



DAILY INFORMATION BULLETIN

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<u>Contents</u>	<u>Page No.</u>
Appointments of High Court Judges	1
Chief Executive (Designate)'s office	3
Arguments for scale fees shown to be groundless	4
NLB franchise renewal	10
Way forward to complete construction of sewage collection tunnels	11
Volume and price statistics of external trade in October	12
New set of definitive stamps to be on sale on January 26	19
Civil Aviation Department adopts new logo	21
257 VMs depart on orderly repatriation flights	21
Monitors' report submitted to CS	22
Construction output for third quarter of 1996	22
Travellers reminded to avoid Lunar New Year holiday rush	24
Contractor fined for safety offences	25
Licensing of cordless access service deferred	26
First nomination received for Tai Po DB by-election	27
Hong Kong Monetary Authority tender results	27
Hong Kong Monetary Authority interbank liquidity	29

Appointments of High Court Judges

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The Judiciary announced today (Tuesday) the appointment of Judge Pang Kin-kee and Mr William Stone QC as Judges of the High Court and the appointment of Judge Clare-Marie Beeson as Chief District Judge.

It also announced the appointment of Mr D L Duggan, Mr G Tallentire, Mrs J Wai-ling Barnes, Ms Mary Yuen Lai-wah and Mr Louis Tong Po-sun as Principal Magistrates and Mr Lung Kim-wan as Principal Presiding Officer of the Labour Tribunal.

Apart from Mr Stone QC, all appointments take effect today. Mr Stone's appointment will be effective from January 20, 1997 when he assumes office.

The biographical notes of the newly-appointed Judges and Principal Magistrates are as follows:

Judge Pang Kin-kee

Judge Pang was born in China in 1947. He studied law at the Council of Legal Education in London from 1975 to 1978 and was called to the English Bar in 1978. He was admitted as a solicitor and barrister in Australia in 1983. Before joining the Hong Kong Judiciary in 1985 as magistrate, he was in private practice. He was appointed as a District Judge in 1987 and has been appointed as Deputy Judge of the High Court on a number of occasions since 1993. Judge Pang is married with two sons.

Mr William Stone QC

Mr William Stone QC was born in England in 1946 and received his education in Wales and in Canada. He came to Hong Kong in 1971 as a law lecturer at the then newly established Department of Law at Hong Kong University and taught at the University for seven years, commencing with the first graduating class of 1972, many of whose members are now leading lawyers. He was called to the English Bar in 1976 and to the Hong Kong Bar in the same year and has been in private practice since 1977. He was appointed as Queen's Counsel in 1995 and sat as Deputy Judge of High Court for the month of May 1996. Mr Stone QC is married and has a son and a daughter.

Judge Clare-Marie Beeson

Judge Beeson was born in 1948 in New Zealand. She was admitted as a solicitor and barrister in New Zealand in 1972. Before joining the Hong Kong Legal Department as Crown Counsel in 1975 and Senior Crown Counsel in 1980, Judge Beeson was in private practice. She joined the Judiciary in 1984 as magistrate and became a principal magistrate in 1990. She was appointed as a District Court Judge in 1991. Judge Beeson is married and has two daughters.

Mr D L Duggan

Mr Duggan was born in 1947 in New Zealand and educated in the Victoria University of Wellington. He was admitted as a solicitor and barrister in 1970. He joined the Hong Kong Judiciary as magistrate in 1987. Mr Duggan is married with one daughter and two sons.

Mr G Tallentire

Mr Tallentire was born in 1950 in England and educated in the University of Nottingham. He was admitted as a solicitor in 1975. He was appointed magistrate of the Hong Kong Judiciary in 1988. Mr Tallentire is married with two sons and two daughters.

Mrs J Wai-ling Barnes

Mrs Barnes was born in 1952 in China. She studied law at the University of Hong Kong and was called to the Hong Kong Bar in 1982. Before joining the Hong Kong Judiciary as magistrate in 1989, she was in private practice. Mrs Barnes is married with one son and one daughter.

Ms Mary Yuen Lai-wah

Ms Yuen was born in 1955 in Hong Kong and was admitted to the Hong Kong Bar in 1983. She joined the Hong Kong Legal Department as Assistant Crown Counsel in 1984 and became Crown Counsel in the same year. She was appointed magistrate of the Judiciary in 1991. Ms Yuen is married with two sons.

Mr Louis Tong Po-sun

Mr Tong was born in 1955 in Hong Kong. He received his education in Canada and Hong Kong and was called to the Hong Kong Bar in 1985. He has been in private practice since 1985 and was appointed as temporary magistrate on various occasions since 1990. He became magistrate in 1991. Mr Tong is single.

Mr Lung Kim-wan

Mr Lung Kim-wan was born in Hong Kong in 1953 and was educated at the University of Hong Kong from 1975 to 1978. He was admitted as a solicitor in Hong Kong in 1984 and was appointed as magistrate of the Hong Kong Judiciary in 1990. Mr Lung is married with two sons.

