



---

## DAILY INFORMATION BULLETIN

---

ISSUED BY GOVERNMENT INFORMATION SERVICES  
GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,  
HONG KONG. TEL.: 2842 8777

Friday, November 1, 1996

<u>Contents</u>	<u>Page No.</u>
Governor's transcript .....	1
Transcript of FS's media session .....	3
Regulation to protect gas pipes .....	4
New ordinance to control noise from vehicle alarm .....	5
Bill on construction professionals gazetted .....	5
Law to be amended to ban monkey feeding .....	6
Gambling licence fees to be revised in December .....	7
Film censorship fees to be revised .....	8
Fees for dangerous goods services revised .....	10
Appointment to Council of the Stock Exchange .....	11
Tender invitation for Hiram's Highway improvement works .....	11



# DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES  
DAILY INFORMATION BULLETIN  
1987

<u>Contents</u>	<u>Page No.</u>
Slipway to be built at Sha Tau Kok .....	12
Tenders invited for school improvement project .....	13
Tenders invited for building three secondary schools .....	13
Tenders invited for sewer construction works .....	14
Students invited to participate in Schools Dance Festival .....	15
EMSD works supervisors awarded Imperial Service Medal .....	15
Post offices to introduce Easy Payment System .....	16
Garment company fined for false declaration .....	17
Supply of exchange fund bills to increase .....	18
Hong Kong Monetary Authority money market operations .....	19

Governor's transcript

\* \* \* \* \*

The following is the transcript of the media session given by the Governor, the Rt Hon Christopher Patten, at the opening of the New Hong Kong St John Ambulance Headquarters this (Friday) afternoon.

Question: Two members from the liberal flagship have flown to Beijing yesterday and were expelled by the Chinese police during a petition towards the preparatory committee and have been sent back to Hong Kong. What would be your comments on this ?

Governor: Well, I haven't seen the details of the case and the detail reasons of their return to Hong Kong so rapidly. All that I would say is that these sort of things wouldn't happen if senior Chinese officials were prepare to talk to representatives of majority opinion here in Hong Kong. There will be plenty of opportunities for them to do so in the coming weeks, and I very much hope they take advantage of those opportunities.

Question: What does this spell for post-1997 .....

Governor: Well, the point I want to stress is the importance of dialogue. Last August I think it was, vice-premier Qian Qichen suggested that contacts with the democrats could be open up and that a real debate with them could commence. I think the sooner we see that happen the better. You can't simply freeze out majority opinion in Hong Kong, you can't simply anathematise majority opinion, you have to talk to people, you have to involve everybody in the decision making about the future of this territory, not just a chosen few.

Question: The selection committee ....409 shortlist members and the high proportion of businessmen..... Would you comment on that ? The Chinese government would like .....businessmen ruling Hong Kong future.

Governor: Well, as you know the promise is that Hong Kong people should run Hong Kong , and I hope that means everybody being involved in the process, but I don't want to comment particularly on the membership of the selection committee. I am sure the community will form a view about that and form a view about the whole process.

Question: Would you comment on the report that Xu Jiatun has said that... British tries to increase influence after 1997?

Governor: Who said that?

Question: Xu Jiatusun, the former head of NCNA.

Governor: He said that from California, did he?

Question: It was reported in the Far Eastern Economic Review.

Governor: I saw the article by Frank Ching. But I glanced that rather than read it in detail. I'll have to go back and read it in more detail though it doesn't sound to me like an article which I'll agree with. Hong Kong is an international city and will remain an international city. There is American investments in Hong Kong. There's British investments in Hong Kong. Britain has a particularly close relationship with Hong Kong because of history. There are many people from Hong Kong at schools and universities in Britain, many people from Hong Kong own property in Britain and there are large exports in both directions. I'm sure that will continue after 1997 and of course Britain has a continuing moral responsibility to ensure that the Joint Declaration is followed and implemented as closely as possible. We can't simply walk away from that responsibility in 1997. But I don't think that is an attempt to increase our influence. I think that's not a very sensible suggestion.

Question: Qian Qichen and Lu Ping will come later this month...

