



DAILY INFORMATION BULLETIN

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MONDAY, MARCH 23, 1992

<u>CONTENTS</u>	<u>PAGE NO.</u>
TRANSCRIPT OF THE SPEECH OF THE GOVERNOR LORD WILSON AT THE FOREIGN CORRESPONDENTS' CLUB ON MONDAY, MARCH 23, 1992	1
REPORT ON OVERSEAS REPRESENTATIONS IN HK PUBLISHED	14
APPROPRIATION BILL TO BE DEBATED ON WEDNESDAY AND THURSDAY	15
NEW POST OFFICE OPENS IN SHA TIN	16
ANTI-MOSQUITO EDUCATION CAMPAIGN TO START IN APRIL	16
UNAUTHORISED BUILDING WORKS TO BE CLOSED	17
WATER STORAGE FIGURE	18
HONG KONG GOVERNMENT EXCHANGE FUND MONEY MARKET OPERATIONS	18

MONDAY, MARCH 23, 1992

- 1 -

TRANSCRIPT OF THE SPEECH OF THE GOVERNOR LORD WILSON
AT THE FOREIGN CORRESPONDENTS' CLUB
ON MONDAY, MARCH 23, 1992

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THANK YOU VERY MUCH FOR THOSE OPENING REMARKS. IT'S VERY NICE FOR ME TO BE AROUND HERE AT MY LOCAL NEIGHBOURHOOD CLUB. I HAD EXPECTED TO COME HERE, AS YOU SAY, INFORMAL SURROUNDINGS AND I'M SURPRISED THAT YOU SEEM TO HAVE TOLD OTHER PEOPLE THAT I WAS COMING AND I SEE THERE IS AN ENORMOUS NUMBER OF PHOTOGRAPHERS OUTSIDE THE DOOR AS I CAME IN - NOT WHAT I HAD EXPECTED.

I AM VERY KEEN ON PRESERVING THIS PLACE AS ONE OF HONG KONG'S FAMOUS OLD BUILDINGS AND I AM VERY GLAD, LOOKING ROUND THE TABLES TODAY, TO SEE YOU'RE ALSO PRESERVING SOME OF HONG KONG'S FAMOUS OLD CORRESPONDENTS.

I NOTICE THAT I'M BILLED BY RTHK AMONGST OTHERS AS MAKING A SPEECH AND THEN ANSWERING QUESTIONS. JUST SAID YOU DON'T BLAME THOSE PEOPLE FROM GOVERNMENT INFORMATION HERE, I AM NOT GOING TO MAKE A SPEECH OFF A WRITTEN TEXT, I'M JUST GOING TO TALK. I WANTED TO SHARE WITH YOU SOME THOUGHTS OF MY OWN ABOUT THE LAST FEW YEARS THAT I'VE BEEN HERE, SOME THOUGHTS ABOUT THE THINGS THAT WE HAVE BEEN DOING, AND ALSO SOME THOUGHTS ABOUT OUR RELATIONSHIP WITH CHINA AND PARTICULARLY WITH SOUTHERN CHINA.

AND JUST LOOKING AT VARIOUS THINGS BEFORE COMING HERE TODAY I CAME ACROSS ONE OF THOSE VERY NICE QUOTATIONS FROM MAE WEST, WHICH WAS: "IT'S BETTER TO BE LOOKED OVER THAN OVERLOOKED". WELL, AS A GOVERNMENT, WE ARE USED TO BEING 'LOOKED OVER' AND IT IS SOMETHING THAT WE ACCEPT, WE EXPECT PEOPLE TO GNAW OVER THE VARIOUS BONES OF WHAT THE GOVERNMENT IS DOING, SO I THOUGHT I'D GIVE YOU SOME IDEA OF THE SORT OF FLESH THAT I PUT ON THOSE BONES MYSELF.

ONE OF THE THINGS THAT STRIKES ME, AS I LOOK BACK OVER THE LAST FIVE YEARS THAT I'VE BEEN HERE AS GOVERNOR, IS THE NUMBER OF STORMS OF VARIOUS SORTS THAT WE HAVE BEEN THROUGH - AND NOT JUST BEEN THROUGH BUT SURVIVED AND COME OUT VERY WELL FROM - AND LET ME JUST GIVE YOU A FEW OF THOSE BECAUSE PEOPLE'S MEMORIES TEND TO BE RATHER SHORT - EVEN PERHAPS SOME DISTINGUISHED OLD CORRESPONDENTS, ALTHOUGH I'M SURE YOUR MEMORIES ARE BETTER THAN MOST.

TAKE FOR INSTANCE ONE OF THE ONES THAT HIT ME IN THE FIRST YEAR I WAS HERE, THE STOCK EXCHANGE CRISIS, THE 'CRASH OF OCTOBER 1987'. IT WAS A VERY DRAMATIC PERIOD, IT WAS A VERY DIFFICULT PERIOD. WE WERE AFFECTED BY THINGS FROM OUTSIDE HONG KONG; THE MARKET CLOSED, IT SHOWED UP ALL SORTS OF PROBLEMS IN OUR MARKET.

WELL, TAKE FROM THERE TO WHERE WE ARE NOW. WE HAD A REVIEW OF THE WHOLE PROCESS OF THE STOCK EXCHANGE; WE'VE INTRODUCED SOME VERY SWEEPING REFORMS - THOSE ARE WORKING; WE ARE EXPECTING TO BRING IN A NEW SETTLEMENT SYSTEM VERY SOON, SO THAT WE WILL BE THE SORT OF MODERN UP-TO-DATE MARKET THAT HONG KONG OUGHT TO BE. AND THEN LOOK AT THE MARKET ITSELF - AND DON'T JUST LOOK AT THE MARKET ITSELF BUT COMPARE IT WITH WHAT IS HAPPENING AROUND THE REST OF THE WORLD.

/I DON'T

- 2 -

I DON'T WANT TO BOMBARD YOU WITH TOO MANY STATISTICS - BECAUSE I DON'T HAVE A WRITTEN SPEECH SO YOU HAVE TO REMEMBER WHAT I AM SAYING, OR TAKE NOTES OF IT - BUT JUST TAKE A FEW STATISTICS. NOT ONLY ARE WE NOW ABOVE THE 5,000 BARRIER BUT SINCE DECEMBER OF LAST YEAR, OUR MARKET HAS GONE UP BY SOME 17% AND YOU CAN COMPARE THAT WITH TOKYO WHICH IS DOWN ABOUT NINE-AND-A-HALF PERCENT, LONDON WHICH IS UP ONLY JUST OVER ONE PERCENT, AND NEW YORK WHICH IS UP BY SOMETHING LIKE THREE-AND-A-HALF PERCENT. SO NOT ONLY HAVE WE RECOVERED FROM 1987, WE'VE PUT THE MECHANISMS INTO PLACE AND FOR A VARIETY OF REASONS - AND SOME OF THOSE I WILL COME ON TO - OUR MARKET IS DOING EXTREMELY WELL.

OR TAKE ANOTHER ONE, SOMETHING WHICH HAS BEEN VERY MUCH ON MY MIND FOR THE LAST FIVE YEARS, AND INDEED WAS VERY MUCH ON MY MIND WHEN I WAS HERE IN AN EARLIER JOB AS POLITICAL ADVISER IN THE LATE 1970'S AND THE EARLY 1980'S, THE PROBLEM OF VIETNAMESE MIGRANTS, PEOPLE ARRIVING HERE FROM VIETNAM BY BOAT AND BY LAND.

WE HAVE HAD A HUGE CRISIS ON THAT PROBLEM SINCE I'VE BEEN HERE. THINK BACK TO 1989 WHEN OVER 34,000 PEOPLE ARRIVED HERE, OR THINK BACK JUST TO 1991 WHEN OVER 20,000 PEOPLE ARRIVED. WELL NOW, WE HAVEN'T SOLVED THE PROBLEM BUT WE ARE MAKING SOME PROGRESS IN DEALING WITH IT. WE HAVE AN ARRANGEMENT FOR SENDING BACK TO VIETNAM PEOPLE WHO VOLUNTEER AND THERE IS SOMETHING LIKE OVER 16,000 OF THOSE PEOPLE WHO HAVE ALREADY GONE BACK AND, WHO ARE MONITORED WHEN THEY GO BACK. WE'VE GOT IN PLACE AN ARRANGEMENT FOR RETURNING PEOPLE WHO HAVE ARRIVED HERE RECENTLY. A QUICK TURN-ROUND ARRANGEMENT FOR PEOPLE WHO ARE FOUND NOT TO BE REFUGEES AND WE ARE TRYING TO GET IN PLACE ARRANGEMENTS FOR SENDING THEM BACK TO THEIR HOMES IN VIETNAM IF THEY ARE NOT REFUGEES, AND I EMPHASIS THAT POINT, PEOPLE WHO ARRIVED HERE BEFORE OCTOBER OF LAST YEAR.

NOW THE RESULTS OF THAT, IT DOESN'T TOTALLY SOLVE THE PROBLEM, WE STILL HAVE FAR TOO MANY PEOPLE IN OUR CAMPS, FAR TOO MANY YOUNG PEOPLE, CHILDREN WHO SPENT YEARS IN THOSE CAMPS WHICH IS SOMETHING WHICH I TREAT AS A HORRIFYING PHENOMENON, I WOULD MUCH RATHER SEE THOSE PEOPLE BACK IN THEIR OWN HOMES IN VIETNAM. BUT WHAT IS THE RESULT OF THAT? THIS YEAR, SO FAR, WE HAVE PRECISELY SEVEN PEOPLE ARRIVING HERE FROM VIETNAM, AT THE SAME TIME, WE HAVE ALREADY RETURNED 2,500 VOLUNTEERS TO VIETNAM. SO THERE IS A HUGE PROBLEM WHICH HAS BEEN BEDEVILING US FOR YEARS, WHICH WE ARE NOW MAKING SOME PROGRESS IN SOLVING.

OR TAKE ANOTHER ONE, 1989 WHICH WAS A CRISIS PERIOD, A CRISIS IN CHINA AND A CRISIS FOR US HERE IN HONG KONG. CONFIDENCE WAS VERY BADLY HIT BY THE EVENTS OF MAY AND OF JUNE AND HONG KONG WAS MORE GLOOMY DURING THAT PERIOD OF TIME THAN ANY TIME I CAN REMEMBER IN MY OWN PERSONAL EXPERIENCE BEFORE THAT. LINKS WITH CHINA AND OTHER COUNTRIES AROUND THE WORLD WERE SUSPENDED. OUR OWN RELATIONS WERE VERY DIFFICULT, WE DIDN'T SUSPEND CONTACTS BUT THOSE CONTACTS THAT WE HAD WERE VERY DIFFICULT TO MANAGE AND THERE WAS A CONFIDENCE CRISIS HERE AND THERE WAS IMMENSE MISTRUST BUILDING UP ON BOTH SIDES.

