



DAILY INFORMATION BULLETIN

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BEACONSFIELD HOUSE, HONG KONG. TEL.: 2842 8777

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Comments in response to letter sent to Prime Minister

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In response to press enquiries about a letter issued this evening on behalf of a number of business organisations, the Governor's spokesman, Kerry McGlynn, made the following comments:

It is a pity that the businessmen who inspired the letter did not talk to the Governor before sending it to the Prime Minister because their criticisms seriously misrepresent the message of confidence in Hong Kong's future which the Governor consistently put across during his recent North American tour.

Their criticisms in fact have arisen from something the Governor never said.

Indeed, if the signatories had looked at all the media reports generated by the Governor's visit to the United States and Canada, and if they had asked any of those who had attended his speaking engagements in record numbers, they would have seen that Mr Patten powerfully argued the case for confidence in Hong Kong.

But he did so against a background of intense and sceptical questioning about decisions and statements made by Chinese officials and their advisers, particularly those in the Preparatory Committee, in the last month or two which had left the impression in the international community of threats to our human rights legislation, the independence of the judiciary, the political neutrality of the civil service and, of course, to our first fully democratically elected Legco.

The Governor has always been an admirer and an advocate of the great contribution the business community has made to Hong Kong's spectacular economic success. He has argued equally strongly that Hong Kong's future depends not only on the continuation of sensible economic policies, but on the maintenance of the freedoms and values which we enjoy today.

Our businessmen, particularly those with undoubted influence with Chinese officials, have as much responsibility to ensure the continuation of those values and freedoms as they do the economic fundamentals which have in equal measure allowed them to prosper.

The community will no doubt note that while a number of businessmen have chosen to criticise the Governor on the basis of something that he has never said, they did not band together to write similar letters of protest when threats were made to our human rights legislation, the independence of the judiciary, the political neutrality of the civil service and to our democratic institutions. There is still time for them to do so.

End

Remarks by AG on Privy Council's ruling

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In response to media enquiries, a spokesman for the Attorney General's Chambers said:

The Privy Council in a landmark decision delivered today (Monday) upheld the constitutionality of Section 30(1) of the Prevention of Bribery Ordinance.

Said the Attorney General, Mr Jeremy Mathews:

"This is a very important decision for the rule of law, as the Privy Council has recognised in its decision that S. 30(1) of the Prevention of Bribery Ordinance is an essential weapon in the ICAC's fight against corruption. "This decision should now put to rest any doubts that some members of the community may have had that S. 30(1) is contrary to the Bill of Rights Ordinance."

S. 30(1) provides:

"(1) Any person who, without lawful authority or reasonable excuse, discloses to any person who is the subject of an investigation in respect of an offence alleged or suspected to have been committed by him under this Ordinance the fact that he is subject to such an investigation or any details of such investigation, or discloses to any other person either the identity of any person who is the subject of such an investigation or any details of such an investigation, shall be guilty of an offence and shall be liable on conviction to a fine of \$20,000 and to imprisonment for 1 year."

In allowing the appeal by Ming Pao Newspapers Ltd & Others v. Attorney General of Hong Kong, the Privy Council construed the word "investigation" in section 30(1) to cover only an investigation into a particular suspect. Where, as in this case, no suspect had been identified but the investigation was general in nature, the section does not apply and the defendants had committed no offence.

However, on the constitutional question of whether S.30(1) is consistent with the Bill of Rights Ordinance, the Privy Council ruled in favour of the Hong Kong Government that this section was entirely consistent with the Bill of Rights. They noted that it was for the Hong Kong Courts and the Hong Kong legislature to decide whether the restrictions imposed by S. 30(1) were necessary under Article 16 of the Bill of Rights Ordinance. The Privy Council held "It cannot be denied that there is a pressing social need to stamp out the evil of corruption in Hong Kong. Investigation by the ICAC is an important means of achieving that end and the protection of the integrity of such investigation is essential."

The Privy Council decided that there should be no order for costs against the Hong Kong Government.

End

Unemployment and underemployment statistics

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The seasonally adjusted unemployment rate for the period January to March 1996 was 3.2%, and the underemployment rate was 2%, according to the latest labour force statistics released today (Monday) by the Census and Statistics Department. The provisional seasonally adjusted unemployment rate for the period February to April 1996 was marginally higher, at 3.3%, while the provisional underemployment rate continued to edge lower to 1.8%.

Commenting on the latest figures, a government spokesman said labour market conditions remained generally stable. The slight increase in the unemployment rate was concentrated in the wholesale and retail trades and the transport sector. Meanwhile, decreases in unemployment rate were recorded in the manufacturing and construction sectors. As to the underemployment rate, the decrease was concentrated in the construction and transport sectors.

