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## DAILY INFORMATION BULLETIN

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<u>CONTENTS</u>	<u>PAGE NO.</u>
SAR COMMITTEE NOT AFFECTING GOVT'S WORK: GOVERNOR .....	1
SEVENTH ROUND OF ELECTIONS TALKS .....	1
NON-ATTENDANCE AT LEGCO PANEL EXPLAINED .....	2
WESTERN HARBOUR CROSSING BILL GAZETTED .....	3
CHARGING FOR CHEMICAL WASTE DISPOSAL PROPOSED .....	5
BILL INTRODUCED TO FACILITATE WATERCOURSE MAINTENANCE .....	6
INSPECTOR APPOINTED TO PROBE SHARE OWNERSHIP .....	7
ONE CANDIDATE REGISTERED AS NOMINATION CLOSES TODAY .....	7
SUCCESSFUL CONCLUSION OF URUGUAY ROUND PROVIDES PACIFIC REGION MEANS TO PROSPER .....	8
BANKING (AMENDMENT) BILL 1993 GAZETTED .....	10
TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE TO START ON JULY 1 .....	13
POWER OF REGULATORS TO BE STREAMLINED .....	14

/FIRST CHINA .....



DALEY INFORMATION BULLETIN

FIRST CHINA STUDIES COURSE DUE TO START .....	16
RESULTS OF 1991 SURVEY OF STORAGE, COMMUNICATION, FINANCING, INSURANCE AND BUSINESS SERVICES RELEASED .....	16
FLAGS TO BE SOLD INSIDE RESTAURANTS .....	20
TENDERS INVITED FOR WEST KOWLOON RECLAMATION DRAINAGE WORKS .	20
RECONSTRUCTION OF LI TAK STREET AND ADJACENT REAR LANES .....	21
NEW ROAD TO COPE WITH RESIDENTIAL DEVELOPMENT .....	22
PREQUALIFICATION FOR LANDSLIP PREVENTIVE WORKS INVITED .....	23
TENDERS INVITED FOR BRIDGE CONSTRUCTION .....	23
MAINLAYING WORKS AT SHAM WAN PROPOSED .....	24
NEW ROAD PROPOSED FOR TSUEN WAN .....	24
MORE LEISURE FACILITIES IN SHEK KIP MEI AND MONG KOK .....	25
NO NOMINATION TODAY FOR LEGCO BY-ELECTION .....	26
TIME ADJUSTMENT ON JULY 1 .....	26
HONG KONG GOVERNMENT EXCHANGE FUND MONEY MARKET OPERATIONS ..	27

FRIDAY, JUNE 25, 1993

- 1 -

SAR COMMITTEE NOT AFFECTING GOVT'S WORK: GOVERNOR

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID TODAY (FRIDAY) THAT HE DID NOT THINK THE PREPARATORY COMMITTEE FOR THE HONG KONG SPECIAL ADMINISTRATIVE REGION (SAR) WOULD HAVE ANY IMPACT ON THE GOVERNMENT'S HANDLING OF THE PROSPERITY AND STABILITY OF HONG KONG UNTIL 1997.

SPEAKING TO REPORTERS AFTER ATTENDING THE PASSING OFF PARADE OF THE MILITARY SERVICE CORPS ON STONECUTTERS ISLAND, THE GOVERNOR SAID: "IF IT HELPS WITH LAYING THE FOUNDATIONS FOR THE SAR, THEN SO BE IT."

ASKED ABOUT THE PROGRESS OF THE TALKS, MR PATTEN SAID THE TALKS HAD BEEN MOVING FORWARD STEADILY.

"MY ESTIMATE AT THE MOMENT IS THAT WE'RE SEEING SOME MOVEMENTS AND THAT'S WELCOME," HE ADDED.

IN REPLY TO QUESTIONS ON 'SINCERITY' AND SINO-BRITISH RELATIONS, THE GOVERNOR SAID: "I'M VERY CONTENT TO REST ON THE JUDGEMENT AND COMMONSENSE OF THE PEOPLE OF HONG KONG. WHAT THE PEOPLE OF HONG KONG WANT IS LESS TALK ABOUT SINCERITY AND MORE EVIDENCE OF SINCERE ACTIONS.

"WHAT PEOPLE IN HONG KONG WANT TO SEE IS BRITAIN, CHINA AND THE HONG KONG GOVERNMENT WORKING CONSTRUCTIVELY TOGETHER AND TO LAY THE FOUNDATIONS FOR THE SAR.

"THAT'S CERTAINLY WHAT WE INTEND TO DO. WE INTEND AS WELL TO TRY TO ENSURE THAT EVERYTHING WE DO BEFORE 1997 ENSURES THE IMPLEMENTATION OF THE JOINT DECLARATION AFTER 1997."

