);
* Mr Walter Chan Kar-lok (solicitor);
* Mr Cheng Kai-nam (public affairs consultant);

* Dr Anthony Cheung Bing-leung (academic in public and social administration and Legislative Councillor);

* Mr Lau Kwok-yu (academic in public and social administration, and adviser to Hong Kong People's Council on Public Housing Policy);

* Mr Ng Leung-sing (banker and member of Sino-British Land Commission);

* Mr Ng Shui-lai (social worker);

* Ms Siu Yuen-sheung (district board member);

* Mr Wan Man-yee (estate surveyor);

* Mr Peter Wong Hong-yuen (accountant and Chairman of Advisory Council on the Environment).

The new appointments will increase the non-official membership of the Housing Authority by seven, from 21 to 28.

"The Housing Authority needs additional members to cope with a substantial and continuing increase in the volume of work, which reflects the general expansion of issues dealt with, increased public expectations of the quality of service, and increased dealings with interest groups and the media," Mr Wong said.

"With the appointment of new members, there will be a good balance of professional expertise and community interests in the Housing Authority," Mr Wong added. "These include professionals, financial administrators, academics, an economist, social workers, public housing residents, District Board Chairmen and members, and members of the Executive Council, Legislative Council and Regional Council - all in their personal capacity."

Mr Edward Ho Sing-tin and Mr Hui Yin-fat, both having served for 10 years, and Ms Audrey Eu Yuet-mee, having indicated her wish to step down owing to other commitments, have retired from the Housing Authority.

Mr Wong thanked the three outgoing members and expressed the Government's appreciation of their contributions.

End

49 industrial projects to be financed by Government

* * * * *

The Industry and Technology Development Council (ITDC) today (Wednesday) approved 49 projects to be financed by the Government's $250 million Industrial Support Fund this financial year.

The fund, established in 1994/95 and provided on a yearly basis, aims at supporting industrial projects which can contribute to the overall industrial or technological development of Hong Kong and to the competitiveness of Hong Kong's manufacturing industries.

A total of 152 projects were approved in the last two financial years and 123 projects are continuing into this financial year and beyond. Industrialists generally find these projects useful.

The Secretary of ITDC and an Assistant Director-General of Industry, Ms Windy Kwok, said the objectives of the successful projects this year could be broadly categorised as infrastructural support, manpower training, environmental control, promotion of new technologies, and development of technology databases and application software.

If classified according to the relevant industrial sector, 15 are in the biotechnology sector, five in the electronics sector, eight in the information technology sector, seven in the metals sector, two in the plastics sector, six in the textiles & clothing sector and six in the general category.

"The vetting process was not easy because of the large volume and technical nature of the applications. Expert opinions from members of the various sectors of industry were sought in the vetting process, and the main criterion adopted by members of the Projects Vetting Committee of the ITDC was whether the application was `market driven', i.e. whether there was a genuine need in the industry for the deliverables of the proposed project," she said.

The total project cost, amounting to some $177 million over a period of three years, would be disbursed to the applicant organisations according to the yearly cost estimates of individual projects.

Funds required in the 1996-97 financial year would be around $106.3 million, with a commitment of $48 million and $22.7 million for fiscal years 1997-98 and 1998-99 respectively.

"Of these successful applications, eight are from industrial support bodies such as the Hong Kong Productivity Council, 30 from higher educational institutions, nine from trade and industrial organisations, one from a research institute and one from the Industry Department," Ms Kwok said.

"The applicants will be informed of the decision of the ITDC shortly and funds will be disbursed as soon as possible to successful applications which cost less than $15 million each."

"However, one of the approved projects which seeks to establish an `Manufacturing Technology Centre for Human Vaccines and Pharmaceuticals' will have to be submitted to the Finance Committee of the Legislative Council for approval because its project cost exceeds $15 million," she added.

End

Property owners urged to ensure building safety

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Property owners should ensure that their buildings are kept in a sound condition and free from dangerous additional works, the Director of Buildings, Dr Choi Yu-leuk, said today (Wednesday).

Dr Choi made the appeal at a press conference this afternoon to announce the Buildings Department's publicity campaign to promote building safety.

He said that the campaign was aimed at educating property owners the danger of illegal structures and the importance of maintaining their buildings.

To promote the messages, the Department, with the help of Government Information Services, has produced a TV Announcement in Public Interest (API) and a series of printed materials for distribution to the public.

"The TV API serves to remind the public of the danger of illegal structures, which may collapse anytime and should be removed as soon as possible.

"With the assistance from the Rating and Valuation Department and the Treasury, we will be addressing all property owners direct by mailing a publicity leaflet together with the rates bills in the third quarter of this year," Dr Choi said.

On enforcement action, Dr Choi pointed out that the Buildings Department would continue its battle against dangerous buildings and illegal structures.

