



DAILY INFORMATION BULLETIN

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ExCo endorses amendment to draft CFA Bill

The Government issued the following statement today (Tuesday):

"The Executive Council has agreed that the draft Court of Final Appeal (CFA) Bill should be amended to take into account the principled suggestions put forward by the Preliminary Working Committee (PWC) Political Affairs Sub-group as far as practicable.

"The Government has noted from media reports that the PWC Sub-group made a number of principled suggestions on eight aspects of the setting up of the CFA in Hong Kong on July 1, 1997, as part of the Chinese side's contingency plan in case the CFA is not set up before July 1, 1997.

"We do not see the need for such a contingency plan. Both the British and Chinese sides have repeatedly reaffirmed their commitment to implement the agreement reached at the Joint Liaison Group (JLG) in September 1991 on the establishment of the CFA before July 1, 1997. The Chinese side's commitment has been reiterated publicly by senior Chinese officials, including the Director of the Hong Kong and Macau Affairs Office, Mr Lu Ping.

"Nevertheless, the Government has studied the PWC Sub-group's principled suggestions as published in the media. Apart from provisions that come into effect only on July 1, 1997, these are not fundamentally different from the provisions of the draft CFA Bill which we handed to the Chinese side in May 1994.

"The Executive Council has agreed that the CFA Bill should be amended to take into account most of PWC Sub-group's principled suggestions. The only exceptions are two suggestions which appear to us to be inconsistent with the Joint Declaration and the Basic Law, and the PWC Sub-group's proposal on the definition of 'Acts of State'.

"Both the Joint Declaration and the Basic Law provide that judges of the courts of the Hong Kong Special Administrative Region shall be appointed by the Chief Executive in accordance with the recommendation of an independent commission composed of local judges, persons from the legal profession and eminent persons from other sectors.

"However, the PWC Sub-group suggested that the Chief Executive could chair the meeting of the independent commission for the selection of the Chief Justice. In our view, this suggestion would breach the Joint Declaration and Basic Law, because the 'independent commission' can scarcely be considered independent if it is chaired by the Chief Executive (the Governor during the pre July 1, 1997 period).

"The PWC Sub-group also suggested that the extension of the term of a CFA judge should be determined by the Chief Executive in accordance with the recommendation of the Chief Justice. This would make the Chief Justice, rather than the independent commission, responsible for making recommendations on the extension of the terms of any other CFA judges.

"As extension of the term of an office is an appointment matter, the PWC Sub-group's suggestion will, in our view, restrict the commission's power under the Joint Declaration and the Basic Law. It will also not deal with the situation in which the Chief Justice's term of office was being extended.

"The CFA Bill is designed to provide the legislative framework for setting up the CFA in Hong Kong before July 1, 1997, as agreed by the Chinese side at the JLG in 1991. It states that the CFA shall have no jurisdiction over 'acts of state', as is the case for other existing courts in Hong Kong. The common law meaning of the term 'acts of state' is clearly understood. In our views, the definition of 'acts of state' should be left for the courts to determine.

"We drafted the CFA Bill on the basis of the 1991 JLG agreement. In the past 12 months since we handed the draft Bill to the Chinese side, we have answered fully and promptly all the questions that they have raised. We have also amended the draft Bill to take into account comments made by them.

"We shall now amend the draft Bill further to take into account the PWC Sub-group's suggestions. We hope that this gesture of sincerity and co-operation will ensure that rapid progress will be made at the next expert meeting that the two sides have agreed to hold this month and that the Chinese side will then confirm that they are content with the draft Bill.

"It is important that the Bill should be introduced into the Legislative Council within the current session, as appeals to the Privy Council can take up to a year to be heard, and the Judiciary need at least a year to put the practical arrangements in place after the enactment of the Bill.

"The purpose of the 1991 JLG agreement was specifically to establish the CFA before 1997 and the two governments have an obligation to implement this agreement."

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Residential mortgage survey results for April

There was sharp growth in residential mortgage loans for the purchase of properties in Hong Kong in April, according to the results of the latest monthly survey conducted by the Hong Kong Monetary Authority (HKMA).

The latest figures show that the total amount of outstanding mortgage lending by the 33 institutions in the survey rose by 2.4% in April (0.3% in March) to \$245.3 billion from \$239.6 billion. The growth rate is the highest since August 1993 and is well above the monthly average of 0.85% over the last twelve months.

