



## DAILY INFORMATION BULLETIN

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Governor's question-and-answer session

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Following is the Governor, the Rt Hon Christopher Patten's question-and-answer session after delivering his speech at the Hong Kong Exporters' Association luncheon today (Thursday):

Question: I've asked you this question before in another forum. As a trading exporter, and especially on the trading side as opposed maybe to the manufacturing side, we are an international community of people from many different races and nationalities. We are now getting more concerned, as we get closer to '97, that people like myself who run small businesses owned by myself - my business can stay here forever but I'm not sure I can. The right of abode, sir, is a big problem. I know you've had - and I congratulate you on successes recently in the airport and other agreements - but this is a very important one, and for us in particular, sir.

Governor: I think that this is an issue on which public attention and public debate is inevitably going to focus increasingly over the coming months, and indeed, over the coming couple of years, if we don't resolve it satisfactorily. And I would associate it with some related issues, involving freedom of travel, the ability to travel without a visa, all those issues which touch on free movement, nationality and abode. We are still negotiating, still arguing, still debating with Chinese officials about the issue of right of abode. I think that Chinese officials understand the importance to Hong Kong of the issue and if I may say so, without being thought to be asking you to lobby, I'm sure that it's helpful for businessmen and business groups to put these arguments to Chinese officials as eloquently as you put arguments about the Court of Final Appeal, because Hong Kong's status, Hong Kong's position makes this a crucial issue. We are, as you said, an international community; an international city which is 98% Chinese but has an open revolving door for the rest of the world. And that's one reason why we are so successful, and that is one reason why Hong Kong, in the future, will be so useful to China as China continues its extraordinary economic revolution and economic transformation.

To go on travelling, to go on feeling that in commercial terms and in other terms, the world's your oyster; to go on with a buccaneering, boisterous, adventurous spirit, which is, I guess, what anybody whose life is in exporting needs to be - I wouldn't go far as to say, as a former British Prime Minister did, that exporting is fun. But I know that exporting is a huge challenge and adventure - to go on doing those things with self-confidence and elan, you do need certain certainties. You need certainties about being able to come home again. You do need certainties that the door is going to go on revolving. So I hope that we can sort these matters out with goodwill on both sides in the coming weeks and months. It's an issue which we've been discussing only recently and the sooner it can be resolved the better.

Question: I have only a humble request, your Excellency. I was trying to get on the pages of The Economist, the letter page, but I found out that you're using it. Would you please leave some space for us?

Governor: I've only used it, I think, once, and I'm sure that they'd welcome in the other 51 volumes over the coming year, a letter from you. But if you can't get into The Economist, I can offer you, or suggest, The Far Eastern Economic Review, Asiaweek, The Asian Wall Street Journal, in any of which I'd very much welcome a letter from you, particularly if it supported my views.

Question: Sir, it seems that you have already given the remark on comparing the Singapore example to that of Hong Kong. I'm asking what steps the Government would take in view that China might be joining the World Trade Organisation in the near future and would be competing with that of the Hong Kong exporters. My question is, would the Hong Kong Government try its best to safeguard the interests of the Hong Kong exporters in view of the (fact that) Chinese exporters will be competing against Hong Kong in the very near future, despite (the fact) that we have so many competitors already around Hong Kong, like Singapore, the example that you have drawn properly? Thank you, sir.

Governor: I must say that I would see China joining the World Trade Organisation not as a threat to our exports but as a further bonus for our exporting, and in due course, I hope, when the WTO is able to extend its ambit much more into service industries even than it does at the present, as a bonus for our services too. Why do I say that? Because in my view, bringing China within the ambit of the rules and regulations, which cover the liberation of trade for most of the rest of the globe, has to be good for an economy like ours which is so closely tied to that of China. I think that joining the WTO is not only right for China and should not only be welcomed by the United States, the European Union and others, not only right for China but good for the rest of us. So I don't accept the notion that for China to come into the club would somehow mean that the existing cake of exports was divided up in a way which was less advantageous for Hong Kong. On the other hand, I do think that for China to join the WTO would be likely to give a boost to world trade from which we could ourselves benefit.

I think that when one looks at the economies in the region, it's useful for us to have competitors against which we can match ourselves and our own performance and I very much see Singapore in that way. But I don't think we should be obsessive about it, and I don't think we should assume that it's, as it were, either Singapore or us. There's quite enough room for both of us in the region, as in due course there'll be quite enough room for economic success in Shanghai too. Asia is growing at such a dramatic pace, provided we can remain competitive we'll be able, I'm sure, to continue to guarantee an improving economy and standards of living for all our people.

Question: What is the status of the Government working along with the Chinese on the SAR passport for holders of the SAR passport in the future after 1997, as far as their travelling level of freedoms like the ones like the current BNO or foreign passport holders are enjoying?

Governor: That's a subject like right of abode which we're discussing with Chinese officials at the moment and I very much hope it can be resolved reasonably soon. It raises interesting and difficult issues against a background of the rest of the world becoming more restrictive rather than more free in its attitude to visa-free travel. At the moment, if you are a CI holder and basically will be an SAR passport holder in future, you don't actually have visa-free access to many places. What we would like to be doing sooner rather than later is talking to other countries, with China, about visa-free access for both BNO passport holders after 1997 and SAR passport holders, and roughly - the figures aren't quite as simple as that - but roughly you're talking about 50% of the population of Hong Kong under each heading.

There are present differences which obviously cause debate. At present if you're a British passport holder of any sort, not surprisingly you enter Britain without a visa; if you're a Hong Kong resident but not a British passport holder, you need a visa, and that's reflected in a lot of European countries and others too. So it's part of that nexus of issues which I was talking about earlier, involving visas, involving passports, involving right of abode - hugely complicated but very important to ordinary families, to all families, and an issue, therefore, which, if we could settle it, would I think give a great supercharge of confidence through the community.

Question: Sir, we are representing and we're part of the garment exporters, and we're extremely concerned, primarily I think, about the manufacturing in Hong Kong, and secondly, about the utilisation of quota because we really cannot manufacture sufficient garments here anymore, yet we have a difficult time getting enough quota in China for our production. My question really is whether the Hong Kong Government is negotiating with the other countries, maybe in some form of a scheme of converting the Hong Kong quota for us to use in China or somewhere else?

Governor: This is where I'd like to hand over the answer to my Private Secretary who previously worked in the Trade and Industry Branch, and if he were standing at the podium, rather than flannelling he would give you an eloquent, accurate reply which would more than satisfy you. But since I'm here, I'll have to say that I'll write to you.

Thank you very much indeed. I knew I should have stopped with the previous question.

