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JLG Joint Communiqué

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The Joint Liaison Group held its thirty-third meeting in London on 4, 5 and 7 July 1995.

The Group had a discussion about the Transfer of Government, including the transitional Budget and related matters, transfer of archives, etc; matters relating to Hong Kong's international rights and obligations; Hong Kong's air services agreements and air services arrangements between Hong Kong and Taiwan; Civil Service matters; the defence of Hong Kong and public order; franchises and contracts extending beyond 1997 and related matters, including reclamation plans, the Railway Development Strategy and Container terminals; Hong Kong's sewage disposal scheme; investment promotion and protection agreements between Hong Kong and relevant countries; surrender of fugitive offenders agreements between Hong Kong and relevant countries; mutual legal assistance in criminal matters between Hong Kong and certain countries; the reciprocal enforcement of judgements between Hong Kong and foreign countries; localisation of laws; adaptation of laws; the Court of Final Appeal; the implementation of the provisions of the Joint Declaration relating to the right of abode in Hong Kong after 1997; Visa Abolition Agreements; retirement protection and social welfare; Vietnamese Migrants in Hong Kong (Boat People and Refugees); intellectual property; and the transfer of sentenced persons.

The next meeting of the Joint Liaison Group will take place in Peking at a time to be agreed by the two sides.

End/Friday, July 7, 1995

Press statement by Mr Hugh Davies after JLG meeting in London

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The following statement by Mr Hugh Davies is issued on behalf of the Office of the British Senior Representative of Sino-British Joint Liaison Group:

You should by now have received copies of the Joint Communiqué which merely lists the subjects covered in our talks this week. I would like to try to add some flesh to these bare bones, and to say something about the wider context of the work of the Joint Liaison Group and Sino-British relations over Hong Kong.

As you know, we have in the past month taken some important steps forward in the JLG. First we reached agreement on the Court of Final Appeal: and then on 30 June, just before our departure for London, we resolved the two Financial Support Agreements for the Airport and Airport Railway and signed an agreed minute on the Air Cargo franchises. There have also been other encouraging signs of improved Sino-British relations over Hong Kong; as you know, the Chinese Foreign Minister, Qian Qichen, has accepted an invitation to visit Britain in October. Also, last week the Chief Secretary, Anson Chan, met Mr Qian Qichen and Director Lu Ping in Peking.

These developments have certainly provided a constructive background for our JLG work. There is, I think, an improved atmosphere and a desire on both sides to make the most of the limited time available to us before the reversion of Hong Kong to Chinese sovereignty on 1 July 1997.

At this meeting we have achieved a modest crop of agreements. For example, we have agreed on the localisation of UK legislation on biological weapons and aircraft security. We have endorsed one further Investment Promotion and Protection Agreement. And we have signed an agreed minute on the China Motor Bus franchise.

On the other hand, I have no particular progress to report on major outstanding issues such as CT9, Right of Abode, Visa Abolition and adaptation of laws. But on these, both sides have expressed their determination to find ways to break the deadlock, and we will be pursuing these and other matters at expert level on our return to Hong Kong.

I do not want to give you the impression that the Joint Liaison Group is on the verge of a new dawn. The fact is that we are dealing with many very difficult and complex subjects and our discussions remain stuck in a number of key areas. But I am nevertheless hopeful that we can build on our recent achievements. A number of expert meetings will take place in the next four weeks and we for our part will certainly do our best to maintain the momentum. We have a formidable agenda in front of us and will be tackling it with a renewed determination in the months to come.

End/Friday, July 7, 1995

Transcript of the Governor's media session

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The following is a transcript of the Governor, the Rt Hon Christopher Patten's media session after a preview of an exhibition in the Chinese University this (Friday) afternoon:

Question: (on the Legco panel report on briefing out costs)

Governor: We'll obviously study the report of the Legislative Council Panel. We've already implemented a number of measures to improve the management of the department. The Attorney General has my complete confidence. I'm overall responsible for the Government of Hong Kong. I think he does a first class job. We all have lessons to learn from this case. I can assure you that we will learn them. But he's been first class public servant in Hong Kong.

Question: What immediate measures will you take to pacify the Legislative Councillors?

Governor: I don't think that Legislative Councillors look for pacification. I think they look for us to be sincere in improving the management of all our departments including the attorney's chambers and that's something we are doing.

Question: The Consumer Council said that Towngas in Hong Kong is...Do you think the Government should...

Governor: We are studying the report and will respond to it in due course.

Question: (inaudible)

Governor: I don't think that alas the Chinese side in those negotiations have unblocked the CT9 project. I wish they had. Our proposals were as you know designed to help develop the port while increasing the competitiveness within the port facilities. That was a sensible proposal for Hong Kong and we still stand by the importance of the objectives that we set a couple of years ago.

Question: Governor, how much time will you take to investigate the Bumiputra case report submitted by the Legislative Council to you today?

Governor: We'll do that with proper expedition.

Question: (on nationality of minority groups in Hong Kong)

Governor: First of all I imagine that the British Government will need to know rather more about Chinese views on nationality and on the SAR passport. I think they will find it quite difficult to come to a view until the details of the passport are clear.

Question: Do you think Mr Mathews ... his job?

Governor: I answered that question earlier quite clearly and unequivocally.

End/Friday, July 7, 1995

Hong Kong enters period of positive co-op with China: CS

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With the agreements on the Court of Final Appeal (CFA) and the new airport reached in quick succession, the Hong Kong, British and Chinese governments can now hope to enter into a period of positive co-operation, the Chief Secretary, Mrs Anson Chan said today (Friday).

Speaking at the luncheon meeting of the India Chamber of Commerce, Mrs Chan, also pointed out that to ensure a smooth transition of government, a series of essential, but yet unaccomplished, tasks are still needed to be resolved in the months to come.

She said Hong Kong so far had agreed 16 localised bills with the Chinese side covering civil aviation, merchant shipping and other areas as well as made adaptation proposals for about 130 out of the 600 ordinances.

"But we need to move much faster. There are still 15 localisation bills to be agreed with the Chinese side," she said.

During her speech, Mrs Chan also refuted the suggestions made by various people, including the Chairman of the Bar Association, that the agreement reached with the Chinese side on the CFA undermined the rule of law and the independence of the Judiciary.

They claimed that the so-call 4+1 composition of the CFA breaches the Joint Declaration and the Basic Law and that the jurisdiction of the CFA will be restricted.

"Well, quite frankly, these claims are totally misguided and misleading," said the Chief Secretary, adding that the agreement reached on June 9 was in Hong Kong's best interests.