/NOW TAKE

NOW TAKE THE PRESENT SITUATION. WE HAVE CONTACTS BETWEEN CHINA AND THE REST OF THE WORLD, OUR OWN CONTACTS ARE VERY FREQUENT, WE ARE BACK DEALING WITH PROBLEMS IN A MUCH MORE SENSIBLE WAY THAN WE WERE BEFORE AND CONFIDENCE HERE IN HONG KONG, FOR A VARIETY OF REASONS, NOT JUST ONE, BUT A VARIETY OF REASONS, CONFIDENCE HERE IS VERY MUCH BETTER THAN IT WAS, AND ONE MARK OF THE WAY IN WHICH THINGS HAVE BEEN DEALT WITH RECENTLY IS THOSE LONG-RUNNING AIRPORT NEGOTIATIONS. VERY DIFFICULT NEGOTIATIONS, SOMETIMES VERY FRUSTRATING, BUT AT THE END OF THAT, WE CAME OUT WITH AN AGREEMENT, WHICH IN MY JUDGMENT IS A WORKABLE, SENSIBLE AGREEMENT WHICH ENABLES US TO GET ON WITH A PROJECT WHICH IS OF ENORMOUS IMPORTANCE TO THE LONG-TERM FUTURE OF HONG KONG AND, INDEED, I THINK OF SOUTHERN CHINA AS WELL.

SO WE ARE ACTUALLY WORKING ON IT NOW, AND TO THROW IN A FEW EXTRA STATISTICS FOR THOSE WHO ARE TAKING NOTES, TWO MILLION CUBIC METERS OF EARTH HAVE ALREADY BEEN MOVED AT CHEP LAK KOK AND WEST KOWLOON RECLAMATION, 10 MILLION CUBIC METERS HAVE BEEN MOVED THERE AND YOU CAN SEE THE WEST KOWLOON RECLAMATION COMING OUT OF THE SEA ALREADY.

SO, A NUMBER OF CRISES WE HAVE MET OVER THE LAST FIVE YEARS, WE COULD LIST MANY MANY MORE THAN THAT I'M SURE AND WE HAVE DEALT WITH AND WE HAVE OVERCOME. I WOULD LIKE ALSO, JUST IF I MAY, TO REMIND YOU OF SOME OTHER THINGS WHICH ARE NOT CRISES, DRAMATIC THINGS, DRAMATIC ANSWERS OVERCOMING THOSE SORT OF PROBLEMS, BUT THE CONTINUING DEVELOPMENT OF HONG KONG AND THAT I THINK IS EQUALLY IMPORTANT, AND AGAIN, SOMETIMES IT'S FORGOTTEN BECAUSE IT'S AN OLD STORY. BUT LET ME JUST GIVE A FEW OF THOSE. TAKE HOUSING FOR INSTANCE, THAT'S SOMETHING WHICH IS ENORMOUSLY IMPORTANT TO MOST OF THE POPULATION OF HONG KONG. AFTER ALL, SOMETHING LIKE HALF OF OUR POPULATION LIVE IN HOUSING WHICH IS, IN EFFECT, SUBSIDISED BY THE PUBLIC PURSE.

SINCE I CAME HERE IN APRIL 1987, SOMETHING LIKE 227,000 APARTMENTS HAVE BEEN BUILT IN THE PUBLIC SECTOR, THAT IS, AGAIN IF YOU LIKE STATISTICS, 130 NEW FLATS EVERYDAY, SEVEN DAYS A WEEK, AND THE PLANS ARE TO BUILD 400,000 MORE BY THE YEAR 2000. SO THERE IS A HUGE ON-GOING PROGRAMME. OR, TAKE EDUCATION, TERTIARY EDUCATION. WHEN I CAME HERE IN 1987 THE NUMBER OF TERTIARY LEVEL PLACES, DEGREE PLACES WAS 5,000. IT'S NOW 10,000, WE'RE GOING UP TO 15,000 IN 1995 AND THAT WILL BE SOMETHING LIKE 18 PERCENT OF THE RELEVANT AGE GROUP, THAT'S THE 17 TO 20 AGE GROUP. SO THAT'S A HUGE IMPROVEMENT.

OR, TAKE ANOTHER ONE, I'M SORRY TO THROW SO MANY STATISTICS AT YOU, BUT I THINK THEY'RE VERY INTERESTING. HEALTH, HOSPITAL BEDS. 1987 - 12,500, 1992 - 22,000 WITH MORE PLANS FOR THE FUTURE. OR, TAKE ANOTHER ONE, WHICH IS VERY CLOSE TO MY OWN HEART, ENVIRONMENT. 1987 WE WERE SPENDING SOMETHING LIKE \$429 MILLION A YEAR ON ENVIRONMENT. THIS YEAR, 1992/92, THAT IS, \$2.9 BILLION. FOR 1992/93 - \$4.1 BILLION. I AM SURE THERE ARE MANY PEOPLE WHO WOULD SAY THAT'S NOT ENOUGH, THE PROBLEMS ARE HUGE, BUT IT SHOWS HOW MUCH EMPHASIS WE'RE NOW PUTTING ON THAT.

THAT'S JUST AN ATTEMPT TO EXPLAIN SOME OF THE THINGS THAT ARE GOING ON THE WHOLE TIME. BUT AS ONE LOOKS TO THE FUTURE IN EVERY SENSE, THOSE SORT OF PROGRAMMES ARE ALSO POLITICAL. I THINK IT IS IMPORTANT TO REMEMBER AND TO TAKE ACCOUNT OF THE FACT THAT IF WE ARE GOING TO BE SUCCESSFUL IN THE FUTURE, THE ECONOMY IS CRUCIAL TO WHAT HAPPENS HERE AND THERETO IT'S WORTH REMEMBERING THAT HONG KONG DOES NOT BADLY.

AVERAGE GROWTH RATE OVER THE PAST FIVE YEARS IS SOMETHING LIKE 6.4 PERCENT. PER CAPITA GDP DURING THAT TIME HAS GONE UP 16 PERCENT IN REAL TERMS SO THAT NOW WE RATE AS PER CAPITAL GDP AT SOMETHING LIKE US\$14,000 AND IT'S WORTH REMEMBERING THAT THAT IS MORE THAN FOUR COUNTRIES IN THE EUROPEAN COMMUNITY. SO IT'S NOT A BAD FIGURE, AND OUR TRADE, PARTICULARLY OUR TRADE WITH CHINA HAS DEVELOPED ENORMOUSLY.

IN THOSE FIVE YEARS, TRADE WITH CHINA HAS GONE UP BY 140 PERCENT. AND THAT'S THE OTHER POINT I WANTED TO TOUCH ON. I'M SORRY, IN A WAY TO FIND YOU'VE HAD SUCH A LARGE DELEGATION GOING UP TO GUANGDONG BECAUSE I THOUGHT I WAS GOING TO BE ABLE TO PROFIT FROM MY OWN RECENT EXPERIENCE AND SAY I'VE JUST SEEN IT ALL MYSELF, AND HERE ALL AROUND THE ROOM WILL BE TENS OF PEOPLE WHO'VE SEEN IT THEMSELVES.

BUT LET ME JUST SAY A WORD OR TWO ABOUT THAT, BECAUSE I THINK IT IS FUNDAMENTAL TO THE PROSPECTS FOR HONG KONG IN THE FUTURE. LIKE MANY OF YOU, I WAS UP IN GUANGDONG RECENTLY AND I'M SURE, LIKE MANY OF YOU, WAS ENORMOUSLY IMPRESSED BY WHAT IS HAPPENING THERE. HUGE ECONOMIC DEVELOPMENT AND I WAS STRUCK TOO BY THE INTERLINKING BETWEEN THAT AND HONG KONG. IT WASN'T JUST SEEING FACTORIES WHICH WERE JOINT VENTURES OR BEING MANAGED BY HONG KONG MANAGERS, IT WAS REALISING THAT ALL THE TRANSPORT LINKS, NEARLY ALL THE CONNECTIONS WITH THE OUTSIDE WORLD ARE COMING THROUGH HONG KONG. THAT'S WHAT REALLY STRUCK ME. ALSO THE FACT THAT THERE IS A PROVINCE WHICH IS GROWING ENORMOUSLY FAST. THEY HAVE BEEN GROWING MUCH FASTER THAN US. THEIR FIGURE FOR THE LAST FIVE YEARS OF GROWTH IS 13 PERCENT A YEAR AVERAGE TERMS. BUT OUR INVOLVEMENT THERE, HONG KONG'S INVOLVEMENT IS ENORMOUS AND YOU ALL KNOW THE FIGURES, ABOUT 80 PERCENT OF THE EXTERNAL INVESTMENT IN GUANGDONG COMES FROM HONG KONG OR THROUGH HONG KONG. SOMETHING LIKE THREE MILLION WORKERS WORKING FOR HONG KONG ENTERPRISE, SOMETHING LIKE 19,000 ENTERPRISES IN GUANGDONG DOING PROJECTS FOR HONG KONG.

SO THERE IS AN ENORMOUS INTERCHANGE BETWEEN OURSELVES AND GUANGDONG, AND AS ONE LOOKS TO THE FUTURE, I FIND GREAT ENCOURAGEMENT FROM WHAT IS GOING ON IN GUANGDONG AND OUR OWN ROLE IN IT. THERE HAVE BEEN A NUMBER OF MAGAZINE NEWSPAPER ARTICLES AROUND THE WORLD ON THIS RECENTLY NOTING THAT GUANGDONG AND THE PEARL RIVER DELTA IS ONE OF THE FASTEST GROWING AREAS OF THE WORLD NOW, AND RIGHT AT THE CENTER OF THAT IN EVERY SENSE IS HONG KONG. I DO NOTICE THAT EVERY TIME THAT I MOVE MY HANDS EVERYBODY PHOTOGRAPHS. THANK YOU. I SHALL TRY TO DO IT MORE OFTEN.