End

Chief Executive (Designate)'s office

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Following consultation with the Chief Executive (Designate), Mr Tung Chee Hwa, the Government announced today (Tuesday) that accommodation will be made available for his private office in Asia Pacific Finance Tower at 3 Garden Road.

"The Chief Executive (Designate)'s office will be located at Asia Pacific Finance Tower, which is conveniently located in Central District, and in the vicinity of the Government Secretariat," a government spokesman said.

"The office has an area of about 600 square metres and overlooks the Hong Kong Park."

Fitting-out works will proceed immediately and will be completed in about four weeks. The Chief Executive (Designate) and his team expect to move into the new office after the Chinese New Year.

End

Arguments for scale fees shown to be groundless

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Research conducted by the Administration has found that the Law Society's main argument against abolition of scale fees for conveyancing work - that price competition leads to shoddy work - is self-serving and unsubstantiated.

In a report compiled by the Legal Department, entitled "The Case Against Scale Fees for Conveyancing", it is noted that the debate on scale fees is often conducted as if scale fees were uniformly charged for conveyancing transactions.

A spokesman for the department, quoting from the report, pointed out that this is not the case.

"Many solicitors waive the fees for certain aspects of their work - they may, for example, waive the fees for the sale and purchase agreement and mortgage, and charge only the scale fee for the assignment.

"These types of waivers are permissible, even though the scale fees are, in effect, undercut. It is also understood that some solicitors improperly charge less than the scale fees for their conveyancing work," he said.

"If, as the Law Society maintains, it is essential for scale fees to be charged in order to stop a vicious price war and shoddy work, why does it tolerate these activities and why does it not discipline those who improperly undercut the scale fees?" he asked.

Among other issues covered, the report identifies eight main problems caused by scale fees:

- * Clients are not charged fees for conveyancing that are based on the value of the work done;
- * Solicitors have no incentive to be more efficient and cost-effective in order to offer competitive fees, and consumers are not able to benefit from such fees;
- * Fees are kept at an artificial level and do not respond to the supply of, and demand for conveyancing services. Consumers cannot therefore benefit from reduced profits that would normally result from the growing number of conveyancers;

- * New entrants to the solicitors' profession cannot compete for conveyancing work with existing solicitors by offering more cost-effective services;
- * The system encourages some solicitors to act unethically, by undercutting scale fees in order to get business;
- * The artificial level of conveyancing fees distorts the market for other legal services that are subsidised by conveyancing fees;
- * There is no satisfactory way to fix the fees scales; and
- * There is no reason why the profit levels of conveyancers should be artificially maintained by statutory rules.

Another report, entitled "The Abolition of Scale Fees for Conveyancing in England" demonstrates the fallacy of using the English experience of abolition to support retention of scale fees in Hong Kong. At the same time, myths and misconceptions on scale fees that have circulated have been identified and they are refuted as follows:

Arguments of Principle

- Myth 1 - Statutory scale fees are long-established and work well.
- Fact 1 - Statutory scale fees were only introduced in Hong Kong in 1970, just two years before they were abolished in England.
 - Scale fees have prevented consumers of conveyancing services from enjoying price competition, and are unfairly charged on the basis of the price of the property, not the value of the work done.
- Myth 2 - Scale fees prevent overcharging.
- Fact 2 - A mechanism for preventing lawyers from overcharging is already in place for other types of legal work and would apply to conveyancing if scale fees were abolished.
 - If the true purpose of scale fees was to prevent overcharging, this could be achieved by setting maximum fees, instead of compulsory fees.

- Myth 3 - It is reasonable to charge higher fees for more expensive properties, since this reflects the facts that more experienced lawyers deal with more expensive properties, and that the risk involved is higher.
- Fact 3 - It is not true that more experienced lawyers always handle the more expensive properties. For example, in a small firm of solicitors, the same lawyers may handle all conveyances.
- The risk of having to compensate a client for negligent work is covered by insurance under the Solicitors Professional Indemnity Fund. The contribution made by a solicitor to that fund is not based on the value of properties handled.
- Myth 4 - If scale fees are too high, the answer is to adjust the scales and review them regularly.
- Fact 4 - Scale fees are objectionable in principle, since they prevent price competition and are unfairly based on the price of the property involved, not on the value of the work done.
- Even if the scales were adjusted in the light of current property prices and solicitors overheads, they could become unfair within a very short time because of the volatility of the property market.
- Myth 5 - Even though the scale fee for a particular transaction may not reflect the value of the work done, the scale operates in such a way that the total fees earned by solicitors are a reasonable return for all the work done.
- Fact 5 - That may be the theory behind scale fees, but the theory is unsound.
- No satisfactory formula has been devised for setting the fee scales.
- There is no reason why solicitors should be guaranteed a certain level of income.