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SEVENTH ROUND OF ELECTIONS TALKS

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THE BRITISH SIDE AND THE CHINESE SIDE HAVE AGREED THAT THE BRITISH GOVERNMENT REPRESENTATIVE, SIR ROBIN MCLAREN, BRITISH AMBASSADOR TO CHINA, AND THE CHINESE GOVERNMENT REPRESENTATIVE, MR JIANG ENZHU, VICE FOREIGN MINISTER OF THE PEOPLE'S REPUBLIC OF CHINA, WILL HOLD THEIR SEVENTH ROUND OF TALKS IN BEIJING ON 5 AND 6 JULY 1993 ON THE ARRANGEMENTS FOR THE 1994/95 ELECTIONS IN HONG KONG IN ACCORDANCE WITH THE SINO-BRITISH JOINT DECLARATION, THE PRINCIPLE OF CONVERGENCE WITH THE BASIC LAW AND THE RELEVANT AGREEMENTS AND UNDERSTANDINGS REACHED BETWEEN BRITAIN AND CHINA.

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NON-ATTENDANCE AT LEGCO PANEL EXPLAINED

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RESPONDING TO STATEMENTS BY SOME MEMBERS OF THE LEGCO PANEL ON ECONOMIC SERVICES AND PUBLIC UTILITIES THAT THE ADMINISTRATION HAD REFUSED TO ATTEND A MEETING THIS (FRIDAY) MORNING TO DISCUSS THE RECENT ADJUSTMENT TO WATER TARIFFS, A GOVERNMENT SPOKESMAN SAID IT WAS POSSIBLE THAT INDIVIDUAL MEMBERS OF THE PANEL HAD MISUNDERSTOOD THE ADMINISTRATION'S POSITION.

"REPRESENTATIVES OF THE CONCERNED DEPARTMENTS AND BRANCHES, INCLUDING FINANCE BRANCH, WORKS BRANCH AND WATER SUPPLIES DEPARTMENT ALWAYS STAND READY TO RESPOND TO ANY ENQUIRIES FROM LEGISLATORS IN RELATION TO THIS IMPORTANT SUBJECT", THE SPOKESMAN SAID.

"THE CONVENOR OF THE PANEL, THE HONOURABLE STEVEN POON HAD, HOWEVER, AGREED WITH SENIOR OFFICERS OF THE FINANCE BRANCH DURING A DISCUSSION ON JUNE 23 THAT THEIR PRESENCE WOULD NOT BE NECESSARY AT THIS MORNING'S MEETING.

"THIS WAS TO TAKE INTO ACCOUNT THE ADMINISTRATION'S VIEW THAT A LATER DATE MIGHT BE PREFERABLE IN VIEW OF THE ADMINISTRATION'S PROSPECTIVE NEGOTIATIONS OVER CHINA'S WATER SUPPLY TO HONG KONG. THE ADMINISTRATION BELIEVED THAT MEMBERS COULD THEN BE GIVEN A FULLER AND SUBSTANTIVE BRIEFING."

"FOLLOWING THIS CONVERSATION, THE PRINCIPAL ASSISTANT SECRETARY FOR THE TREASURY, MR ANDREW WELLS, WROTE A PERSONAL LETTER TO THE CONVENOR, NOTING THE UNDERSTANDING THAT HAD BEEN REACHED, AND INDICATING THE GOVERNMENT'S WILLINGNESS BOTH TO ATTEND AT AN ALTERNATIVE TIME AND TO ANSWER QUESTIONS IN WRITING."

THE SPOKESMAN NOTED THAT FINANCE BRANCH OFFICIALS RECEIVED A CALL FROM THE OMLEGCO SECRETARIAT AROUND 11.15 THIS MORNING REQUESTING THAT, NOTWITHSTANDING THE AGREEMENT REACHED, REPRESENTATIVES OF THE ADMINISTRATION SHOULD ATTEND BEFORE THE PANEL IMMEDIATELY.

"HOWEVER, NO OFFICER OF SUFFICIENT SENIORITY WAS AVAILABLE AT POINT-BLANK NOTICE," THE SPOKESMAN SAID.

ON THE COMMITTEE'S DECISION TO RE-CONVENE A MEETING NEXT WEEK, THE SPOKESMAN SAID THE ADMINISTRATION WOULD ATTEND.

WESTERN HARBOUR CROSSING BILL GAZETTED

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THE GOVERNMENT HAS TODAY (FRIDAY) GAZETTED THE WESTERN HARBOUR CROSSING BILL, WHICH PROVIDES FOR THE AWARD OF A 30-YEAR FRANCHISE TO WESTERN HARBOUR TUNNEL COMPANY LTD ON A BUILD, OPERATE, AND TRANSFER (BOT) BASIS.