Governor: You know perfectly well, the whole community knows perfectly well that the problem has never been one of members of the Hong Kong Government meeting Chinese officials. It's been Chinese officials who haven't been able to find times in their very crowded diaries to meet the Hong Kong Governor or senior officials. So the onus is on them. But I think that it would be more important, to be honest, if when Mr Qian Qichen comes, he's able to meet some of the members of the Democratic Party. He talked about that last August and I think the whole community will welcome it if he was able to begin that dialogue sooner rather than later. But I repeat that we are infinitely courteous and polite and if ever Mr Qian or Mr Lu can find time for a meeting, we will be delighted to see them and of course so would the whole community here in Hong Kong. Just look at the polls, just look at what people would like to happen.

Question: ... A final will to meet Mr Qian Qichen?

Governor: If I have to list all my ambitions in life, while it will be very nice to meet Mr Qian, that isn't the number one. The number one is that a dialogue should start between the representatives of majority opinion in Hong Kong and Chinese mainland officials. That's the most important meeting that should take place.

Question: Are you optimistic they will meet the democrats when they come here ?

Governor: I don't know what was meant by the remarks made last August unless that's going to happen quite soon.

End

Transcript of FS's media session

\* \* \* \* \*

Following is the transcript of a media session given by the Financial Secretary, Mr Donald Tsang, this (Friday) afternoon:

FS: You know that I have just completed a cycle of meetings with Legislative Councillors. I have met them on seven occasions. I have altogether now received six written requests or submissions, and I have also had very valuable verbal representations put to us during these sessions. During these sessions, I have met almost all Councillors. Their advice and their views are quite valuable. What I am going to do is, my colleagues and I would, are going to examine these proposals in great detail from the beginning of, perhaps, from the beginning of next week. We would examine them one by one. I would then consider my recommendations for next year, and I would account for my decision in the Budget debate. I also took the opportunity of updating Members on the state of consultation with China. I have told them that we have already come to a consensus on the expenditure side of the Estimates. In accordance of this consensus, various departments and branches are now preparing their annual estimates which again will be completed round about December/ January. And we would again be presenting our recommendations to the Legislative Council for approval on Budget day or post-Budget day. The coming Estimates would be a twelve month budget covering a full twelve month cycle beginning 1 April 1997 go right to the end of March, 1998. I have got now, as I have told you, six petitions, six letters from Members, written ones. I have also asked them to let me have any supplementary letters, supplementary views as early as possible so that my colleagues and I can consider them very carefully, professionally and fully. In order to let you know what we have done, what materials we have furnished to LegCo Members, my colleague, Alan Siu there, would be holding a separate briefing for you later this afternoon at 3.30. He would let you have copies of all materials made available to Members, so you know what they are. These materials are related largely to the performance of the revenue side, this year, 1996/97 and the various concessions we made in the last Budget. That will form a basis of Members' recommendations to us.

Question: Mr Tsang, on welfare expenditure..will there be in fact a cut from 25 to 20 per cent. Could you elaborate on what concerned Legislators in that area when you take consultation?

FS: In my experience in the public service we have never cut welfare spending at all. And I do not think we should do that in 1997. The question is, to what extent welfare spending would be increased, and this is a matter which I will account fully in the Budget debate.

Question: It came from Simon Li that there would be cap on growth in spending for social welfare expenditure for infrastructural spending and that there will be a 4.75 per cent target for GDP growth next year. Would you like to comment...?

FS: I don't want to comment on speculative comments of the others. The Chinese side have commented fully on that. Some of the figures which you mentioned are quite unfamiliar to me. Thank you very much.

End

#### Regulation to protect gas pipes

\* \* \* \* \*

The Gas Safety (Gas Supply) (Amendment) Regulation 1996, gazetted by the Government today (Friday), controls in the interests of safety, construction works in the vicinity of gas pipes.

The amendment Regulation requires that construction works should not be carried out near a gas pipe unless its position has been checked and steps taken to ensure that it will not be damaged by the works.

The new regulation provides that a person not taking all reasonable measures to protect a gas pipe from damage arising out of his construction works that is likely to prejudice safety commits an offence and is liable on conviction to a fine of \$200,000 and to imprisonment for 12 months.