- Myth 6 - Scale fees ensure quality service and ethical conduct by solicitors.
- Fact 6 - It is self-evident that negligent work and unethical conduct can, and do, occur despite the existence of scale fees.
- Myth 7 - Without scale fees, there will be no way to ensure quality and ethical conduct.
- Fact 7 - Most areas of legal work are not subject to scale fees, yet lawyers provide quality services and behave ethically in those areas.
- Solicitors, who are members of a profession, have a legal and professional duty to provide quality legal services, regardless of whether scale fees are payable.
- Myth 8 - If scale fees are abolished, the black sheep will corner the market.
- Fact 8 - Lawyers have a monopoly over conveyancing services on the basis that they have the necessary expertise, ethical standards and professional discipline to provide a proper service to consumers.
- The legal profession therefore has the responsibility of ensuring that such a proper service is provided and that "black sheep" are disciplined or prevented from practising.
- Myth 9 - The Government is responsible for failing to adjust scale fees in the past, and should have ensured that they were at an appropriate level.
- Fact 9 - The Law Society knows better than anyone else whether there is a need to adjust the scales of fees. It could have called for a general revision of scale fees in recent years, as it did several times in the 1970's and 1980's.
- The Government believes that scale fees are wrong in principle and does not, therefore, support any tinkering with the fee scales.
- Myth 10 - The Costs Committee is an independent body which can properly decide what fees are fair.

- Fact 10 - Half of the members of the Costs Committee are solicitors. They could, therefore, block any proposal that they did not approve.
- There are no economists or accountants on the committee, or consumer representatives.
- Myth 11 - Scale fees allow those buying or selling lower-priced properties to be subsidised by buyers and sellers of higher-priced properties. The abolition of scale fees would mean an increase in fees for the former.
- Fact 11 - The fact that the scale fees for lower-priced properties are less than those for higher-priced properties does not necessarily mean that fees for the former would increase if scale fees were abolished. After abolition, there will be price competition and fees will be determined by market forces.
- Myth 12 - Only under a system of scale fees can consumers know in advance how much they will be charged.
- Fact 12 - A consumer can always ask in advance for an indication of the fee for any legal service, regardless of whether scale fees are charged. Lawyers should provide more information about their services, in order to help consumers make an informed choice.
- Myth 13 - Consumers need special protection in respect of conveyancing since a home purchase is likely to be the most expensive transaction in their lives; any mistake in the transaction may have disastrous consequences; and such a mistake may not be discovered until many years later.
- Fact 13 - Consumers do indeed need to obtain a proper legal service when buying property, but scale fees are irrelevant to that need. A consumer who obtains the services of a qualified solicitor is entitled to a quality service, regardless of whether scale fees are charged.
- Myth 14 - The proposed abolition of scale fees is a ploy to destabilise Hong Kong's legal system close to the transfer of sovereignty.

- Fact 14 - The transfer of sovereignty is entirely irrelevant to this proposal, which is to abolish a restriction on competition that is contrary to Hong Kong's free market economy.
- Myth 15 - There is a need for the proposal to be studied further by an independent commission.
- Fact 15 - The proposal has been studied at length for nearly two years. It was the subject of a public consultation paper, and an independent public opinion survey, and is now being closely scrutinised by a Bills Committee of the Legislative Council. There are no new arguments or considerations that need to be studied further.

The English experience

- Myth 16 - The abolition of scale fees in England has been a disaster.
- Fact 16 - The English Consumers' Association has stated that the abolition of scale fees was far from disastrous and that the re-introduction of scale fees would not be in the public interest.
- The Office of Fair Trading also does not believe that the abolition of scale fees has been harmful to consumers.
- Myth 17 - The abolition of scale fees in England caused a vicious price war.
- Fact 17 - Scale fees were abolished at the end of 1972 and a Royal Commission study, published in 1979, revealed no such development.
- Myth 18 - Cut-price conveyancing has led to shoddy work and a great increase in claims for compensation.
- Fact 18 - Price competition has enabled some lawyers to offer lower prices than others. However, no link between low-price conveyancing and negligent work has been established.
- Myth 19 - Conveyancing fees are so low that many solicitors have been forced into bankruptcy.

- Fact 19 - Financial difficulties faced by many solicitors in England were a result of the worst recession this century, during which the volume of conveyancing halved and prices fell in real terms by 45%.
- Myth 20 - Scale fees would have prevented such financial difficulties.
- Fact 20 - The English Law Society's own special working party on conveyancing services concluded that, because of the state of the market, fee scales would have been unworkable and ineffective.

End

NLB franchise renewal

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Following consultation with the Sino-British Joint Liaison Group, the Governor-in-Council has approved the grant of a new franchise to New Lantao Bus Company (1973) Limited (NLB) which confers upon the company the right to operate a public bus service for ten years from 1 April 1997.