THE BILL WILL RECEIVE ITS FIRST AND SECOND READINGS IN THE LEGISLATIVE COUNCIL ON JUNE 30.

ANNOUNCING THE DETAILS OF THE FRANCHISE TODAY, THE SECRETARY FOR TRANSPORT, MR K Y YEUNG, SAID:

"THIS IS A VITALLY IMPORTANT PROJECT WHICH WE NEED TO PRESS AHEAD WITH VERY QUICKLY. CONSTRUCTION CAN ONLY START AFTER THE LEGISLATION HAS BEEN ENACTED, SO WE HOPE THAT THE LEGISLATIVE COUNCIL WILL GIVE ITS APPROVAL BEFORE THE END OF THE PRESENT SESSION.

"WE HAVE NEGOTIATED A PRIVATE SECTOR FRANCHISE WHICH PROVIDES US WITH A DUAL THREE-LANE THIRD HARBOUR CROSSING AT NO EXPENSE TO THE PUBLIC PURSE. IT SAFEGUARDS THE PUBLIC INTEREST BY INTRODUCING A REASONABLE AND STABLE TOLL REGIME.

"AT THE SAME TIME, THE STABLE TOLL REGIME PROVIDES THE FRANCHISEE WITH GOOD PROSPECTS FOR A REASONABLE RATE OF RETURN ON HIS INVESTMENT. WE REGARD THIS AS THE BEST WAY OF SECURING PRIVATE SECTOR INVESTMENT FOR MAJOR INFRASTRUCTURE FRANCHISES. OUR FINANCIAL ADVISERS TELL US WE COULD NOT DO BETTER.

"I AM CONFIDENT THAT THIS PROJECT CAN BE COMPLETED ON SCHEDULE BY JUNE 1997," SAID MR YEUNG.

"THERE IS A FOUR-YEAR CONSTRUCTION PERIOD, WHICH COMES WITHIN THE 30-YEAR LIFE OF THE FRANCHISE.

"IF THE BILL IS PASSED BY LEGCO THIS SESSION, CONSTRUCTION CAN START IN AUGUST AND, JUDGING BY PAST EXPERIENCE IN HONG KONG, THE CONTRACTOR IS LIKELY TO COMPLETE THE PROJECT AHEAD OF SCHEDULE.

"THIS PROJECT IS GOOD FOR THE FUTURE OF HONG KONG. IT IS AN ESSENTIAL PART OF THE AIRPORT CORE PROGRAMME BECAUSE IT PROVIDES A VITAL LINK BETWEEN HONG KONG ISLAND AND WEST KOWLOON.

"IT WILL RELIEVE CONGESTION AT THE EXISTING CROSS-HARBOUR TUNNELS AND WILL CONTRIBUTE TO MEETING HONG KONG'S LONG TERM TRANSPORT NEEDS," SAID MR YEUNG.

MR YEUNG SAID THE GOVERNMENT HAD MET THE CONCERNS AIRED BY LEGISLATIVE COUNCIL MEMBERS DURING EARLIER CONSULTATIONS.

THEY HAD SAID THE GOVERNMENT SHOULD OBTAIN BENEFICIAL TERMS, THAT THE PROJECT COST SHOULD BE REASONABLE, AND THAT THERE SHOULD BE ENVIRONMENTAL SAFEGUARDS.

/THE CONSTRUCTION .....

THE CONSTRUCTION COST OF THE CROSSING WAS EXPECTED TO BE ABOUT \$6 BILLION IN MONEY OF THE DAY, WHICH WAS BELOW THE GOVERNMENT'S ORIGINAL ESTIMATE OF \$6.5 BILLION.

THE TOTAL COST TO THE FRANCHISEE, INCLUDING FINANCING CHARGES AND OTHER COSTS, WAS ESTIMATED TO BE \$7.5 BILLION. THESE FIGURES INCLUDED THE COST OF ASSOCIATED APPROACH ROADS AND NOISE MITIGATION MEASURES ALONG CONNAUGHT ROAD WEST.

"GIVEN THE \$7.5 BILLION TOTAL ESTIMATED COST, THE TOLL PACKAGE IS REASONABLE AND AFFORDABLE WITH \$30 FOR CARS IN 1997 PRICES WHICH IS EQUIVALENT TO \$20 IN TODAY'S PRICES, AND \$55 FOR DOUBLE-DECKED BUSES WHICH IS \$39 IN TODAY'S PRICES," SAID MR YEUNG.

"FIXING THE TOLLS AT LOWER LEVELS WOULD NOT BE ACCEPTABLE TO INVESTORS AND BANKERS BECAUSE IT WOULD AFFECT THE ABILITY OF THE FRANCHISEE TO REPAY DEBT DURING THE CRUCIAL INITIAL YEARS.