"The only alternative, quite frankly, is a judicial vacuum in 1997 until the SAR Government sets up the CFA, at a time and on a basis about which there can be no certainty."

Besides the rule of law, said Mrs Chan, a second guarantee of Hong Kong's successful capitalist system was a sound and effective infrastructure.

"It is important for Hong Kong to maintain its status as a centre of global and regional aviation, as well as an international financial and business centre," she said, welcoming Financial Support Agreements reached with the Chinese side.

With the two major agreements reached in quick succession and coupled with her recent visit to Beijing, said Mrs Chan: "I very much hope that we will now enter into a period of most positive co-operation between the British/Hong Kong and the Chinese governments."

The Chief Secretary also outlined a number of essential tasks which needed to be resolved to ensure a smooth transition.

These include the immigration issues, container terminals, air services agreements and retirement protection as well as the localisation and adaptation of laws.

The key to maintain Hong Kong's overall stability and confidence was a smooth transfer of government, she stressed, adding that she was pleased to note the recent results of co-operation between the British and Chinese Governments.

"But I am confident that, with the commitment of both sides, we will be able to achieve a smooth transition," said Mrs Chan.

End/Friday, July 7, 1995

The Chief Secretary's speech

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Following is the speech of the Chief Secretary, Mrs Anson Chan, at the luncheon meeting hosted by the Indian Chamber of Commerce today (Friday):

Mr Handasani, Members of the Indian Chamber of Commerce, Ladies and Gentlemen,

I. Introduction

Can I first of all apologise for my late arrival at this function. I think it will now be clear to you all why I was unable to keep to the previous commitment to speak to you all, but I am delighted that you have managed to rearrange the schedule for today's meeting, although I am very sorry that some of you who wanted to attend this luncheon are in the event unable to do so because of the difficulty in booking a venue. But I do apologise and I am delighted to have this occasion to speak to you all.

Can I first of all say that the contribution of the Indian Chamber of Commerce, your members, and indeed the entire Indian community, to the well-being and prosperity of Hong Kong is deeply appreciated. You are as much a part of the Hong Kong history and Hong Kong community as local Chinese. Your Chairman referred, just now, to your concern over British Passports for ethnic Indians. As you well know, the Government has been pressing the case with the British Government. Unfortunately, as the Chairman pointed out, we have not, so far, been successful but you can be assured that we will continue to press your case. But I also hope that the remarks of Mr Lu Ping, when he last addressed this problem, particularly in terms of assuring you all that you are all most welcome to stay in Hong Kong after 1997, and that for second and third generation Indians you can apply for Chinese nationality, will go some way towards addressing your concern, although I fully accept that it does not address your complete concern.

Contrary to conventional wisdom, summer appears, in our mind, to be somewhat a season that concentrates minds better, certainly in so far as reaching agreements about Hong Kong's future is concerned. Let me illustrate. One year ago, on 30 June 1994, the Legislative Council passed the second stage of the electoral reform package. This same day we reached agreement with the Chinese side on the future use of Hong Kong's defence estate. This year, I am very glad to note that four weeks ago, on June 9, the Senior Representatives to the Joint Liaison Group signed an agreement on the Court of Final Appeal. And three weeks later, on 30 June, we concluded discussions with the Chinese side on the long awaited Airport and Airport Railway Financial Support Agreements. At the same time, we reached agreement on the air cargo franchises. I very much hope that further agreements, especially on the important outstanding issues, will be reached in the coming months.

This afternoon, I would like to review with you all some of the important points on the two agreements reached in June. Thereafter, I would like to outline a series of essential, but as yet unaccomplished, tasks - some of which I know will be of direct concern to you - for a smooth transition which need to be resolved in the months to come.

II. Rule of Law

The very existence of an Indian Chamber of Commerce in Hong Kong illustrates several points: for example that Hong Kong is a free and capitalist society where international investment is always welcomed.

So, how do we ensure that this success is maintained? How do we ensure that we can all continue to enjoy living and doing business here? One important ingredient is the rule of law.

Court of Final Appeal

Our legal system is firmly based on the rule of law and the independence of the Judiciary. Public and international confidence in our independent judicial system has always been an important part of Hong Kong's success. Both the Joint Declaration and the Basic Law provide that the present judicial system will be maintained after the transfer of sovereignty in 1997, except for those changes consequent upon establishment of a Hong Kong-based Court of Final Appeal (CFA for short) to replace the Judicial Committee of the Privy Council as Hong Kong's highest appellate court.

As you know, on June 9 the British and Chinese Senior Representatives to the Joint Liaison Group signed a 5-point agreement reached by their experts. Now I was not then in Hong Kong, but I know that Mr Michael Leung, as Acting Chief Secretary, wrote to your Chairman that very afternoon to inform you of the details of this important agreement.

The agreement is a good one for Hong Kong, and a good one for the rule of law in Hong Kong. It guarantees the establishment of a proper court of final appeal in Hong Kong, to be set up on 1 July 1997, with Sino-British co-operation, on the basis of the established principles and practices of the Judicial Committee of the Privy Council and in accordance with the CFA Bill which we introduced into the Legislative Council on 14 June. I hope very much that the Legislative Council will enact the CFA Bill before the current session ends at the end of this month. For far too long, there has been uncertainty about the CFA. Local and international businessmen, and the people of Hong Kong, have asked how the CFA will be set up, when it will be set up and what sort of court it will be. Our agreement with the Chinese side has provided the answers to these questions. No doubt that is why the agreement has been welcomed by the business community, by Hong Kong's major trading partners and - according to independent opinion polls - by the people of Hong Kong as well.

I would like to take this opportunity to refute the suggestions made by some people, including the Chairman of the Bar Association, that the agreement that we reached with the Chinese side undermines the rule of law and the independence of the Judiciary. They claim that the so-called 4+1 composition of the CFA breaches the Joint Declaration and the Basic Law, that the jurisdiction of the CFA will be restricted because we have agreed to incorporate in the CFA Bill the formulation of "acts of state" in Article 19 of the Basic Law, and that it will be disastrous to delay the setting up of the CFA until 1 July 1997. Well, quite frankly, these claims are totally misguided and misleading.

Let me explain. The British and Hong Kong Governments have not the slightest doubt that the 4+1 composition is fully consistent with the provisions in the Joint Declaration and the Basic Law that provide for judges from other common law jurisdictions to sit on the CFA. And our view is supported by a number of authoritative independent legal opinions. Indeed the CFA Bill reflects this consistency, by incorporating both the wording of the Joint Declaration and the Basic Law and the 4+1 composition.