"The growth rate for April is in line with our expectations. It reflects the increased activity in the primary market for residential properties during March," the Deputy Chief Executive (Banking) of HKMA, Mr David Carse said.

The annualised rate of growth in lending over the last three months increased to 11.9%, compared with 3.9% in the three-month period to March. The twelve-month average of outstanding loans showed an annualised growth rate of 10.2% compared with 9.5% in March.

The amount of new loans approved but not yet drawn fell by 24.9% or \$2.3 billion to \$6.9 billion in April which is still a high level by recent standards.

"These figures suggest that the outstanding loans will continue to grow quite rapidly in May though at a reduced rate," said Mr Carse.

Lending for the purchase of properties in China increased by 1.0% to \$4.75 billion in April from \$4.70 billion in the preceding month. Gross loans made in April decreased both in number (to 189 from 293) and in amount (to \$123 million from \$161 million). New loans approved in April fell in number (to 185 from 253) but slightly increased in amount (to \$113 million from \$112 million).

**Residential Mortgage Loans in Hong Kong
Results of Survey for April 1995**

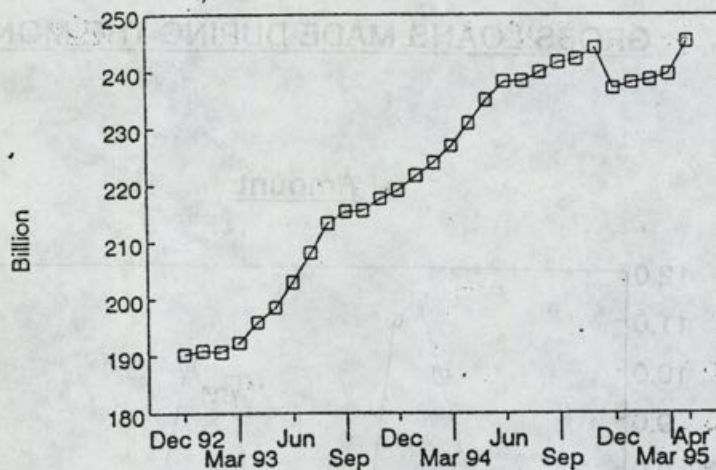
	<u>Apr</u> <u>1995</u> HK\$ Mn	<u>Mar</u> <u>1995</u> HK\$ Mn
<u>33 authorised institutions</u>		
<u>1. Outstanding lending</u>		
a. Amount	245,316	239,614
b. Monthly change	2.4%	0.3% **
c. Twelve-month change	10.2%	9.7% **
d. Average change (annualized)		
Latest three months	11.9%	3.9% **
Latest twelve months	10.2%	9.5% **
<u>2. Gross loans made during month</u>		
a. Amount	10,573	5,178
b. Number	6473	3893
<u>3. New loans approved during month</u>		
a. Amount	10,915	12,040
b. Number	6831	7493
<u>4. New loans approved during month but not yet drawn</u>		
a. Amount	6,929	9,225
b. Number	4501	5424

Note : ** Adjusted for the effect of re-classification of residential mortgage loans by some institutions amounting to a net HK\$0.2 billion.

Chart A

RESIDENTIAL MORTGAGE LOANS IN HONG KONG
(33 institutions)