"MOTORISTS WILL OF COURSE HAVE THE CHOICE OF USING THE TWO EXISTING TUNNELS, PROBABLY AT LOWER TOLLS".

"THE FRANCHISEE WILL HAVE NO MORE THAN A REASONABLE RATE OF RETURN WITH AN AVERAGE OF 16.5% RETURN ON EQUITY (IN NOMINAL TERMS) OVER THE 30-YEAR FRANCHISE.

"THIS IS EXTREMELY REASONABLE WHEN COMPARED WITH RETURNS OF 20% TO 25% ON OTHER MAJOR BOT INFRASTRUCTURE PROJECTS IN THE REGION. AT THE END OF THE 30 YEARS, THE CROSSING WILL REVERT TO THE GOVERNMENT," SAID MR YEUNG.

A SPOKESMAN SAID A NEW TOLL ADJUSTMENT FORMULA WAS BEING USED BECAUSE FORMULAE USED EARLIER ARE NO LONGER ACCEPTABLE TO INVESTORS AND LENDERS.

THE FORMULA ON THE WESTERN HARBOUR CROSSING IS BASED ON A SIMPLE FLOOR AND CEILING CONCEPT, UNDER WHICH PROFITS ARE CAPPED AND THE FRANCHISEE ALSO TAKES THE RISK THAT IT MIGHT EARN LESS THAN IT EXPECTS.

THE FRANCHISEE WILL BE ALLOWED TO EARN SUFFICIENT REVENUES THROUGH TOLL INCREASES SO THAT IT WILL ALWAYS ENJOY REVENUES ABOVE THE FLOOR BUT BELOW THE CEILING.

THE FLOOR REFERS TO REVENUES CORRESPONDING TO 15% INTERNAL RATE OF RETURN (IRR), WHILE THE CEILING REFERS TO REVENUES CORRESPONDING TO 18%.

HALF THE EXCESS REVENUES BETWEEN 18% AND 19%, AND ALL THE REVENUES ABOVE 19%, GO INTO A TOLL STABILITY FUND ADMINISTERED BY THE GOVERNMENT AND USED TO OFFSET TOLL INCREASES.

THE ARRANGEMENTS ARE BACKED UP BY A 48-MONTH COMPLETION GUARANTEE, AND A COST-OVERRUN GUARANTEE WHICH ENSURES THAT ANY COST OVER-RUNS WILL BE PAID FOR BY THE FRANCHISEE, NOT THE GOVERNMENT.

THERE WILL BE NO GOVERNMENT GUARANTEES TO THE FRANCHISEE.

THE SPOKESMAN EXPLAINED THAT THE PROJECT INVOLVED A DUAL-THREE LANE IMMERSSED TUBE TUNNEL, TWO KM LONG PORTAL TO PORTAL, WITH A TOLL PLAZA, INTERCHANGE AT SAI YING PUN, AND A SECTION OF APPROACH ROAD FROM RUMSEY STREET TO BELCHER BAY.

IT WILL HAVE A MAXIMUM DAILY CAPACITY OF 180,000 VEHICLES, COMPARED WITH 120,000 IN THE TWO EXISTING DUAL-TWO LANE TUNNELS.

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#### CHARGING FOR CHEMICAL WASTE DISPOSAL PROPOSED

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THE GOVERNMENT WILL CONSULT THE CHEMICAL INDUSTRY AND CONCERNED PARTIES STARTING FROM JULY ON A PROPOSAL TO INTRODUCE A DIRECT CHARGING SCHEME FOR CHEMICAL WASTE PRODUCERS TO RECOVER THE COST OF WASTE TREATMENT.

THIS FOLLOWS THE OPENING OF THE \$1.3 BILLION CHEMICAL WASTE TREATMENT FACILITY ON TSING YI EARLY THIS MONTH WHICH IS INTENDED TO END THE EXISTING ENVIRONMENTALLY UNACCEPTABLE DISPOSAL METHOD FOR CHEMICAL WASTE.

A GOVERNMENT SPOKESMAN TODAY (FRIDAY) SAID IT WAS AIMED TO INTRODUCE THE DIRECT CHARGING PROGRAMME IN MID-1994 WITH THE CHARGES TO BE VARIED ACCORDING TO THE TYPE AND QUANTITY OF WASTE TREATED.

THE INITIAL CHARGING LEVEL WILL BE SET AT 20 PER CENT OF THE VARIABLE OPERATING COST (VOC) OF TREATING EACH WASTE STREAM AND THERE WILL BE A GRADUAL INCREASE OF CHARGES TO ACHIEVE FULL VOC RECOVERY.

"THE PROPOSAL IS IN LINE WITH THE POLLUTER PAYS PRINCIPLE. IT IS DESIGNED TO ENCOURAGE WASTE MINIMISATION AND THE INTRODUCTION OF CLEANER PRODUCTION TECHNIQUES," HE SAID.