A government spokesman said today (Tuesday) that a number of changes and several new provisions were incorporated into the new franchise, including a new requirement for a mid-term review.

"The mid-term review is to be conducted after the fourth year of the new franchise. Based on the outcome of such a review, the Governor in Council may, if necessary, and with the consent of NLB, amend the terms of the franchise," the spokesman added.

End

Way forward to complete construction of sewage collection tunnels

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The Government has decided to proceed first with completing two of the six sewage collection tunnels taken back from the contractor last month (December) to enable an addition of 25 per cent of the sewage flow to be conveyed to the Stonecutters Island Sewage Treatment Works for treatment at an early date.

A Government spokesman today (Tuesday) said that completion of the two northern tunnels would increase the total sewage flow volume being collected for treatment to 50 per cent of capacity, thereby reducing the amount of pollution in our Harbour and improving our environment.

"After careful consideration of what would be the most appropriate way forward, we have decided to proceed as quickly as possible with all of the necessary preparatory work to enable us to let the contract for and restart the construction of the two northern tunnels," the spokesman said.

"There are sufficient funds in the capital account of the Sewage Services Trading Fund (SSTF) to enable the completion of the two northern tunnels."

He expected that the two northern tunnels could be completed in mid-1999.

"Because of the time required for preparing the tender and contract documents and the tendering procedures for the four remaining tunnels, which are in the Main Harbour, we will not be in a position to award the new construction contract for these works until the second half of 1997."

"The completion of construction of these four tunnels will also require the prior approval by the legislature of additional funding for the Strategic Sewage Disposal Scheme (SSDS) Stage I because the SSTF has insufficient funds available for this purpose," he added.

It might be possible to complete the works on these four tunnels by the end of 1999, if approval of the additional funding can be obtained in the second half of 1997.

"The total sewage flow volume being collected for treatment will be increased to 100% when the four tunnels in the Main Harbour are commissioned," the spokesman said.

Commenting on the design of the vertical shafts and tunnels, the spokesman said that it was sound. "The shafts and some of the tunnels are already partially completed. Obviously the most appropriate way forward would be to complete the tunnels as soon as possible."

The spokesman said that adopting this approach would enable all elements of the sewage treatment facilities in Stage I of the SSDS to be commissioned within the shortest feasible timeframe, having regard to all the circumstances. Once commissioned these facilities will significantly improve the environment of our Harbour on a permanent basis for the benefit of us all.

End

Volume and price statistics of external trade in October

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In the first 10 months of 1996, the volume of Hong Kong's re-exports increased by 7.6% over the same period last year, while the volume of domestic exports decreased by 8.6%, according to the statistics released today (Tuesday) by the Census and Statistics Department.

Taking re-exports and domestic exports together, the volume of total exports increased by 4.8%. Meanwhile, imports increased by 4% in volume.

Comparing October 1996 with October 1995, the volume of re-exports increased by 9.8%, while that of domestic exports decreased by 6.5%. Taken together, the volume of total exports increased by 7%. The volume of imports increased by 7.3%.

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

As regards price changes in the first 10 months of 1996 over the same period last year, the prices of re-exports decreased by 0.4%, while that of domestic exports increased by 0.4%. Import prices decreased by 1.2%.

Comparing October 1996 with October 1995, the prices of re-exports and domestic exports decreased by 0.8% and 0.6% respectively. Import prices also decreased, by 2%.

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, recorded an increase of 1% in the first 10 months of 1996 over the same period last year.

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

Analysed by end-use category, increases in re-export volume in October 1996 over a year earlier were recorded for foodstuffs (+30%); capital goods (+20%); raw materials and semi-manufactures (+11%); and consumer goods (+4.8%).

On the other hand, the volume of re-exports of fuels decreased by 7.1%.

Over the same period of comparison, increases were recorded in the prices of re-exports of fuels (+27%); and consumer goods (+0.5%).

On the other hand, re-export prices of raw materials and semi-manufactures; and capital goods decreased by 3.3% and 1.9% respectively. Meanwhile, re-export prices of foodstuffs recorded no significant change.

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

Comparing October 1996 with October 1995, commodity groups which recorded significant increases in the volume of domestic exports included textile yarn and thread (+30%); metal ores and scrap (+27%); and footwear (+23%).

On the other hand, the volume of domestic exports of radios of all kinds; textile made-ups and related articles; and travel goods, handbags and similar articles decreased by 80%, 48% and 35% respectively.

Commodity groups which recorded more notable increases in domestic export prices included metal ores and scrap (+8.9%); and textile made-ups and related articles (+8.4%).

On the other hand, domestic export prices of electronic components decreased significantly, by 7.1%.

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 7.7% in October 1996 compared with October 1995.

Significant increases in import volume were noted of rice; and fruit. However, decreases were recorded in the import volume of tea and coffee; and animals of the bovine species, live.

