



DAILY INFORMATION BULLETIN

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GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,
HONG KONG. TEL.: 2842 8777

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Governor's statement on Index of Economic Freedom Report

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The Governor, the Rt Hon Christopher Patten, issued the following statement after receiving the Index of Economic Freedom Report today (Monday):

"I am delighted that Hong Kong has once again been voted the world's freest economy in the Index of Economic Freedom published jointly by the Heritage Foundation and the Wall Street Journal. This is a prestigious report by prestigious organisations.

This is the third year in a row Hong Kong has topped the poll - ahead of Singapore, the US and other major trading partners.

The report highlights all the ingredients which we know underlie our economic achievements.

- our free and open market;
- our low and predictable taxes;
- the close link we maintain between government spending and economic growth;
- the fact that regulations applied by the Government are not burdensome - and are applied uniformly and consistently.

The report points out that despite the increases we have made in spending on social welfare, "government spending as a percentage of GDP continues to decrease".

It also emphasises that "private property rights in Hong Kong are completely protected", and that "the legal system to protect these rights is both highly efficient and effective".

In short, this report reaffirms once again the close relationship between the freedoms we enjoy in Hong Kong and our economic success.

It's a pat on the back for Hong Kong today; and a useful reminder to us all of the need to protect our freedoms and free economy if Hong Kong is to top the poll next year and on into the new millennium."

End

SWD's response to alleged industrial action

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In response to a Chinese newspaper report today (Monday) that some front-line social workers of Tsuen Wan Ecumenical Social Service Centre would take industrial action tomorrow over a labour dispute, a Social Welfare Department spokesman that cases which warranted urgent assistance would be looked after by the department's various service units and non-governmental organisations in the districts.

The Government-subsidised agency at present runs four teams of Neighbourhood Level Community Development Project (NLCDP), three in Tsuen Wan/Kwai Tsing and one in Hung Hom, and a Social Centre for the Elderly in Tsuen Wan.

End

Latest unemployment and underemployment statistics

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The seasonally adjusted unemployment rate for the period August - October 1996 was revised marginally downwards to 2.5%, which was 0.1 of a percentage point lower than the provisional figure released last month. No revision was made to the underemployment rate, at 1.5%.

For the period September - November 1996, the provisional seasonally adjusted unemployment rate edged slightly higher to 2.7%, while the provisional underemployment rate remained unchanged at 1.5%.

These are latest labour force statistics released today (Monday) by the Census and Statistics Department.

Commenting on these figures, a Government spokesman said that for the latest period September - November 1996, the increase in the unemployment rate occurred mainly in the restaurant and the transport sectors. The unemployment situation in the other major sectors was broadly stable. The underemployment situation in most of the major sectors was likewise stable.

Total employment continued to show robust growth, at a faster pace than total labour force. In the three months ending October 1996, total employment had a further notable increase of 3.2% over a year earlier, while total labour supply grew by 2%.

During the period August - October 1996, the number of unemployed persons was estimated at 79,900. The number of underemployed persons was estimated at 45,200.

The unemployment and underemployment statistics were obtained from a continuous General Household Survey. The survey for August - October 1996 covered a quarterly sample of some 23,000 households or 77,900 persons, selected scientifically to represent the land-based civilian non-institutional population in Hong Kong. Data were obtained from the survey by interviewing each member aged 15 or over in the households sampled.

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

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

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

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

End

LRC publishes Report on Interception of Communications

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The Law Reform Commission today (Monday) published a report on "Privacy: Regulating the Interception of Communications". The report follows the issue of a consultation paper on "Privacy: Regulating Surveillance and the Interception of Communications" in April 1996 by the Commission's Privacy sub-committee. The consultation paper proposed that interception of communications should be prohibited unless carried out pursuant to a warrant granted by the court.

Mr Stuart Stoker, the Secretary to the Commission, said that the overwhelming majority of those who responded to the consultation paper supported the proposal that interception of communications should be regulated by law.

The report concludes that section 33 of the Telecommunication Ordinance and section 13 of the Post Office Ordinance do not provide sufficient protection against unlawful or arbitrary interference with the individual's right to privacy. In order to comply with the requirements of the International Covenant on Civil and Political Rights and the Basic Law, legislation must be in place to regulate the interception of communications.

The report recommends that it should be an offence intentionally to intercept or interfere with a telecommunication, a sealed postal packet or a transmission by radio on frequencies which are not licensed for broadcast while the message or packet is in the course of transmission.

Only the Administration and its law enforcement agencies may apply for a warrant authorising the interception of communications. The application should be made to a High Court judge. A warrant may be issued only if the interception is to be carried out for the purpose of preventing or detecting serious crime or safeguarding public security in respect of Hong Kong.