The regulation reflects the Government's concern at the frequent damage to gas pipes through careless excavation work. There were 93 such incidents in 1995 and 71 in the first 10 months of 1996. While the consequences of most of these incidents are relatively minor, damage to a gas pipe may lead to a major fire or explosion. The regulation aims to minimise the potential for such hazards.

The Government intends to bring the regulation into effect in December 1996. A code of practice on avoiding damage to gas pipes will be issued at the same time by the Gas Authority (the Director of Electrical and Mechanical Services) to assist the gas supply companies and the construction industry to comply with the new requirements.

The Regulation will be tabled in the Legislative Council on November 6, 1996.

End

New ordinance to control noise from vehicle alarm

\*\*\*\*\*

Noise from vehicle alarm systems will be controlled under the Noise Control (Amendment) Ordinance 1996 to be effective from April 1 next year.

Under the new ordinance gazetted today (Friday), registered car owners are required to ensure that their vehicle alarm systems will not sound unless the vehicles are being tampered with.

Moreover, the alarms should not sound for more than five minutes.

Failure to comply with any of the two requirements will be liable to a fine of \$10,000.

Explaining the new ordinance, Principal Environmental Protection Officer of the Environmental Protection Department, Mr K S Chan, said that noise from the false activation of vehicle alarms had been a constant source of disturbance to many people in the past few years, especially during late hours.

"False alarms are mostly due to improper installation or incorrect sensitivity settings. Some of the alarms are so sensitive that they would be triggered even when there has been no physical contact.

"Very often, such problems can be solved by just simple adjustments to the alarm system setting," he said.

"If vehicle owners suspect their vehicle alarms are too sensitive, they should immediately have the alarms checked or serviced by competent persons such as those recommended by authorised dealers of vehicles," he added.

End

Bill on construction professionals gazetted

\*\*\*\*\*

A bill seeking to empower the registration boards for architects, engineers, surveyors and planners to make orders for costs incurred in disciplinary proceedings is gazetted today (Friday).

A Government spokesman said at present, registration boards were established under the Registration Ordinance respectively for architects, engineers, surveyors and planners.

The main functions of these boards are to deal with the registration and disciplinary matters relating to their respective professions.

The spokesman said that however, there was no provision under these ordinances to empower the Boards to make orders for costs related to disciplinary proceedings and if the situation persisted, the possible financial burden might make the boards difficult to operate.

By giving the boards power to make orders for costs, the Architects, Engineers, Surveyors and Planners Registration (Miscellaneous Amendment) Bill 1996 seeks to reduce the chance of the Boards having financial difficulties arising from disciplinary proceedings.

It will also bring them in line with the position of other tribunals, such as disciplinary tribunals, which have similar powers to make orders for costs, he added.

In addition, the Bill will also provide for the Boards to engage professional advisers in connection with all their statutory duties.

Another provision of the Bill proposes that any rules regulating the procedure of meetings of the boards should be lodged with the Secretary for Works, who heads the policy branch having the most dealings with these professionals, instead of the Director of Administration as in the past.

The Bill will be introduced into the Legislative Council on November 13, 1996.

End

#### Law to be amended to ban monkey feeding

\* \* \* \* \*

The Government has proposed amendments to the Wild Animals Protection Ordinance to prohibit the feeding of monkeys and other wild animals at specified places.

Under the Wild Animals Protection (Amendment) Bill 1996, published in the Gazette today (Friday), any person doing that will be liable to prosecution.

A government spokesman said the prohibition was to curb the unnatural growth of monkeys and to discourage their aggressive behaviour and possible spread of disease. It would also prevent them from losing their skill to forage natural food in the wild.

"The amendment is needed as there have been numerous reports of monkey nuisances and some incidents of attacks.

"A study sponsored by the World Wide Fund For Nature Hong Kong in 1992 revealed that feeding by humans is an important factor leading to nuisances and attacks by monkeys in certain areas in Kowloon Hills.

"It also recommended that actions be taken to discourage and ultimately ban people from feeding monkeys," he said.

The spokesman pointed out that the proposed amendment would also increase the maximum penalty to \$100,000 fine and one year's imprisonment upon conviction for illegal hunting, trapping and selling of protected wild animals.

The current level of penalties set at the enactment of the Ordinance in 1976 has little deterrent effect for potential offenders.