End/Thursday, July 6, 1995

Governor's speech

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Following is the speech by the Governor, the Rt Hon Christopher Patten, at the Hong Kong Exporters' Association Luncheon today (Thursday):

Mr Wong, Ladies and Gentlemen,

Thank you very much indeed for today's invitation. I am greatly honoured to have been invited to join you for this special lunch today, 2½ years on from a most enjoyable pre-Christmas lunch that I shared with you in 1992. Now I'd better confess that this isn't my first lunch since then, as you can probably tell from my shape, but the lunches with you have been most pleasant occasions. Sometimes at these lunches with business groups, I recall the words of Adam Smith - who's invisible hand you, Mr Chairman, wished to exchange for something more tangible. Adam Smith wrote, "People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices." Can't think who he was writing about.

He should have been here just now, Mr Chairman, to hear you not contriving to raise prices, but giving voice to the deep concerns felt throughout Hong Kong, by business, by the man and woman in the street, and by Government, about rising costs. A point which you, Mr Chairman, have put very vigorously in my Business Council.

In most respects Hong Kong's economy has been doing very well. We are now into our 35th year of uninterrupted economic growth. If you said that back in the United Kingdom, they wouldn't believe you. Thirty-five years. When I joined you last time, I joined you not just in celebrating Christmas, but in celebrating a year in which Hong Kong's exports - your business - had increased by 21%. No bad Christmas present.

What has there been to celebrate since then? One will always find some congenial gloom and doom merchants who will say, "not much", but where lies the weight of the evidence? Does double digit growth in exports in both 1993 and 1994 give you grounds for gloom? Does 25% growth in exports in May this year compared with May last year give you reason to worry? Does the 13% growth in domestic exports since May last year - mud in the eye for the myth that manufacturing's days are numbered in Hong Kong - does that make you feel depressed?

Hong Kong's fiscal position is substantially stronger now than it was then. It comes as a great shock I have to say, to a public official who has spent most of his life trying to explain why predicted surpluses turned out to be deficits, to find himself in a position in which he has to explain year after year why predicted deficits turned out to be substantial surpluses. I prefer the latter. We were seriously worried when I last lunched with you, seriously worried about the renewal of China's MFN status by the United States. The hurdles we saw then were overcome. Of course concern remains, though more distant and for different reasons, but I continue to have faith in the ability of good sense and goodwill to resolve those difficulties.

Moreover, there are now better mechanisms for handling differences between trading partners, more developed forums for promoting the understanding of how much we all have to benefit from free and fair trade, how much we all have to lose from protection and from managed trade.

I refer of course to the World Trade Organization and to APEC. 2½ years ago the Uruguay Round negotiations seemed interminable. Now those negotiations have been completed and earlier this year the World Trade Organization, with Hong Kong as a founder member, was set up. It provides a better dispute settlement system, and tighter disciplines on the use of anti-dumping measures or subsidies. It will have many battles to fight but all members have committed themselves to open and free trade under an effective multilateral trading system. That system provides Hong Kong with the assurance of opportunity and Hong Kong provides the best living proof of the value of that system.

2½ years ago APEC was at a tentative early stage of growth. Today its members share a common resolve to uphold the multilateral trading system and to achieve a goal of completely free trade in the region by 2020. Later this year in Japan, the APEC Economic Leaders Meeting will be setting out specific proposals on how to achieve that goal and Hong Kong will be hosting some of the preparatory meetings for that gathering.

But I don't just place my faith in negotiations between trade officials. I don't just place my faith in solemn declarations of intent. There is a bedrock of plain fact to which, like the authors of an article in the Asian Wall Street Journal the other day, I always point when having to respond to those who exude pessimism about Hong Kong's prospects.

Hong Kong is immovably fixed at the centre of the area of greatest economic activity on the planet. I don't just refer to South China, dramatic though the activity there is, with total exports from Guangdong - most of which come through Hong Kong - with total exports from Guangdong last year exceeding total exports from the whole of China ten years ago. Nearby there are other well developed economies that provide important trading partners - Japan, South Korea, Taiwan and so on. There are new opportunities opening up in Vietnam and in the Philippines, in both of which Hong Kong is taking a leading role in investment. Probably, the leading role.

To geographical advantage, we add unshakeable commitment to principles that give to you, to Hong Kong manufacturers, service industries and investors, every freedom and incentive to seize the opportunities that lie open to you, or which, through your endeavour, you can create.

Government keeps taxes low and predictable. It does not make your business decisions for you. It invests heavily in the infrastructure - as you see outside, and in the people you need to do your business efficiently. It upholds and respects the rule of law so that you may have confidence that the law will respect and defend you.

That's all true, and all well and good, but what about costs? High costs of land and labour do erode competitive advantage. Since the peg with the US dollar must be maintained and the Government is constrained in using all the conventional monetary mechanisms to address inflation, what are we going to do to help you cope with rising costs?

The first thing to do is to help keep things in perspective. Costs may have gone up here, but they are going up in our competitors too. The labour cost indicators for Hong Kong and for Singapore experienced the same rate of increase over the period between 1989 and 1993, and the differential between average wages is slight. Rents may be higher here, but in Singapore, as the Economist pointed out last year, phone bills are higher - 90% higher to Vietnam, 80% more to France or Italy - company car costs are 79% higher, and air fares average 35% higher. You will also pay 27% in corporate taxes compared to 16.5% here.

We don't just talk, we act. A key area of activity is dealing with bottlenecks in the economy. Hong Kong faces physical bottlenecks as well as mismatches between the supply and the demand for labour. To address the physical constraints, we have massive programmes of investment in transport infrastructure, both for road and rail on land and in maritime and aviation facilities. We are making huge investments in the supply of serviced land for development.

On the labour and employment front, we are investing increasingly large amounts in the training and retraining of our workforce and encouraging the development of new industry and technology. This year the Vocational Training Council will spend \$1.4 billion, providing full-time courses for 43,000 people and part-time courses for another 66,000. By the end of this financial year, the Employees Retraining Board will have provided courses for over 50,000 displaced workers. The Hong Kong Productivity Council will be running over 600 training courses and giving consultancy support to over 1,000 projects. The Industrial Support Fund will be providing over \$200 million in assistance this year, and it's already contributed nearly \$500 million to develop over 100 projects. The UPGC is providing \$260 million in funding for research projects in our tertiary education sector this year, and the Applied Research Council has just come into operation. All that - all that without undermining the principle of minimum interference in the economy - all that amounts to a serious attempt to help Hong Kong adjust to the demands of a competitive world; to ensure that new jobs can be created in new industries; and to ensure that those who are unemployed, or are displaced by changes in the economy, can find new skills and new opportunities.