"INTRODUCING CHARGES IN 1994 WILL ALLOW THE INDUSTRY TIME TO INCLUDE THE COST OF WASTE TREATMENT IN THEIR PRODUCTION PROCESS. THE MODERATE LEVEL OF CHARGES AT THE BEGINNING WILL NOT INDUCE A SERIOUS PROBLEM OF EVASION THROUGH ILLEGAL DISPOSAL," HE SAID.

THE CHEMICAL INDUSTRY AND OTHER CONCERNED PARTIES WILL HAVE UNTIL AUGUST 15 THIS YEAR TO PUT FORWARD THEIR VIEWS ON THE CHARGING PROPOSAL.

"THESE VIEWS WILL BE FULLY TAKEN INTO ACCOUNT BEFORE REGULATIONS ARE INTRODUCED TO PUT IN PLACE THE CHARGING SCHEME," THE SPOKESMAN SAID.

REQUESTS FOR INFORMATION AND COMMENTS ON THE PROPOSAL COULD BE ADDRESSED TO THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS (ENVIRONMENT DIVISION), 20TH FLOOR, MURRAY BUILDING, GARDEN ROAD, CENTRAL.

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BILL INTRODUCED TO FACILITATE WATERCOURSE MAINTENANCE

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THE DRAINAGE SERVICES DEPARTMENT IS INTRODUCING A BILL TO DEAL MORE EFFECTIVELY WITH THE PROBLEMS OF MAINTAINING WATERCOURSES IN THE FLOOD-PRONE AREAS OF THE NEW TERRITORIES.

THE LAND DRAINAGE BILL 1993 WHICH WAS GAZETTED TODAY (FRIDAY) SEEKS TO AUTHORISE THE GOVERNMENT TO GAIN ACCESS TO THE MAIN WATERCOURSES WHICH PASS THROUGH, OR ARE SURROUNDED BY, PRIVATE LAND TO INSPECT AND MAINTAIN SUCH WATERCOURSES.

A SPOKESMAN FOR THE DEPARTMENT EXPLAINED THAT OWING TO LAND USE CHANGES AND RAPID DEVELOPMENT IN THE NEW TERRITORIES, NATURAL WATERCOURSES BOTH ON GOVERNMENT AND PRIVATE LAND WERE SILTED UP OR OBSTRUCTED, RESULTING IN MORE SERIOUS FLOODS IN RECENT YEARS.

NEVERTHELESS, THE GOVERNMENT'S EFFORTS TO MAINTAIN THE WATERCOURSES HAD BEEN FRUSTRATED BY THE PROBLEM OF GAINING ACCESS TO THEM THROUGH PRIVATE LAND.

"IF ENACTED, THE BILL WILL ENHANCE THE GOVERNMENT'S ABILITY TO CLEAR OBSTRUCTIONS AND IMPROVE THE HYDRAULIC CAPACITIES OF THE MAIN WATERCOURSES, THUS REDUCING THE RISK OF FLOODING," THE SPOKESMAN SAID.

THE SPOKESMAN WENT ON TO SAY THAT WHILE THE WATERCOURSE WORKS TO BE CARRIED OUT BY THE GOVERNMENT WERE NOT EXPECTED TO CAUSE DAMAGE TO THE LAND OWNERS, THE BILL STILL CONTAINS PROVISIONS FOR COMPENSATION IF THE WORKS CAUSED DAMAGE TO LAND OR BUILDINGS.

THE PROVISIONS ARE SIMILAR TO THOSE PROVIDED UNDER THE ROADS (WORKS, USE AND COMPENSATION) ORDINANCE (CAP. 370).

IN THE EVENT THAT SETTLEMENT CANNOT BE REACHED BETWEEN THE CLAIMANT AND THE GOVERNMENT, THE CASE MAY BE REFERRED TO THE LAND TRIBUNAL FOR A DECISION.

THE BILL PROVIDES FOR THE SETTING UP OF A DRAINAGE AUTHORITY (DA) AND A DRAINAGE APPEAL BOARD (DAB).

THE SPOKESMAN SAID THE DIRECTOR OF DRAINAGE SERVICES WOULD BE THE DA, AND THE BILL WOULD PERMIT THE DA TO PREPARE DRAFT DA AREA PLANS, ON WHICH MAIN WATERCOURSES WOULD BE DESIGNATED, AND TO EXECUTE DRAINAGE WORKS WITHIN THOSE WATERCOURSES.

THE DAB PANEL WILL COMPRISE NON-GOVERNMENT MEMBERS APPOINTED BY THE GOVERNOR. THE BOARD WILL HEAR AND DETERMINE REVIEWS AND APPEALS LODGED BY THE PUBLIC AGGRIEVED BY A DECISION OF THE DA.