The growth in total labour supply and total employment was 5.5% and 5.1% respectively in the three months ending March 1996 over a year earlier. These were the fastest increases ever recorded since the General Household Survey was first launched in August 1981.

However, such rapid increases on a year-on-year basis could have been affected to a considerable extent by the low base of comparison in the same period last year, when the respective growth rates at that time were still low.

During the period January to March 1996, the number of unemployed persons with previous jobs was estimated at 87,800. Another 6,300 unemployed persons were first-time job-seekers. The number of underemployed persons was estimated at 62,000.

The unemployment and underemployment statistics were obtained from a continuous General Household Survey.

The survey for January to March 1996 covered a quarterly sample of some 17,900 households or 60,400 persons, selected scientifically to represent the land-based civilian non-institutional population in Hong Kong.

Data were obtained from the survey by interviewing each member aged 15 or over in the households sampled.

In the survey, the definitions used in measuring unemployment and underemployment follow closely those recommended by the International Labour Organisation.

'Seasonally adjusted' refers to adjustment for seasonal variations in the proportion of first-time job-seekers in the labour force.

Detailed analysis of labour force characteristics is given in the report on the General Household Survey which is published four times a year.

The next report covering the quarter ending March 1996 will be on sale at the Government Publications Centre at ground floor, Low Block, 66 Queensway, Hong Kong, by the end of June.

End

Public cargo working areas management reform fair

* * * * *

Only regular operators using the facilities at the Public Cargo Working Areas (PCWAs) for a reasonable period of time are eligible to bid for berthing spaces under Marine Department's proposed plans to reform management for these areas, Assistant Director of Marine, Mr Raymond Tang, said today (Monday).

Commenting on remarks made by some PCWA operators at a petition to the Governor yesterday, Mr Tang reassured them as well as all other operators that none of them would be driven out of business under the reform management package.

Contrary to the claims made by the protesters that the berthing spaces will be leased out by open tender, Mr Tang reassured the protesters that the berths would be leased out only by restricted tender. That is only to the existing regular operators.

He said the operators petition yesterday might be motivated by uninformed views or misunderstanding of the new proposals.

He reiterated that the objective of the proposed reform was to improve productivity of PCWAs and it was not designed as a means to generate more money for the Government. On the contrary open tender means the operators set the price and that it is open and fair.

"We hope the reform, apart from improving productivity, will also remove the known undesirable practices that associated with the existing first-come-first-served basis," said Mr Tang. "We have no hidden agenda," he stressed.

PCWAs when first introduced in 1975 were intended to give the public land base areas to work their cargo without interference from illegal element and road congestion.

Due to heavy capital investment and the need to man them, users of PCWAs have to pay a fee. The present level is \$60 per day for an eight-metre space of waterfront.

"Some people exploit the low fee structure and the first-come-first-served basis to their advantage, thus the genuine operators are often paying far more on the secondary market," Mr Tang said. "A legal right to a berth granted under the tender system will remove any need to pay secondary market costs.

"We agreed with the operators that these berthing spaces should be leased out to the genuine users on a more permanent basis rather than on a daily basis.

"We propose a tender system to let the operators bid for what they believe is the right price for a berth. That is open and fair."

The Marine Department will inform the Economic Services and Transport panels of the Legislative Council on Wednesday (May 22) of its progress in carrying out the reform. The operators will also argue their case in the same forum. There are press reports that some operators will block the harbour with their barges if the legislators do not side with them.

Mr Tang urged the operators to refrain from taking such action as it would serve no one's interest, particularly the port as a whole on which everyone was relying on.

He said: "If they do choose to block the harbour, they must inform us as early as possible but at least seven days in advance of the protest as required by the law.

"We need to inform other port users in particular the shipping companies and ferry operators well in advance.

"In conjunction with the Marine Police, we have to deploy extra manpower and resources to direct traffic and to ensure maritime safety and to facilitate the protesters.

"We must put in place a system for PCWA management which is transparent, fair and to the benefit of the port and the community as a whole."

End

Bilingual education consultation pamphlet to be issued

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A Task Group on quality school education set up under the Education Commission (EC) is working on a bilingual pamphlet to be issued in June to invite public comments on the goals and targets of quality school education, the ways to relate funding to performance and the roles of key players in the school system.

This was said by the EC Chairman, Professor Rosie Young, at a media briefing after the Commission's meeting today (Monday).

Professor Young said the Task Group would take into account public feedback before recommending to EC concrete proposals which would form the basis of the Education Commission Report No 7. "The EC will consult the public widely again on the Report later in the year," she added.

At the meeting, members noted the progress made by the Task Group and the work carried out by the Administration to implement major recommendations of the EC Reports nos 1 to 5.