We are also facing up to artificial bottlenecks in the economy, created where inadequate competition fails to give customers choice, so fails to provide incentives to keep costs down.

As exporters, you face both physical and artificial bottlenecks at present with the port. Your success is putting huge demands on the port's capacity and the limited choice of service providers gives you little room to negotiate on costs.

Those concerns over competition and capacity underlay the arrangements that were made for the development of Container Terminal 9. Your interests, Hong Kong's interests, will be served by resolving that dispute as quickly as possible.

It has been very encouraging that in recent weeks we have seen significant progress on a number of issues of concern to you and to many both within and without Hong Kong. We have reached agreement on the setting up of a Court of Final Appeal. Financial Support Agreements on the airport and the airport railway projects have been concluded, as have the award of franchises for air cargo operations at the new airport.

I welcome these agreements. They are good for business, they are good for everyone in Hong Kong. I think they reflect a growing understanding of the fact that Hong Kong cannot afford to wait for uncertainties to be resolved. It is not a Ming vase whose value can only be retained by preserving it behind glass. It is more in the nature of a tool box whose value comes from being put daily to good use, whose value is preserved by being adapted and developed to meet new demands and new opportunities.

Maintaining Hong Kong in good working order isn't just a matter of getting negotiations over future arrangements right, it depends just as much on getting on with the business of today. I know from the statistics that you are doing that enthusiastically and I can assure you that the Hong Kong Government shares your enthusiasm for moving ahead.

We have worked hard to ensure that the Legislative Council election this September can be conducted smoothly and that all who want to do so can participate. To uphold human rights and freedoms, we have reviewed and modernised over 40 pieces of legislation in the last few years and will soon be dealing with the few question marks that remain. Following the agreement on the Court of Final Appeal, which I referred to, we are, as you know, taking the Bill through the Legislative Council at the moment. We trust that the Council will support this very important development of Hong Kong's own autonomous legal structure. As soon as the Bill is passed, we will begin all the practical work needed to ensure that the Court can be up and functioning on schedule in July 1997.

On the property front, we will continue with measures to curb speculation and to improve supply. We aim to strengthen the social fabric of Hong Kong with the commitment to provident schemes - which, again, we trust the Legislative Council will support by passing the enabling legislation contained in the Mandatory Provident Fund Bill.

One third of the airport and related infrastructure projects have already been completed. Now that we have the financial support agreements, we will be pressing ahead with even more vigour. The Route 3 and Western Harbour Crossing projects are well on track and as you know, we are exploring with the Chinese authorities the railway projects and other cross border infrastructure that will help Hong Kong to serve the economic development of Southern China even more effectively than it does already.

Hong Kong lives by looking forward. That means there will always be a full agenda of work for Government to do, as well as more than enough business for you to be getting on with. I can give you my assurance that the Hong Kong Government today is fully committed to getting on with its work with enthusiasm and to ensuring that the Hong Kong SAR Government is as well placed as possible in 1997 - well placed financially, well supplied with capable officers, well placed with ideas - so as to carry on smoothly with the successful administration of Hong Kong. I have no doubt that you will carry on your business with as much energy and enterprise.

The Hong Kong story - you've heard this so many times - has been an astonishingly successful one. Where are the natural assets of Hong Kong? Harbour and people. But those natural assets have been enough to turn what was largely a refugee community forty-five years ago, into one of the most successful economies in the world. An economy which has managed to take in its stride a great deal of turbulence in the region, changing according to market forces, turning itself into an economy now so successful that it represents - and this is pretty well the only statistic you ever need to carry in your head - so that it represents about 26% of China's GDP. People sometimes think there must be some simple solution. There isn't a simple solution. There's a combination of reasons for our success. There's of course our commitment to market economics. But that's not the same as saying that we've followed crude capitalism without thinking that the Government has a role in our lives. The Government hasn't, thank heavens, tried to play a role in your lives, as business leaders. It hasn't tried to second guess you. But it has invested substantially in what economists call social equity programmes, invested in people's health, invested in people's housing, invested in people's education and training. So that we now have one of the most educated skilled workforces in the world.

You can also look for other reasons for our success - for the rule of law, for a civil service which is impartial, competent, professional and clean. A civil service led by women and men - better get the order right - of the distinction of Anson Chan, Donald Tsang, Joseph Yam and all those other civil servants who are, and I've seen the operations of government in other places, who are as competent as the civil service you would find anywhere in the world. We also know that this has been a hardworking, committed, enthusiastic community which believes that men and women can, by their own efforts, make things better. It comes as an astonishing proposition to some European politicians who pass by from time to time.

And what's been the overall consequence of all those ingredients when you pull them together? It's been that we've been more competitive than most of the others. That's the end result. That's why we've been able to grow and prosper. That's why we've been able to invest more in our own happiness, in the community programmes, in our own individual aspirations and ambitions. Part of your role, as an organisation, is to go on reminding government, whether the Governor or some of his distinguished advisers, but the moment we forget in Hong Kong the importance of maintaining our competitive edge, that's the moment when governors or chief executives won't be able to talk any more about decades of uninterrupted economic growth. So thank you for your invitation today, and thank you for so consistently reminding us of the basic truths of Hong Kong's success.

End/Thursday, July 6, 1995

Transcript of the CS's media session

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The following is a transcript of the media session by the Chief Secretary, Mrs Anson Chan, after a visit to the border this (Thursday) afternoon:

Question: When will you next take ... Beijing ... ?

Chief Secretary: I don't know. The frank answer is we didn't discuss exact dates but both Vice Premier Qian and Director Lu agreed that there should be more contact, or regular contact at my level, at senior official level, so that we can get to know each other better. We have an opportunity to discuss problems and to hopefully seek solution to these problems. So, I think that's an excellent beginning.

There is no question of by-passing the Governor. I agree entirely with the remarks that the Governor yesterday made. The Governor is the head of the Hong Kong Government. I am a member of his team. I'm responsible to him. But, in addition to my self, there are other policy secretaries and senior officials. I think you will agree that in any organisation there has to be team work. There has to be mutual trust, shared objectives and our objective is quite clearly, from the Governor downward, is to work faithfully for the implementation of the Joint Declaration and the Basic Law, to work for a smooth transition and to maintain Hong Kong's stability and prosperity. I hope very much that in the way that I currently enjoy a close and trusting relationship with the Governor that I can similarly develop a close and trusting relationship with Chinese leaders.

Question: Will you agree with LegCo members on the ... ?