The proposed legislation would also give the Director of Agriculture and Fisheries additional powers to search and seize evidence and to detain, release or dispose of the animals so seized in order to protect the welfare of the animals.

It will replace an existing burden of proof provision in the ordinance and narrow the presumption to limited circumstances only.

The amendment will also add to the existing ordinance new provisions for appeals. If a person is aggrieved by a decision of the Director of Agriculture and Fisheries in not granting him a permit or cancelling his permit, he can appeal to the Administrative Appeals Board.

End

#### Gambling licence fees to be revised in December

\* \* \* \* \*

Licence fees covering lotteries, tombolas, games of amusement with prizes, trade promotion competitions and games in which mahjong or tin kau are used, will be revised from December 13.

Details of the increases were set out in the Gambling (Amendment) Regulation 1996 published in the Gazette today (Friday).

A spokesman for the Home Affairs Branch said it was government policy that fees should in general be set at levels sufficient to recover the full costs of providing the services.

The last costing review for the grant or renewal of mahjong/tin kau licence was conducted in 1994-95 and that for other licences in 1995-96.

All licence fees were last revised in November 1995 based on the full cost at 1995-96 prices.

"To reflect the cost at 1996-97 prices, the Government proposes to increase the fees by about nine per cent in accordance with the movement of the government consumption expenditure deflator from 1995-96 to 1996-97," the spokesman said.

The new licence fees are as follows:

Lottery	\$2,930
Tombola	\$12,000
Amusements with prizes	\$2,840
Trade promotion competition	\$1,480
Mahjong/Tin Kau	\$1,070 per table

The spokesman believed that the revised fees would not substantially increase the operating costs of the licensees, adding that charitable organisations would continue to qualify for a waiver or reduction of fees under section 6 of the Gambling Regulations.

End

Film censorship fees to be revised

\* \* \* \* \*

The Film Censorship (Amendment) Regulation, which seeks to revise the fees charged under the Film Censorship Ordinance, was published in the Gazette today (Friday).

"The proposed fee revision is in line with the government's policy that fees should in general be set at a level sufficient to recover the full costs of providing the services," a spokesman for the Broadcasting, Culture and Sport Branch said.

The fees will be increased by about nine per cent to reflect the cost at 1996-97 prices. Details of the existing and revised fees are as follows:

	<u>Existing fee (\$)</u>	<u>Revised fee (\$)</u>
Censorship fee for a still film	20	22
Censorship fee for any film other than a still film (per minute of running time or part thereof)	72	78
Fee for the issue of a replacement certificate	157	170
Exemption fee for a still film	31	34
Exemption fee for any film other than a still film (per minute of running time or part thereof)	24	26
Fee for the approval of Category III videotape/laserdisc packaging	402	440
Fee for viewing or inspecting videotape, laserdisc, packaging or advertising material in the repository (for a 2-hour period or part thereof)	613	670
Fee for the approval of advertising material (per item)	130	140

The amendment regulation will be tabled in the Legislative Council on November 6 and come into effect on December 13.

End

Fees for dangerous goods services revised

\* \* \* \* \*

Fees for services set out in four regulations related to mining and the manufacture, storage, conveyance and usage of explosives have been revised from today (Friday).

The four regulations are the Mining (General) (Amendment) Regulation 1996, Mines (Safety) (Amendment) Regulation 1996, Dangerous Goods (Government Explosives Depots) (Amendment) Regulation 1996 and Dangerous Goods (General) (Amendment) Regulation 1996.

A government spokesman said the revised fees were necessary to recover the administrative and operating costs involved.

"The effect of the new fees on the construction industry as a whole will be minimal as the cost of explosives used for blasting constitutes a very small part of the total cost of construction projects," he said.

The old and new fees for some of the major services set out in the four regulations are as follows:

	<u>Old</u>	<u>New</u>
Permit for discharge of explosives	\$31,200	\$38,920
Licence to store explosives	\$23,800	\$26,060
Permit to move explosives	\$ 105	\$ 170
Renewal of a mine blasting certificate	\$ 1,200	\$ 1,910
Delivery of explosives exceeding 50 kilogram but not exceeding 100 kilograms	\$ 4,075	\$ 4,850

The spokesman said the Dangerous Goods Standing Committee with representatives from the private sector, including those from the chemical, shipping, petroleum and godown industries, had been consulted and had no objection to the revision.