"We are pleased to see that the majority of the Commission's major recommendations have been implemented on time.

"We will continue to monitor the implementation of the remaining recommendations," Professor Young said.

At today's meeting, members were also briefed by the Education Department on the development of the School Management Initiative, a measure introduced in 1991 to improve school performance.

End

Improvement package for special education endorsed

The Board of Education (BoE) today (Monday) endorsed a package of comprehensive measures proposed by the board's sub-committee to improve special education in the territory.

The recommendations, if fully implemented, carry a price-tag of over \$108 million in the first year.

Public consultations are now under way. Members of the public may obtain copies of the sub-committee's report from the Education Department's Special Education Services Section, 10th floor, Wu Chung House, 213 Queen's Road East, Wan Chai. Views and representations on the suggestions should reach the Secretary, Board of Education, at Room 1123 on the 11th floor of the same building not later than July 8.

Meanwhile, two public consultation sessions will be conducted on June 12 at Grantham campus, Kowloon, and June 13 at Hong Kong Teachers' Centre, Pak Fuk Road, respectively to gauge public views on these proposals. Both sessions will be held between 6 pm and 8 pm.

Presenting the sub-committee's report at today's BoE meeting, Chairman of Sub-committee on Special Education, Professor Leslie Lo Nai-kwai, said the sub-committee has made 70 improvement recommendations, covering 10 areas in special education:

- * Administration and co-ordination of special education
- * Educational concerns in special education
- * Provision in the Code of Aid for Special Schools
- * The curriculum and related matters
- * Teacher education
- * Education for children with learning difficulties
- * Education of the gifted
- * Education for the maladjusted
- * Practical schools and skills opportunity schools and
- * Other measures for further improvement

Professor Lo said the financial implication of the recommended improvement measures will be \$108.3 million in the 1997-98 fiscal year (seven months). It will increase to \$203 million by 2000-01.

The Sub-committee on Special Education was established in the summer of 1994. Its main task is to advise the BoE on the further development of special education, both in the short and long terms, while taking into account the present situation and projected needs of local children and youths in the special education sector, existing government policies, views of practitioners in special education and related fields, findings of relevant research, and the development of special education in societies in comparable stages of development.

The Sub-committee met 39 times and visited several special schools. It organised three focus group discussions for teachers, school principals and representatives of school sponsoring bodies, and supporting and non-teaching staff of special schools and special education classes.

On a separate issue, BoE members noted that in the 1995-96 school year, there were 515 primary schools and 214 secondary schools which offered Putonghua as a subject in the formal curriculum. In addition, 30 secondary schools offered Putonghua as a special programme outside the formal curriculum.

The Assistant Director of Education (Curriculum Development Institute), Dr Julian Leung, told BoE members that there were currently some 1,900 serving Putonghua teachers.

"There are plans to train up an additional 2,800 teachers in three years' time so as to ensure an adequate supply of teachers.

"This is estimated on the basis that three Putonghua teachers would be required for each of the 860 primary schools and four Putonghua teachers for each of the 466 secondary schools," Dr Leung said. Dr Leung said that summer courses would be organised this year and in the next two years for students of schools which did not offer the subject in their formal curriculum.

He said: "It is intended that schools implementing the new Putonghua syllabuses should be provided with a grant. Funding of \$0.75 million has been preliminarily allocated for 1998-99 and \$1.5 million for 1999-2000."

End

Parents' view on children's extra-curricular activities

A survey commissioned by the Committee on Home-School Co-operation revealed that parents were more willing to spend money, rather than time, on their children's extra-curricular activities.

The aim of the survey, conducted by the Chinese University of Hong Kong (CUHK) last October, is to improve the roles of parents in assisting schools to organise extra-curricular activities and to promote their values for the betterment of school life.

Some 7,000 parents and students from 60 primary schools and 30 secondary schools had been interviewed.

The Chairman of the Committee, Mr Tik Chi-yuen, will tomorrow (Tuesday) announce the findings of the survey at a press conference at the Education Department Headquarters.

Research team leaders from the CUHK, Dr Lam Chi-chung and Dr Wong Ngai-ying; Principal Curriculum Officer (Research, Evaluation and Planning) of the Education Department, Mr Law Hing-chung; and Mrs Canny Lau from the Working Group on Parents' Views on Education will also attend.

Other findings of the survey, including the views of parents and students on the values of extra-curricular activities; the choice and the time spending on different types of activities; and the willingness of parents to assist in running extra-curricular activities, will also be announced.

End

Teacher recruitment information office activated

The Education Department has activated the Teacher Recruitment Information Office (TRIO) at its headquarters to help fill some 1,000 additional teacher vacancies in local schools in September 1996.