The claim that including the formulation of "acts of state" in Article 19 of the Basic Law in the CFA Bill has restricted the jurisdiction of the CFA also has no valid legal basis. As a matter of law, Article 19 of the Basic Law, which provides that the Courts of the Hong Kong Special Administrative Region shall have no jurisdiction over acts of state such as defence and foreign affairs, will be the law of Hong Kong as from 1 July 1997. The CFA Ordinance, which will come into operation on the same day, cannot overrule the Basic Law. So, as a matter of law, the jurisdiction of Hong Kong Courts will be subject to Article 19, whether or not it is included in the CFA Ordinance.

I now turn to the timing for setting up the CFA. It is no secret that we were planning to establish the CFA by July 1996 to give it about a year to build up experience before the transfer of sovereignty. But we would have had to pay a very big price to achieve that. Introducing the CFA Bill into the Legislative Council without Chinese agreement, and with no guarantee that any Court set up as a result would survive 1997, would have meant a loss of public and international confidence because there would have been continuing uncertainty about the form of the CFA after 30 June 1997.

According to the agreement reached on June 9, the preparatory work for the establishment of the Court will be done before the transfer of sovereignty. This is so that on 1 July 1997, the judges can be appointed, the rules of court made, and the Court can commence work immediately. We have received the British Government's assurance that the Privy Council will continue to retain its jurisdiction over cases from Hong Kong up to 30 June 1997, and will give priority to Hong Kong appeals in the months immediately prior to July 1997. Nobody will be deprived of his or her right of final appeal because of any gap between the ending of appeals to the Privy Council and the establishment of the Court of Final Appeal.

I think it is pretty obvious from what I have said that the agreement we reached on 9 June is in Hong Kong's best interests. The only alternative, quite frankly, is a judicial vacuum in 1997 until the SAR Government sets up the CFA, at a time and on a basis about which there can be no certainty. The business sector certainly welcomes the agreement and I hope very much that Members of the Legislative Council will also recognise the benefits of passing the CFA Bill and the serious consequences of not doing so. I am sure that we can count on the support of this Chamber for the agreement and the Bill.

III. The New Airport

A second guarantee of Hong Kong's successful capitalist system is, I will say, a sound and effective infrastructure. It is important for Hong Kong to maintain its status as a centre of global and regional aviation, as well as an international financial and business centre. To this end, we are pressing ahead with construction of the new airport at Chek Lap Kok, and the other nine related projects in the Airport Core Programme.

In the Airport Memorandum Of Understanding signed in September 1991 the Chinese side gave formal support to the Airport Core Programme. On 4 November 1994, an Agreed Minute was signed with the Chinese side on the overall financing arrangements for the new airport and airport railway. This provides that the Government will inject not less than \$60.3 billion into the two projects, whilst allowing the Mass Transit Railway Corporation and the Airport Authority to borrow up to \$23 billion by the time of project completion. With this assurance in hand, the Mass Transit Railway Corporation were able to award all major contracts for construction of the Airport Railway. On 30 June, as you know, we finally agreed with the Chinese side on the Financial Support Agreements for the two statutory Corporations. We welcome this. The Financial Support Agreements give the two organisations the assurances that they need to obtain the most competitive terms on the \$23 billion that they will borrow to complete the airport railway and the first phase of the airport, and for the Government to inject additional equity where necessary and justified.

We have also been consulting the Chinese side on major franchises for the new airport. Agreement has been reached on the terms for the award of the air cargo terminal franchise. But there will be other franchises to consider and work on this will continue in the coming months but we will need to reach agreement with the Chinese expeditiously if the airport's early and effective operation is not to be adversely affected.

IV. What's next?

With two major agreements reached in quick succession and with my own recent visit to Beijing, I very much hope that we will now enter into a period of more positive co-operation between the British/Hong Kong and the Chinese Governments. This is what the community and the Civil Service want to see. But much still remains to be done. I would like to spend the rest of my speech to outline some of the issues that need to be settled to ensure a smooth transition.

Immigration Issues

Firstly, immigration issues, which I know are close to your heart. This is one area that affects the entire Hong Kong community, whether local Chinese or expatriates. It also affects those Hong Kong people who have obtained a second nationality elsewhere. We need to know exactly who will have, and continue to have, a right of abode in Hong Kong after 1997. We need to know when, and how, the SAR passports will be issued. We also need to be certain that the SAR passports will be readily accepted by the international community, thereby guaranteeing our freedom of travel. We have been discussing with the Chinese side how the Immigration Ordinance should be amended to ensure that it is brought into line with the Basic Law. One of the main objectives of this process is to obtain certainty. I cannot over-emphasise the importance for us to make quick progress on this, in particular for former Hong Kong people who have acquired foreign nationality. Early resolution of these issues will do much to instil confidence, both amongst the local population and the business community. And I am glad to be able to assure you that discussions with the Chinese are continuing and I think both sides appreciate the urgency in resolving these issues.

Container Terminals

Another area where urgent progress is needed is the container terminals. This is an important element of our infrastructure. It is crucial to Hong Kong's position as a trading port. Our existing facilities are under pressure and we urgently need new ones - but even if we were to start building tomorrow, no new terminals could be brought into use until mid-1997. Put that against our forecasts of demand which tell us that we shall have to provide three new terminals by the turn of the century, then you can readily appreciate why there is an urgency to resolve this issue once and for all. I hope that in the coming months, we can reach agreement with the Chinese side on how to proceed not only in respect of Container Terminal 9 but also Terminal 10 and 11.

Air Services Agreements

Coming back now to aviation matters. Construction of Hong Kong's new airport can now, with last week's agreement, press full steam ahead. But who will use the new airport? We wish to ensure that as complete a set of Air Services Agreements as possible will be in place on 1 July 1997. The two sides have been negotiating on this subject since 1986. But regrettably, after an encouraging start, recent progress has been very slow. So far, 11 Air Services Agreements have been signed, but many more (about 40) Air Services Agreements and Air Transit Agreements will need to be concluded to maintain Hong Kong's status as an international and regional civil aviation centre. It is clearly in Hong Kong's interest, and indeed in China's, that the outstanding agreements are resolved before 1997. Again, we need to see substantive progress on this subject in the months ahead.

Retirement Protection

The physical infrastructure of the Airport and Container Terminals is undoubtedly important. But we also need to improve our social infrastructure. For example, I do not think there is anyone in the community who would deny that those members of our workforce, both employees and the self-employed, who have contributed to our economic well-being and stability, deserve to pass their retirement in dignity and financial security. At present, there are about 560,000 people over the age of 65. That number will rise to about 1 million by the year 2016. For many years now, we have been discussing the best way of providing for such retirement protection in Hong Kong and quite frankly, we cannot go on talking, we must now take positive action to proceed. And after extensive consultation with the Legislative Council and within the community, we have now put forward firm proposals on how this important issue should be addressed.