Chief Secretary: I don't really think I have very much to add to the public statement that I have already made. I stress again that no negotiations were involved. There's no question of any deals, whether under the table or over the table. This is a good beginning. I believe that it is welcome by the general public and particularly by civil servants. One of my upper most concerns is of course to give as much reassurance and confidence to civil servants. From what I hear from my colleagues, they all believe that this is a good beginning and we'll build on that. Thank you.

End/Thursday, July 6, 1995

Views invited on the implementation of UN treaties

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The Government has invited the views of the Legislative Council, non-government organisations and other interested parties on the state of implementation in Hong Kong of the International Covenant on Economic, Social and Cultural Rights (ICESCR) and the United Nations Convention on the Rights of the Child (UNCRC).

In 1994, the Government undertook that - before making submissions to the United Kingdom - it would give the Legislative Council, non-government organisations and other interested parties a formal opportunity to express their views on the state of implementation in Hong Kong of the various United Nations covenants and conventions applying to the territory. Accordingly, letters have been issued to the Legislative Council Secretariat today (Thursday), inviting views in respect of the ICESCR and the UNCRC.

The United Kingdom Government ratified the ICESCR in 1976 in respect of the United Kingdom and its dependent territories, including Hong Kong. It ratified the UNCRC in 1991 and extended it to Hong Kong in 1994.

"Article 16 of the ICESCR and Article 44 of the UNCRC require the United Kingdom Government - as a State Party - to submit periodic reports to the Secretary General of the United Nations, for transmission to the Committee for Economic, Social and Cultural Rights and the Committee on the Rights of the Child for consideration," a Government spokesman said.

The United Kingdom Government has notified the Hong Kong Government that the Third Periodic Report under the ICESCR and its Initial Report under the UNCRC are now due. The ICESCR report will cover developments up to July 31, 1995. The one on the UNCRC will cover developments up to September 7, 1995, which is the first anniversary of its extension to Hong Kong.

The Hong Kong Government will contribute to the report by preparing draft submissions to the United Kingdom on the implementation of the ICESCR and the UNCRC in Hong Kong.

"To enable the Government to take into account views expressed during the drafting of the report - and to meet the deadline for submission to the United Nations - comments will need to reach the Government by September 8, 1995."

To facilitate comments, the Government has prepared outlines of topics which it intends to include in the draft reports.

Non-government organisations or individuals who would like to express their views can write to the Secretary for Home Affairs before September 8, 1995. Copies of the outlines of the draft reports can be obtained from the Home Affairs Branch, 31st floor, Southorn Centre, Wan Chai, on request.

End/Thursday, July 6, 1995

#### Govt deals with bottlenecks at economy

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A key area of the Government's activity is dealing with bottlenecks in the economy, the Governor, the Rt Hon Christopher Patten, said today (Thursday).

Speaking at the luncheon meeting of the Hong Kong Exporters' Association, Mr Patten said Hong Kong faced physical bottlenecks as well as mismatches between the supply and the demand of the labour.

"To address the physical constraints, we have massive programmes of investment in transport infrastructure, both for road and rail on land and in maritime and aviation facilities.

"We are making huge investments in the supply of serviced land for development."

He noted that the Government was investing increasingly large amounts in the training and retraining of the workforce and encouraging the development of new industry and technology.

This year the Vocational Training Council will spend \$1.4 billion, providing full-time courses for 43,000 people and part-time courses for another 66,000.

By the end of this financial year, the Employees Retraining Board will have provided courses for more than 50,000 displaced workers.

The Hong Kong Productivity Council will be running over 600 training courses and giving consultancy support to over 1,000 projects.

The Industrial Support Fund will be providing over \$200 million in assistance this year, and has already contributed nearly \$500 million to develop over 100 projects.

The Governor added that exporters faced both physical and artificial bottlenecks at present with the port.

He said a quick resolution over the development of Container Terminal 9 would be in Hong Kong and the exporters' interest.

The Governor said: "I can give you my assurance that the Hong Kong Government today is fully committed to getting on with its work with enthusiasm and to ensuring that the Hong Kong SAR Government is as well placed as possible in 1997 - well placed financially, well supplied with capable officers, well placed with ideas - so as to carry on smoothly with the successful administration of Hong Kong."

End/Thursday, July 6, 1995

#### HK and New Zealand sign investment agreement

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External investment has played a vital role in Hong Kong's development and has helped the territory to become an international centre for trade, finance and manufacturing, the Secretary for Trade and Industry, Mr Chau Tak-hei, said today (Thursday).

An Investment Promotion and Protection Agreement (IPPA) was signed in Hong Kong by Mr Chau, on behalf of the Hong Kong Government, and the Deputy Prime Minister and Minister of Foreign Affairs and Trade of New Zealand, the Rt Hon Don McKinnon, representing the Government of New Zealand.

Speaking at the signing ceremony, Mr Chau said in the manufacturing sector alone, accumulated inward investment grew from HK\$30 billion in 1990 to over HK\$40 billion in 1993.

"But the value of inward investment to Hong Kong does not lie simply in the additional capital. We have benefited greatly from the new ideas and technology which had accompanied new investment.

"For that reason, we seek to encourage the continued growth of external investment in Hong Kong. That is why, with the authorisation of the British Government and the agreement of the Chinese Government, we have sought to negotiate Investment Promotion and Protection Agreements with our major investment partners extending well beyond 1997."

This is the sixth agreement Hong Kong has signed in this important area of investment promotion and protection. Other agreements have been made with the Netherlands, Australia, Denmark, Sweden and Switzerland.

"Several more agreements are in the pipeline, and should be ready for signature later in the year. We believe that overseas investors will welcome the assurances provided by these agreements, all of which will remain in force well beyond 1997," Mr Chau said.

Such agreements are bilateral agreements binding under international law which aim to encourage and protect, on a reciprocal basis, investments by investors of one contracting party in the other's area. Mr Chau said today's agreement would further strengthen the excellent trade and other relations between Hong Kong and New Zealand.

"The agreements guarantee fair treatment for investors, proper compensation if investments are expropriated and the free transfer of investments and returns.

"They also provide for investment disputes to be settled in accordance with prescribed and equitable procedures," Mr Chau said.

The agreement signed today will enter into force 30 days after signature, and will remain effective for an initial period of 15 years. Thereafter, it will remain in force indefinitely, unless terminated by either party by giving one year's written notice.

End/Thursday, July 6, 1995

## BEC to publish revised election guidelines

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The Boundary and Election Commission (BEC) will tomorrow (Friday) publish the revised guidelines on election-related activities for the September Legislative Council Elections, after taking into account the representations received in the one-month public consultation in April.