In 1995, the Department received some 2,000 public complaints on dangerous buildings and 9,000 on unauthorised building works, an increase of 38 per cent and 18 per cent respectively compared with 1994. The figures show that the community is becoming more aware of the problems.

"In the coming year, apart from regular enforcement actions, we will also identify more than 100 buildings for carrying out large-scale clearance operations.

"To tie in with the introduction of new legislation, a special team will be set up in the middle of the year to deal with the means of escape and fire safety installations in commercial buildings," Dr Choi said.

Regarding the maintenance of buildings, Dr Choi stressed that all buildings must be regularly maintained and repaired, otherwise their lifespan will be much shortened.

He said that the public can assist in identifying the most easily observable defects in buildings. These are spalled concrete with stains, structural cracks, bulging rendering, or loosen surface tiles.

"If members of the public detect these problems, they should immediately make a report to the Buildings Department for follow-up actions. Our two 24-hour complaint and enquiry hotlines are 2626 1234 and 2626 1313.

"I wish to stress that building owners have the obligation to ensure building safety and to employ professionals to carry out maintenance and repair works, so as to protect themselves, as well as the public safety" Dr Choi said.

End

Release of 47 VMs on recognisance

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The Government announced that 47 more Vietnamese migrants (VMs) will be released from detention today (Wednesday).

On April 2, when 207 VMs were released in the wake of a Privy Council judgement, the Government also confirmed that the individual cases of about 40 other VMs were being considered.

"After completing the examination of these cases, the Government has decided to release 47 VMs from detention, since their position examined individually also falls under the terms of the Privy Council judgement," a Government spokesman said.

The 47 VMs will be transferred to Pillar Point Refugee Centre today. The migrants who were released on April 2 will be transferred to Pillar Point gradually.

End

CSD heroism commended by Governor

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Two CSD Assistant Officer II have been commended by the Governor for their courage and professionalism in the face of a life-threatening situation during last month's hostage drama at High Island Detention Centre (HIDC) for Vietnamese migrants.

Assistant Officer II Wong Fu-shing, who was held hostage for more than 11 hours by a gang of armed Vietnamese migrants who attempted to break out of the North Section of HIDC, was commended for his exceptional courage, fortitude and professionalism in the face of grave personal danger on March 6.

Assistant Officer II Sun Yuk-lun, who sustained serious hand injuries when the VMs stormed the gate and tried to gain entry to the South Section of HIDC, was commended for his gallantry, exceptional dedication to duty and professionalism in thwarting the break-in attempt.

The Commissioner of Correctional Services, Mr Raymond Lai Ming-kee, today (Wednesday) presented to the two officers with the Governor's commendation and added his personal congratulations to them for composure and devotion to duty.

Meanwhile, the CSD Negotiation Team who successfully negotiated the release of the hostage was also praised by the Commissioner for the patience and skill during long hours of mediation with the VMs.

The Negotiation Team, led by Superintendent Ying Kwok-ching, included Chief Officers, Yip Wing-tong and Yiu Chiu-kit. They were awarded the Commissioner's Commendation this morning.

End

Temporary intermittent road closures in Kwai Tsing

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The Transport Department announces that the following roads in Kwai Tsing district will be temporarily closed for about five minutes intermittently during the time specified below from today (Wednesday) for about four months to facilitate the construction of Route 3 Kwai Chung Viaduct:

Location	Time
Kwai Chung Road northbound	8 pm - 7 am next day
Kwai Chung Road southbound	8 pm - 7 am next day
Container Port Road South northbound	7 pm - 7 am next day
Container Port Road South southbound	8 pm - 7 am next day
Tsuen Wan Bypass northbound	midnight - 7 am
Tsuen Wan Bypass southbound	11 pm - 6 am next day

Upon implementation of the road closures, the traffic will be stopped intermittently for not more than 10 closures per night and for an average of three or four nights per week. The intermittent road closure will only be carried out at one location concurrently.

All public transport services operating on Kwai Chung Road, Container Port Road and Tsuen Wan Bypass will not be diverted when the road closures are implemented.

End

Employment exhibition draws 2,500 visitors

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More than 2,500 people visited the "Employment Information Post" Exhibition at the Hong Kong City Hall today (Wednesday).

Twenty-two employers from different trades participated in the exhibition providing a total of 852 vacancies.

The event is jointly organised by the Labour Department, the Employees Retraining Board, the Federation of Hong Kong Industries, the Chinese Manufacturers' Association of Hong Kong, the Chinese General Chamber of Commerce and the Hong Kong General Chamber of Commerce.