THE BILL ALSO PROVIDES THAT NO PERSON SHALL CARRY OUT, IN A MAIN WATERCOURSE WITHOUT THE CONSENT OF THE DA, ENGINEERING WORK WHICH OBSTRUCTS THE FLOW OF THE WATERCOURSE.

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FAILURE TO OBSERVE THIS REQUIREMENT IS AN OFFENCE AND THE OFFENDER IS LIABLE TO A MAXIMUM FINE OF \$50,000.

THE LAND DRAINAGE BILL WILL BE INTRODUCED TO THE LEGISLATIVE COUNCIL NEXT MONTH.

MEMBERS OF THE PUBLIC WHO WISH TO COMMENT ON THE BILL CAN SEND IN THEIR VIEWS TO DRAINAGE SERVICES DEPARTMENT ON 11TH FLOOR, KOWLOON GOVERNMENT OFFICES, 405 NATHAN ROAD.

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INSPECTOR APPOINTED TO PROBE SHARE OWNERSHIP

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THE ACTING FINANCIAL SECRETARY, MR DONALD TSANG, HAS APPOINTED ASSISTANT DIRECTOR, ENFORCEMENT, OF THE SECURITIES AND FUTURES COMMISSION (SFC), MR WILLIAM STUART CROSBY, AS AN INSPECTOR UNDER SECTION 33 OF THE SECURITIES (DISCLOSURE OF INTEREST) ORDINANCE.

MR CROSBY IS TO INVESTIGATE AND REPORT ON THE OWNERSHIP OF SHARES IN ASIA SECURITIES INTERNATIONAL LIMITED (ASIL).

THE SCOPE OF THE INVESTIGATION IS LIMITED TO MATTERS CONNECTED WITH 60,000,000 SHARES IN ASIL SOLD BY ASIA SECURITIES LIMITED AND QUATRO ENTERPRISES LIMITED TO MR WONG SHEU CHUI PURSUANT TO AN AGREEMENT DATED JUNE 28, 1991.

THE APPOINTMENT WAS MADE ON THE RECOMMENDATION OF THE SFC.

IN RECOMMENDING THAT THE FINANCIAL SECRETARY APPOINT AN INSPECTOR, THE SFC STATED THAT IT APPEARED THAT OWNERSHIP AND CONTROL OF THE 60,000,000 SHARES MIGHT HAVE BEEN A MATERIAL FACTOR IN THE EXERCISE OF CONTROL OVER ASIL IN THE PAST TWO YEARS.

THE SFC ALSO STATED THAT THIS PARCEL OF SHARES MIGHT HAVE GIVEN RISE TO BREACHES OF THE HONG KONG CODE ON TAKEOVERS AND MERGERS.

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ONE CANDIDATE REGISTERED AS NOMINATION CLOSES TODAY

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THE GOVERNMENT HAS RECEIVED NO NOMINATION FOR THE LEGISLATIVE COUNCIL BY-ELECTION IN RESPECT OF THE FIRST INDUSTRIAL ELECTORAL DIVISION TODAY (FRIDAY) -- THE LAST DAY OF NOMINATIONS.

ONLY ONE NOMINATION HAS BEEN RECEIVED FROM MR JAMES TIEN PEI-CHUN, 46, MANAGING DIRECTOR, ON JUNE 16.

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SUCCESSFUL CONCLUSION OF URUGUAY ROUND  
PROVIDES PACIFIC REGION MEANS TO PROSPER

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A SUCCESSFUL URUGUAY ROUND WILL OFFER THE PACIFIC REGION THE BEST MEANS AVAILABLE TO HELP IT PROSPER.

IT OFFERS THE MEANS TO ADDRESS PROTECTIONIST PRESSURE, SOLVE TRADE DISPUTES MORE EFFECTIVELY, HELP DEVELOP NEW AND EXPANDED MARKETS, ENCOURAGE GROWTH IN CROSS-BORDER SERVICES AND PROTECT INTELLECTUAL PROPERTY MORE EFFECTIVELY.

THIS WAS STATED BY DEPUTY DIRECTOR-GENERAL OF TRADE, MR CHRISTOPHER JACKSON, YESTERDAY (THURSDAY) AT THE TRADE POLICY FORUM VII ORGANISED BY THE PACIFIC ECONOMIC COOPERATION COUNCIL IN PUERTO VALLERTA, MEXICO.

MR JACKSON IDENTIFIED FIVE KEY ITEMS THAT THE REGION WAS OFFERED BY THE DRAFT FINAL ACT INITIATED BY THE GATT DIRECTOR-GENERAL, ARTHUR DUNKEL IN DECEMBER 1991.

FIRSTLY, A STRENGTHENED MULTILATERAL TRADE ORGANISATION.