The BEC Chairman, Mr Justice Woo Kwok-hing, said the revised guidelines contained improvements to the electoral arrangements to ensure that they would be open, fair, and honest.

The BEC received a total of 33 written submissions and met seven individuals and organisations to listen to their views on the proposed guidelines.

The Chairman said although there had been suggestions for a "cooling-off day" on the polling day when all electioneering activities would be banned, many people, after consultation, agreed that it would be more practicable to set up a "no canvassing area" outside each polling station.

Mr Justice Woo also outlined the major electoral arrangements for the September elections:

### Polling Arrangements

- \* There will be a "centralised" polling station each for the Election Committee Constituency, the Urban Council, Regional Council and Rural functional constituencies (FCs). For the remaining 26 FCs, polling will be held on a territory-wide basis and in the same 492 polling stations designated for the geographical constituency (GC) elections.
- \* In each polling station for both GC and FCs, there will be two sets of ballot boxes, one for the relevant GC and the other for the 26 FCs.
- \* The ballot papers for the GC and the different FCs are easily distinguishable by different colour patterns. Each of the 26 FCs will be assigned both a letter code and a Chinese character code printed on the front of the ballot paper (the letter code will also be printed on the back of the ballot paper) to facilitate easy identification in the polling and counting process.

- \* An elector registered only for the GC will be issued one ballot paper whereas an elector registered for both the GC and an FC will be issued two different ballot papers. The two ballot papers issued to the elector will be issued at the same time. Therefore, such an elector who wishes to exercise both of his votes will have to do so at the same visit to the polling station.
- \* A red cardboard will be issued to every elector who has received two ballot papers, and a white cardboard to every elector who has received only one ballot paper. This arrangement is to facilitate control and monitoring so that no elector can take away any ballot paper from the polling station. The cardboard must be returned to the polling staff before the elector leaves the polling station.

#### Nomination of Candidates

- \* Any person may seek advice from the Nomination Advisory Committee (NAC) regarding his qualifications for candidature.
- \* The Returning Officer (RO) concerned is required to have regard to the NAC's advice on a candidate in deciding whether that candidate is qualified for nomination.

#### Observing the Poll

- \* To ensure the secrecy of vote and to enhance transparency of the polling process, the following measures will be implemented:
  - (a) polling booth will be curtained;
  - (b) templates will be made available for the blind electors to mark their ballot papers themselves without assistance from polling staff;
  - (c) candidates and their agents may observe the issue of ballot papers to electors and the crossing out of the relevant entries from the copy of the register of electors; d. the Presiding Officer will inform candidates and their agents, before and after the poll, the number of unissued ballot papers in his possession.
- \* To ensure a smooth polling process, the Presiding Officer may regulate the number of electors, candidates, election agents and polling agents to be admitted to the polling station at any one time.

### Delivery of Ballot Boxes

- \* Up to two candidates/agents may join the escort party to deliver the ballot boxes to the counting station. Where there are more than two such persons present, the Presiding Officer will draw lots to decide which of them may join the delivery.

### Display of Election Advertisements

- \* About two-thirds of the public spots designated with a GC will be allocated to candidates of that GC. The remaining one-third will be allocated to candidates of the nine new FCs. Where appropriate, designated spots will be allocated to candidates of the 17 old FCs.
- \* Display of election advertisements without authorisation is an offence punishable by a fine, which will be treated as election expense. A candidate is required to submit a declaration on the election advertisements which he intends to display with two samples or photos. A copy of each authorisation must also be deposited with the RO.
- \* Election advertisements must be serial numbered except those exempted which include:
  - (a) single sheet not larger than A-4 size with printing details;
  - (b) election advertisements sent to electors through the free postage service or transmitted by electronic means, and
  - (c) balloons.

### Electioneering in Public Housing Estates

- \* The deadline for the candidate to apply for approval to conduct electioneering activities in public housing estates has been reduced to at least one clean working day before the intended activity (previously two working days).

### Prohibition against Canvassing Activities outside Polling Stations

- \* A large "no canvassing area" (NCA) will be designated outside each polling station to ensure the free and safe passage of electors into the polling station. In the public places within a NCA, except for authorised static display, no canvassing activities will be allowed. A "no staying area" will also be designated immediately outside the entrance of a polling station to avoid any obstruction of entry.

Exit Poll

- \* Exit polls may be conducted by any person or organisation. For the purpose of better control, persons or organisations intending to conduct exit polls must provide the required information to the Registration and Electoral Office (REO) at least seven days before the polling day.

Counting Arrangements

- \* There will be one counting station for each of the ECC, the UC and the RC and the Rual FCs (the venue for the counting station may be the same as the polling station). The counting of votes for the 20 GCs and 26 FCs will be undertaken in a central counting station under the overall supervision and co-ordination of a Chief Returning Officer.

Copies of the guidelines will be available for collection tomorrow at district offices, the REO and Government Publications Centre, ground floor, Low Block, Queensway Government Offices.

End/Thursday, July 6, 1995

CS visits border

\* \* \* \* \*

The Chief Secretary, Mrs Anson Chan, today (Thursday) visited the border to see for herself the latest developments in the area.

Accompanied by the acting Director of Home Affairs, Mr Philip Chok, and the North District Officer, Mr Tommy Yuen, Mrs Chan first called on the Man Kam To (MKT) Control Point -- one of the four gazetted border crossing points between Hong Kong and China -- where she was briefed on the current border traffic situation and future development plans.

Two other vehicle crossing points were situated at Lok Ma Chau (LMC) and Sha Tau Kok (STK) while the one for train passengers at Lo Wu.

On average, the four control points process a total of 24,500 vehicles and 110,000 passengers each day.

Mrs Chan was also given details of a project to modify and improve the existing carriageway at MKT targeted for completion by 1995-96.

Long-term plans to construct a new road from MKT to New Territories Circular Road and to expand the border crossing facilities were expected to cost \$2.53 billion and be completed in 2002.

Mrs Chan was then introduced to a almost completed project to double the capacity of northbound vehicle holding area at MKT.

At present, the MKT crossing point is operated between 7 am and 10 pm and the 12 kiosks there have a capacity to handle 16,200 vehicles per day. In 1995, the average number of vehicles processed at the check point was 9,500 each day.

The LMC and STK check points handles 13,000 and 2,000 vehicles respectively daily.

Mrs Chan also inspected the MKT Cargo Examination Complex to understand the vehicle inspection process and view exhibits seized in past cases.

Between April last year and March this year, about \$43.2 million worth of antiques, dangerous drugs and cigarettes and cellular phones and batteries were seized at control points.