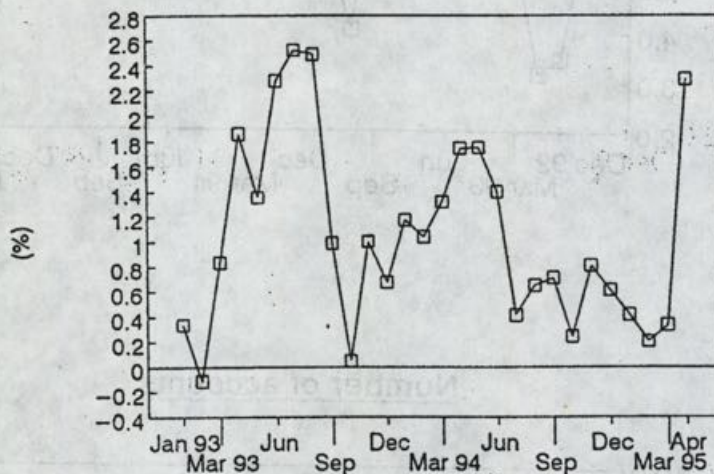
Outstanding balance at end of month



A1

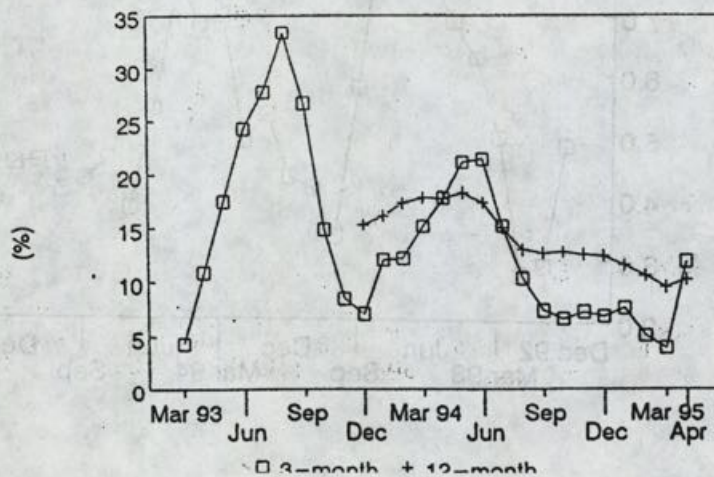
Remarks: The significant fall of outstanding balance in December 1994 was due to the effect of reclassification, securitization and sale of loans by some institutions.