A Principal Education Officer, Mr C K Tam, said the vacancies arise from new schools, classes and posts in the next school year.

"Local teachers for primary and secondary schools, as well as native-speaking teachers of English in secondary schools, are required," he said.

The TRIO, which is now in the fourth year of service, is activated for several months each year to provide an information link between schools with teacher vacancies and people seeking teaching appointments.

Last year, the office attracted over 5,200 applications from teacher-applicants. Among them, some 3,000 were degree holders, 1,126 graduates from Hong Kong Institute of Education, and 312 were diploma holders of approved post-secondary colleges. The TRIO was approached by both primary and secondary schools for information on applicants to fill a total of 826 teacher vacancies between May and August last year.

"The mission of the TRIO is not only to recruit a sufficient number of teachers, but also to look for quality people to groom our next generation," Mr Tam said.

"Publicity will be conducted both locally and overseas. Career talks will be arranged for fresh graduates of local tertiary institutes to enhance their understanding of the teaching profession and to encourage them to choose teaching as a career." Mr Tam said that members of the public who wish to join the teaching profession can register with the TRIO simply by completing a registration form.

Their personal particulars will then be stored in a computer data bank. Schools with teacher vacancies may approach the TRIO for a computer printout of the applicants with the required qualifications.

The schools will then approach the suitable candidates direct and arrange for interviews. Whether or not the applicants are selected for interview or subsequently employed will solely be the decision of the schools concerned.

Registration forms are now available at District Offices of the Home Affairs Department, District Offices of the Labour Department and District Education Offices of the Education Department. Applicants from tertiary institutes including the Hong Kong Institute of Education may obtain the forms at their own campuses.

Enquiries may be made on 2892 6305 during office hours or by fax to 2892 6304.

End

Water storage figure

Storage in Hong Kong's reservoirs at 9 a.m. today (Monday) stood at 83.3 per cent of capacity or 487.93 million cubic metres.

This time last year the reservoirs contained 376.673 million cubic metres of water, representing 64.3 per cent of capacity.

End

Tender for 3rd issue of 7-year exchange fund notes

The Hong Kong Monetary Authority (HKMA) today (Monday) announces that tender for the third issue of 7-year exchange fund notes will be held on May 27 for settlement on May 28.

An amount of \$500 million 7-year notes will be offered. Another \$100 million will be held as reserve by HKMA for supply to market makers in the secondary market.

The notes will mature on May 28, 2003, and will carry interest at the rate of 7.6% per annum payable semi-annually in arrears. Terms and conditions of the issue are described fully in the Information Memorandum.

Members of the public who wish to tender for the notes may do so through any of the market makers or recognised dealers on the published list which can be obtained from HKMA at 30th floor, 3 Garden Road, Hong Kong, Tel 2878 8150. Each tender must be for an amount of \$50,000 or integral multiples thereof.

Tender information for the third issue of 7-year exchange fund notes:

Issue number : 7305

Tender date and time : Monday May 27, 1996, 9.30 am to 10.30 am

Issue and settlement date : Tuesday May 28, 1996

- Amount on offer : \$500 million plus an additional \$100 million as reserve stock for the Monetary Authority
- Maturity : Seven years
- Maturity date : May 28, 2003
- Interest rate : 7.60% per annum payable semi annually in arrears
- Interest Payment Dates : Nov 28, 1996, May 28, 1997, Nov 28, 1997, May 28, 1998, Nov 30, 1998, May 28, 1999, Nov 29, 1999, May 29, 2000, Nov 28, 2000, May 28, 2001, Nov 28, 2001, May 28, 2002, Nov 28, 2002, May 28, 2003
- Tender amount : Each tender must be for an amount of \$50,000 or integral multiples thereof. Members of the public who wish to tender for the notes may approach market makers or recognised dealers on the published list
- Other details : Please see Information Memorandum published or approach market makers or recognised dealers

End

Hong Kong Monetary Authority money market operations

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,082	0930	-119
Closing balance in the account	1,961	1000	-119
Change attributable to :		1100	-119
Money market activity	-121	1200	-119
LAF today	NIL	1500	-119
		1600	-121

LAF rate 4.00% bid/6.00% offer TWI 124.0 *+0.2* 20.5.96

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.06	2 years	2802	6.30	100.47	6.14
1 month	5.06	3 years	3904	6.30	99.45	6.61
3 months	5.14	5 years	5103	6.75	98.52	7.24
6 months	5.21	7 years	7302	6.02	92.21	7.65
12 months	5.57	5 years	M502	7.30	99.89	7.46

Total turnover of EF bills and notes - \$15,959 million

Closed May 20, 1996

End