End

Payroll statistics for fourth quarter 1995

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According to statistics released today (Wednesday) by the Census and Statistics Department, average labour earnings in all major sectors surveyed, as measured by payroll per person engaged, recorded an increase of 11.9% in nominal terms in the fourth quarter of 1995 over a year earlier. After discounting changes in consumer prices, the increase was 3.8% in real terms.

Analysed by industry sector, average payroll per person engaged in the manufacturing sector increased by 8.6% in nominal terms or 0.8% in real terms in the fourth quarter of 1995 over a year earlier. The slow-down in local manufacturing activity in the latter part of last year could have affected workers' pay in that sector.

For the wholesale, retail and import/export trades, restaurants and hotels sector, average payroll per person engaged increased by 13.7% in nominal terms or 5.5% in real terms. This significant increase was mainly underpinned by the rise in labour earnings in the import/export trades.

Average payroll per person engaged in the transport, storage and communications sector showed an increase of 10.2% in nominal terms or 2.3% in real terms. Increase in labour earnings was mainly concentrated in the transport industry. Labour earnings in the storage and communications industries showed a less rapid increase.

Average payroll per person engaged in the financing, insurance, real estate and business services sector recorded an increase of 15.7% in nominal terms or 7.4% in real terms. This significant increase was attributable in part to a low base of comparison in the fourth quarter of 1994 when the securities and real estate businesses slackened along with consolidation in the stock and property markets.

As for the community, social and personal services sector, average payroll per person engaged recorded an increase of 10.7% in nominal terms or 2.7% in real terms.

Changes in the indices of payroll per person engaged between the fourth quarter of 1994 and the fourth quarter of 1995 for selected industry sectors, in both nominal and real terms, are shown in the table below.

Statistics on average payroll per person engaged are compiled at quarterly intervals based on the results of the Labour Earnings Survey conducted by the Census and Statistics Department. Wage indices are also compiled from the same survey at half-yearly intervals for March and September of the year.

Average payroll includes wages as well as all other irregular receipts such as bonuses and overtime allowances. Statistics on average payroll tend to show relatively larger quarter-to-quarter changes, affected by the number of hours actually worked and the timing of payment of bonuses and back-pay.

Detailed breakdowns of the above statistics are published in the "Quarterly Report of Employment, Vacancies and Payroll Statistics, December 1995". The report will be available shortly at $44 per copy (exclusive of postage) at the Government Publications Centre, Queensway Government Offices, Low Block, ground floor, 66 Queensway, Hong Kong and at the Publications Unit of Census and Statistics Department, 19th floor, Wanchai Tower, 12 Harbour Road, Wan Chai, Hong Kong.

For enquiries about the indices of payroll per person engaged, please contact the Census and Statistics Department on 2582 5076.

Year-on-Year Change in Indices of Payroll Per Person Engaged by Selected Industry Sector

Selected Industry Sector	% Change for 4th Quarter 1995 over 4th Quarter 1994 (nominal terms)	(real terms)
Manufacturing	+8.6	+0.8
Wholesale, Retail and Import/Export Trades, Restaurants and Hotels	+13.7	+5.5
Transport, Storage and Communications	+10.2	+2.3
Financing, Insurance, Real Estate and Business Services	+15.7	+7.4
Community, Social and Personal Services	+10.7	+2.7
All Industry Sectors Above	+11.9	+3.8

End

Tsing Yi lot to let

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The Lands Department is inviting tenders for the short-term tenancy of a piece of government land at Chung Mei Road, Area 4, Tsing Yi.

The lot, with an area of about 6,640 square metres, is intended for use as a fee-paying public car park for the parking of motor vehicles excluding container tractors and trailers.

The tenancy is for 15 months, renewable quarterly.

The closing date for submission of tenders is noon on May 3, 1996 (Friday).

Tender form, tender notice and conditions may be obtained from the Lands Department, 14th floor, Murray Building, Garden Road and the District Lands Offices of Kwai Tsing and Kowloon.

Tender plan can also be inspected at these offices.

End

Hong Kong Monetary Authority money market operations

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	$ million	Time (hours)	Cumulative change ($million)
Opening balance in the account	1,358	0930	+1,441
Closing balance in the account	1,779	1000	+1,441
Change attributable to :		1100	+1,441
Money market activity	+1,441	1200	+1,441
LAF today	-1,020	1500	+1,441
		1600	+1,441

LAF rate 4.00% bid/6.00% offer TWI 124.1 *+0.0* 17.4.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	4.93	2 years	2802	5.16	98.62	6.05
1 month	5.00	3 years	3901	5.57	98.19	6.39
3 months	5.10	5 years	5103	6.75	99.25	7.05
6 months	5.21	7 years	7302	6.02	93.37	7.39
12 months	5.55	5 years	M502	7.30	100.38	7.33

Total turnover of EF bills and notes - $23,870 million

Closed April 17, 1996

End