Monthly growth rate



A2

3-month and 12-month moving average growth rate on annualised basis

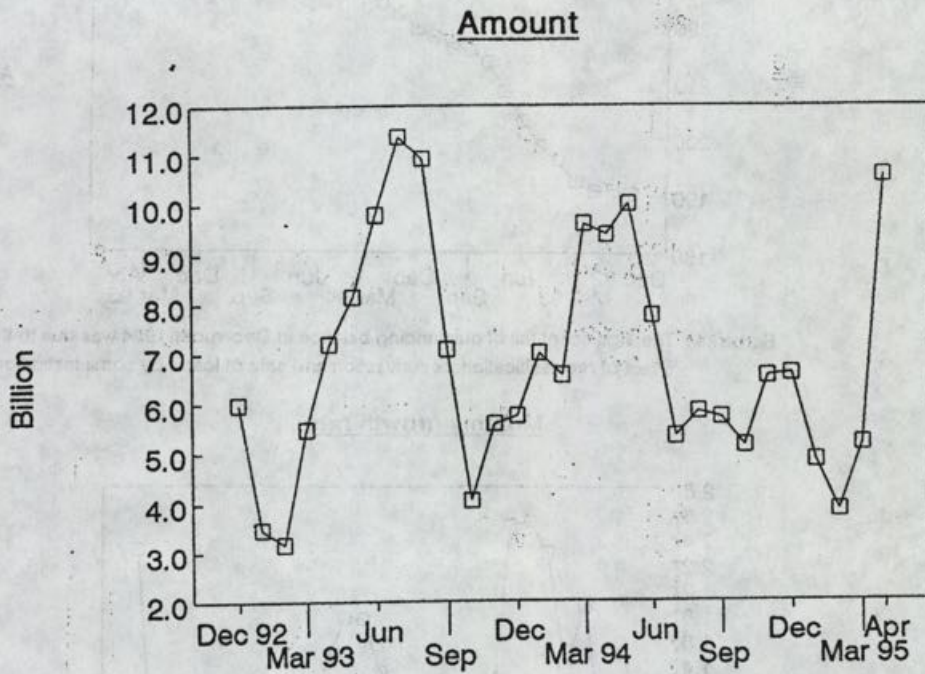


A3

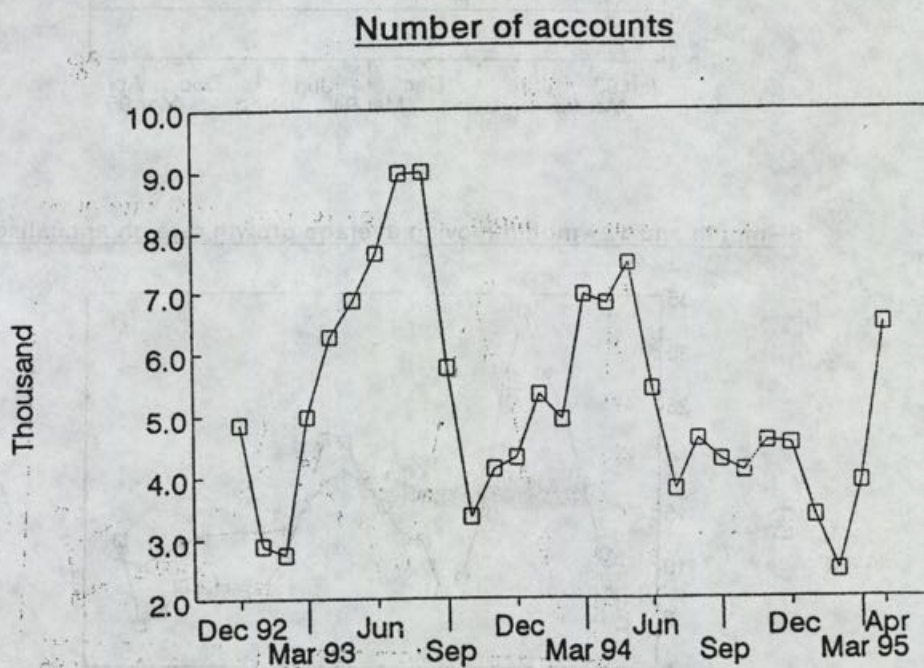
Chart B

RESIDENTIAL MORTGAGE LOANS IN HONG KONG
(33 institutions)

GROSS LOANS MADE DURING THE MONTH



B1

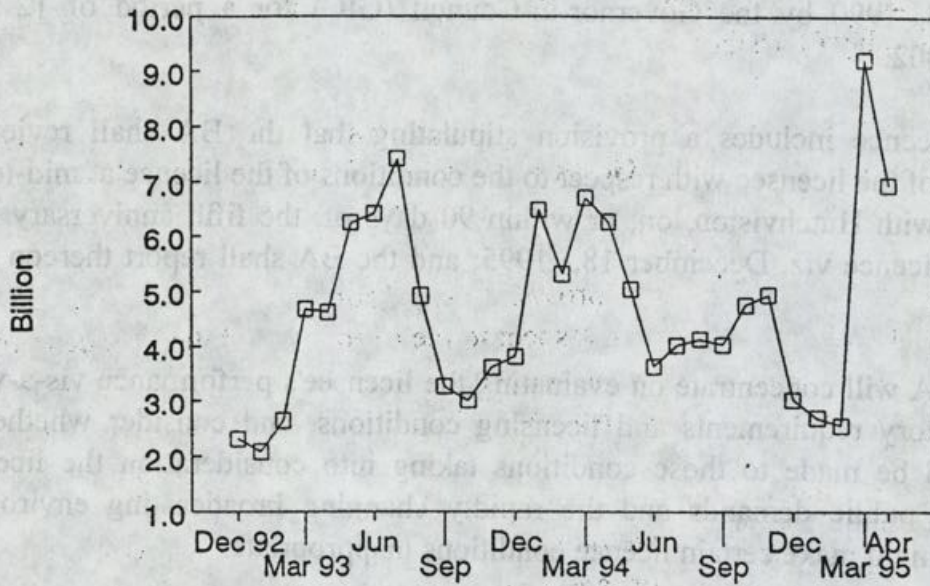


B2

RESIDENTIAL MORTGAGE LOANS IN HONG KONG
(33 institutions)