IT BRINGS ME ON TO MY LAST POINT AND PERHAPS I'LL DO IT LIKE THIS, AND THAT IS, THERE IS A RELATIONSHIP, A VERY CLOSE RELATIONSHIP BETWEEN OURSELVES AND CHINA AND HANDLING THAT RIGHT IS GOING TO BE CRUCIAL TO THE WAY IN WHICH WE MANAGE THE FUTURE OF HONG KONG. IT'S NOT AN EASY RELATIONSHIP. GOODNESS KNOWS, WE ALL REALISE THAT. TWO COMPLETELY DIFFERENT SYSTEMS, DIFFERENT BACKGROUNDS, DIFFERENT HISTORIES, A LOT OF SUSPICION THAT HAS GROWN UP OVER THE YEARS, MISTRUST OF WHAT THE OTHER SIDE IS DOING. A TERRIFIC ABILITY, AND IT'S AN ABILITY ON BOTH SIDES LET ME SAY THAT, TO BELIEVE THAT WHAT THE OTHER SIDE DOES IS INFINITELY SUBTLE AND CLEVER AND HAS AN ULTERIOR MOTIVE. NOW I KNOW MY SIDE AND I KNOW HOW OFTEN THAT IS SIMPLY NOT TRUE THAT THOSE WHO DEVISE MARVELLOUS CALCULATIONS ABOUT HOW SUBTLE THE HONG KONG GOVERNMENT IS, FAIL TO REALISE THAT QUITE OFTEN WE JUST MUDDLE THROUGH AND THAT WE HAVE NOT WORKED THINGS OUT IN A VERY SUBTLE WAY. I SUSPECT, INCIDENTALY, THAT WHEN WE DO THE SAME TO CHINA WE WORK OUT MARVELLOUS THEORIES ABOUT WHY SUCH AND SUCH A THING WAS DONE AT SUCH AND SUCH A TIME, PROBABLY WE ARE WRONG AS WELL AND THAT THEY HAVE EXACTLY THE SAME SORT OF PROBLEMS THAT WE DO.

ANYHOW, WE HAVE, AND WE JUST HAVE TO WORK WITH THAT SORT OF INHERITED SUSPICION ON BOTH SIDES. WE'VE GOT TO WORK AT IT, WE LIVE NEXT DOOR TO EACH OTHER. IN 1997 SOVEREIGNTY OVER HONG KONG IS TRANSFERRED TO CHINA, WE CANNOT AVOID THOSE HISTORICAL FACTS, SO WE HAVE GOT TO WORK WITHIN THAT FRAMEWORK. WHAT I WOULD LIKE TO SEE IS MORE EFFORT GOING INTO BREAKING DOWN THOSE BARRIERS, BREAKING DOWN THE SUSPICIONS. IT MEANS LONG CONCENTRATED PATIENT WORK. IT MEANS PEOPLE TRAVELLING INTO CHINA AS YOUR GROUP DID INTO GUANGDONG BUT FROM THE GOVERNMENT AS WELL, AND I'M GLAD TO SAY WE HAVE HAD LARGE NUMBERS OF GROUPS GOING INTO CHINA.

WE HAD LAST YEAR, FOR INSTANCE, SOMETHING LIKE 145 OFFICIAL GOVERNMENT GROUPS WENT INTO CHINA AND A HUGE NUMBER OF CIVIL SERVANTS GO PRIVATELY INTO CHINA ON HOLIDAY AND A VERY GOOD THING TOO THAT THEY SHOULD. SO WE HAVE GOT TO TRY TO BUILD UP THAT RELATIONSHIP, ENCOURAGE PEOPLE TO COME DOWN HERE FROM CHINA. I'VE SEEN OVER THE LAST FEW MONTHS, SOMETHING LIKE FIVE PROVINCIAL GOVERNORS AND WELCOMED THOSE OPPORTUNITIES. I WOULD LIKE TO SEE OTHER CHINESE LEADERS COMING TO HONG KONG, HAVING A CHANCE TO TALK INFORMALLY AND SEE THE PLACE FOR THEMSELVES. WE REALLY HAVE TO WORK VERY HARD AT BUILDING UP THAT RELATIONSHIP FOR THE SAKE OF THE FUTURE OF HONG KONG.

WE HAVE A MEETING THIS WEEK OF THE JOINT LIAISON GROUP. THEY HAVE AN IMMENSE AMOUNT OF WORK STILL TO DO. ALL SORTS OF TREATIES TO BE DEALT WITH, QUITE APART FROM THE SUBJECTS WHICH APPEARED IN THE NEWSPAPERS WHICH EACH OF THEM HAS IT'S OWN PARTICULAR PROBLEMS.

THE JLG NEEDS TO GET ON WITH THE WORK THAT'S BEFORE IT AND GET A LARGE BODY OF THOSE TREATIES AND THINGS WHICH HAVE TO BE DEALT WITH BEFORE 1997, GET THEM SORTED OUT SO THAT PEOPLE KNOW EXACTLY WHAT THE SITUATION WILL BE IN 1997.

ALL OF THAT REQUIRES PATIENT LONG-TERM EFFORT ON BOTH SIDES AND WHAT I WOULD LIKE TO SAY, AND AS A CONCLUDING POINT, IS THAT FROM OUR SIDE, THAT IS, FROM THE SIDE OF THE HONG KONG GOVERNMENT, WE'RE DETERMINED TO TRY TO DO THAT. OUR OBJECTIVE IS QUITE A SIMPLE ONE. WE WANT TO WORK WITHIN THE FRAMEWORK OF THE JOINT DECLARATION. IT IS THERE, THAT IS THE HISTORICAL TRUTH. WE WANT TO WORK WITHIN THAT FRAMEWORK TO GIVE THE BEST POSSIBLE CHANCE TO THE FUTURE SAR OF SUCCEEDING, SO WE WANT POLITICAL INSTITUTIONS THAT SURVIVE, IN OTHER WORDS WE WANT STABILITY. WE WANT THE ECONOMY TO DO WELL, IN OTHER WORDS, WE WANT PROSPERITY AND THAT IS WHAT WE ARE DETERMINED TO WORK AT. THANK YOU.

MODERATOR: MAYBE I START THE QUESTION SESSION WITH ASKING THE GOVERNOR HAS HE INVESTED SOME OF HIS MONEY IN THE STOCK MARKET HERE IN HK WHILE HE WAS HERE IN THE LAST FIVE YEARS AND MADE GOOD USE OF HIS SALARY AND THEN THE FLOOR IS OPEN PLEASE IDENTIFY YOURSELF AND WAIT FOR THE MICROPHONE.

GOVERNOR: ALRIGHT I'LL ANSWER YOUR FIRST QUESTION. IF YOU LOOK IN, I CAN'T REMEMBER WHICH IT IS, THE ROYAL INSTRUCTIONS OR THE LETTERS PATENT, THAT IS THE CONSTITUTIONAL DOCUMENTS FOR HONG KONG, YOU WILL SEE THAT THE GOVERNOR IS NOT ALLOWED TO PURCHASE LAND IN HONG KONG AND THAT IS BECAUSE APPARENTLY ONE VERY EARLY GOVERNOR TRIED TO DO THAT WHEN THE PRICES WERE LOW. SO I HAVE A SELF-DENYING ORDINANCE PERSONALLY THAT, AS A RESULT OF THAT SORT OF THING, I SHOULDN'T PERSONALLY INVEST IN THE HONG KONG STOCK MARKET. I GREATLY REGRET IT. I WOULD HAVE DONE VERY WELL IF I HAD.

/QUESTION:

QUESTION: SIR, ARE YOU SURPRISED HOW MUCH INTEREST THE MAINLAND GOVERNMENT IS SHOWING IN THE DIVING OFF OF RTHK, AND SECONDLY, ARE YOU SURPRISED HOW UNHAPPY THE MAJORITY OF THEIR STAFF APPEAR TO BE AT THE MOMENT?

GOVERNOR: I CAN'T ANSWER FOR THE SECOND POINT AT ALL, HOW HAPPY OR UNHAPPY RTHK ARE. THEY ALWAYS SOUND VERY HAPPY WHEN I'M LISTENING TO THEM IN THE MORNING. BUT THE INTERESTS OF THE CHINESE GOVERNMENT, I AM, I THINK, SLIGHTLY SURPRISED AT THE, PUT IT LIKE THIS, THE AMOUNT OF CONCERN, NOT THE INTEREST, I MEAN, AFTER ALL WE BRIEFED THE CHINESE GOVERNMENT BECAUSE WE THOUGHT IT WAS RIGHT TO BRIEF THEM AND WE WILL INDEED LISTEN TO WHAT VIEWS THEY'VE GOT, AND I EXPECT THAT'S ONE OF THE THINGS THAT WILL COME UP AT THE JOINT LIAISON GROUP THIS WEEK. BUT THERE DOES SEEM TO BE A DEGREE OF CONCERN ABOUT IT AND POSSIBLY ALSO MISUNDERSTANDING WHICH I HADN'T REALLY ANTICIPATED. WHAT'S HAPPENING, AS MOST PEOPLE KNOW, IS AN IDEA OF CORPORATISING RTHK, IT'S NOT BECOMING INDEPENDENT IN THE SENSE THAT SOME OF THE NEWSPAPERS SAY. IT IS NOT UNDER THE CONTROL OF THE GOVERNMENT AT THE MOMENT, IN THE WAY THAT SOME NEWSPAPERS APPARENTLY BELIEVE. I FIND IT ACTUALLY VERY STRANGE TO THINK THAT ANYBODY BELIEVES RTHK IS UNDER THE EDITORIAL CONTROL OF THE GOVERNMENT BECAUSE YOU WOULD HAVE TO GO THROUGH IMMENSE CONVOLUTIONS TO EXPLAIN QUITE A LOT OF THEIR CRITICAL COMMENT ON THE GOVERNMENT. YOU WOULD HAVE TO HAVE A WONDERFUL CONSPIRACY THEORY ABOUT ONE HALF OF THE GOVERNMENT HARD AT WORK CRITICISING THE OTHER HALF. IT'S A MUCH EASIER THEORY TO BELIEVE THE TRUTH, WHICH IS THAT RTHK HAS EDITORIAL INDEPENDENCE. NOW WE'VE STILL GOT A LOT OF TALKING TO DO ON THIS PARTICULAR PROJECT, SO I CAN'T SAY AT THIS STAGE EXACTLY WHERE WE WILL GET TO, BUT I CAN SAY THAT THE IDEA WAS TO RETAIN THAT EDITORIAL INDEPENDENCE WHICH IT ALREADY HAS AND TO FIND WAYS OF RUNNING RTHK WHICH ARE MORE EFFICIENT AND MORE COST-EFFECTIVE THAN THEY ARE AT THE MOMENT.