End

### Appointment to Council of the Stock Exchange

\* \* \* \* \*

A Financial Services Branch spokesman announced today (Friday) that the Government had re-appointed Mr Lee Hon-chiu to the Council of the Stock Exchange of Hong Kong Limited.

Mr Lee was first appointed to the Council in 1994. His current term will expire on November 22.

"We are very pleased to re-appoint Mr Lee who has made significant contribution to the work of the Council of the Stock Exchange in the past two years," the spokesman said.

Mr Lee's re-appointment is for one year up to and including the annual general meeting of the Stock Exchange in 1997.

End

### Tender invitation for Hiram's Highway improvement works

\* \* \* \* \*

The Highways Department is inviting contractors to submit tenders for the Hiram's Highway Improvement Phase 2 works at the junction with Clear Water Bay Road.

Aimed to provide additional capacity to Hiram's Highway and its junction with Clear Water Bay Road to cope with the development in Sai Kung, Clear Water Bay Peninsular and Tseung Kwan O New Town, the project will improve road safety at the junction.

The project comprises the construction of a flyover, a footbridge, a vehicular underpass, and related slopeworks and roadworks.

Work will commence in January 1997 for completion in July 1999.

Details of the tender invitation was published in the Government Gazette today (Friday).

The Highways Department's New Territories Regional Office has commissioned Maunsell Consultants Asia Limited to design the project and to supervise its construction.

Tender forms and particulars may be obtained from Maunsell Consultants Asia Limited, Room 601, World Commerce Centre, Harbour City, 11 Canton Road, Kowloon.

Completed tenders must be clearly marked outside of the envelope and addressed to the Chairman of Central Tender Board. It should be placed in the Government Secretariat Tender Box at the lift lobby, Lower Ground Floor, East Wing, Central Government Offices, Lower Albert Road, Hong Kong by noon on Friday, November 22, 1996.

Late submission will not be accepted.

End

#### Slipway to be built at Sha Tau Kok

\* \* \* \* \*

Authorisation has been given for the construction of a slipway at Sha Tau Kok within an area of about 89 square metres of foreshore and sea-bed at Sha Tau Kok Hoi to improve loading and unloading facilities for fishermen.

Work will commence this month for completion in February next year.

The extent of the area affected is described in a notice of authorisation published in the Government Gazette today (Friday).

Any person who considers that his interest, right or easement in or over the foreshore and seabed involved will be injuriously affected may deliver to the Director of Lands a written claim of compensation on or before November 1, 1997.

He should state in his submission the sum of money which he is willing to accept in full and final settlement of his claim and should submit such particulars which he possesses to substantiate his claim.

The notice together with related plans can be seen at the Lands Department's Survey and Mapping Office, 14th floor, Murray Building, Garden Road, Hong Kong (where copies can be purchased on order), and at the North District Office, third floor, North District Government Offices, 3 Pik Fung Road, Fanling, New Territories.

End

Tenders invited for school improvement project

\* \* \* \* \*

The Architectural Services Department is inviting tenders for extension works to four existing aided schools.

Scope of works for the project includes extension of total gross floor area of 3,417 square metres and conversion of total gross floor area of 598 square metres including drainage works.

Work will start in January next year for completion in about 15 months.

Tender forms and further particulars can be obtained from the Architectural Services Department, 34th floor, Queensway Government Offices, 66 Queensway, Hong Kong.

Tender offer for the project will close at noon on November 29.

End

Tenders invited for building three secondary schools

\* \* \* \* \*

The Architectural Services Department is inviting tenders for the construction of three secondary schools in the New Territories.

The three schools, to be located at Area 14, Tin Shui Wai, Area 49A, Fanling and Area 9, Tai Po, will be built under three separate contracts.

On completion, each school will comprise 26 classrooms, 14 special rooms, three remedial teaching rooms, an assembly hall and ancillary facilities, two basketball courts, covered playground and car park.

In addition, there will be two interview rooms, a staff common room, a student activity centre, playground area and facilities for the disabled.

Work for all the three school projects will start in January next year for completion in about 19 months.