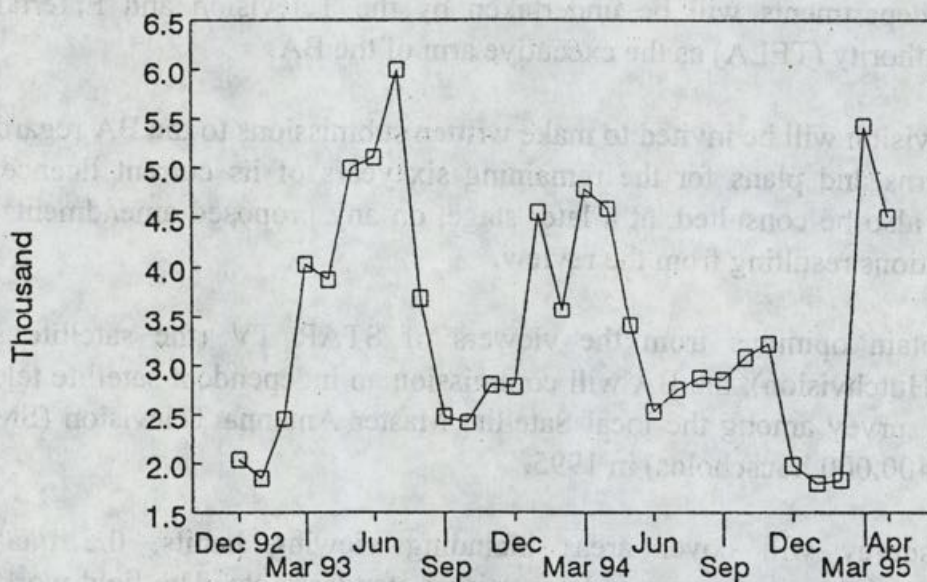
NEW LOANS APPROVED BUT NOT YET DRAWN

Amount



C1

Number of accounts



C2

Satellite TV mid-term review

The Broadcasting Authority (BA) announced its work plan for the mid-term review of the Satellite Television Uplink and Downlink Licence of Hutchvision Hong Kong Ltd today (Tuesday).

The Hutchvision's licence to broadcast was a non-exclusive licence issued on December 18, 1990 by the Governor-in-Council (GIC) for a period of 12 years, expiring in 2002.

The licence includes a provision stipulating that the BA shall review the performance of the licensee with respect to the conditions of the licence at mid-term in consultation with Hutchvision, on, or within 90 days of, the fifth anniversary of the grant of the licence viz. December 18, 1995; and the BA shall report thereon to the GIC.

The BA will concentrate on evaluating the licensee's performance vis-a-vis the various statutory requirements and licensing conditions, and consider whether any changes need be made to those conditions taking into consideration the licensee's performance, public demands and the rapidly changing broadcasting environment insofar as it might make certain licence conditions inappropriate.

A spokesman for the BA said the mid-term review would involve government departments, Hutchvision and the public.

The job of compiling statistics and gathering information from the various government departments will be undertaken by the Television and Entertainment Licensing Authority (TELA) as the executive arm of the BA.

Hutchvision will be invited to make written submissions to the BA regarding its views, concerns and plans for the remaining six years of its current licence. The licensee will also be consulted, at a later stage, on any proposed amendments to the licence conditions resulting from the review.

To obtain opinions from the viewers of STAR TV (the satellite service provided by Hutchvision), the BA will commission an independent satellite television broadcasting survey among the local Satellite Master Antenna Television (SMATV) users (about 400,000 households) in 1995.

The survey will cover areas including viewing habits, the quality of programmes, and the programme and advertising standards etc. The field work of the survey will be carried out in summer this year.

"Given that STAR TV is a regional service and that the share of STAR TV is small in terms of local viewership, the BA felt that public hearings may not be the best way to obtain public opinion," the spokesman said.

As an alternative, the BA will discuss with STAR TV the possibility of publicising the review through announcements on its channels.

The spokesman said the findings of the survey, the analysis and statistics compiled by TELA, the submissions from the licensee and the views gathered from the public would all be considered by the BA.

According to the BA timetable, recommendations in relation to changes, if any, to the current licence will be submitted to the GIC in March next year.

Any changes to programme and advertising standards arising from the reviews will be implemented by the BA thereafter.

End/Tuesday, May 23, 1995

Tuen Mun Road Bus-only Lane Scheme modified

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The Tuen Mun Road Bus-only Lane Scheme will be put to further trial but with modifications to be introduced in June.

Under the modified scheme on a trial basis for three to six weeks, the bus only lane will terminate at Sham Tseng Interchange which will be opened to light vehicles to gain access to Tuen Mun Road both bounds.

This decision was reached today (Tuesday) at a meeting of the Working Group on Traffic Improvements for the Yuen Long/Tuen Mun - Tsuen Wan/Kwai Tsing Corridor after detail analysis of the results of the scheme since it was put on trial in March.

Chairman of the Working Group and Assistant Commissioner for Transport, Mr Alan Lui, said there had been strong demand for opening up either or both the Siu Lam and Sham Tseng interchanges so that the travelling public in Castle Peak Road area would have an alternative access via Tuen Mun Road.