From the results of submissions and in subsequent discussions received on the proposal for the Old Aged Pension Scheme, we have concluded that a system of Mandatory Provident Fund Schemes is the one that most accords with Hong Kong's way of life and one that commands the most support. That is why we introduced a Bill into the Legislative Council last month to provide for an accountable retirement protection system.

The MPF Schemes Bill will provide for retirement protection coverage for all employees and self-employed persons between the ages of 18 and 65, unless they fall into one of the exempted categories. Employers and employees would each be required to contribute 5% of the latter's relevant income to a registered scheme. All benefits derived from these contributions would be preserved until the beneficiary reached the age of 65, left the workforce permanently at or after the age of 60, or under prescribed circumstances such as emigration. There would be provision for the accrued benefits to be transferred from the scheme operated for the former employer to that run for the new employer when an employee changes job.

It remains our aim for the Bill to be enacted before the end of the current legislative session this month. Let me stress that this Bill is an enabling Bill setting out the principal features of the proposed scheme. Many details will need to be discussed and agreed subsequent to the passing of the Bill. These details will then be enshrined in subsidiary legislation to be enacted in the next session of the Legislative Council. In other words, there will be ample time for consultation with the Chinese side, with the Legislative Council and with other interested sectors of the community over the next 18 months. I hope that all parties concerned, will work together with us to bring about certainty in retirement protection and I encourage you all to provide comments on the detailed implementation aspects of the Mandatory Provident Fund Scheme.

Legal Continuity - Localisation and Adaptation of Laws

So far, I have concentrated on issues which reflect Hong Kong's need for a sound infrastructure, both physical and social. We should not forget the rule of law, the foundation of Hong Kong's success. In Hong Kong we enjoy legal certainty. Everybody knows the consequences of unlawful actions, as well as the sort of protection provided by the law. The Joint Declaration ensures that our existing laws shall be maintained. Of course, because of the transition some laws will need to be changed, for example British enactments will need to be localised, Hong Kong's own laws will need to be adapted to bring them into line with the Basic Law. This work is one of the more important tasks tackled by the Joint Liaison Group. Some progress is being made. We have, for example, so far agreed 16 localising bills with the Chinese side covering civil aviation, merchant shipping and other areas. We have also made adaptation proposals for about 130 out of the 600 ordinances on the statute book.

But we need to move much faster. There are still 15 localisation bills to be agreed with the Chinese side. We need to agree on a way forward soon on the adaptation programme, if we are to have a complete set of laws which are in force and fully compatible with the Basic Law by 1 July 1997.

Smooth Transfer of Government

Aside from specific policy issues, it is essential that there is a smooth transfer of government. This is the key to maintaining Hong Kong's overall stability and confidence and as head of the civil service, I attach great importance to sustaining morale, confidence, and efficiency in the civil service. There are, of course, solid assurances in the Joint Declaration and the Basic Law on the continuity of the civil service. We have agreed with the Chinese side on a pension scheme, and the setting up of a pension reserve fund for civil servants. We also have a team of local officials who are both experienced and capable of assuming positions in the top echelons of the SAR Government.

The Hong Kong Government is committed to co-operating with the Preparatory Committee to be established early next year, as well as with the Chief Executive Officer designate and his team in bringing about a smooth transition.

V. Conclusion

And so to conclude. As I have said at the beginning of my speech, I am very pleased to note the recent results of co-operation between the British and Chinese Governments and I hope that this spirit of co-operation will be strengthened in the weeks and months ahead. In less than two years' time, Hong Kong will face the most momentous event in its entire history. If this moment is to pass without concern and worry, a great deal of work will need to be done in the Joint Liaison Group and elsewhere. But I am confident that, with the commitment and active co-operation of both sides, we will be able to achieve a smooth transition.

End/Friday, July 7, 1995

Transcript of the Chief Secretary's Q & A session

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Following is the transcript of the question-and-answer session by the Chief Secretary, Mrs Anson Chan, at the luncheon meeting of the Indian Chamber of Commerce today (Friday):

Question: (Inaudible)

CS: Let me answer the first part of your observation first. I really cannot agree with your observation, particularly as you say since 1982 that various government departments have been acting in confusion. I think that in the last decade, and in fact over a much longer period successively, we have made very, very serious attempts, and on the whole succeeded, in improving both the quality and quantity of our service. You have just to witness, for example, our commitment, our performance pledges, the fact that we are prepared to make known our standards of how we are doing, we publish our policy commitments and the progress that has been made. So I can assure you that it is the wish and the commitment of every individual civil servant to work towards improving service and towards serving to the best of their ability the Hong Kong community.

Now I cannot, of course, comment on individual cases but I am sure the Immigration Department will have an excellent answer to your question. If you care to provide details to the Director of Immigration, I am sure he will be very pleased to explain to you the decisions taken.

Question: (Inaudible)

CS: I wouldn't disagree with your observation that the general aim in enacting the legislation will be to ensure consistency. But on the other hand, laws do have to reflect changes and part of Hong Kong's success is indeed our ability to respond expeditiously and pragmatically to changes. So the fact that a piece of legislation has been enacted and existed for a period of time does not mean that that piece of legislation will stay immutable for ever more.

Now again, I am not able to, because I don't quite know which sections of the Immigration Ordinance you are referring to and I must confess I am not familiar with the detailed provisions, but again, if you wish to seek a clarification as to the apparent inconsistency of treatment, I am sure the Director of Immigration will be very happy to answer any questions you may have.

Question: (Inaudible)

CS: Well, as you know, we have a very comprehensive, and indeed we have improved our social security safety net. Those people who are old or indeed who are unable to earn sufficient to maintain themselves and their family, or who are disadvantaged, sick, disabled, etc, they can claim social security payments.

Question: (Inaudible)

CS: Well actually, no. For an average elderly person, if he met all the requirements, he could claim much more than just \$2,000. It depends on circumstances. You are quite right in saying there is a basic rate but on top of that we do give additional allowances to meet individual needs because some elderly people may have more needs than others and it is one area that we pay particular attention to. And it is one area where we have, particularly in recent years, spent the greater part of the public expenditure, that is in improving the lot of the elderly population because the community as a whole feels that this is one area that deserves greater support. And I can assure you that this is an area that we will continue to pay very close attention to.

But we feel that the burden of looking after elderly people is a burden that should be shared by the community and by the Government as a whole because if the entire burden was to fall simply just on the Government, then I'm afraid that increasingly, taxpayers will have to bear the burden. But we feel that in this area, quite clearly employers and employees can also play their part and that is why we have designed the Mandatory Provident Fund Scheme.