QUESTION: GOVERNOR, YOUR WIFE HAS BEEN GRACIOUSLY REMINDING ME THAT WE SHOULD GIVE MORE ATTENTION TO HONG KONG'S ACHIEVEMENTS, AND ALL THESE THAT YOU GIVE TODAY IS IMPRESSIVE AND DESERVES CONGRATULATIONS AND IT SPEAKS WELL FOR BRITISH RULE. THE QUESTION I WOULD LIKE TO ASK YOU IS, DO YOU THINK THINGS WOULD HAVE GONE THIS WELL IF YOU HAD ENTRUSTED GREATER RESPONSIBILITY DIRECTLY TO THE PEOPLE OF HONG KONG THEMSELVES. FOR EXAMPLE, HAD YOU ALLOWED ELECTORAL LEGISLATURE SAY BACK IN 1988?

GOVERNOR: YOU QUOTE WHAT WAS SAYING WE'VE SAID AT LUNCH, AND WITHOUT BEING UNFAIR I'LL QUOTE A BIT OF A CONVERSATION BEFORE LUNCH. WE WERE TALKING TO SOME PEOPLE ABOUT CRICKET AND SAYING THAT CRICKET WAS A PECULIARLY ENGLISH PASTIME, NOT EVEN A SCOTTISH PASTIME, YOU HAVE JUST BOWLED WHAT IN CRICKETING TERMS WOULD BE CALLED A 'GOOGLY', BECAUSE IT'S A BALL THAT WEAVES AROUND AND IS RATHER DIFFICULT TO ACTUALLY KNOW WHERE TO HIT. LET ME SAY THIS ON IT, RATHER THAN A 'YES/NO' ANSWER BECAUSE CLEARLY NEITHER A 'YES' OR 'NO' ANSWER IS CORRECT FOR THAT SORT OF QUESTION. WHAT WE'RE TRYING TO DO IS EVOLVE A POLITICAL STRUCTURE HERE WHICH FITS HONG KONG'S HISTORY, WHICH FITS ITS SOCIETY AT THE MOMENT AND WHICH FITS WITHIN WHAT IS LAID DOWN FOR THE FUTURE, AND THAT IS A VERY DIFFICULT PROCESS, IT'S GOT TO BE, IF WE ARE TO RETAIN STABILITY, A SLOW AND GRADUAL PROCESS. THAT I THINK IS WHAT WE HAVE BEEN GOING THROUGH, AND I THINK WE HAVE BEEN GOING THROUGH IT, CONSIDERING THE SIGNIFICANCE OF THE CHANGES, VERY WELL, AND THE MARK OF THAT IS THE FACT THAT HONG KONG, AS YOU SAY QUITE RIGHTLY, OVER THESE LAST FEW YEARS HAS BEEN DOING SO SUCCESSFULLY.

/QUESTION:

QUESTION: IF I MAY FOLLOW UP ON CLAUDIA'S QUESTION: I'VE BEEN INTERESTED TO KNOW HOW DO YOU FEEL NOW ABOUT THE WAY YOU HANDLED THE GREEN PAPER OF 1987 ON POLITICAL REFORMS - WHETHER THERE SHOULD BE DIRECT-ELECTIONS IN 1988? BECAUSE AS YOU MAY KNOW, A LOT OF PEOPLE IN HONG KONG FELT AT THAT TIME THAT THE GOVERNMENT WAS MANIPULATING PUBLIC OPINION AND THAT THE SURVEYS WERE GAUGED IN SUCH A WAY AS TO ELICIT A PARTICULAR RESPONSE.

GOVERNOR: I FEEL, ON THAT, THAT THE 1987-88 EXERCISE, THAT THAT DID COME UP WITH THE RIGHT ANSWER AT THAT TIME. AND AS I SEE IT, THERE WAS QUITE A SHIFT OF OPINION AFTER THAT, AND IT WAS THEREFORE RIGHT FOR THE GOVERNMENT TO RESPOND TO THAT SHIFT OF OPINION AFTERWARDS AND MAKE SOME ADJUSTMENTS. AND AS YOU KNOW - AS EVERYBODY KNOWS - WE MADE A SIGNIFICANT ADJUSTMENT UPWARDS IN TERMS OF THE NUMBER OF DIRECTLY ELECTED SEATS. I DON'T FEEL THAT 1987-88, AS YOU WOULD PUT IT, WAS AN ATTEMPT TO MANIPULATE PUBLIC OPINION, IT WAS A VERY SERIOUS ATTEMPT TO TRY TO FIND OUT WHAT PUBLIC OPINION WAS. THE WHOLE TIME, AND THIS IS NOT JUST A QUESTION OF DIRECT ELECTIONS. BUT GIVEN THE SYSTEM OF GOVERNMENT WE'VE GOT, WE HAVE TO SPEND A LOT OF TIME TRYING TO ASSESS, AS BEST WE CAN, WHAT GENUINE OPINION IS - RIGHT ACROSS THE BOARD. AND IT IS NOT EASY BECAUSE ON ANY ISSUE, AND PARTICULARLY SOMETHING, I THINK, LIKE DEMOCRACY AND DIRECT ELECTIONS, YOU GET VERY VOCIFEROUS GROUPS AT EACH END OF THE SPECTRUM, AND THEN YOU HAVE TO TRY TO ASSESS WHAT ARE THE OPINIONS OF THOSE WHO OFTEN DON'T EXPRESS THEIR OPINIONS, AND THAT IS NOT AN EASY TASK. BUT FOR MY PART, I THINK THAT 87-88 WAS A SENSIBLE ANSWER AT THAT TIME, BUT ALSO THAT IT WAS RIGHT TO MAKE THE LATER ADJUSTMENT, AS WE DID.

QUESTION: CHINA AND BRITAIN HAVE BOTH RATIFIED 'CEDAW' - 'THE CONVENTION FOR THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN' - WHAT IS YOUR ASSURANCES YOU GIVE WOMEN, THAT THE POLITICAL WILL EXISTS TO THE EXTENSION OF 'CEDAW' TO HONG KONG, AND THAT THE APPROPRIATE MACHINERY, SAY A COMMISSION FOR WOMEN, WOULD BE SET UP UNDER AN INTERNATIONAL OBLIGATION?

GOVERNOR: WERE YOU NOT THE PERSON WHO FLOORED ME LAST YEAR? AND WERE YOU NOT THEN A CORRESPONDENT - FROM LIVERPOOL?

QUESTION: WELL I THOUGHT IT WOULD BE TOO LONG IF I RECITED ALL THE LIVERPOOL DATA.

GOVERNOR: THAT'S RIGHT, YES, I THOUGHT SO. WE HAVE GOT A GROUP WHICH IS WORKING ON THIS. THE FIRST THING IS TO LOOK AT WHAT FORMS OF DISCRIMINATION THERE ARE NOW, AND THEN WHAT IS RIGHT IN THE CONTEXT OF HONG KONG ABOUT CHANGING THAT SITUATION - SHOULD WE SIMPLY RATIFY 'CEDAW' OR SHOULD WE DO SOMETHING DIFFERENT? ALL I CAN TELL YOU IS THAT THAT WORKING GROUP - AND IT IS A WORKING GROUP INSIDE THE GOVERNMENT - IS THERE, IS OPERATING, FIRST OF ALL TRYING TO IDENTIFY WHAT FORMS OF DISCRIMINATION, WHERE THEY ARE, AND THEN WHAT SORT OF MEASURES MIGHT BE TAKEN TO DEAL WITH IT.

QUESTION: LORD WILSON, THE MAYOR OF SHENZHEN TOLD A GROUP OF VISITING JOURNALISTS LAST WEEK THAT DISCUSSIONS ARE GOING ON BETWEEN THE SHENZHEN AUTHORITIES AND THE HONG KONG GOVERNMENT ON LIBERALISING CUSTOMS CONTROLS AT THE BORDER. COULD YOU TELL US WHAT IS IN THE WORKS? AND DO YOU ENVISAGE A SITUATION, AFTER 1997, WHERE THE LO WU BORDER WILL COME CRUMBLING DOWN LIKE THE BERLIN WALL?

GOVERNOR: I THINK PROBABLY WHAT THE MAYOR OF SHENZHEN MUST HAVE BEEN TALKING ABOUT WAS THINGS LIKE OPENING HOURS AT THE BORDER - IT'S ONE OF THE THINGS THAT I TALKED TO HIM ABOUT WHEN I WAS THERE - NOT, ON OUR SIDE ANYHOW, ABOUT LIBERALISING CUSTOMS MEASURES. I CAN MAKE A GENERAL POINT ON THAT, AND I THINK IT GETS ON TO YOUR LAST POINT AS WELL, AND THAT IS, WE HAVE GOT TO KEEP SOME SORT OF CHECKS ON THE BORDER, PARTICULARLY AT THE MOMENT. ONE OF THE PROBLEMS WE ARE DEALING WITH IS A LOT OF SMUGGLING IN BOTH DIRECTIONS. SMUGGLING OF HONG KONG GOODS INTO CHINA, SMUGGLING BACK OF THINGS LIKE WEAPONS AND ILLEGAL IMMIGRANTS. SO WE HAVE GOT TO KEEP ADEQUATE CHECKS AND IN LOOKING AT THINGS LIKE CUSTOMS REGIMES, WHICH ARE NOT ONEROUS ON OUR SIDE AFTERALL, WE HAVE TO MAKE SURE WE'VE STILL GOT THE ABILITY TO MAINTAIN THOSE CHECKS. POST-1997, I THINK THOSE THINGS ALSO APPLY. BUT POST-1997, AFTER ALL, HONG KONG WILL BE ITS OWN CUSTOMS AREA - THAT'S ONE OF THE THINGS LAID DOWN IN THE JOINT DECLARATION. SO THERE MUST BE A CUSTOMS BARRIER BETWEEN HONG KONG AND THE SHENZHEN SPECIAL ECONOMIC ZONE, UNLESS FOR ANY REASON, THE SPECIAL ECONOMIC ZONE BECAME A COMPLETELY FREE TRADE AREA. BUT OTHERWISE, THERE MUST BE A CUSTOMS BORDER BETWEEN HONG KONG AND THE SPECIAL ECONOMIC ZONE. SO WHAT WE IN GENERAL, AS I SEE IT, WHAT WE NEED TO DO IS TRY TO FACILITATE TRAVEL BETWEEN HERE AND THE MAINLAND OF CHINA, TRY TO DO WHAT WE CAN TO SPEED UP THE PROCESS, BUT STILL MAINTAIN THE CHECKS WHICH WE NEED. NOW JUST GOING ON A LITTLE BIT ABOUT THAT, SPEEDING UP THE WHOLE PROCESS, ONE OF THE THINGS I DISCUSSED WITH THE MAYOR OF SHENZHEN WAS THE USE OF THE VARIOUS BORDER CROSSING-POINTS. AT THE MOMENT, MAN KAM TO IS DESPERATELY OVERCROWDED - WELL OVER 10,000, 11,000 VEHICLES A DAY; LOK MA CHAU IS UNDER-USED AND WE HAVE SUPERB FACILITIES THERE WHICH COULD BE USED MORE THAN THEY ARE AT THE MOMENT; SHA TAU KOK, FOR WHAT IT'S WORTH, IS UNDER-USED BUT THEN THAT IS A LONG TREK ROUND; AND ONE OF THE THINGS I WAS SUGGESTING TO THE MAYOR OF SHENZHEN WAS THAT WE REALLY MUST TRY TO MAKE EFFORTS TO GET SOME OF THE TRAFFIC NOW GOING ACROSS AT MAN KAM TO, TO MOVE TO LOK MA CHAU, SO WE SPEED UP THE WHOLE PROCESS.