"THE GATT HAS LACKED A FIRM LEGAL FOUNDATION; ITS STATUS HAS NEVER BEEN SUFFICIENTLY DEFINED."

"WE NEED A REDEFINITION, EXPANDING THE SCOPE TO INCLUDE NEW AREAS BROUGHT UNDER THE MULTILATERAL UMBRELLA AND GIVING SUFFICIENT AUTHORITY TO RESTORE CREDIBILITY TO THE SYSTEM," HE SAID.

SECONDLY, THERE WILL BE TIGHTER DISCIPLINES AND GREATER CLARITY IN THE MULTILATERAL RULES.

"IN THE KEY AREA OF DISPUTE SETTLEMENT, FOR EXAMPLE, THE ESTABLISHMENT OF PANELS, ADOPTION OF THEIR REPORTS AND IMPLEMENTATION OF RECOMMENDATIONS WILL BECOME A FASTER AND LARGELY AUTOMATIC PROCEDURE," HE SAID.

"THE CREDIBILITY, AUTHORITY AND VALUE OF THE MULTILATERAL SYSTEM DEPEND CRITICALLY ON A DISPUTE SETTLEMENT SYSTEM WHICH IS SEEN TO WORK, SMOOTHLY AND FAIRLY."

THIRDLY, IT WILL PROVIDE A GREATER MEASURE OF AGREEMENT ON THE HIGHLY SENSITIVE SUBJECT OF AGRICULTURE.

"WE HAVE SOME OF THE WORLD'S MOST COMPETITIVE AGRICULTURAL REGIMES, AND MANY IN THE REGION, AMONG BOTH THE DEVELOPING AND THE DEVELOPED, HAVE SUFFERED FROM GROSS DISTORTIONS IN THIS MARKET," HE SAID.

THE TRADE FRICTIONS IT CAUSES, AND THE STILL GREATER POTENTIAL FRICTIONS IT IS STORING UP FOR THE FUTURE, NEED TO BE ADDRESSED URGENTLY, HE ADDED.

"THE DISTORTIONS ARE SO GREAT, THE ISSUES SO POLITICALLY SENSITIVE THAT IT WOULD BE QUITE UNREALISTIC TO IMAGINE THAT THE URUGUAY ROUND WILL SETTLE THEM ALL.

/"BUT IT .....

"BUT IT WILL BE A BIG STEP IN THE RIGHT DIRECTION, MAKING FUTURE STEPS POSSIBLE."

FOURTHLY, THERE WILL BE AGREEMENT AT LAST TO BEGIN RETURNING TRADE IN TEXTILES AND CLOTHING TO GATT RULES.

THE MULTI-FIBRE ARRANGEMENT (MFA), DRAWN UP IN 1974, SAID: "IT MAY BE DESIRABLE DURING THE NEXT FEW YEARS FOR SPECIAL PRACTICAL MEASURES OF INTERNATIONAL CO-OPERATION TO BE APPLIED."

THE "FEW YEARS" HAD BECOME ALMOST 20 YEARS AND THE ECONOMIC DISTORTIONS HAD GROWN WITH EVERY YEAR, MR JACKSON SAID.

"ALMOST AS DAMAGING IS THE MESSAGE IT SENDS TO DEVELOPING COUNTRIES STILL DOUBTFUL ABOUT THE VIRTUE AND REWARDS OF MARKET OPENING.

"DAMAGING TOO ARE THE CONSTANT DISPUTES WHICH ANY QUOTA SYSTEM IS BOUND TO GENERATE, PARTICULARLY ONE SO COMPLEX, COVERING SO MUCH VALUABLE TRADE."

FIFTHLY, THERE WILL BE AGREEMENT TO INCLUDE TRADE IN SERVICES BENEATH THE MULTILATERAL UMBRELLA; BADLY OVERDUE AND SOMETHING THIS REGION SHOULD BENEFIT FROM GREATLY, PARTICULARLY IN THE LONG TERM.

"INTERNATIONAL TRADE IN SERVICES IS PROBABLY WORTH US\$1,000 BILLION AND IS GROWING AT OVER 12 PERCENT A YEAR," HE SAID.

"YET THERE IS INSUFFICIENT TRANSPARENCY, LITTLE STANDARDISATION AND INADEQUATE MEANS TO ADDRESS DISPUTES."

HOWEVER, HE POINTED OUT THAT PROGRESS IN THE NEGOTIATIONS HAD BEEN REMARKABLE, GIVEN THE DAUNTING TASK FACED IN 1986 WHEN TALKS BEGAN AND THE RAPID GROWTH IN SERVICES SINCE.