Question: (Inaudible)

CS: Yes, they will continue to benefit. I can assure you that to the extent that some people have not contributed or are unable to contribute, they will be able to rely on social security payments. We are also, of course, at the moment conducting an overall review of the adequacy of social security payments for the entire population, whether it is for the single parent families, for elderly people or for other groups. And in the light of that review we will, of course, decide whether existing levels of payments are adequate and if not, what resources we can devote towards increasing these payments.

End/Friday, July 7, 1995

Volume and price movements of external trade in April 1995

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In the first four months of 1995, the volume of re-exports increased by 16% over the same period last year, while the volume of domestic exports increased by 7.3%, according to the statistics released today (Friday) by the Census and Statistics Department.

Taking re-exports and domestic exports together, the volume of total exports increased by 15%. Meanwhile, imports increased by 19% in volume.

The growth in the volume of trade is derived from the growth in trade values with the effect of price changes being discounted.

As regards price changes over the same period of comparison, the prices of re-exports and domestic exports increased by 3.4% and 2.2% respectively. Import prices increased by 5.6%. Price changes are reflected by changes in unit value indices, which are compiled based on average unit values or, for certain commodities, based on specific price data.

The terms of trade index, defined as the ratio of total export price index to import price index, decreased by 2.3% in the first four months of 1995 over the same period last year.

Comparing April 1995 with April 1994, the volume of re-exports increased by 9.1%, while that of domestic exports decreased by 1.7%. Taken together, the volume of total exports increased by 7.1%. Meanwhile, the volume of imports grew by 12%.

Over the same period of comparison, the prices of re-exports and domestic exports increased by 3.9% and 2.8% respectively. Import prices increased by 6.6%.

The changes in the value, unit value and volume of re-exports by end-use category are shown in Table 1.

Comparing April 1995 with April 1994, the volume of re-exports of all end-use categories recorded increases of various magnitudes: capital goods (+29%), fuels (+21%), foodstuffs (+10%), raw materials and semi-manufactures (+9.9%), and consumer goods (+1.5%).

Over the same period of comparison, increases in the prices of re-exports were noted of most of the end-use categories: raw materials and semi-manufactures (+9.4%), fuels (+6.0%), foodstuffs (+2.6%), and consumer goods (+2.4%). The re-export price of capital goods decreased by 0.1%.

The changes in the value, unit value and volume of domestic exports by principal commodity group are shown in Table 2.

Comparing April 1995 with April 1994, commodity groups which recorded increases in volume of domestic exports included textile made-ups and related articles (+22%); and electronic components (+14%).

The volume of domestic exports of radios of all kinds and domestic electrical appliances decreased by 37% and 32% respectively.

Commodity groups which recorded increases in domestic export prices included textile made-ups and related articles (+13%); and metal ores and scrap (+9.2%).

The domestic export price of travel goods, handbags and similar articles decreased by 3.0%.

The changes in the value, unit value and volume of imports by end-use category are shown in Table 3.

The import volume of foodstuffs increased by 17% in April 1995 compared with April 1994.

Significant increases in the import volume were noted of soya bean oil, peanut oil, vegetable oil and lard; and milk, butter, cheese and eggs. However, decreases in the import volume were noted of rice; and animals of the bovine species, live. Over the same period of comparison, the import volume of consumer goods increased by 4.4%.

Significant increases in import volume were recorded in cameras, flashlight apparatus and supplies for photography; and alcoholic beverages. However, decreases in the import volume were noted of tobacco manufactures; and clothing.

The import volume of raw materials and semi-manufactures increased by 13% in April 1995 compared with April 1994.

Significant increases in import volume were noted of yarn of man-made fibres; and chemical elements and compounds. The import volume of silk fabrics; and wood, lumber and cork declined.

Imports of fuels decreased by 5.3% in volume in April 1995 compared with April 1994.

As regards capital goods, the import volume increased by 30% in April 1995 over April 1994.

Notable increases were recorded in the import volume of transport equipment; and office machines. The import volume of textile machinery however declined.

Comparing April 1995 with April 1994, the import prices of all end-use categories increased: raw materials and semi-manufactures (+9.3%), capital goods (+6.3%), consumer goods (+5.1%), foodstuffs (+4.7%), and fuels (+0.1%).

Details of the above statistics are published in the April 1995 issue of the "Hong Kong Trade Index Numbers".

The report will be available on sale around 11 July 1995 at \$14 per copy at either the Government Publications Centre on ground floor, Low Block, Queensway Government Offices, 66 Queensway; or the Publications Section of the Census and Statistics Department on the 19th Floor, Wanchai Tower, 12 Harbour Road, Wan Chai.

Enquiries regarding regular subscription to this report may be directed to the Publications (Sales) Office of the Information Services Department at 28th floor, Siu On Centre, 188 Lockhart Road, Wan Chai, Hong Kong (Tel. No.: 2598 8194) and enquiries on trade indices to the Census and Statistics Department (Tel. No.: 2582 4918).

Table 1 : Changes in re-exports by end-use category

End-use category	Comparing APR 1995 with APR 1994			Comparing JAN-APR 1995 with JAN-APR 1994		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	10.7	2.6	10.5	27.4	2.6	26.0
Consumer goods	4.0	2.4	1.5	9.5	2.0	8.2
Raw materials and semi-manufactures	20.9	9.4	9.9	31.9	8.2	21.5
Fuels	25.5	6.0	20.5	25.6	5.7	21.7
Capital goods	26.0	-0.1	29.2	28.0	0.2	30.7
ALL COMMODITIES	13.0	3.9	9.1	19.3	3.4	16.4

Table 2 : Changes in domestic exports by principal commodity group

Commodity group	Comparing APR 1995 with APR 1994			Comparing JAN-APR 1995 with JAN-APR 1994		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Clothing	7.4	2.1	5.3	9.4	1.4	7.9
Textile fabrics	-10.6	4.5	-14.6	-3.5	4.8	-7.8
Textile yarn and thread	-14.7	1.8	-17.0	1.3	2.2	-1.7
Textile made-ups and related articles	37.5	12.6	22.1	17.3	13.7	2.4
Radios of all kinds	-40.2	-1.9	-37.2	-30.4	-0.3	-22.5
Electronic components	17.3	3.9	13.9	31.7	4.2	29.2
Footwear	7.7	7.1	3.2	-52.9	3.3	-55.3
Metal manufactures	-18.1	3.0	-20.9	0.4	1.9	-0.4
Metal ores and scrap	-12.6	9.2	-19.9	28.9	6.5	17.1
Watches and clocks	9.5	3.4	4.9	14.5	3.0	10.3
Travel goods, handbags and similar articles	-6.4	-3.0	-2.3	-0.5	-4.3	4.8
Domestic electrical appliances	-29.9	3.4	-32.4	-13.7	1.2	-14.4
ALL COMMODITIES	1.5	2.8	-1.7	9.9	2.2	7.3