QUESTION: WE ARE FAST GETTING TO THE POSITION IN HONG KONG WHERE THE STRONGEST POLITICAL PARTY IS THE UNITED DEMOCRATS AND YET BEIJING REFUSES TO HAVE ANYTHING TO DO WITH THAT POLITICAL PARTY. DO YOU THINK THAT BODES RATHER ILL FOR HONG KONG'S FUTURE?

GOVERNOR: SOMETHING WHICH I HAVE TALKED TO CHINESE LEADERS ABOUT, AND I KNOW OTHERS HAVE AS WELL, IS TO ENCOURAGE THEM TO HAVE GREATER CONTACT WITH MEMBERS OF THE LEGISLATIVE COUNCIL, AND THAT APPLIES TO ALL MEMBERS OF THE LEGISLATIVE COUNCIL. THERE ARE, AS WE ALL KNOW, INHIBITIONS AT THE MOMENT. I WOULD LIKE TO SEE THOSE OVERCOME BECAUSE ALL THOSE PEOPLE IN THE LEGISLATIVE COUNCIL, WHICHEVER PARTY, WHICHEVER GROUP THEY COME FROM, THEY ALL HAVE A SIGNIFICANT ROLE TO PLAY NOW IN HONG KONG, AND WILL HAVE A SIGNIFICANT ROLE TO PLAY IN THE FUTURE. SO I WOULD LIKE TO SEE CHINA TAKING A MORE FORWARD LOOKING APPROACH TO DEALING DIRECTLY WITH THOSE PEOPLE AND INDEED WITH THE LEGISLATIVE COUNCIL AS A WHOLE, AND I HOPE THAT GRADUALLY WE WILL BE ABLE TO PERSUADE PEOPLE IN CHINA THAT THAT IS THE RIGHT THING TO DO.

QUESTION: GOVERNOR, EARLIER YOU SAID YOU WOULD LIKE TO SEE VISITS BY MORE SENIOR CHINESE OFFICIALS TO HONG KONG. CAN YOU TELL US IF YOU'VE EXTENDED THAT INVITATION TO ANY OF THE TOP OFFICIALS IN BEIJING, OR IF YOU INTEND TO DO SO IN FUTURE? IF SO, TO WHOM?

GOVERNOR: IT'S A GENERAL POINT. IN SAYING THAT I DON'T MEAN, NOR WOULD I EXPECT, THE VERY TOP, TOP, TOP, BECAUSE I THINK THAT'S QUITE DIFFICULT FOR THEM AND I AM NOT SUGGESTING THAT I THINK THAT MR DENG XIAOPING SHOULD PAY A VISIT HERE, I THINK THAT WOULD BE QUITE DIFFICULT FOR HIM TO DO. WHAT I AM THINKING OF IS PEOPLE MORE AT THE VICE-PREMIER LEVEL, OR PEOPLE IN VARIOUS MINISTRIES WHO HAVE SOME SORT OF DEALINGS WITH HONG KONG AT A SENIOR LEVEL: MINISTERS, VICE-MINISTERS. WE HAVE, OVER THE YEARS, HAD A NUMBER OF THOSE PEOPLE COMING HERE, WE'VE HAD VICE-PREMIERS COMING HERE, WE'VE HAD MR ZHU RONGJI WHEN HE WAS MAYOR OF SHANGHAI, WE'VE HAD VICE-PREMIER TIAN JIYUN, WE'VE HAD OTHERS. THOSE ARE THE SORT OF PEOPLE I WOULD LIKE TO ENCOURAGE TO COME HERE AND SEE THINGS FOR THEMSELVES BUT ALSO HAVE THE SORT OF INFORMAL DISCUSSIONS THAT ONE COULD HAVE IF PEOPLE CAME HERE ON A REGULAR BASIS, SO THAT IT WAS NO SPECIAL EVENT FOR A RELATIVELY SENIOR CHINESE LEADER TO COME HERE, THAT IT WOULDN'T SPLASH ITSELF OVER THE HEADLINES - PEOPLE WOULD FEEL THAT THAT WAS PART OF EVERYDAY LIFE - I THINK THAT WOULD BE A GREAT ADVANTAGE. AND THE POINT THAT I WOULD LIKE TO SEE MORE OF THOSE PEOPLE COME, YES, I HAVE BEEN MAKING THAT POINT TO THE CHINESE.

QUESTION: ZHOU NAN HAD A REACTION TO WHAT HE HOPES WOULD BE THE OUTCOME OF JLG'S LIBERATIONS ON RTHK AND I WOULD LIKE TO KNOW WHAT YOU WOULD HOPE THE OUTCOME WOULD BE, AND SECONDLY, THE UD WILL BE MEETING WITH YOU TOMORROW TO ASK YOUR CONSENT TO MAKE AMENDMENTS TO THE BUDGET. WILL YOU GIVE THAT CONSENT AND DO YOU THINK THAT IF LEGCO VOTED DOWN THE BUDGET, THAT IT WOULD BE SEEN AS THE LEGISLATURE URSURPING THE POWERS OF THE EXECUTIVE, AND THIRDLY, LAST ONE, ONE OF BEIJING'S ADVISORS ON HONG KONG AFFAIRS SAID RECENTLY THAT HE BELIEVE THAT CHINA SHOULD HAVE THE RIGHT TO AUDIT HONG KONG'S BOOKS BEFORE 1997. DO YOU HAVE ANY COMMENTS ON THAT?

/GOVERNOR:

GOVERNOR: IN THE DAYS WHEN I USED TO ACTUALLY SIT IN AS PRESIDENT OF THE LEGISLATIVE COUNCIL, I USED TO SAY TO PEOPLE WOULD THEY PLEASE ASK SIMPLE SINGLE QUESTIONS AND NOT DOUBLE-BARRELLED OR TRIPLE-BARRELLED. I'LL TRY TO DEAL WITH ALL THOSE. I HAVEN'T ACTUALLY READ THROUGH THE REMARKS BY MR ZHOU NAN ON THE OUTCOME OF THE DISCUSSIONS ON RTHK. MY WISH WOULD BE A VERY SIMPLE ONE, AND THIS IS NOT MEANT TO BE AN OVERLY BRIEF ANSWER. IT IS SIMPLY THAT THERE WOULD BE BETTER UNDERSTANDING AS A RESULT OF WHAT OUR INTENTIONS ARE, AND THAT'S THE OBJECTIVE OF IT. YOUR SECOND, UDHK, YES I HAVE GOT A MEETING WITH SOME OF UDHK TOMORROW. I DON'T KNOW WHAT SUGGESTIONS THEY ARE GOING TO MAKE TO ME, EXCEPT FROM LISTENING TO THE MEDIA, AND SO I WOULDN'T ANSWER THEM BEFORE THEY HAVE MADE ANY PROPOSALS TO ME. BUT THE ONE SORT OF GENERAL POINT I WOULD MAKE ABOUT THE BUDGET AND AMENDING THE BUDGET, OR MOTIONS TO AMEND THE BUDGET, UNDER THE STANDING ORDERS OF THE LEGISLATIVE COUNCIL, IF THERE IS ANY AMENDMENT WHICH COSTS MONEY TO THE PUBLIC PURSE, SO IT REMOVES MONEY FROM THE PUBLIC PURSE, THAT HAS TO BE APPROVED BY THE GOVERNOR PERSONALLY. IN OTHER WORDS IT IS SOMETHING WHICH IS VERY UNUSUAL INDEED AND WOULD HAVE TO HAVE SPECIAL REASONS. NOW I WON'T GIVE AN ANSWER TO WHATEVER THEY ASK ME UNTIL THEY HAVE ACTUALLY ASKED ME, BUT THAT'S A GENERAL POINT I THINK WORTH MAKING. YOUR OTHER POINT WAS AUDITING THE ACCOUNTS. HONG KONG HAS FINANCIAL AUTONOMY AT THE MOMENT, IT'S A VERY IMPORTANT PART OF THE STRUCTURE OF HONG KONG. WE RUN OUR OWN FINANCIAL AND ECONOMIC AFFAIRS. THERE IS NO AUDITING FROM THE UNITED KINGDOM, THERE IS NO NEED AND THERE IS NO CONSULTATION WITH THE UNITED KINGDOM ON SOMETHING LIKE PREPARING A BUDGET, FOR INSTANCE. HONG KONG SAR, AFTER 1997, LOOKS AFTER ITS OWN FINANCES AND ECONOMY, A VERY IMPORTANT PART OF THE JOINT DECLARATION. I THINK BOTH OF THOSE THINGS SHOW THAT AUTONOMY AND FINANCIAL MATTERS FOR HONG KONG IS CRUCIAL AND THAT I DON'T THINK MEANS THAT IT WOULD BE A GOOD IDEA TO HAVE SOMETHING LIKE AUDITORS COMING IN TO LOOK AT THE BOOKS. THE BOOKS ARE TO BE LOOKED AT BY HONG KONG.