Tender forms and further particulars may be obtained from the Architectural Services Department, 34th floor, Queensway Government Offices, 66 Queensway, Hong Kong.

Tenders offer for the three projects will close at noon November 29.

End

Tenders invited for sewer construction works

\* \* \* \* \*

The Drainage Services Department is inviting tenders for sewer construction works in central and western districts on Hong Kong Island.

The works will form part of the Central, Western and Wan Chai West Sewerage Scheme which will improve future sewage flows. It will also reduce maintenance costs and pollution to storm drains and watercourses through the removal of improper connections and overflows.

About 8,500 metres of existing sewers with diameters ranging from 225 mm to 1,050 mm will be reconstructed at Belcher's Street, Pok Fu Lam Road, Bonham Road, Caine Road, Hollywood Road, Robinson Road, Conduit Road and Queen's Road Central.

Cut and cover methods and where applicable trenchless techniques will be used to minimise disruption.

Construction will commence in January next year for completion in 36 months.

Details of the tender are contained in the Government Gazette published today (Friday).

Tender forms and further particulars may be obtained from the consulting engineers, Maunsell Consultants Asia Limited, 14th floor, 1 Kowloon Park Drive, Kowloon.

Tenders must be clearly marked and addressed to the Chairman of the Central Tender Board. They must be placed in the Government Secretariat tender box at the lift lobby on the lower ground floor, Central Government Offices (East Wing), Lower Albert Road, Hong Kong before noon on November 29.

Late tenders will not be accepted.

End

### Students invited to participate in Schools Dance Festival

\* \* \* \* \*

All primary and secondary schools, including special schools, are invited to share their experience in the art of dancing by participating in the 33rd Schools Dance Festival.

Jointly organised by the Education Department, the Hong Kong Schools Sports Council, the Urban and Regional councils, the festival will be held at Sha Tin Town Hall and Ko Shan Theatre between January 8 and 25, 1997.

Schools may enter solo, duet, trio and group dances in any of the four categories, that is, western folk dance, Chinese dance, oriental dance and modern dance.

A primary school and a secondary school which have participated in the festival for three consecutive years with the greatest progress will be presented with the most progressive school awards.

Champion awards will be given to the top scoring primary and secondary schools in each of the four categories of dance.

Overall challenge awards will be presented to four primary and four secondary schools with the highest total score in their best four dances in the festival.

Schools with outstanding dances will be invited to perform in the winners performances and prize presentation ceremony to be held at Tsuen Wan Town Hall and City Hall in April 1997.

Trophies will be presented to winning schools at the ceremony.

End

### EMSD works supervisors awarded Imperial Service Medal

\* \* \* \* \*

Two works supervisors from the Electrical and Mechanical Services Department (EMSD) have been awarded the Imperial Service Medal for their long and diligent service.

They are Works Supervisor I, Mr Tam Leung-fu, and Works Supervisor II, Mr Tang Kau, who have a combined total of 76 years in Government service.

Since joining the department in 1959, Mr Tam worked in the former Projects and Plant Management Branch until he proceeded on pre-retirement leave in July this year.

Mr Tam worked primarily for the air-conditioning plant section which is responsible for the operation and maintenance of more than 1,000 air-conditioning plants in Government office buildings. He was promoted to his present rank two years ago.

"His invaluable suggestions have enabled air-conditioning plants under his supervision to enjoy a high degree of reliability and efficiency," a spokesman for the EMSD said.

Mr Tang Kau joined the department in March 1957. After working several years in the Electrical Section, he was transferred to the Cultural Services Group in 1962 and had been there until his retirement last month.

The Cultural Services Group provides the services of operation and maintenance of stage lighting, stage engineering, electrical, mechanical and air-conditioning installations to all performing venues of the two municipal councils.

"Mr Tang is one of the most conscientious, industrious and loyal works supervisors in the Group:

"His valuable contributions have included the improvement and upgrading of the stage lighting system at Lut Sau Hall in Yuen Long to meet sophisticated requirements of clients," the spokesman added.

End

#### Post offices to introduce Easy Payment System

\* \* \* \* \*

The Post Office have entered into an agreement with the Electronic Payment Services Co (HK) Ltd to introduce the Easy Pay System (EPS) in 49 post offices with Speedpost acceptance counters, the Postmaster General, Mr Robert Footman, announced today (Friday).