Over the same period of comparison, the import volume of consumer goods increased by 2.1%.

Increases in import volume were noted of cameras, flashlight apparatus and supplies for photography; and watches. However, decreases in import volume were recorded for passenger motor cars; and tobacco manufactures.

The import volume of raw materials and semi-manufactures increased by 8% in October 1996 compared with October 1995.

Increases in import volume were recorded for most commodities in the end-use category of raw materials and semi-manufactures. Significant increases in import volume were noted of woven fabrics of wool and mixtures; and base metals other than iron and steel. However, decreases were noted of raw cotton; and plastic materials.

Imports of fuels increased by 5.5% in volume in October 1996 compared with October 1995.

As regards capital goods, the volume of imports increased by 17% in October 1996 over October 1995.

Notable increases were recorded in the import volume of office machinery; and transport equipment. The import volume of construction machinery however decreased.

Comparing October 1996 with October 1995, import prices of fuels and consumer goods increased by 26% and 1.8% respectively.

On the other hand, import prices of raw materials and semi-manufactures; capital goods; and foodstuffs decreased by 6.6%, 3.4% and 0.2% respectively.

Details of the above statistics are published in the October 1996 issue of the Hong Kong Trade Index Numbers.

The report will be available on sale around January 9, 1997 at \$14 per copy at either the Government Publications Centre, ground floor, Low Block, Queensway Government Offices, 66 Queensway or the Publications Unit of the Census and Statistics Department, 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, 28th floor, Siu On Centre, 188 Lockhart Road, Wan Chai, Hong Kong (Tel 2598 8194) and enquiries on trade indices to the Census and Statistics Department (Tel 2582 4918).

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

End-use category	Comparing OCT 1996 with OCT 1995			Comparing JAN-OCT 1996 with JAN-OCT 1995		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	28.8	*	30.1	16.3	*	16.5
Consumer goods	5.3	0.5	4.8	5.7	0.7	4.4
Raw materials and semi-manufactures	7.5	-3.3	11.0	4.0	-2.2	6.3
Fuels	20.4	27.5	-7.1	23.0	15.5	8.2
Capital goods	15.2	-1.9	20.5	13.4	-1.3	17.5
ALL COMMODITIES	8.2	-0.8	9.8	6.9	-0.4	7.6

* less than 0.05%

Table 2 : Changes in domestic exports by principal commodity group

Commodity group	Comparing OCT 1996 with OCT 1995			Comparing JAN-OCT 1996 with JAN-OCT 1995		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Clothing	-2.3	0.3	-2.6	-7.0	0.6	-7.2
Textile fabrics	-1.6	-0.2	-2.2	-3.4	-0.3	-4.1
Textile yarn and thread	30.8	1.0	29.9	22.9	4.9	18.3
Textile made-ups and related articles	-47.4	8.4	-48.0	-34.9	2.3	-35.7
Radios of all kinds	-79.3	4.7	-80.2	-18.6	6.2	-26.7
Electronic components	-14.8	-7.1	-11.3	-12.9	-2.8	-12.2
Footwear	13.6	-3.0	22.7	-47.3	-3.6	-44.6
Metal manufactures	-0.7	0.5	-0.2	-7.6	4.6	-11.8
Metal ores and scrap	37.0	8.9	27.4	-8.2	9.7	-14.9
Watches and clocks	-11.1	2.1	-13.3	-9.7	0.1	-10.0
Travel goods, handbags and similar articles	-34.2	1.9	-34.9	-19.9	1.3	-21.4
Domestic electrical appliances	3.3	-3.7	11.5	26.9	-3.3	32.7
ALL COMMODITIES	-6.5	-0.6	-6.5	-8.7	0.4	-8.6

Table 3 : Changes in imports by end-use category

End-use category	Comparing OCT 1996 with OCT 1995			Comparing JAN-OCT 1996 with JAN-OCT 1995		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	8.8	-0.2	7.7	6.5	*	6.3
Consumer goods	3.4	1.8	2.1	2.2	1.6	0.6
Raw materials and semi-manufactures	1.5	-6.6	8.0	-0.6	-3.7	3.1
Fuels	29.4	25.5	5.5	18.1	11.2	5.7
Capital goods	12.8	-3.4	16.6	8.1	-3.3	11.6
ALL COMMODITIES	5.2	-2.0	7.3	2.8	-1.2	4.0

* less than 0.05%

End

New set of definitive stamps to be on sale on January 26

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The Postmaster General, Mr Robert Footman, announced today (Tuesday) that the current set of definitive stamps showing the Queen's portrait will be withdrawn from general sale at the close of business on Saturday, January 25, 1997.

"They can however be used up to June 30, 1997 for the pre-payment of postage," he added.