Mrs Chan then visited the Lo Wu Terminal Building where she was briefed on re-development of Lo Wu Station and passenger traffic control measures.

Before concluding the visit, she toured the six-storey terminal building which has a total of 202 immigration counters to process 26,200 travellers an hour.

End/Thursday, July 6, 1995

Results of 93 Survey of Storage, Communication,  
Financing, Insurance and Business Services

\* \* \* \*

The financing (except banking), insurance and communication industries registered a significant growth in 1993.

Compared with 1992, the business receipts and other income, i.e. total receipts, went up by 36%, 21% and 17% in value terms for the three service industries respectively.

The business services industry also recorded an increase of 10% in the total receipts over 1992. A mild increase of 4% was registered in the storage industry.

These are some of the major findings of the 1993 Survey of Storage, Communication, Financing, Insurance and Business Services, released today (Thursday) by the Census and Statistics Department. The survey was conducted from May 1994 to early 1995.

All value figures in this press release are expressed in current price terms. Percentage changes derived from these figures have not been adjusted for price changes. Caution should therefore be taken in interpreting the survey results.

In 1993, there were some 4,100 establishments operating in the financing (except banking) industry, an increase of 9% over 1992. The industry comprises loan and mortgage companies, credit institutions, finance leasing companies, pawnshops, investment and holding companies, securities, futures and gold bullion brokers and dealers, money changers and foreign exchange brokers and dealers.

The survey did not include banking institutions and deposit-taking companies which were separately covered under the 1993 Survey of Banks, Deposit-taking Companies, Restricted Licence Banks and Representative Offices of Foreign Banks. The results of the latter survey will, however, be included also in the report on the former survey.

The financing (except banking) industry generated \$95.3 billion of total receipts, a significant increase of 36% over 1992.

The gross surplus of the industry accounted for 62.0% of the total receipts. This was 4.8 percentage points higher than the corresponding figure for 1992.

On the other hand, the total operating expenditure -- comprising compensation of employees, operating expenses and value of purchases of goods for sale -- of the industry accounted for 38.0% of the total receipts, a decrease of 4.8 percentage points from the figure for 1992.

The total value added of the financing (except banking) industry, a measure of the industry's contribution to Hong Kong's Gross Domestic Product, increased by 67% to \$12.5 billion in 1993. It accounted for 13.2% of the total receipts in 1993, which was 2.4 percentage points higher than the figure for 1992. It should, however, be noted that the total value added calculated for the industry did not include that for investment and holding companies owing to the special features of their business operations.

In the insurance industry, which includes general insurers, life insurers and insurance agents, there were some 2,300 establishments in operation in 1993, an increase of 25% over 1992.

The insurance industry generated \$34.5 billion of total receipts in 1993, an increase of 21% over 1992.

The total operating expenditure of the industry accounted for 22.9% of the total receipts, registering a decline of 2.0 percentage points when compared with 1992.

In the communication industry, there were 570 establishments in operation in 1993, an increase of 20% over 1992. These include telephone, telegraph, courier and radio-paging companies.

Total receipts generated by these establishments amounted to \$34.1 billion, which was 17% higher than 1992.

The gross surplus of the industry accounted for 37.1% of the total receipts, a decrease of 0.2 percentage point from the figure for 1992.

The total operating expenditure of the industry amounted to 62.9% of the total receipts. This was 0.2 percentage point above the figure for 1992.

The total value added of these establishments was \$18.1 billion in 1993, representing an increase of 16% over 1992. It accounted for 52.9% of the total receipts, a decrease of 0.4 percentage point from 1992.

In the business services industry, there were some 16 900 establishments in operation in 1993, an increase of 9% over 1992. The industry includes legal, accounting, auditing, data processing, advertising and marketing firms and companies providing miscellaneous business services such as business management and consultancy, employment, secretarial, technical and machinery/equipment rental services.

Total receipts generated by these establishments amounted to \$53.0 billion, an increase of 10% over 1992.

The gross surplus of the industry accounted for 20.6% of the total receipts, an increase of 0.4 percentage point over 1992.

The total operating expenditure of the industry amounted to 79.4% of the total receipts. This was 0.4 percentage point lower than the figure for 1992.

The total value added of these establishments, grew by 8% from \$22.9 billion in 1992 to \$24.8 billion in 1993. It constituted 46.8% of the total receipts and was 0.7 percentage point lower than the figure for 1992.

In the storage industry, there were 250 establishments in operation in 1993, a small increase of 2% over 1992. The total receipts generated by these establishments amounted to \$3.9 billion, an increase of 4% over 1992.

On the other hand, the industry's gross surplus accounted for 12.1% of the total receipts in 1993, a drop of 1.1 percentage points from the figure for 1992.

The total operating expenditure of the industry accounted for 87.9% of the total receipts. Compared with 1992, this was higher by 1.1 percentage points.

The total value added of the storage industry also decreased by 7% to \$1.3 billion in 1993. It accounted for 32.9% of the total receipts, and was 4.1 percentage points lower than the figure for 1992.

The attached table compares some selected principal statistics by major industry group between 1992 and 1993.

More detailed results together with the background and methodology of the survey will be given in a full survey report to be published in around August 1995. The report will be on sale in August at the Government Publications Centre of the Information Services Department, Low Block, ground floor, Queensway Government Offices, 66 Queensway, Hong Kong; and the Publications Section of the Census and Statistics Department, 19th Floor, Wanchai Tower, 12 Harbour Road, Wan Chai, Hong Kong.

Enquiries regarding the survey results may be directed to the Business Services Statistics Section of the Census and Statistics Department on tel 2802 1244.

**Comparison of selected principal statistics for all establishments in the Storage,  
Communication, Financing, Insurance and Business Services Industries between 1992 and 1993**