"Starting from today, customers may use their ATM cards or credit cards with ATM function issued by the EPS member banks to pay postage at the Speedpost, parcel and philatelic counters in these offices," said Mr Footman.

The new service should provide an added convenience to members of the public who may not wish to settle the postage by cash.

"This is part of the Post Office's plan for continuous improvement in serving our customers better and providing a higher quality of service," Mr Footman said.

To mark the event, a contract signing ceremony was held today at the Conference Room of the General Post Office. Mr Footman and the General Manager of the Electronic Payment Services Co (HK) Ltd, Mr Clive Dellora, officiated the ceremony.

End

#### Garment company fined for false declaration

\* \* \* \* \*

A garment manufacturer was fined \$460,000 today (Friday) at North Kowloon Magistracy for making false declaration.

Sun Sun Knitting Factory Limited had pleaded guilty before magistrate, Mr R B McNair, to five counts of making a false statement regarding compliance with quota utilisation conditions for free quotas in export licence application.

The goods involved were about 2,000 dozen men's 100 per cent wool knitted vests worth over 2.1 million. They were for export to the USA.

The court heard that an investigation by officers of the Customs and Excise Department revealed that the declaration made by Sun Sun in each export licence application was false.

The company had in fact subcontracted the knitting and the assembling processes to be done by a local factory and a factory in China respectively before submission of the export licence applications.

Conditions for manufacturers allocated with free quotas for the export of piece knitted garments must perform the knitting of the knit-to-shape panels of the piece knitted garments, or the assembling of the piece knitted garments.

End

Supply of exchange fund bills to increase

\* \* \* \* \*

The Hong Kong Monetary Authority (HKMA) today (Friday) announced that with effect from November 12, it will increase the tender and reserve amounts of the 3-month and 6-month exchange fund bills to facilitate the smooth implementation of the Real Time Gross Settlement (RTGS) system in early December.

Under the RTGS system, banks can make use of exchange fund bills and notes to obtain interest free intraday liquidity by carrying out intraday repurchase (repo) transactions with HKMA.

A recent survey conducted by HKMA indicates that many banks intend to increase their holding of short-term, 3-month and 6-month, exchange fund bills for this purpose.

The tender and reserve amounts of the 3-month and 6-month Exchange Fund Bills will be increased as follows:

	<u>Existing amount</u>		<u>Proposed amount</u>	
	Tender amount	Reserve	Tender amount	Reserve
91-day Bills	\$1,500 mn	\$300 mn	\$2,000 mn (+ \$500 mn)	\$500 mn (+ \$200 mn)
182-day Bills	\$800 mn	\$160 mn	\$1,000 mn (+ \$200 mn)	300 mn (+ \$140 mn)

After a full cycle of 13 issues, the amounts of exchange fund bills outstanding will be increased by \$13.5 billion.

The Exchange Fund Bills Programme was launched in March 1990 to provide an additional instrument for HKMA to conduct open market operations. The Programme also helps develop the Hong Kong dollar debt market by providing a benchmark yield curve at the short end.

The demand for exchange fund bills has been very strong with average over-subscription rates of three to four times at tenders. Daily turnover rate typically amounts to 30 per cent of the average amount outstanding.

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	2,903	0930	-2
Closing balance in the account	2,959	1000	-2
Change attributable to:		1100	-2
Money market activity	-9	1200	-3
LAF today	+65	1500	-3
		1600	-9

LAF rate 4.00% bid/6.00% offer TWI 124.9 \*+0.1\* 1.11.96

Hong Kong Monetary Authority

EF bills		EF notes/MTRC				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	4.93	2 years	2808	6.00	100.73	5.64
1 month	4.88	3 years	3910	6.28	100.68	6.11
3 months	4.90	5 years	5109	7.32	102.99	6.69
6 months	4.92	7 years	7308	7.24	101.68	7.04
12 months	5.21	10 years	1610	7.37	101.00	7.36
		5 years	M503	7.35	100.76	7.03

Total turnover of EF bills and notes - \$15,258 million

Closed November 1, 1996

End