A new set of definitive stamps will be put on sale on Sunday, January 26. It comprises 16 denominations, namely 10 cents, 20 cents, 50 cents, \$1, \$1.2, \$1.3, \$1.4, \$1.6, \$2, \$2.1, \$2.5, \$3.1, \$5 (low values); and \$10, \$20, \$50 (high values).

The stamps which have a neutral design with no connotation of sovereignty have been agreed by the British and Chinese sides of the Joint Liaison Group. The stamps can be used before and after July 1, 1997.

The whole set when placed together features a continuous stretch of the waterfront of Hong Kong. The 13 low value stamps in small format depict a day scene while the three high value stamps in large format depict a night scene.

Two souvenir sheets will also be introduced on this occasion. One of these, comprising all the 13 low value denominations in a continuous stretch, will be sold at \$22 whereas the other, comprising the three high value denominations in a continuous stretch will be sold at \$80.

The stamps were designed by Mr Kan Tai Keung. The sheet stamps are printed by Ashton Potter of Canada while the reel stamps are printed by Joh Enschede of the Netherlands.

A new aerogramme bearing a \$2.3 definitive stamp will also be introduced on January 26 to replace the two kinds of pictorial aerogrammes currently on sale. The aerogrammes are printed by Mercury Walsh Ltd of Australia.

A sale restriction of 10 souvenir sheets of each type, for each customer queuing will be imposed on January 26.

The stamps and aerogramme will be displayed for advance information of the public at the General Post Office, Tsim Sha Tsui Post Office and Sha Tin Central Post Office as from Friday (January 10).

Official first day covers at \$2 each will be placed on sale at all post offices as from Friday. Advance orders for serviced first day covers will be available from Friday to January 16. The minimum number of covers per order is five.

A special postmark will be introduced on January 26. A hand-back service will be provided on the same day to all official and privately made covers bearing the first day indication.

Two presentation packs containing the definitive stamps will also be put on sale as from January 26. The one containing a full set of 16 denominations will be sold at \$135 and the one containing 13 low value denominations from 10 cents to \$5 will be sold at \$40. New reel stamps of the same design with the new definitive stamps will be available through the stamp vending machines as from January 26.

Three stamp booklets each containing 10 pieces of \$1.3, \$2.5 or \$3.1 definitive stamps will be available at all the 7-Eleven stores as from January 26. The booklets are printed by Ashton Potter of Canada.

To mark the withdrawal of the current definitive stamps, "Last Day" covers will be put on sale at all post offices as from Friday at \$2 each. Advance orders for serviced last day covers will be available from Friday to January 16. The minimum number of cover per order is five. A hand-back service will be given on January 25 at all post offices to official and privately made covers bearing the "Last Day" indication.

The withdrawn definitive stamps will continue to be put on sale at the philatelic counters as stock lasts.

Mr Footman added that for the convenience of customers, the opening hours of all post offices on January 25 and 26 January will be the same as on normal weekdays. A full range of counter service will be provided.

End

Civil Aviation Department adopts new logo

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The Civil Aviation Department (CAD) announced today (Tuesday) the adoption of a new departmental logo.

A CAD spokesman said: "The new logo is simple but meaningful. The gradual change of colour from blue to light blue and then white creates an impression of speed, while the logo itself has visual impact and produces a distinctive effect.

"By symbolising parallel runways, the design identifies the important role of the Civil Aviation Department as the provider of air traffic control services at the new airport."

During the transition from Kai Tak and subsequent to the opening of the new airport the CAD will continue to fulfil its responsibility as the regulatory body for civil aviation, particularly in respect of safety and aviation security matters.

"In this regard the logo expresses the letters 'HK' illustrating the department's commitment to a safe and efficient air transport system for Hong Kong," the spokesman added.

End

257 VMs depart on orderly repatriation flights

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Two groups totalling 257 Vietnamese migrants (VMs) returned by air to Hanoi, Vietnam today (Tuesday) on the 89th and 90th flights under the Orderly Repatriation Programme (ORP).

Most of the returnees, comprising 94 men, 73 women, 45 boys and 45 girls, are from Central and South Vietnam. Only two of the returnees are from North Vietnam.

The majority of the returnees arrived in Hong Kong in 1990, with the remaining in 1988, 1989, 1991 and 1996.

The two groups brought to 9,043 the total number repatriated on ORP flights since November 1991.

End

Monitors' report submitted to CS

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The monitors appointed to observe the Orderly Repatriation Programme operation this (Tuesday) morning have submitted their report to the Chief Secretary.

The two monitors comprised a non-official Justice of the Peace, Mr Lo King-man; and representative from a non-government organisation, Ms Gilla Nemayechi from Medecins Sans Frontieres.

End

Construction output for third quarter of 1996

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The gross value of construction work, in nominal terms, performed by main contractors amounted to \$28.8 billion in the third quarter of 1996, according to the preliminary results of the Quarterly Survey of Construction Output released today (Tuesday) by the Census and Statistics Department.

This represented an increase of 16.7% over the same quarter last year.