Industry		Number of establishments	Number of persons engaged	Number of employees	Compensation	Operating	Value of	Business	Value	Gross
					of employees	expenses	purchases of goods for sale	receipts and other income	added	surplus
					\$Mn.	\$Mn.	\$Mn.	\$Mn.	\$Mn.	\$Mn.
Storage	1993	249	5 391	5 389	700.0	2,686.3	-	3,852.6	1,267.7	466.3
	1992	244	5 616	5 611	673.4	2,541.2	-	3,702.4	1,369.1	487.8
	% change	+2	-4	-4	+4	+6	-	+4	-7	-4
Communication	1993	567	33 708	33 266	5,548.0	14,212.3	1,699.4	34,116.4	18,058.1	12,656.7
	1992	472	31 078	30 584	4,820.7	12,148.1	1,326.9	29,166.4	15,544.7	10,870.6
	% change	+20	+8	+9	+15	+17	+28	+17	+16	+16
Financing (except banking)	1993	4 135	40 876	39 261	11,732.6	24,509.6	-	95,281.4	12,535.5	59,039.1
	1992	3 807	38 267	36 998	9,288.2	20,755.2	-	70,190.0	7,518.7	40,146.6
	% change	+9	+7	+6	+26	+18	-	+36	+67	+47
Business Services	1993	16 928	111 489	100 178	14,939.4	25,504.4	1,584.2	52,963.4	24,764.0	10,935.5
	1992	15 544	110 476	98 874	14,097.5	23,234.9	1,178.6	48,293.7	22,914.6	9,782.7
	% change	+9	+1	+1	+6	+10	+34	+10	+8	+12
Insurance	1993	2 306	25 120	23 917	5,073.1	2,830.2	-	34,503.7	-	-
	1992	1 850	24 045	22 954	4,431.4	2,689.1	-	28,617.9	-	-
	% change	+25	+4	+4	+14	+5	-	+21	-	-

- Notes :
- (1) In the financing (except banking) industry, value added was not compiled for investment and holding companies owing to the special features of their business operations. Hence, total value added calculated for the industry did not include that of investment and holding companies.
  - (2) In the insurance industry, both value added and gross surplus were not compiled.
  - (3) Figures denoting changes are derived from unrounded figures.
  - (4) Value added is a measure of the contribution of an economic sector/industry to Hong Kong's Gross Domestic Product. The definition can be found in the "Report on 1993 Survey of Storage, Communication, Financing, Insurance and Business Services".

Study on water heater and cooking fuel market completed

\*\*\*\*\*

The Government today (Thursday) welcomed the publication of the Consumer Council's report on assessing competition in the water heater and cooking fuel market.

"We congratulate the Consumer Council on completion of a most thorough study," a Government spokesman said.

"This is a complex subject and we will examine very carefully the recommendations in the report. A Government response will be finalised before the end of the year."

"We welcome comments on the report from the general public as well as interested parties. We will approach the recommendations with an open mind taking into account these comments."

Those who wish to express their views on the report may do so by writing to the Economic Services Branch, Hong Kong Government at second floor, Main Wing, Central Government Offices, Ice House Street, Central before August 31, 1995.

End/Thursday, July 6, 1995

Contract signing for transfer station

\*\*\*\*\*

The Environmental Protection Department (EPD) today (Thursday) signed a contract for the development of the Island West Transfer Station (IWTS), which is the first of its kind to be constructed inside a man-made cavern.

Located underneath Mount Davis at Kennedy Town, the transfer station will be built at a capital cost of \$640 million and with an annual operating cost of about \$56 million.

The contract was awarded to the Swire BFI Waste Services Ltd, which is a joint venture between Swire Pacific Ltd and Browning Ferris Industries Inc.

Speaking at the contract signing ceremony, EPD's acting Deputy Director, Mr Mike Stokoe, said: "The fact that IWTS is built inside a man-made cavern is because of a lack of suitable land in the urban area for refuse transfer station development."

"The feasibility of siting the IWTS inside a cavern was first explored by the Civil Engineering Department in 1990. The arrangement will result in environmental benefits as well as economic advantage through releasing other pieces of valuable land in the urban area for alternative development."

As with other waste management projects, the IWTS will be developed under a "design, build and operate" contract arrangement. The contractor will be responsible for operating the station for 15 years.

Mr Stokoe said the IWTS would be built to very high environmental standards and be capable of processing 1,000 tonnes of refuse a day. Wastewater treatment plant and odour removal equipment will be installed inside the facility to ensure that no nuisance will be caused to nearby residents.

In addition to handling waste collected by the Urban Services Department, the IWTS will also handle privately collected waste on the Hong Kong Island.

All the wastes received at the station will be transferred in sealed containers by vessels to the West New Territories Landfill for disposal.

"IWTS is the second transfer facility serving the Hong Kong Island and will commence operation in early 1997. Together with the Island East Transfer Station, these facilities will provide a joint handling capacity of over 2,200 tonnes per day, which is sufficient to accommodate all waste arisings from Hong Kong Island," Mr Stokoe said.

"Just as equally important as the provision of waste facilities, we are developing strategy to further reduce and recycle waste generated in Hong Kong. We have commissioned a study on this subject and it is expected to be completed in August this year," he added.

End/Thursday, July 6, 1995

### Hong Kong Gurkha sets "impossible" record

\* \* \* \* \*

A Gurkha officer based in Hong Kong has broken all known records in the British Army's premier shooting competition, completed at Bisley, Surrey, southern England today (Thursday), by winning the Queen's Medal for an unprecedented third time - a feat previously considered impossible.

Captain Dharmendra Gurung was already a legend in the Army for becoming the first man ever to win the coveted Medal - which marks its holder as the best shot in the British Army - twice. This week he astounded experts by becoming the first man ever to win it three times - the shooting equivalent of three successive holes in one on the world's most difficult golf course.

The contest for the Queen's Medal involves several different competitions, all using rifles, spread over a period of three days.

Captain Gurung is the Resettlement Officer with 1st Battalion, The Royal Gurkha Rifles, at Malaya Lines, Sek Kong. He is due to retire from the Army next year.

Other Hong Kong units have also done well in this year's competition. Lance Corporal Yan Suk-yin of the Royal Hong Kong Regiment (The Volunteers) won the Territorial Army Women's Pistol Competition. The Hong Kong Military Service Corps was 4th in the Regular Army Pistol Competition, and the Royal Hong Kong Regiment (The Volunteers), 4th in the TA Pistol Competition.

End/Thursday, July 6, 1995

### 1995 Outstanding Home Economics Students Award Scheme

\* \* \* \* \*

The Assistant Director of Education Department (Chief Inspector of Schools), Mr Ho Che-leung, officiate on Saturday (July 8) at the prize-presentation ceremony of the 1995 Outstanding Home Economics Students Award Scheme.

The scheme aims at promoting secondary students' interests in Home Economics and developing their appreciation of the value of the subject especially in meeting their future personal and family needs.

The theme of this year's scheme is "Home Economics and I". More than 60 students from 49 secondary schools took part in the scheme.

The 1995 Outstanding Home Economics Students Award Scheme is organised by the Home Economics Section, Advisory Inspectorate of the Education Department and sponsored by Nestle China Limited.

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Attention News Editors:

Your representatives are invited to cover the prize- presentation ceremony of the 1995 Outstanding Home Economics Students Award Scheme at 10.30 am on Saturday (July 8) at the Granville Room, Conrad Hotel, Pacific Place, 88 Queensway.