He explained that the closure of the interchanges during the bus only lane operation hours was made on safety grounds. Traffic coming up to Tuen Mun Road would have to cut across the bus only lane and merge into the middle lane. This weaving movement would create a hazard because of the heavy traffic volume in the middle lane.

"We are fully aware of the situation on Castle Peak Road and the inconvenience of residents along the route has to endure. We have tried very hard to find a way by which the efficiency of the bus only lane on Tuen Mun Road would not be adversely affected and at the same time, inconvenience caused to residents on Castle Peak Road could be reduced to the minimum," Mr Lui said.

"Safety cannot be compromised. A measure which may deal with this situation is to terminate the bus only lane at Sham Tseng Interchange to allow light vehicles to join Tuen Mun Road. Vehicles in the middle lane will not be allowed to weave into the inside lane for safety reasons," he said.

The length of the bus only lane will be cut short from 13 kilometres to 9 kilometres and the operation hours will remain unchanged between 7 am and 9 am daily except Sundays and public holidays. It remains to be observed the impact of the modification to the efficiency of bus operation. If the trial modification causes unacceptable delays to bus operation, the Sham Tseng Interchange may be closed again after a review.

Vehicles which will be allowed to use the Sham Tseng Interchange include private cars, taxis and private light buses.

As regards Siu Lam Interchange, it was considered that opening up the Kowloon bound would more seriously affect the efficient operation of the bus only lane and the problem associated with lane weaving at the entrance to the bus lane would be unacceptable. It was therefore decided that vehicles should continue to be banned from joining Tuen Mun Road Kowloon bound at this interchange.

The Transport Department, together with all parties concerned, will closely monitor the situation during the extended trial period. Results will be critically examined before a long term decision is made.

End/Tuesday, May 23, 1995

Food surveillance figures for first quarter

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The Department of Health carried out 11,451 examinations for chemical, bacteriological, and radioactivity tests under its regular food surveillance programme during the first quarter this year.

The programme is conducted by the department's Hygiene Division to monitor that food supplied to the community is wholesome, unadulterated and properly labelled.

Among the 8,438 examinations for chemical analysis, 8,378 were satisfactory while 60 or 0.71 per cent yielded unsatisfactory results.

The unsatisfactory cases were mainly due to food containing non-permitted or excessive food additives such as colouring matters and preservatives. About one-third of the cases involved the use of Orange II which has been banned for use in food since March last year.

In this regard, advisory letters were sent out in March this year to the food trades reminding them of the requirements. Surveillance will continue to be stepped up and action taken against offenders without further notice.

Out of the 2,914 samples taken for bacteriological examinations, 108 samples or 3.7 per cent yielded unsatisfactory results.

The unsatisfactory samples were mainly soft ice cream, milk, shellfish, fish and meat products giving excessive bacterial or coliform count.

Of the 99 samples for radioactive examination, all were within the acceptable level.

During the period, the department received 46 reports of food poisoning cases, affecting 136 persons. Investigations showed that 27 cases happened in domestic setting while 17 cases took place in food-premises. The remaining two cases were from other sources.

About two-thirds of food poisoning cases were due to bacterial contamination. Members of the public are reminded to observe strict personal, environmental and food hygiene when preparing foods, and not to patronise illegal hawkers and unlicensed food premises.

The department also reminded the public of the effective measures to minimise the risk of being affected by vegetables with excessive pesticide residues. Thorough washing, dipping and blanching of vegetables are effective ways to remove the contaminants. Information is also available from the 24-hour hotline at 2367 5135.

End/Tuesday, May 23, 1995

Wholesale, retail, trades and hotels survey starts

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The Census and Statistics Department today (Tuesday) announced that the Survey of Wholesale, Retail and Import and Export Trades, Restaurants and Hotels for 1994 has started. The annual survey is part of a continuous programme to compile statistics on the structure and performance of various economic activities in Hong Kong.

The survey aims to obtain up-to-date statistical data for evaluating the contribution of the various economic activities to Hong Kong's gross domestic product and for ascertaining their cost structure, operating characteristics and sales levels. The survey results are useful to both the government and the private sector in formulating policies and making decisions.