Table 3 : Changes in imports by end-use category

End-use category	Comparing APR 1995 with APR 1994			Comparing JAN-APR 1995 with JAN-APR 1994		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	21.5	4.7	16.6	22.6	5.0	16.9
Consumer goods	9.3	5.1	4.4	14.1	4.2	10.3
Raw materials and semi-manufactures	24.3	9.3	13.0	31.7	8.4	21.0
Fuels	-2.9	0.1	-5.3	50.5	0.5	48.9
Capital goods	38.3	6.3	30.1	38.6	4.1	33.3
ALL COMMODITIES	20.5	6.6	12.3	25.4	5.6	19.1

End/Friday, July 7, 1995

Comments on briefing out costs in Bumiputra case

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Commenting on the Report of the Legislative Council Panel on Administration of Justice and Legal Services, on the briefing out costs in the Bumiputra Malaysia Finance Ltd case, a spokesman for the Legal Department said today (Friday):

"The Panel has made a detailed examination of the issues and has produced a thorough report. We shall study the report carefully and give serious consideration to its observations and recommendations.

"The Panel's Report and the Director of Audit's Report earlier have identified areas where improvements could be made to the briefing out system. We have taken a number of steps to address the issue. Measures have been adopted since the beginning of this year to tighten procedures and to enhance accountability. The Attorney General has appointed a high-level and broadly based Working Party under the Director of Public Prosecutions to conduct a comprehensive review of the system. We are determined to have a system that is cost-effective and accountable to the public. The Panel's Report will be referred to the Working Party which will give careful consideration to the recommendations in it. The Working Party will report to the AG by the end of the year. At that time, we shall report back to the Panel."

End/Friday, July 7, 1995

FS (Designate) calls on Japanese Foreign Minister

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On the last leg of his three-month familiarisation tour in preparation for assuming office as the Financial Secretary in September, Financial Secretary (Designate) Mr Donald Tsang called on Mr Yohei Kono, Japanese Foreign Minister and Deputy Prime Minister, in Tokyo this (Friday) afternoon.

During his meeting with Minister Kono, Mr Tsang reaffirmed Hong Kong's commitment to promoting the liberalisation of trade.

"Hong Kong is looking forward to achieving a substantial outcome at the Osaka APEC Economic Leaders Meeting which proves APEC's credibility," he said.

Mr Tsang noted that Hong Kong stood firm in its commitment to free trade and was always ready to assist and co-operate with the Japanese in achieving this goal.

Mr Tsang has spent the past few days in Japan (July 5-7). He met a wide cross-section of business and political leaders, including Governor Matsushita of the Bank of Japan; Chairman Toyoda of Keidanren; Mr Toru Hashimoto, Chairman of the Federation of Bankers Association of Japan; Mr Tsutomu Hata, former Prime Minister; and other leading politicians.

Ends/Friday, July 7, 1995

Report of the Informal Group on Secondary Mortgage Market

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According to the Report of the Informal Group on Secondary Mortgage Market released today (Friday) by the Hong Kong Monetary Authority, there are fertile grounds for the development of the secondary mortgage market in Hong Kong. Along with growing affluence of the Hong Kong economy and increasing home ownership, outstanding residential mortgage loans as a percentage of GDP rose from 11.4 per cent in 1984 to 29.2 per cent in 1994.

A properly developed secondary mortgage market can play a useful role in channelling long term funds (such as insurance and pension funds) to meet the rising demand for long-term home financing.

To facilitate market development, the Report has made the following recommendations:

- (i) The structure of a mortgage-backed securities (MBS) issue should be as simple as possible.
- (ii) MBS issues should preferably be rated by reputable rating agencies.
- (iii) The underlying mortgage pool should broadly conform with the benchmark pool.
- (iv) Authorised institutions wishing to securitise their mortgages are encouraged to have an early discussion with the HKMA on issues such as balance sheet treatment of the mortgages and capital adequacy ratio for their MBS paper.

- (v) Some collective effort on the part of market participants in reducing the heterogeneity in the structure of MBS and the underwriting standards is desirable.

Private sector members of the Informal Group consider that the setting up of a government-supported mortgage corporation operating on prudent and profit-oriented principles will contribute to the development of the secondary mortgage market in Hong Kong. The Government will study the views expressed in the Group.

In deciding whether or not the mortgage corporation proposal should be supported, the Government would need to take account of wider issues, including the financial implications, the contribution of the corporation to the stability of the banking system and the development of the debt market, as well as the impact on the property market.

The Informal Group on the Secondary Mortgage Market was set up by the HKMA in February last year. It included representatives of financial institutions which are active participants in the market.

The Report summarises the study carried out by the Informal Group on: (a) different forms of mortgage securitisation; (b) various issues affecting market development including asset quality, liquidity and legal issues; as well as (c) the implications of the development of the secondary mortgage market for the banking system, the debt market, and the property sector. The Report also includes a discussion of the regulatory treatment of mortgage-backed securities.

End/Friday, July 7, 1995

Vigilance for sharks to remain as summer holidays approach

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Members of the public should not swim at beaches in Sai Kung District where shark warning signals are still in force, the Chairman of the Government's Inter-departmental Working Group on Shark Attacks, Mr Ian Petersen, said today (Friday).

Mr Petersen, who is also the acting Deputy Secretary for Recreation and Culture, made the call after a shark sighting near Clear Water Bay First Beach was reported by the Government Flying Service during its routine surveillance duty early this morning.

This sighting was the first since June 28.

Mr Petersen pointed out that with the approach of the summer holidays, more people, and especially students, might wish to swim at beaches.

"It is, therefore, of paramount importance that they swim only at gazetted beaches outside Sai Kung and remain vigilant when they engage in any kind of water sports," he said. Mr Petersen also appealed to teachers and parents to help ensure that their pupils and their children were aware of the potential danger to themselves and how to minimise it. "They should always follow the advice of lifeguards and/or the police on the spot and respond promptly to their instructions for their own safety."

As an alternative to swimming at beaches, he said, they could make use of the 27 swimming pool complexes managed by the two Municipal Councils in various districts, noting that some of these are open from 6.30 am to 10 pm daily.

In a bid to put across the message to students before their current school terms terminate in mid-July, posters explaining the danger posed by sharks and the precautions to be taken have been distributed to all primary and secondary schools in the territory by the Inter-departmental Working Group with the assistance of the two Municipal Councils and the Education Department.