Based on the provisional estimate, the gross value of construction work, measured at constant (1990) market prices, performed in the third quarter of 1996 increased by 10.2% over the same quarter last year.

The gross value of construction work, in nominal terms, performed at public sector sites amounted to \$11.7 billion, representing an increase of 25.4% in nominal terms and 19.5% when measured at constant (1990) market prices over the same quarter last year.

The gross value of construction work, in nominal terms, performed at private sector sites totalled \$9.5 billion, representing an increase of 10.7% over the same quarter last year. When measured at constant (1990) market prices, it was up by 2.6%.

The gross value of construction work, in nominal terms, performed by contractors at locations other than construction sites amounted to \$7.6 billion, 12.5% higher than in the third quarter of 1995. When measured at constant (1990) market prices, it increased by 7.5%. Work in this category included minor new construction activities and renovation work at erected buildings and structures; and electrical and mechanical fitting work.

Analysed by end-use, residential building projects (including commercial and residential composite buildings), accounted for the greatest portion of the gross value of construction work performed at construction sites. The gross value of construction work performed for these projects was \$6.5 billion, representing an increase of 37% over the third quarter of 1995.

Transport projects, which covered airport construction projects, represented the second largest category of construction site work. The gross value of construction work performed for these projects was \$6.5 billion, 5.3% higher than in the third quarter of 1995.

Commercial building projects constituted the third largest category of construction site work. The gross value of construction work performed for these projects totalled \$2.9 billion, representing a remarkable increase of 76% over the third quarter of 1995.

Compared with the second quarter of 1996, the gross value of construction work, in nominal terms, performed by main contractors in the third quarter of 1996 increased by 4.6%.

The gross values of construction work at constant (1990) market prices are derived by deflating the nominal values with appropriate price indices to the price level of 1990.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time.

The gross value of construction work performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the gross value of construction work performed by main contractors for whom they worked.

More detailed statistics on construction output are given in the Report on the Quarterly Survey of Construction Output, 3rd Quarter 1996. The report is now on sale at \$15 per copy at the Government Publications Centre, Queensway Government Offices, Low Block, ground floor, or at the Census and Statistics Department Publications Unit, Wanchai Tower, 19th floor, 12 Harbour Road, Wan Chai. Regular subscription may also be arranged.

Enquiries about the survey may be directed to the Building, Construction and Real Estate Statistics Section of the Census and Statistics Department on 2805 6426.

End

Travellers reminded to avoid Lunar New Year holiday rush

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Members of the public who intend to travel abroad during the Lunar New Year holidays should apply for travel documents as early as possible.

"The number of people travelling outside Hong Kong will be greatly increased during this time of the year," a spokesman for the Immigration Department said today (Tuesday).

"In order to avoid last-minute rush, people are advised to apply for passports and certificates of identity well in advance of the date on which they intend to travel."

Under the present arrangement, applications for British National (Overseas) passports and Hong Kong certificates of identity can be submitted to the Immigration Department by post or deposited into the drop-in boxes installed at the Immigration Headquarters or at any immigration branch offices.

"Other than applications for Hong Kong travel documents, applications for identity cards and other Registration of Persons services are also on high demand during this time of the year," the spokesman said.

"To avoid congestion, applicants are also requested to submit their applications before school or public holidays."

The spokesman also encouraged applicants to make use of the Automated Telephone Appointment Booking System which is operating 24 hours a day. The telephone number is 2598 0888.

Information leaflets on application procedures and documents required are issued together with application forms which are available at the Immigration Headquarters and all Immigration Offices.

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

End

Contractor fined for safety offences

* * * * *

The Labour Department today (Tuesday) reminded building contractors to ensure that their construction sites are safe, otherwise they are liable to heavy fines or imprisonment.

Chevalier Construction (HK) Ltd, the principal contractor of a construction site at Lung Poon Street, Diamond Hill, Kowloon was recently fined a total of \$154,000 at San Po Kong Magistracy for committing eight offences under the industrial safety regulations.

Of which, a maximum penalty of \$50,000 was ordered on the charge for failing to provide safety helmets for workers working on the site, breaching regulation 48(1)(b) of the Construction Sites (Safety) Regulations.

The contractor was charged for failing to fence a cable duct opening; failing to provide safety helmet; failing to fence working platform; failing to provide suitable scaffold; failing to provide eye protector; failing to provide a riving knife for a circular saw; failing to provide a guard for the saw blade of a circular saw and failing to provide electrical apparatus of proper construction.

A spokesman for the department said today that these irregularities were found by the factory inspectors during a special task force exercise in July last year to inspect active sites and sites with unsatisfactory safety records.

Follow-up inspection was conducted in December last year in which workers were still found without safety helmets.

The spokesman reminded building contractors that they were required by law to provide a safe system of work, safety training and instructions and suitable personal protective equipment such as safety helmets for the workers.