The Commissioner for Census and Statistics, Mr Frederick Ho, appealed to the managements of all sampled establishments to fulfil their legal and social responsibilities by returning promptly the completed questionnaires and co-operating with officers of the department in the course of the survey. He stressed that information relating to individual establishments would be treated in strict confidence under the Census and Statistics Ordinance. Only aggregate information that does not reveal details of individual establishments will be released.

Mr Ho also pointed out that audited accounts are not essential for the supply of income and expenditure data required in the survey. The Census and Statistics Department accepts figures based on preliminary accounts or estimates which are correct to the best of the respondents' knowledge at the time of submission of the questionnaire, if audited accounts are not yet available.

About 9,700 establishments will be enumerated in the present round of the survey, covering the following economic activities: wholesale; retail; imports and exports; restaurants; hotels and boarding houses.

Information to be sought in the survey includes: type of ownership, origin of investment, floor area, employment, compensation of employees (i.e. wages, salaries and other employee benefits), operating expenses, total value of purchases of goods for sale, sales and other receipts, capital expenditure and stocks, sub-contract processing arrangements, imports and exports of services and other related information on the business operation of the establishments.

The survey is conducted under the Census and Statistics (Annual Survey of Wholesale and Retail Trades, Restaurants and Hotels) (Amendment) Order 1995, which was made under the Census and Statistics Ordinance (Chapter 316) and issued as Legal Notice No. 78 in the Hong Kong Government Gazette on February 17.

Survey questionnaires have been mailed to the sampled establishments. These establishments are required by law to complete and return the questionnaires to the Census and Statistics Department by July 31. If required, officers of the department will visit individual establishments and assist them in completing the questionnaires. These officers will each carry a Government Identity Card and a certificate for conducting the survey whilst on duty, which are available for inspection.

Any enquiries regarding the survey may be directed to the Wholesale/Retail Trade Statistics Section of the Census and Statistics Department on 2802 1278.

End/Tuesday, May 23, 1995

Fewer transport complaints in first quarter 1995

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The number of complaints and suggestions received by the Transport Complaints Unit (TCU) of the Transport Advisory Committee for the period between January 1 and March 31 this year dropped by 17.7 per cent to 3,002 as compared with 3,649 in the previous quarter.

During the period, the major areas of complaint were related to public transport (64 per cent), road traffic conditions (16 per cent) and enforcement (15 per cent).

The number of complaints about public transport dropped by 16.7 per cent from 2,318 in the previous quarter to 1,932.

This was mainly due to decreases in the number of complaints against taxi driver malpractices (down from 1,069 to 897) and green mini-buses (down from 257 to 160). There were also fewer complaints against China Motor Bus (down from 274 to 213), Kowloon Motor Bus (down from 354 to 304), Citybus (down from 48 to 38) and ferry services (down from 39 to 33).

However, there were more complaints against rail transport (up from 45 to 52).

Complaints about road conditions dropped to 51 from 63. The number of complaints about the malfunctioning of traffic signs and aids dropped to 52 from 89. There was also a decrease in the number of complaints about traffic signs and aids (down from 134 to 115).

During the same period, there were fewer complaints against enforcement action (down from 508 to 449) and road congestion (down from 317 to 232).

All suggestion and complaints received by TCU have been referred to the relevant authorities and government departments for investigation.

End/Tuesday, May 23, 1995

Seminar on nine new functional constituencies

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Civic-minded people will have an opportunity to know more about the nine new functional constituencies which will be introduced in the forthcoming Legislative Council elections at a seminar on Friday (May 26).

The seminar, organised by the Working Group on Civic Education under the Wan Chai District Board, will be held between 1 and 2 pm at Room 309, third floor, Methodist Centre, 22 Hennessy Road, Wan Chai.

The Deputy Chief Electoral Officer of the Registration and Electoral Office, Ms Venner Cheung, will explain the delineation and classification of the nine new functional constituencies; and the Assistant Professor in Public and Social Administration of the City University of Hong Kong, Dr Sing Ming, will talk about the significance of the additional constituencies.

Working people aged 18 or above are welcomed to bring along their lunch boxes to the seminar. Free drinks and souvenirs will be provided.

The event is co-organised by the Wan Chai District Office.

Enquiries can be made on tel 2835 1992.

Attention News Editors:

Media representatives are invited to cover the event.