QUESTION: LORD WILSON, FIRST OF ALL I WANT TO ADDRESS THE QUESTION ABOUT TEXTILES. YOU MENTIONED THAT YOU WELCOME THE SORT OF VICE-MINISTER TO VISIT HONG KONG. I REMEMBER A FEW YEARS AGO THE VICE-MINISTER OF THE TEXTILE INDUSTRY WHEN HE CAME HERE HE HAD DIFFICULTIES IN OBTAINING A VISA AND THE HONG KONG SECTION OF THE TEXTILE INSTITUTE HAS TO SPONSOR HIS VISIT HERE AND WE EXERT A LOT OF EFFORT IN OBTAINING A VISA TO ENABLE HIM TO COME TO VISIT HONG KONG. THE TEXTILE INDUSTRY IS A VERY IMPORTANT SECTOR AND THE COMMUNICATION BETWEEN THE TWO REGIONS IS VERY IMPORTANT ON THIS ISSUE. CAN YOU TELL ME WHY IT WAS SO DIFFICULT TO OBTAIN A VISA FOR HIM. SECONDLY, YOU HAVE KINDLY ADDRESSED US ON THE ACHIEVEMENTS HONG KONG HAD MADE DURING THE PAST FIVE YEARS UNDER YOUR GOVERNORSHIP. NOW, CAN YOU LIST SOME OF THE ACHIEVEMENTS HONG KONG SHOULD ACHIEVE IN THE NEXT FIVE YEARS?

GOVERNOR: THOSE ARE TWO VERY DIFFERENT QUESTIONS. I'LL TRY. ON THE FIRST ONE, AND I SAID, INCIDENTALY, I'D WELCOME MINISTERS AS WELL AS VICE-MINISTERS, AND THAT WOULD INCLUDE MINISTERS DEALING WITH TEXTILES. I DON'T KNOW WHY ANY VICE-MINISTER SHOULD HAVE A PROBLEM GETTING A VISA HERE. CAN I JUST ASK YOU IN RETURN WHEN THIS WAS, HOW MANY YEAR'S AGO?

QUESTION: ABOUT FOUR YEARS.

GOVERNOR: ABOUT FOUR YEARS' AGO. I'M VERY SURPRISED. IF YOU EVER HAVE A CASE LIKE THAT OF SOMEBODY WHO IS INTENDING TO VISIT HONG KONG, A SENIOR PERSON AND THERE IS ANY DIFFICULTY, PLEASE GET IN TOUCH WITH ME PERSONALLY AND I WILL DEAL WITH IT. I'M VERY SURPRISED TO HEAR IT. WE WOULD WELCOME VISITS BY PEOPLE LIKE THAT, I THINK THERE ARE A LOT OF THINGS TO TALK ABOUT. YOUR OTHER QUESTION WAS THAT MARVELOUS BROAD BROAD ONE OF WHAT SHOULD WE DO IN THE NEXT FIVE YEARS, I DON'T THINK I'LL EVEN ATTEMPT THAT. THERE ARE SO MANY THINGS THAT I WOULD BE KEEPING YOU HERE UNTIL TEA TIME, BUT JUST VERY VERY BRIEFLY, IT IS TO MAKE SURE THAT WE GO ON BEING A PROSPEROUS ECONOMY, THAT'S ONE THING, MAKE SURE THAT WE BUILD UP A SENSIBLE, CONSTRUCTIVE, PRAGMATIC RELATIONSHIP WITH CHINA, THAT'S ANOTHER THING, AND THIRDLY, THAT WE TRY TO BUILD UP INSTITUTIONS HERE OF ALL SORTS WHICH WILL SURVIVE THROUGH 1997. THOSE ARE THREE, I KNOW, VERY BROAD BRUSH ONES, BUT AT THE EXPENSE OF TRYING TO DO IT BRIEFLY, THOSE ARE THE THREE THINGS I WOULD LEAVE YOU WITH.

QUESTION: WHY DO YOU THINK THAT THE BRITISH GOVERNMENT DECIDED THAT A CHANGE OF GOVERNOR WAS NECESSARY, AND DO YOU AGREE WITH THAT JUDGMENT?

GOVERNOR: I CAN'T SEE YOU, WHERE ARE YOU. THANK YOU VERY MUCH. YOU GOT LOST AMONGST ALL THE PHOTOGRAPHERS. I CAN'T REALLY ANSWER IT PRECISELY AS YOU'VE PUT IT, BUT LET ME PUT IT LIKE THIS INSTEAD. THERE HAS TO BE A CHANGE AT SOME TIME. I DON'T THINK IT MAKES SENSE FOR SOMEONE TO GO ON BEING GOVERNOR FOR 10 YEARS OR MORE WHICH WOULD BE A CASE IF I WENT STRAIGHT THROUGH FROM APRIL 1987 RIGHT THROUGH TO 1997, SO THERE HAS TO BE A CHANGE AT SOME POINT. THE ADVANTAGE OF HAVING A CHANGE NOW DURING 1992 MEANS THAT A NEW PERSON, WHEN THEY COME IN WILL HAVE TIME TO SETTLE IN, PEOPLE WILL GET TO KNOW THEM, THEY WILL GET TO KNOW THE PLACE, GET WELL ESTABLISHED, SIGNIFICANTLY IN ADVANCE OF THE LAST TWO YEARS OR SO, AND THERE IS A GREAT ADVANTAGE TO THAT. FOR MYSELF, WHAT DO I SAY. SIMPLY THAT I SHALL BE SAD TO LEAVE HONG KONG WHEN THE TIME COMES. I HAVE DEVOTED A LOT OF MY LIFE, IN ONE WAY OR ANOTHER TO HONG KONG, IT MEANS A GREAT DEAL TO ME THIS PLACE, ITS PEOPLE AND ITS FUTURE, SO I SHALL BE SAD WHEN THE TIME COMES TO GO, BUT THAT TIME ALWAYS HAS TO COME AT SOME POINT AND I TAKE COMFORT FROM THE FACT THAT I HAVE AN OPPORTUNITY NOW TO GO ON PLAYING, I HOPE, A HELPFUL AND SUPPORTIVE ROLE FROM THE HOUSE OF LORDS, AND YOU CAN BE SURE OF ONE THING, AND THAT IS, I SHALL NOT LOSE INTEREST IN WHAT IS HAPPENING IN HONG KONG.

QUESTION: I HAVE TWO QUESTIONS FOR YOU, GOVERNOR. (1) CAN YOU FRANKLY SEE A ROLE FOR VOCAL AND POPULAR FIGURES EMILY LAU, MARTIN LEE AND SZETO WAH - BEING APPOINTED TO THE EXECUTIVE COUNCIL IN THE REMAINING OF THE TRANSITION YEARS? AND SECONDLY, WHAT KIND OR ARRANGEMENTS DO HONG KONG AND BRITAIN HAVE IN HELPING CHINA TO GROOM THE FUTURE LEADERS OF THE FIRST SAR GOVERNMENT?

/GOVERNOR:

GOVERNOR: THANK YOU. I WOULD PREFER NOT TO DEAL WITH THINGS IN TERMS OF PERSONALITIES, IF YOU DON'T MIND, PARTICULARLY WHEN AT LEAST ONE OF THEM MUST BE A MEMBER OF THIS FOREIGN CORRESPONDENTS CLUB. I JUST MAKE THE GENERAL POINT THAT IN LOOKING FOR PEOPLE FOR THE EXECUTIVE COUNCIL ONE HAS TO LOOK ALSO AT THE WAY THE EXECUTIVE COUNCIL RUNS. THIS IS SOMETHING THAT I HAD TO GIVE A LOT OF THOUGHT TO LAST OCTOBER-NOVEMBER - AND HOW CAN I PUT IT? - IT'S NOT QUITE THE RULES BUT THE CUSTOMS UNDER WHICH THE EXECUTIVE COUNCIL OPERATES. THAT IS THAT EVERYTHING THAT IS DISCUSSED THERE IS CONFIDENTIAL AND THAT THE PEOPLE IN THE COUNCIL AGREE THAT THINGS THAT THEY HAVE DISCUSSED THEY WILL COLLECTIVELY BACK. AND THOSE RULES OR THOSE TRADITIONS ARE AT THE MOMENT DIFFICULT FOR SOME PEOPLE IN THE LEGISLATIVE COUNCIL. ONE DOESN'T KNOW WHETHER THAT WILL GO ON BEING THE CASE AND WE MUST ALWAYS BE LOOKING AT WAYS IN WHICH WE EVOLVE AND DEVELOP OUR SYSTEM TO MAKE SURE THAT IT RUNS THE BEST IT CAN. THE BROADER ONE, GROOMING PEOPLE FOR THE FUTURE, I DON'T THINK THERE IS JOINT GROOMING GOING ON AT ALL. WHAT WE'VE GOT TO LOOK AT FROM OUR POINT OF VIEW IS TRYING TO MAKE SURE, AND THIS PROBABLY COMES NEARER 1997, THAT THERE IS AS MUCH CONTINUITY THROUGH 1997 AS POSSIBLE, AND THAT APPLIES PARTICULARLY TO THE CIVIL SERVICE. I THINK THAT ON THE CHINESE SIDE THEY ARE ALSO CONSCIOUS OF THAT FACT. WE HAVE, IF I COULD SAY IT, ONE OR TWO CIVIL SERVANTS AROUND - WE HAVE A VERY GOOD CIVIL SERVICE. THEY ARE ACCUSTOMED TO DEALING WITH HONG KONG, THEY KNOW THE PLACE, THEY KNOW HOW THE SYSTEM OPERATES. WE MUST TRY TO MAKE SURE THAT PEOPLE HAVE CONTINUITY IN THE JOBS THAT THEY'LL GET INTO BEFORE 1997 - THAT WILL MATTER FOR THE WHOLE OF HONG KONG. BUT THE PROCESS OF SELECTING LEADERS WILL BE A DIFFERENT ONE. THE CHIEF EXECUTIVE, FOR INSTANCE, THAT IS LAID DOWN IN THE ANNEXES, ISN'T IT, TO THE BASIC LAW, SO IT IS NOT REALLY A QUESTION OF JOINT GROOMING. AND PERSONALLY, AND THIS IS JUST A PERSONAL VIEW, I FIND IT IMPOSSIBLE AT THIS STAGE TO IDENTIFY WHO THOSE TOP LEADERS OF THE HONG KONG SAR WILL BE. I SEE A GREAT DEAL OF SPECULATION AROUND THE PLACE. I DON'T THINK IT IS POSSIBLE TO SPECULATE ACCURATELY ON WHO ACTUALLY WILL SHOW UP AS BEING THE RIGHT SORT OF LEADERS AS LONG BEFORE 1997 AS WE ARE NOW.

QUESTION: LORD WILSON, THE UNITED STATES GOVERNMENT IS EXPRESSING INCREASING INTEREST IN HONG KONG'S FUTURE. LAST YEAR THE CONSUL-GENERAL GAVE A SPEECH ON HUMAN RIGHTS AND THE UNITED STATES CONGRESS IS CONSIDERING A SPECIAL ACT ON HONG KONG'S FUTURE. HOW DO YOU PERCEIVE THIS INCREASING INTEREST? DO YOU VIEW THIS AS MEDDLING OR DO YOU VIEW THIS AS SUPPORTIVE ACTION FROM A LONG-TIME ALLY?