These posters are also on display at Information Services Department poster sites and various Government and Municipal Council buildings to drive home the message to the general public, Mr Petersen noted.

Over 4,000 posters have been distributed as part of the publicity package which includes on-going advisory warnings on the radio and the television.

Shark warning flags have been hoisted at the Campers, Clear Water Bay First, Clear Water Bay Second, Hap Mun Bay, Kiu Tsui, Pak Shan Chau, Silverstrand and Trio beaches since June 2.

The Government Flying Service will continue with its dawn surveillance programme over Sai Kung waters on Fridays and weekends to monitor the situation. Lifeguards at gazetted beaches and the Marine Police were also on the alert to spot sharks and respond as necessary.

Meanwhile, the Working Group will review the situation regularly and to keep the public informed of the latest developments.

Follow-up action is being taken by the Working Group on the recommendations made to the Government by shark expert Mr George Burgess from Florida and Dr Yvonne Sadovy of the University of Hong Kong in their preliminary evaluation, the findings of which were released last week.

End/Friday, July 7, 1995

Progress report on the Government's anti-drugs initiatives

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The Government has released today (Friday) the first quarterly report on the progress of its package of measures to combat the growing problem of drug abuse by young people.

A total of 26 initiatives, covering law enforcement, preventive education, treatment and rehabilitation, and research, were included in the Forward Action Plan announced by the Governor at the summit meeting on drugs held in March this year. All parts of the Government involved in the fight against drugs have worked together to take the measures forward.

The report was issued to keep summit participants informed of the progress made by the Government on a quarterly basis.

End/Friday, July 7, 1995

Market competition does good to telecommunications

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In a vast evolving and hi-tech industry like telecommunications, the most effective way to spur technological innovations and stay competitive is not through Government intervention, but market competition, the Chief Secretary, Mrs Anson Chan, said.

Speaking at the opening ceremony of the Hongkong Telecom Tower today (Friday), the Chief Secretary remarked that Hong Kong was now proud to have one of the most liberal local telecom markets in the world today.

Starting July 1, local fixed network services have been opened to competition.

Mrs Chan said through competition, it was expected that in the next few years, there would be many more intelligent buildings like the Hongkong Telecom Tower and a rapid extension of fibre optic technology and broadband services to all homes and offices in Hong Kong.

"It will give us a head start in the Information Age and turn Hong Kong into an intelligent city well ahead of our competitors," she said.

Mrs Chan said the state-of-the-art optical fibre system in the Tower would help to promote the development of Hong Kong's information super-highway by setting a new standard of building design.

"This very impressive building not only provides the office space to meet the future development of Hongkong Telecom, but it also represents a significant commitment of Hongkong Telecom to the future of Hong Kong," said the Chief Secretary.

End/Friday, July 7, 1995

Bank Brussels Lambert S.A. granted licence

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A Government spokesman said today (Friday) that Bank Brussels Lambert S.A. (BBL) had been granted a banking licence to conduct business in Hong Kong.

BBL was incorporated in Belgium. It ranks 150th in the world and fourth in Belgium in terms of capital. It operates 964 domestic branches and has overseas branches in the United Kingdom, the USA, Singapore, Italy and Spain.

In Hong Kong, BBL has been operating a representative office since October 1985. The bank expects that by upgrading to a branch bank, it would be able better to serve its clients with business transactions in Hong Kong, China and Taiwan.

The principal business of the proposed branch will include trade financing, foreign exchange, money market transactions, corporate and private banking business. It will also provide support to the bank's Beijing Representative Office which was opened in October last year.

The spokesman said the continuing interest of foreign banks in entering the local market reflected Hong Kong's continued importance and attractiveness as a major international financial centre. The licence for BBL is the fourth banking licence granted in 1995.

There are now 183 licensed banks in Hong Kong, of which 152 are incorporated outside the territory.

End/Friday, July 7, 1995

Central and Western District Health Festival

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A two-week Health Festival will be launched in the Central and Western District on Sunday to arouse health consciousness and promote a better understanding of health education.

Part of the festival will focus on two funfair days on July 9 and July 23 from 11 am to 5 pm in the Hong Kong Park Indoor Games Hall and Western Park Indoor Games Hall respectively.

The event was jointly organised by the Central and Western District Board Health Festival Organising Committee, the Urban Council, the Department of Health, the Hospital Authority and with the assistance of various medical organisations.

Programme activities will include free medical check-ups, health talks on various topics, healthy cooking menu contest, video shows on health knowledge, lectures on cancer prevention and other common health problems and game stalls.

Admission, as well as participation in all programme activities, is free.

The officiating guests for the opening ceremony will be the Deputy Secretary for Health and Welfare, Mrs Shelley Lau; the Hospital Chief Executive of Tsan Yuk Hospital, Dr Tina Tam; the Hospital Chief Executive of Queen Mary Hospital, Dr Vivian Wong; Urban Council Member Mr Kam Nai-wai; the Central and Western District Officer, Mr Philip Yung; the Chairman of Central and Western District Board, Mr Yuen Bun-keung; and Chairman of the Organising Committee, Dr Kwok Ka-ki.

Attention News Editors:

Your representatives are invited to cover the opening ceremony of the Central and Western District Health Festival to be held at 2 pm on Sunday (July 9) at the Hong Kong Park Indoor Games Hall.

End/Friday, July 7, 1995

Reclamation works to be carried out in Sham Tseng

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The Government will construct a seawall and carry out reclamation in Sham Tseng to provide land for a sewage treatment plant, an open space, an electric substation, a waterfront promenade, and for road widening and realignment of the Castle Peak Road.

The reclamation work will be carried out within an area of 9.14 hectares of foreshore and sea-bed at Sham Tseng, beginning in early 1996 for completion by mid 1997.

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

The notice and its related plan can be seen at the Lands Department's Survey and Mapping Office, 14th floor, Murray Building, Garden Road; and at the Tsuen Wan District Office, first floor, Tsuen Wan Station Multi-storey Carpark Building, 174-208 Castle Peak Road, Tsuen Wan.

Any person who considers that his interest, right or easement in or over the foreshore and sea-bed involved will be affected by the reclamation works may submit a written claim for compensation to the Director of Lands on or before July 7, 1996.

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

Meanwhile, the Government plans to construct a drainage channel discharging into Tung Chung Wan. The dredging works in connection with this project will be carried out within an area of 41,300 square metres of foreshore and sea-bed in Tung Chung Wan.

The works will commence in February 1996 for completion by about August 1998.