End/Tuesday, May 23, 1995

Reminder to taxpayers

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Tax Returns - Individuals for 1994-95 have been issued to individuals concerned on May 1. Taxpayers should complete and submit the tax returns to the Inland Revenue Department within the stipulated time.

In view that some taxpayers are used to filing their tax returns late, this year the Inland Revenue Department will issue Estimated Assessments earlier to those who do not lodge their tax returns within the time limit. Thereafter the department will also take legal action at the appropriate time.

Any person who has not received the Tax Return - Individuals by now should contact the department using the hotline 187 8022 or approach the department's Enquiry Centre on the First Floor of Revenue Tower at 5 Gloucester Road, Wan Chai.

End/Tuesday, May 23, 1995

Gurkhas train for future role

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The Gurkhas will return to their barracks in Sek Kong tomorrow (Wednesday) on completion of a four-day field training exercise in which they have been preparing for their future role in Britain's 5 Airborne Brigade.

The 1st Battalion, Royal Gurkha Rifles will join the Brigade when they withdraw from Hong Kong in November next year.

They will be replaced initially by the 1st Battalion, The Staffordshire Regiment and subsequently the 1st Battalion, The Black Watch (Royal Highland Regiment), each of which will serve overlapping five-month, unaccompanied tours in the Territory before July 1997.

5 Airborne Brigade is based at Aldershot in south east England, and is part of Britain's contribution to NATO's Allied Rapid Reaction Corps.

Exercise Venerable Chant has seen the Gurkhas deploy at short notice last Sunday to the fictional state of Zarat "somewhere in Africa" whose Kadar Province, represented by Pat Sin Leng and Plover Cove Country Parks in the New Territories, is claimed by the neighbouring state of Zarat.

About 800 servicemen have taken part in the exercise including men of the 1st Battalion, Royal Gurkha Rifles; 67 Gurkha Independent Field Squadron, Queen's Gurkha Engineers; the Logistic Support Regiment, Royal Logistic Corps and No. 28 (Army Co-operation) Squadron, Royal Air Force.

Hong Kong soldiers from the Royal Hong Kong Regiment (The Volunteers) and the Hong Kong Military Service Corps have provided the enemy Zarat forces on the exercise, supported by fast pursuit craft from HMS Tamar.

End/Tuesday, May 23, 1995

45 VMs return home voluntarily

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A group of 45 Vietnamese migrants today (Tuesday) returned to Vietnam under the Voluntary Repatriation Programme of the United Nations High Commissioner for Refugees.

Comprising 21 men, 14 women, eight boys and two girls, they were the 230th batch to go back under the programme.

The group brought to 803 the total number of Vietnamese migrants who had returned voluntarily this year, and to 44,997 the total number of returnees since the programme started in March 1989.

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Hong Kong Monetary Authority tender results

Tender date	23 May 95	23 May 95
Paper on offer	EF bills	EF bills
Issue number	Q521	H565
Amount applied	HK\$5,280 MN	HK\$3,290 MN
Amount allotted	HK\$1,500 MN	HK\$800 MN
Average yield accepted	5.73 PCT	5.85 PCT
Highest yield accepted	5.75 PCT	5.85 PCT
Pro rata ratio	About 1 PCT	About 80 PCT
Average tender yield	5.75 PCT	5.87 PCT

Hong Kong Monetary Authority

Tenders to be held in the week beginning 29 May, 1995

Tender date	30 May 95
Paper on offer	EF bills
Issue number	Q522
Issue date	31 May 95
Maturity date	30 Aug 95
Tenor	91 days
Amount on offer	HK\$1,500+300 MN

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Hong Kong Monetary Authority money market operations

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,207	0930	+331
Closing balance in the account	2,019	1000	+331
Change attributable to :		1100	+336
Money market activity	+322	1200	+335
LAF today	-510	1500	+335
		1600	+322

LAF rate 4.25% bid/6.25% offer TWI 119.4 *-0.1* 23.5.95

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.68	2 years	2705	6.40	100.19	6.39
1 month	5.70	3 years	3804	6.90	100.57	6.79
3 months	5.73	5 years	5003	7.75	102.35	7.29
6 months	5.84	5 years	M501	7.90	100.50	7.93
12 months	6.00					

Total turnover of EF bills and notes - \$11,934 million

Closed May 23, 1995

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