/GOVERNOR:

GOVERNOR: RIGHT FROM THE BEGINNING, AS IT WERE, FROM THE JOINT-DECLARATION 1984, THE UNITED STATES GOVERNMENT HAS BEEN VERY SUPPORTIVE OF THE ARRANGEMENTS FOR THE FUTURE OF HONG KONG. I THINK THAT IS A VERY GOOD THING, I WELCOME THAT, I WELCOME THAT CONTINUING INTEREST. THERE IS ALSO A CONSIDERABLE UNITED STATES ECONOMIC INVOLVEMENT HERE I THINK IT IS AT CERTAIN TIMES OF THE YEAR ONLY, THERE ARE MORE AMERICAN CITIZENS HERE THAN THERE ARE UK CITIZENS. I'M TOLD IT DEPENDS SLIGHTLY ON THE SORT OF HOLIDAY PATTERNS, BUT IT SHOWS YOU JUST WHAT A LARGE AMERICAN PRESENCE THERE IS AND THERE IS A VERY BIG BUSINESS INVOLVEMENT. WE HAVE CLOSE ECONOMIC LINKS WITH THE UNITED STATES. I WELCOME THOSE TWO. MY OWN CONCEPT OF THE FUTURE OF HONG KONG IS THAT IT HAS TO BE AN INTERNATIONAL ECONOMIC CENTRE, INTERNATIONAL TRADE CENTRE, INTERNATIONAL FINANCIAL CENTRE; THAT IS THE WAY IT IS GOING TO SURVIVE, BE PROSPEROUS, BE VALUABLE TO CHINA. SO FOR ALL OF THOSE REASONS, I WELCOME THE INVOLVEMENT BY THE INTERNATIONAL BUSINESS COMMUNITY. BUT IT IS ESSENTIALLY THIS: AT ONE LEVEL IT IS BROAD SUPPORT BY THE US GOVERNMENT, WHICH THERE HAS BEEN, FOR THE ARRANGEMENTS IN THE JOINT DECLARATION; AT THE NEXT LEVEL, THERE IS THE QUESTION OF THE ECONOMY AND IT IS ESSENTIALLY AN ECONOMIC MATTER - INTERNATIONAL ECONOMIC INVOLVEMENT IN HONG KONG THAT MATTERS. AND THERE ARE OF COURSE, AS YOU KNOW, VERY SIGNIFICANT ISSUES, PART ECONOMIC, PART POLITICAL, WHERE THE UNITED STATES CAN PLAY A ROLE WHICH IS EITHER VERY HELPFUL TO HONG KONG AND SOUTHERN CHINA, OR WHICH IS NOT HELPFUL. MFN STATUS FOR CHINA IS ONE OF THOSE, THAT AFFECTS US ENORMOUSLY, THE DECISIONS TAKEN IN CONGRESS AND BY THE PRESIDENT, AND IT AFFECTS SOUTHERN CHINA - AND MOST OF CHINA - BUT PARTICULARLY THE SOUTHERN DEVELOPING COASTAL PROVINCES VERY MUCH TOO. THERE AGAIN, I MEAN I MIGHT SAY THAT I WELCOME THE ATTITUDE WHICH HAS BEEN TAKEN BY MR BUSH, THE US PRESIDENT, IT HAS BEEN VERY HELPFUL TO THINGS THAT MATTER ENORMOUSLY TO THIS PLACE AND ITS FUTURE.

QUESTION: GOVERNOR, IF I COULD FOLLOW UP ON A PREVIOUS QUESTION. YOU JUST SAID THAT CHINESE LEADERS WERE WELCOME IN HONG KONG, WHY IS IT SO DIFFICULT ON THE OTHER HAND FOR LEADERS FROM OTHER PLACES, INCLUDING EASTERN EUROPE, MONGOLIA AND TAIWAN, TO COME TO HONG KONG?

GOVERNOR: I DON'T THINK IT IS VERY DIFFICULT. I MEAN TAKE THE WORLD, IF I MIGHT - THAT SOUNDS A MODEST STATEMENT. WE HAVE A HUGE NUMBER OF LEADERS WHO COME HERE - AN AWFUL LOT OF THEM COME INTO MY OFFICE. WE HAVE A TRADITION IN HONG KONG - I'VE EMPHASISED THIS TO FUTURE VISITORS - NOBODY HAS TO PAY A COURTESY CALL ON THE GOVERNOR BUT IF THEY HAVE GOT BUSINESS THEY WANT TO DISCUSS, MY DOOR IS OPEN. AN AWFUL LOT OF PEOPLE FROM ALL AROUND THE WORLD OPEN THAT DOOR AND COME AND TALK ABOUT REAL ISSUES. EASTERN EUROPE - WE HAVE BEEN LIBERALISING STEADILY OVER THE LAST TWO YEARS, AND THAT IS A PROCESS WHICH WILL GO ON. I DON'T THINK, NOW, IT IS DIFFICULT FOR SOMEONE TO COME HERE FROM EASTERN EUROPE OR THE SOVIET UNION, PROVIDING THEY HAVE A STRAIGHTFORWARD BACKGROUND, IF I MIGHT PUT IT LIKE THAT. YOU CRITICISED SOMEWHERE ELSE, I THINK, NOT JUST EASTERN EUROPE, YOU MENTIONED - MONGOLIA? MONGOLIA - NO PARTICULAR PROBLEM. WE HAD SOME VISITORS FROM MONGOLIA THE OTHER DAY HERE. TAIWAN - NO PROBLEM FOR PEOPLE WHO ARE HERE ON BUSINESS AND ECONOMIC ACTIVITIES AND THERE ARE TENS OR HUNDREDS OF THOUSANDS WHO COME A YEAR. I THINK WE HAVE A MILLION VISITORS A YEAR FROM TAIWAN. PEOPLE WHO ARE POLITICAL LEADERS IN TAIWAN, OF THE KUOMINTANG, THAT IS A PROBLEM, OR PEOPLE WHO COME HERE AS PART OF A POLITICAL OBJECTIVE, BECAUSE WE KEEP HONG KONG NEUTRAL IN DISPUTES BETWEEN TAIWAN AND THE MAINLAND OF CHINA. I THINK THAT IS A VERY STRAIGHTFORWARD THING WHICH IS WELL UNDERSTOOD.

MODERATOR: THANK YOU VERY MUCH

REPORT ON OVERSEAS REPRESENTATIONS IN HK PUBLISHED

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OVERSEAS COMPANIES HAVE ESTABLISHED 880 REGIONAL REPRESENTATIONS IN HONG KONG, ACCORDING TO A RECENT SURVEY BY THE INDUSTRY DEPARTMENT.

THESE INCLUDE 602 REGIONAL HEADQUARTERS AND 278 REGIONAL OFFICES, WHICH WERE IDENTIFIED IN THE 1991 SURVEY OF REGIONAL REPRESENTATION BY OVERSEAS COMPANIES IN HONG KONG.

THE DIRECTOR-GENERAL OF INDUSTRY, MR T.H. BARMA, SAID THIS WAS THE SECOND IN A SERIES OF SURVEYS BY THE INDUSTRY DEPARTMENT TO STUDY REGIONAL REPRESENTATIONS BY OVERSEAS COMPANIES IN HONG KONG.

IN THE LAST SURVEY, WHICH WAS CONDUCTED IN 1990, A TOTAL OF 572 REGIONAL HEADQUARTERS OF OVERSEAS COMPANIES WERE IDENTIFIED IN HONG KONG.

MR BARMA EMPHASISED, HOWEVER, THAT THE RESULTS OF THE TWO SURVEYS COULD NOT BE DIRECTLY COMPARED SINCE THE DEFINITION OF REGIONAL HEADQUARTERS HAS BEEN REVISED FOLLOWING SUGGESTIONS RECEIVED CONCERNING THE SURVEY IN 1990.

"MOREOVER, THE SCOPE OF THE 1991 SURVEY HAS BEEN EXPANDED TO COVER REGIONAL OFFICES, WHICH ARE ALSO A VERY COMMON FORM OF OVERSEAS REPRESENTATION IN HONG KONG," HE SAID.

MR BARMA SAID HONG KONG HAD LONG BEEN AN IMPORTANT REGIONAL CENTRE IN THE ASIA PACIFIC REGION.

"ITS CENTRAL LOCATION AND EXCELLENT EXTERNAL COMMUNICATIONS HAVE MADE HONG KONG ATTRACTIVE TO OVERSEAS COMPANIES NOT ONLY FOR BUSINESS, BUT ALSO AS A CONVENIENT BASE FROM WHICH TO SUPERVISE OTHER OFFICES IN NEIGHBOURING COUNTRIES.

"WITH THE SIGNIFICANT ECONOMIC DEVELOPMENT IN THE ASIA PACIFIC REGION IN RECENT YEARS, HONG KONG'S REGIONAL ROLE HAS BECOME INCREASINGLY IMPORTANT," HE SAID.

MR BARMA SAID THE SURVEY REVEALED THAT BETWEEN 1980 AND 1984 AN AVERAGE OF 21 NEW REGIONAL HEADQUARTERS HAD BEEN OPENED EACH YEAR.

"FROM 1985 TO 1990 THE AVERAGE NUMBER INCREASED TO 53. IN THE WHOLE OF 1990 AND THE FIRST FIVE MONTHS OF 1991, A TOTAL OF 58 AND 26 NEW REGIONAL HEADQUARTERS WERE SET UP RESPECTIVELY," HE SAID.

"ACCORDING TO THE SURVEY, AT LEAST 61 MORE COMPANIES WERE PLANNING TO SET UP REGIONAL HEADQUARTERS IN HONG KONG : HALF OF THESE INTENDED TO DO SO IN 1991 OR 1992," HE ADDED.

MR BARMA SAID 61 OF THE RESPONDING COMPANIES INDICATED THAT THEY HAD MOVED THEIR REGIONAL HEADQUARTERS AWAY FROM HONG KONG SINCE 1980.

/OF THESE,

OF THESE, 18 HAD DECIDED, FOR CORPORATE REASONS, TO DOWNGRADE THEIR REPRESENTATION AND TO MANAGE THEIR AFFAIRS IN THE REGION FROM THEIR MAIN HEADQUARTERS.

THE UNITED STATES OF AMERICA HAS THE LARGEST NUMBER OF REGIONAL HEADQUARTERS IN HONG KONG, WITH 258 COMPANIES, FOLLOWED BY THE UK (75 COMPANIES) AND JAPAN (44 COMPANIES).