The extent of the area affected is notified in the Gazette today (Friday).

The notice and its related plans can be seen at the notice boards at the following locations:

- * Tung Chung Rural Committee Office;
- * Ma Wan Chung, Tung Chung;
- * Tai O Rural Committee Office;
- * Lung Tseng Tau Village;
- * Wong Ka Wai Village;
- * Sheung Ling Pei Village;
- * Ha Ling Pei Village;

- * Fui Yiu Ha Village;
- * Wong Nai Uk Village;
- * Sha Tsui Tau, Tung Chung;
- * the Lands Department's Survey and Mapping Office, 14th floor, Murray Building, Garden Road;
- * the Islands District Office, 20th floor, Harbour Building, 38 Pier Road, Central;
- * the Islands District Office, Mui Wo Sub-office, ground floor, Mui Wo Government Offices, 2 Ngan Kwong Wan Road, Mui Wo, Lantau Island; and
- * New Airport Section (NT Office), Lands Department, 22nd floor, Tsuen Wan Government Offices, 38 Sai Lau Kok Road, Tsuen Wan.

Any person who considers that his interest, right or easement in or over the foreshore and sea-bed involved will be affected may submit a written objection to the Director of Lands on or before September 7.

End/Friday, July 7, 1995

New road for Peng Chau proposed

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The Territory Development Department's Hong Kong Island and Islands Development Office has proposed constructing a new road on Peng Chau.

The new road, which is about 250 metres long, will provide access from Peng Chau Rural Public Housing Estate to Tai Lei Island.

The roadworks also include the construction of drainage and other ancillary works.

A notice of the proposed works was gazetted today (Friday).

The plan and scheme of the proposed roadworks can be seen at the Public Enquiry Service Centre of the Central and Western District Office, the Islands District Office and the Islands District Lands Office.

Any person wishing to object to the proposed works should write to the Secretary for Transport, Central Government Offices, East Wing, second floor, Lower Albert Road, Hong Kong no later than September 5.

End/Friday, July 7, 1995

Road works in Hung Hom

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The Government intends to implement road works in the Hung Hom Bay reclamation and at the approach roads to the Cross Harbour Tunnel Plaza.

The road works serve to provide a road system for developments on the Hung Hom Bay reclamation and to improve traffic conditions in the Hung Hom and east Tsim Sha Tsui areas near the Cross Harbour Tunnel. Works are expected to start later this year and will be completed in about late 1998.

The Governor-in-Council has authorised the works with modifications described in a Gazette notice today (Friday).

The notice on the modifications can be seen on notice boards posted near the site.

The plan showing the modifications may be seen by members of the public free of charge at:

- * Central and Western District Office, Public Enquiry Service Counter, ground floor, Harbour Building, 38 Pier Road, Central, Hong Kong;
- * District Lands Office, Kowloon West, 10th floor, Yau Ma Tei Car Park Building, 250 Shanghai Street, Kowloon;
- * Yau Tsim Mong District Office, ground floor, Mong Kok Government Offices, 30 Luen Wan Street, Kowloon, and;
- * Kowloon City District Office, 141-143, Kau Pui Lung Road, first floor, Kowloon.

End/Friday, July 7, 1995

Bull's Nose Banyan puts down new roots

The eastern banyan tree, which was caught in mid-flight after having been rooted to the spot before the First World War, was moved from the Bull's Nose at the Prince of Wales Barracks to its new position on the opposite side of Victoria Basin.

In what was a slow and delicate operation, the "flowerpot", which had been built around the tree's rootball, was lifted into the air and then lowered into a barge anchored alongside. Once the Banyan was secured, the barge made the 500-yard journey across the basin where the tree was removed and re-planted on the site of the former HMS Tamar's workshops.

To appease the God of the Earth, workmen lit joss sticks, burnt paper money and offered up a roasted pig to ensure the tree survived the journey and would take root and flourish in its new spot.

The eastern Banyan lay directly in the path of a proposed road and so work began six months ago to uproot it in preparation for its transfer. The size of its crown was reduced making it less heavy to move and causing less water to be lost through the leaves. Work was also carried out to prune back the tree's giant rootball.

The western tree is to remain in its old position and when reclamation is completed it will finally lie outside the boundary wall of the barracks, in the raids verge.

End/Friday, July 7, 1995

176 redundant teachers found jobs

All redundant teachers registered with the Education Department's Place Service have been successfully placed in various aided primary schools, an Education Department said today (Friday). "The department would like to thank the sponsoring bodies and school authorities for their co-operation in accepting all 176 redundant teachers," the spokesman said.

He said all aided primary schools had been informed that there was no longer a need to reserve vacancies for redundant teachers.

The Placement Service, set up in 1975, has so far assisted some 7,000 redundant aided primary schools teachers in finding jobs.

End/Friday, July 7, 1995

Dualling of Sha Tau Kok Road

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The Governor-in-Council has authorised the works in connection with the dualling of Sha Tau Kok Road subject to the modifications as given in a notice gazetted today (Friday).

The works include widening and reconstruction of the section of Sha Tau Kok Road from Lung Yeuk Tau to Ping Che Road junction from single two-lane to dual two-lane carriageway with a roundabout each at Ma Liu Shui San Tsuen and Lau Shui Heung; construction of a footbridge near Ma Liu Shui San Tsuen; installation of noise barriers; and associated drainage, street lighting, landscaping, watermain diversion; retaining walls and slope works, and other ancillary works.

Works are expected to commence in November and will take 30 months to complete.

The plan can be seen at:

- * Central and Western District Office, Public Enquiry Service Centre, ground floor, Harbour Building, 38 Pier Road, Central, Hong Kong;
- * District Lands Office, North, sixth floor, North District Government Offices, 3 Pik Fung Road, Fanling, New Territories; and
- * North District Office, third floor, North District Government Offices, 3 Pik Fung Road, Fanling, New Territories.

End/Friday, July 7, 1995

Hong Kong Monetary Authority money market operations

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account .	1,777	0930	+736
Closing balance in the account	2,427	1000	+705
Change attributable to :		1100	+730
Money market activity	+730	1200	+731
LAF today	-80	1500	+731
		1600	+730

LAF rate 4.25% bid/6.25% offer TWI 118.5 *+0.1* 7.7.95

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.20	2 years	2705	6.40	101.40	5.67
1 month	5.28	3 years	3804	6.90	102.65	5.94
3 months	5.35	5 years	5006	6.60	100.40	6.61
6 months	5.37	5 years	M501	7.90	103.85	7.07
12 months	5.42					

Total turnover of EF bills and notes - \$ 16,012 million

Closed July 7, 1995

End/Friday, July 7, 1995