End/Thursday, July 6, 1995

New Yau Tong Post Office to be opened

\* \* \* \* \*

The Postmaster General, Mr Mike Pagliari, announced today (Thursday) that a new Yau Tong Post Office located at Unit No 3, ground floor, Ko Yuen House, Ko Yee Estate, Yau Tong, will be opened at 9.30 am on July 17. This office will replace the existing post office at Block 1A, Ko Chiu Road Estate, Yau Tong, which will be closed for business at 1 pm on July 15.

The hours of business and telephone number of the new office will be the same as those of the existing office.

Local philatelists will wish to note that a special handback service will be available at the Yau Tong Post Office on July 17. Unregistered fully postage prepaid covers prepared privately and bearing the superscription "First Day Cover" and a local address, will be accepted over the counter, impressed with the normal post office datestamp and handed back to the person presenting them.

End/Thursday, July 6, 1995

### Grading of beach water quality

\* \* \* \* \*

The Environmental Protection Department (EPD) today (Thursday) announced the latest grading of Hong Kong's beaches, based on the bacteriological water quality.

The purpose of the grading system is to inform swimmers and the general public about the state of bacteriological pollution at various beaches.

The grading will be announced bi-weekly during the bathing season to coincide with the frequency at which beach waters are usually sampled.

The grading is based on the most recent data obtained by the department in its routine monitoring programme.

It gives an estimate on the risk of contracting some minor skin or gastrointestinal illnesses resulted from swimming at a beach with some degree of pollution.

The estimate is based on a large scale epidemiological study carried out in Hong Kong in the past bathing seasons.

The grading of some beaches fluctuates during the summer. In most cases, this represents a natural fluctuation in the bacteriological quality of bathing waters as rain and tides bring more or less pollution to the beaches.

Beaches with highly developed hinterlands are likely to be more polluted than the grades suggested during and after heavy rain.

Principal Environmental Protection Officer Dr Daniel Lau said: "Bathers should avoid swimming at such beaches for two to three days after a storm, or even longer if the weather remains overcast, shorter if there is strong sunshine."

However, the bi-weekly grades give a general picture of the most recent water quality at bathing beaches at the time of reporting and form the best available forecast for the immediate future.

The system for grading beach water quality is as follows :

Grade "1" indicates that the water quality is good. The E coli count is no more than 24 per 100 millilitres at each beach so graded, and the expected risk of minor illness to swimmers is undetectable.

Grade "2" indicates that the water quality is fair. The E coli count is no more than 180 per 100 millilitres at each beach so graded, and the expected health risk is no more than 10 cases of minor illness per 1,000 swimmers.

Grade "3" indicates that the water quality is poor. The E coli count is no more than 610 per 100 millilitres at each beach so graded, and the expected health risk is no more than 15 cases of minor illness per 1,000 swimmers.

Grade "4" indicates that the water quality is very poor. The E coli count is more than 610 per 100 millilitres at each beach so graded, and the expected health risk is more than 15 cases of minor illness per 1,000 swimmers.

The decision whether or not to close a beach to swimmers is based on a judgment of what degree of pollution is acceptable.

Normally, the closure of a beach would only be considered by the Urban or Regional Council if a grade "4" occurred repeatedly, so that the average health risk over the bathing season exceeded 15 cases per 1,000 swimmers.

At present four gazetted beaches, namely Anglers', Castle Peak, Old Cafeteria, and Rocky Bay, are closed to swimmers. The decision to close the beaches has been made by the Regional and Urban Councils on the basis of beach water quality monitoring data for 1994. The public are advised not to swim at these beaches. They are identified by an "X" in the following list.

The grades of the bacteriological water quality of various beaches in Hong Kong today are listed below :

Beach	Previous Grading (as at 22.6.95)	Present Grading (as at 6.7.95)
<u>Hong Kong South</u>		
Big Wave Bay	2	2
Chung Hom Kok	1	1
Deep Water Bay	1	1
Hairpin	2	1
Middle Bay	2	2
Repulse Bay	1	1
Shek O	2	2
South Bay	1	1
St. Stephen's	1	1
Turtle Cove	1	2
Stanley Main	3	3
Rocky Bay	X	X
To Tei Wan*	1	1

Tuen Mun District

Golden Beach	2	2
Old Cafeteria	X	X
New Cafeteria	2	2
Castle Peak	X	X
Kadoorie	2	2
Butterfly	3	3

Sai Kung District

Campers	1	1
Clear Water Bay 1st Beach	2	2
Clear Water Bay 2nd Beach	2	2
Hap Mun Bay	2	1
Kiu Tsui	1	1
Pak Sha Chau	1	1
Silverstrand	2	3
Trio (Hebe Haven)	2	1

Islands District

Cheung Sha Upper	1	1
Cheung Sha Lower	3	3
Discovery Bay*	2	2
Hung Shing Yeh	1	1
Kwun Yam Wan	2	2
Tong Fuk	1	1
Lo So Shing	1	1
Pui O	2	2
Silvermine Bay	2	3
Tung Wan, Cheung Chau	2	2
Tung O*	1	1

Tsuen Wan District

Anglers'	X	X
Approach	4	4
Casam	3	3
Gemini	3	3
Hoi Mei Wan	3	3
Lido	3	3
Ting Kau	4	4
Tung Wan, Ma Wan	2	2

Note: "X" The beach has been closed for swimming purposes.  
\* Non-gazetted beaches.

The following beaches have changed grading on this occasion:

Hairpin, Hap Mun Bay and Trio (Hebe Haven) from "2" to "1"; Turtle Cove from "1" to "2"; Silverstrand and Silvermine Bay from "2" to "3".

The changes are within the normal range of fluctuation of the bacteriological water quality of these beaches.

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Attention News Editors:

For further enquiries, please contact Principal Environmental Protection Officer Dr Daniel La, at 2835 1216.

End/Thursday, July 6, 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	1,871	0930	+642
Closing balance in the account	1,777	1000	+642
Change attributable to :		1100	+592
Money market activity	+592	1130	+592
LAF today	- 686	1500	+592
		1600	+592

LAF rate 4.25% bid/6.25% offer TWI 118.4 \*+0.1\* 6.7.95

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.32	2 years	2705	6.40	100.96	5.93
1 month	5.39	3 years	3804	6.90	101.96	6.22
3 months	5.47	5 years	5006	6.60	99.32	6.88
6 months	5.52	5 years	M501	7.90	102.75	7.35
12 months	5.62					

Total turnover of EF bills and notes - \$9,117 million

Closed July 6, 1995

End/Thursday, July 6, 1995