The report recommends that material obtained through interception of telecommunications carried out pursuant to a warrant shall be inadmissible as evidence and shall be destroyed as soon as the authorised purpose has been fulfilled. However, material obtained through interception of postal mail shall be admissible and may be retained for the purpose of any criminal proceedings.

The report further recommends that a judge of the Court of Appeal be appointed to be the supervisory authority to keep the warrant system under review. He may examine on his own initiative whether a warrant has been properly issued and whether its terms have been properly complied with. An aggrieved person who believes that his communications have been unlawfully intercepted may request the supervisory authority to investigate whether there has been a contravention of the statutory requirements relating to the issue of warrants.

To increase public accountability for interception activities carried out by the law enforcement agencies, the supervisory authority should furnish annually a public report to the Legislative Council and a confidential report to the Governor.

The Commission's Privacy sub-committee will now move on to consider the law relating to surveillance in a separate report.

Anyone who wishes to have a copy of the report on Interception of Communications should contact the Secretary to the Commission, 20th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

End

Support for Education Commission Report

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Members of the Board of Education (BOE) supported, in principle, the recommendations of the Education Commission Report (ECR) No. 7, but expressed their concern over the proposed future role of BOE.

At a regular meeting today (Monday), BOE members had a lengthy discussion on the EC Report No. 7. It was agreed that the board's views on quality school education and comments on the proposed future role of BOE will be consolidated for EC's consideration.

The ECR 7 suggested that the BOE should take a more macro perspective in considering educational issues.

It said: "Without encroaching on the statutory powers and duties of other related organisations, the Board should take the initiative to discuss areas of common concern with these organisations.

"For example, the Board may discuss with the Hong Kong Examinations Authority ways to improve the examination system, and the feasibility of introducing new subjects and school-based assessment. The Board may also discuss with teacher education institutions ways to improve teaching and learning at school."

Professor Rosie T T Young, Chairman of the Commission, briefed BOE members on the spirit and recommendations of the ECR 7.

The public consultation on ECR 7 will end on January 15, 1997.

In a separate issue, BOE members endorsed a report on the work of the Educational Services Liaison Sub-committee.

End

Consultant appointed to inspect defective buildings

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The Buildings Department has appointed a building consultant to inspect buildings with potential problems in structural safety and to recommend suitable remedial works for public safety.

A \$3.7 million term contract was awarded today (Monday) to Messrs Binnie Consultants Limited/Maurice Lee and Associates Limited.

The consultancy will last for 24 months commencing from January 1, 1997, and will cover about 150 assignments.

Speaking after the contract signing today, the Assistant Director of Buildings (Specialist), Mr Philip Lau, said an Investigation Order would be served by the Building Authority to owners of buildings found to have potential safety problems.

"On receipt of the Order, building owners will be required to appoint an Authorised Person to investigate the condition of their buildings and to carry out the necessary repair works.

"If the owners fail to comply with the order, services of the consultants will be called upon to carry out the inspection and prepare proposal for remedial works which will then be carried out by a government contractor.

"Full costs, including supervision charges, will be recovered from the building owners upon completion of the works," Mr Lau said.

Mr Lau pointed out that if building owners identified such common building defects as loose or bulging rendering or surface tiles with cracks around them, spalled concrete with cracks or deep cracks in concrete with visible rust stains, they should employ a building professional to investigate or repair or immediately report to the Buildings Department.

"Prevention is always better than cure. Building owners should take good care of their buildings and enlist the service of a building professional who can advise on the safety conditions of their buildings and necessary improvement works," he said.

End

Market survey on emergency alarm systems welcomed

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The Social Welfare Department today (Monday) welcomed the Consumer Council's market survey on some emergency alarm systems which are designed to summon immediate rescue to the elderly or disabled in distress.

A department spokesman pointed out that the department had worked closely with the Council to initiate this survey following the introduction of these new systems into the local market in recent months in order to provide users some advice on the device.

"The department is providing financial allowance to elderly recipients of Comprehensive Social Security Assistance (CSSA) to install the emergency alarm system," he said, adding that about 600 elderly people had been awarded such allowance and more applications were expected.

"Opportunity will be taken of the visits by volunteers under the social networking scheme for the elderly to introduce to old people the availability and the benefits of such a device", he said.

On whether it is desirable to introduce legislation or licensing on the system, the spokesman said since the concept was quite new to the local market, the authority needed to study it carefully before reaching a decision.

He also pointed out that there is now no legislation governing the quality control on the device in some developed countries.