THE MAJOR LINES OF BUSINESS OF THE REGIONAL HEADQUARTERS INCLUDE WHOLESALE, RETAIL, AND IMPORT AND EXPORT ACTIVITIES, FOLLOWED BY REAL ESTATE AND BUSINESS SERVICES, MANUFACTURING AND FINANCE AND BANKING.

WHEN ASKED TO GIVE VIEWS ON HONG KONG AS A REGIONAL HEADQUARTERS, ABOUT 95 PER CENT OF THE RESPONDING COMPANIES CONSIDERED HONG KONG'S TRANSPORTATION AND COMMUNICATION FACILITIES, THE MOST IMPORTANT FACTOR AFFECTING HONG KONG'S ROLE AS A REGIONAL CENTRE, TO BE FAVOURABLE.

HONG KONG'S BANKING AND FINANCIAL FACILITIES WERE CONSIDERED FAVOURABLE BY 92 PER CENT OF THE COMPANIES. OTHER FACTORS WITH A HIGH PROPORTION OF RESPONDING COMPANIES RATING THEM AS FAVOURABLE INCLUDED HONG KONG'S CORPORATE TAX STRUCTURE (83 PER CENT) AND HONG KONG'S POSITION AS A GATEWAY TO CHINA (83 PER CENT).

MORE THAN TWO-THIRDS OF THE RESPONDING COMPANIES CONSIDERED THAT, COMPARED WITH THE YEAR BEFORE, THE OVERALL FAVOURABILITY OF HONG KONG AS A REGIONAL CENTRE HAD IMPROVED OR HAD REMAINED UNCHANGED.

THE MAJORITY OF THEM ALSO CONSIDERED THAT THE COST OR RENTAL OF OFFICE SPACE, BUSINESS PROSPECTS IN HONG KONG, TRANSPORTATION AND COMMUNICATION FACILITIES, AVAILABILITY OF MANAGERIAL AND PROFESSIONAL SKILLS, POLITICAL CLIMATE AND BANKING AND FINANCIAL FACILITIES HAD IMPROVED OR REMAINED UNCHANGED.

THE SURVEY REPORT, IN ENGLISH AND CHINESE, INCLUDING LISTS OF REGIONAL HEADQUARTERS AND REGIONAL OFFICES, IS AVAILABLE FREE OF CHARGE FROM THE DATA AND SERVICES DIVISION OF INDUSTRY DEPARTMENT AT ROOM 1419, OCEAN CENTRE.

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APPROPRIATION BILL TO BE DEBATED ON WEDNESDAY AND THURSDAY

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SOME 52 MEMBERS OF THE LEGISLATIVE COUNCIL ARE EXPECTED TO SPEAK ON THE APPROPRIATION BILL 1992 AT THE COUNCIL MEETINGS ON WEDNESDAY AND THURSDAY (MARCH 25 AND 26) WHEN IT IS INTRODUCED FOR THE SECOND READING.

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS OF LEGISLATIVE COUNCIL MEETINGS FROM THE PUBLIC GALLERIES AND THEY MAY MAKE RESERVATIONS BY TELEPHONING 869 9492.

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MONDAY, MARCH 23, 1992

- 16 -

NEW POST OFFICE OPENS IN SHA TIN

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A NEW BRANCH POST OFFICE AT KWONG YUEN ESTATE IN SHA TIN OPENED FOR BUSINESS TODAY (MONDAY).

THE KWONG YUEN POST OFFICE, LOCATED AT UNIT NO. 4, COMMERCIAL BLOCK 4, KWONG YUEN ESTATE, PROVIDES A NORMAL RANGE OF COUNTER SERVICES.

THE POSTMASTER GENERAL, MR DOMINIC S.W. WONG; THE CHAIRMAN OF THE SHA TIN DISTRICT BOARD, MR CHOY KAN-PUI, AND THE ACTING SHA TIN DISTRICT OFFICER, MRS JOANNA YUEN, OFFICIATED AT THE OPENING CEREMONY THIS MORNING.

WITH THE OPENING OF THIS OFFICE, THE TOTAL NUMBER OF BRANCH POST OFFICES IN HONG KONG IS NOW 119.

THE BUSINESS HOURS OF KWONG YUEN POST OFFICE ARE :

MONDAY TO FRIDAY : 9.30 AM TO 1 PM
2 PM TO 5 PM

SATURDAY : 9.30 AM TO 1 PM

THE TELEPHONE NUMBER IS 647 9019.

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ANTI-MOSQUITO EDUCATION CAMPAIGN TO START IN APRIL

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A TERRITORY-WIDE CAMPAIGN, AIMED AT REMINDING STAFF WORKING ON BUILDING SITES TO ADOPT HEALTH MEASURES AGAINST MOSQUITO BREEDING TO PREVENT MOSQUITO NUISANCE AND MALARIA, WILL BE LAUNCHED ON APRIL 1.

ENTITLED "NO STAGNANT WATER, NO MOSQUITO BREEDING", THE ONE-MONTH CAMPAIGN IS ORGANISED BY THE DEPARTMENT OF HEALTH'S HEALTH EDUCATION UNIT UNDER THE AUSPICES OF THE URBAN COUNCIL AND THE REGIONAL COUNCIL.

A SPOKESMAN FOR THE DEPARTMENT SAID TODAY (MONDAY) THAT AS MOSQUITOES BRED IN STAGNANT WATER, STAFF WORKING ON BUILDING SITES WERE ADVISED TO TAKE THE FOLLOWING PRECAUTIONARY MEASURES TO ELIMINATE MOSQUITO BREEDING GROUNDS:

- * INSPECT REGULARLY THEIR SITES AND KEEP CLEAR OF USELESS ARTICLES AND CONTAINERS SUCH AS EMPTY TINS AND TYRES;
- * COVER PROPERLY ALL WATER CONTAINERS;
- * PUMP AND DRAIN AWAY STAGNANT WATER IN HOLES, TRENCHES AND HOLLOW SPACES OR TOP UP THE SPACES WITH SOIL, AND

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- 17 -

- * SPRAY A THIN LAYER OF DIESEL OIL ON THE WATER SURFACE IF DRAINING OF STAGNANT WATER IS NOT POSSIBLE.

THE SPOKESMAN ALSO URGED MEMBERS OF THE PUBLIC TO TAKE HEED OF THE PRECAUTIONARY MEASURES AGAINST MOSQUITO BREEDING SUCH AS KEEPING ALL DRAINS FREE FROM CHOKAGE AND DISPOSING OF ALL USELESS TINS AND RECEPTACLES THAT COULD HOLD WATER.

DURING THE CAMPAIGN PERIOD, A ROUND-THE-CLOCK TELEPHONE HOTLINE SERVICE - 723 0013 - WILL BE PROVIDED IN CANTONESE ON WAYS TO PREVENT MOSQUITO BREEDING.

A TELEVISION AND RADIO ANNOUNCEMENT IN THE PUBLIC INTEREST WILL BE BROADCAST TO AROUSE PUBLIC AWARENESS OF THE MESSAGE.

EDUCATIONAL LITERATURE SUCH AS ADVISORY LETTERS, POSTERS AND LEAFLETS, WILL BE DISTRIBUTED TO BUILDING CONTRACTORS, OWNERS' CORPORATIONS, MUTUAL AID COMMITTEES, AND THE MANAGEMENT OF LARGE PRIVATE HOUSING ESTATES.

PUBLICITY LEAFLETS CAN ALSO BE OBTAINED FROM DISTRICT OFFICES OF THE URBAN SERVICES DEPARTMENT AND THE REGIONAL SERVICES DEPARTMENT, AS WELL AS THE DISTRICT OFFICES OF THE CITY AND NEW TERRITORIES ADMINISTRATION AND THE HOUSING DEPARTMENT.

UNDER THE PUBLIC HEALTH AND MUNICIPAL SERVICES ORDINANCE, ANYONE WHO ALLOWS MOSQUITO BREEDING ON PREMISES IS LIABLE TO A MAXIMUM FINE OF \$10,000.

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UNAUTHORISED BUILDING WORKS TO BE CLOSED

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THE BUILDING AUTHORITY IS SEEKING TO CLOSE THE UNAUTHORISED BUILDING WORKS ON A BUILDING IN KWUN TONG, KOWLOON SO THAT THEY CAN BE DEMOLISHED WITHOUT DANGER TO THE OCCUPIERS AND THE PUBLIC.

THE UNAUTHORISED STRUCTURES ARE LOCATED AT FLAT B ON THE FIRST FLOOR OF SAN LOONG HOUSE AT 25-37 TUNG YAN STREET AND 55-57 HIP WO STREET.

NOTICE OF INTENTION TO APPLY FOR A CLOSURE ORDER UNDER THE BUILDINGS ORDINANCE FROM THE HONG KONG DISTRICT COURT ON MAY 2 WAS POSTED ON THE PREMISES TODAY (MONDAY).

DEMOLITION WORKS ARE EXPECTED TO START AS SOON AS THE CLOSURE ORDER IS ISSUED.

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MONDAY, MARCH 23, 1992

- 18 -

WATER STORAGE FIGURE
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STORAGE IN HONG KONG'S RESERVOIRS AT 9 AM TODAY (MONDAY) STOOD AT 33.4 PER CENT OF CAPACITY OR 195.933 MILLION CUBIC METRES.

THIS TIME LAST YEAR THE RESERVOIRS CONTAINED 156.212 MILLION CUBIC METRES OF WATER, REPRESENTING 26.7 PER CENT OF CAPACITY.

A SPOKESMAN FOR THE WATER SUPPLIES DEPARTMENT ADVISED THE PUBLIC TO DO EVERYTHING THEY COULD TO CONSERVE WATER AND AVOID WASTAGE.

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HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS
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	DATE ----	\$ MILLION -----
CLOSING BALANCE IN THE ACCOUNT ON	21.3.92	700
EFFECT OF FORWARDS TO BE SETTLED ON	23.3.92	+10
EFFECT OF OPERATIONS THIS MORNING		-10
EFFECT OF OPERATIONS THIS AFTERNOON		NEUTRAL

TRADE WEIGHTED INDEX 113.0 *+0.1* 23.3.92

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	4.13 PCT	20 MONTHS	2311	6.25	100.22	6.19
1 MONTH	4.07 PCT	23 MONTHS	2402	5.50	98.51	6.44
3 MONTHS	4.14 PCT					
6 MONTHS	4.48 PCT					
12 MONTHS	4.83 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 3,930 MN

CLOSED 23 MARCH 1992

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