End

Licensing of cordless access service deferred

* * * * *

The Office of the Telecommunications Authority (OFTA) announced today (Tuesday) that the licensing of cordless access service (CAS) as public telecommunication services will be deferred.

"The Telecommunications Authority (TA) has decided to defer the licensing of CAS as public telecommunication services," said a spokesman for OFTA.

"The situation would be reviewed in 12 months' time. We shall then decide whether to invite new applications having regard to the then prevailing market environment."

The decision was made after consulting the eligible applicants.

"The deferral should not be interpreted as a lack of investment interest in this sector of the telecommunications industry of Hong Kong," the spokesman said.

"The prevailing market conditions simply do not favour the launch of the lower mobility public CAS at this point in time."

Technological developments in the CAS are not yet mature enough for the technology to be fully deployed as a public mobile service in Hong Kong.

In particular, the development of CAS dual-mode handsets which forms a crucial part of the CAS business plans in the Hong Kong environment has been delayed. The significant reduction in both handset price and air-time charges of mobile telephones makes CAS less competitive in the prevailing mobile phone market.

The TA invited applications in November 1994 for the grant of up to four licences for the provision of CAS in Hong Kong. Six applications were received by the closing date of June 30, 1995.

Processing of CAS applications had to be put on hold until the licences for personal communications services (PCS) were granted, so as to assess the changes to the mobile telecommunications market brought about by PCS licensing.

The CAS technologies will in the meantime be permitted to be used in Hong Kong for private applications such as cordless telephones at homes and wireless telephone/data systems in offices.

End

First nomination received for Tai Po DB by-election

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One nomination was received today (Tuesday) for the Tai Po District Board by-election in respect of Shuen Wan constituency to be held on February 23.

The nomination was submitted by Mr Chan Mei-tak, a 39-year-old company director.

This is the first nomination received for the by-election since the nomination period started on January 3 (Friday).

Mr Chan can be contacted on 2638 1144 (daytime) and 2665 6115 (night time).

Nomination will last until January 16 (Thursday).

End

Hong Kong Monetary Authority tender results

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Tender date	:	7 January 1997
Paper on offer	:	EF Bills
Issue number	:	Q702
Issue date	:	8 January 1997
Maturity date	:	9 April 1997
Amount applied	:	HK\$9,390 MN
Amount allotted	:	HK\$2,000 MN
Average yield accepted	:	4.51 PCT
Highest yield accepted	:	4.52 PCT
Pro rata ratio	:	About 45 PCT
Average tender yield	:	4.68 PCT

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Hong Kong Monetary Authority

Tenders to be held in the week beginning - 13 Jan 1997

Tender date : 13 January 1997
Paper on offer : EF Notes
Issue number : 3001
Issue date : 14 January 1997
Maturity date : 14 January 2000
Tenor : 3 Years
Amount on offer : HK\$500 MN + 100 MN
Coupon : 6.17 PCT

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Tender date : 14 January 1997
Paper on offer : EF Bills
Issue number : Q703
Issue date : 15 January 1997
Maturity date : 16 April 1997
Tenor : 91 Days
Amount on offer : HK\$2,000 MN + 500 MN

* * * * *

Tender date : 14 January 1997
Paper on offer : EF Bills
Issue number : H756
Issue date : 15 January 1997
Maturity date : 16 July 1997
Tenor : 182 Days
Amount on offer : HK\$1,000 MN + 300 MN

End

Hong Kong Monetary Authority interbank liquidity

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		TIME	AGGREGATE BALANCE OF SETTLEMENT ACCOUNTS
OPENING AGGREGATE BALANCE	677 MN	0930 HR	10,747 MN
CLOSING AGGREGATE BALANCE	532 MN	1000 HR	16,026 MN
CHANGE ATTRIBUTABLE TO :		1100 HR	20,543 MN
MONEY MARKET ACTIVITY	+63 MN	1200 HR	29,312 MN
LAF REVERSAL	+7,567 MN	1500 HR	28,983 MN
LAF TODAY	- 7,775 MN	1600 HR	32,901 MN

LAF RATE 4.00% BID/6.00% OFFER TWI 125.3 *-0.3* 7.1.97

Hong Kong Monetary Authority

EF Bills		EF Notes/MTRC Notes				
Terms	Yield	Terms	Issue	Coupon	Price	Yield
1 week	4.34	2 years	2811	5.72	100.24	5.65
1 month	4.37	3 years	3910	6.28	100.61	6.12
3 months	4.50	5 years	5112	6.57	99.37	6.83
6 months	4.71	7 years	7311	6.80	98.77	7.15
12 months	5.10	10 years	1610	7.37	100.44	7.44
		5 years	M503	7.35	101.49	7.08

TOTAL TURNOVER OF EF BILLS AND NOTES - \$9,876 MN

CLOSED JANUARY 7, 1997

End