End

Job Fair for Locally Enlisted Personnel

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Hong Kong's Locally Enlisted Personnel (LEP), due to be made redundant as the Garrison draws down, will have the opportunity to meet prospective employers at a Job Fair tomorrow (Tuesday).

The Fair has been jointly organised by the Hong Kong Military Service Corps (HKMSC) and the Hong Kong Government Employees Retraining Board (ERB).

The Job Fair, to be held in Osborn Barracks, Kowloon Tong, is also open to Locally Engaged Civilians (LEC) employed by the Garrison. It aims to provide companies with high-calibre staff and facilitate the smooth transfer of ex-Servicemen from military to civilian employment.

Twenty-five of Hong Kong's top employers, including First Pacific Davies Property Management Ltd, Jardine Securicor Ltd, Swire Properties Management Ltd, Conrad International and UPS Parcel Delivery Service Ltd, have been invited to attend the Fair, which will be opened by Commander British Forces, Major General Bryan Dutton, and ERB's Chairman Mr Tam Yiu-chung and Executive Director Mr Chow Tung Shan.

In the past, HKMSC and Royal Navy LEP have undergone a variety of resettlement training. In addition to their own trades, most of them have achieved qualifications in areas such as fire prevention, security management and mechanical and transport administration, and as first aid instructors, safety officers and hygiene supervisors. They are also well-trained in leadership and organisational abilities and are adaptable, self-motivated and committed.

Since April 1994, the British Garrison has been very successful in placing redundees in jobs, with the current track record running at 95 per cent.

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Immigration mobile office in Sai Kung

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The Immigration Department announced today (Monday) that its Mobile Office currently operating at the Sai Kung (South) Rural Committee Office, 1 Po Tung Road, Sai Kung, will be closed next Monday (December 23) for renovation work.

It will move to operate temporarily at 25 Man Nin Street, Sai Kung (address of the former Man Yi Public School) on the same day.

For enquiries, members of the public may telephone 2824 6111 or use faxline 2877 7711.

End

Water storage figure

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Storage in Hong Kong's reservoirs at 9 am today (Monday) stood at 88.3 per cent of capacity or 517.759 million cubic metres.

This time last year the reservoirs contained 536.637 million cubic metres of water, representing 91.6 per cent of capacity.

End

Flushing water cut in Central, Sheung Wan and the Mid-Levels

The flushing water supply to some premises in Central, Sheung Wan and the Mid-Levels will be temporarily suspended from 10 am to 6 pm on Thursday (December 19) for alteration works on watermains.

The suspension will affect all premises in the areas bounded by Ice House Street, Pedder Street, Aberdeen Street, Wing Wo Street, Upper Albert Road, Caine Road and Connaught Road Central.

End

Hong Kong Monetary Authority tender results

Tender date	16 December 1996
Paper on offer	EF Notes
Issue number	5112
Issue date	17 December 1996
Maturity date	17 December 2001
Coupon	6.57%
Amount applied	HK\$2,730 MN
Amount allotted	HK\$500 MN
Average price accepted (yield)	99.61 (6.77 PCT)
Lowest price accepted (yield)	99.61 (6.77 PCT)
Pro rata ratio	About 37 PCT
Average tender price (yield)	99.57 (6.78 PCT)

End

Hong Kong Monetary Authority interbank liquidity

		TIME	AGGREGATE BALANCE OF SETTLEMENT ACCOUNTS
OPENING AGGREGATE BALANCE	816 MN	0930 HR	16,508 MN
CLOSING AGGREGATE BALANCE	1,306 MN	1000 HR	19,351 MN
CHANGE ATTRIBUTABLE TO :		1100 HR	25,386 MN
MONEY MARKET ACTIVITY	+2,769 MN	1200 HR	32,656 MN
LAF REVERSAL	+6,971 MN	1500 HR	38,422 MN
LAF TODAY	- 9,250 MN	1600 HR	39,197 MN

LAF RATE 4.00% BID/6.00% OFFER TWI 125.0 *+0.0* 16.12.96

Hong Kong Monetary Authority

EF Bills		EF Notes/MTRC Notes				
Terms	Yield	Terms	Issue	Coupon	Price	Yield
1 week	4.16	2 years	2811	5.72	100.14	5.72
1 month	4.33	3 years	3910	6.28	100.68	6.10
3 months	4.62	5 years	5109	7.32	102.79	6.73
6 months	4.86	7 years	7311	6.80	99.08	7.09
12 months	5.16	10 years	1610	7.37	101.16	7.33
		5 years	M503	7.35	101.58	7.06

TOTAL TURNOVER OF EF BILLS AND NOTES - \$6,070 MN

CLOSED DECEMBER 16, 1996

End