THE FINAL PRODUCT WOULD PROVIDE GREATER TRANSPARENCY, A FRAMEWORK OF RULES AND DEFINITIONS, THE MEANS TO ENCOURAGE FURTHER LIBERALISATION AND A DISPUTE SETTLEMENT MECHANISM, HE SAID.

MR JACKSON ALSO NAMED A NUMBER OF AREAS IN WHICH THE ROUND HAD MADE SUBSTANTIAL PROGRESS IN THE RIGHT DIRECTION.

THESE INCLUDED THE PROTECTION OF INTELLECTUAL PROPERTY - VITALLY IMPORTANT AS THE VALUE OF TRADE IN SOPHISTICATED, HEAVILY-RESEARCHED PRODUCTS SOARS; RULES TO ENSURE THAT TECHNICAL REGULATIONS AND STANDARDS DO NOT CREATE BARRIERS TO TRADE; IMPORT LICENSING PROCEDURES AND PRESHIPMENT INSPECTION; A TRADE POLICY REVIEW MECHANISM, ALREADY IN PLACE, TO ENCOURAGE TRANSPARENCY AND TRADE LIBERALIZATION.

NEVERTHELESS, HE NOTED THAT THERE HAD BEEN LITTLE MEETING OF MINDS ON THE SUBJECT OF ANTI-DUMPING.

IT WAS LIKELY TO CONTINUE ITS UNHEALTHY GROWTH AS THE MOST COMMONLY INVOKED SAFEGUARD, AN INCREASINGLY FLIMSY DISGUISE FOR PROTECTIONISM AND HARASSMENT, A SOURCE OF TRADE FRICTION RATHER THAN A CURE, HE SAID.

"SOME IN THIS REGION ARE PRIME USERS OF THIS TRADE TOOL, OTHERS ARE PRIME TARGETS.

"THOSE DISTINCTIONS WILL BECOME BLURRED AS MORE AND MORE COUNTRIES DEVELOP ANTI-DUMPING LAWS AND REGULATIONS.

"PERHAPS WHEN THE HUNTERS BECAME THE HUNTED WE MAY SEE A MORE SENSIBLE APPROACH TO THIS RIDICULOUS ISSUE.

"BUT THAT WILL BE TOO LATE FOR THE URUGUAY ROUND WHICH, I AM AFRAID, WILL HAVE TO CARRY THIS BURDEN ON THE TRADING SYSTEM," HE SAID.

IT WAS IN ALL OUR INTERESTS TO CREATE THE NECESSARY CRITICAL MASS TO ACHIEVE A PACKAGE OF TARIFF REDUCTIONS OF SUFFICIENT WEIGHT TO BREAK THROUGH THE BARRIERS OF DOMESTIC FACTIONAL INTEREST, MR JACKSON SAID.

THERE IS NO GREATER STIMULUS TO TRADE IN THE LONG RUN THAN AN ABSENCE OF TARIFF BARRIERS, WHICH IS THE EXPERIENCE IN HONG KONG.

"WE RAISE NO IMPORT TARIFFS AND HAVE BECOME THE WORLD'S FIFTH LARGEST TRADING ENTITY BY TRADE VALUE.

"WHAT HONG KONG CAN ACHIEVE, SO CAN THIS REGION," HE SAID.

FREE TRADE IN A SENSIBLE, MULTILATERAL FRAMEWORK IS THE PATH TO PROSPERITY ALTHOUGH IT IS NOT ONE WITHOUT DIFFICULTY.

"HONG KONG'S OPENNESS HAS SOMETIMES MEANT TAKING THE KNOCKS OF SUDDEN ECONOMIC CHANGE FIRMLY ON THE NOSE. BUT BY ACCEPTING COMPETITION WE HAVE BECOME ONE OF THE FITTEST ECONOMIES IN THE WORLD.

"THE URUGUAY ROUND PACKAGE OFFERS A VIGOROUS FITNESS REGIME FOR THIS REGION. IT MAY LOOK DAUNTING TO THOSE FEELING A BIT OUT OF SHAPE. BUT IT WILL BE WORTH IT."

ABOUT 20 COUNTRIES AND TERRITORIES PARTICIPATED IN THE FORUM.

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BANKING (AMENDMENT) BILL 1993 GAZETTED

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THE BANKING (AMENDMENT) BILL 1993 THAT SEEKS TO FURTHER ENHANCE SUPERVISORY STANDARDS IN HONG KONG AND TO CLARIFY CERTAIN PROVISIONS IS GAZETTED TODAY (FRIDAY).

A GOVERNMENT SPOKESMAN SAID THE BILL SOUGHT TO INTRODUCE AMENDMENTS TO THE BANKING ORDINANCE AND A NUMBER OF OTHER ORDINANCES SO THAT THE HONG KONG MONETARY AUTHORITY COULD ESTABLISH A CENTRAL CUSTODY SYSTEM TO ENABLE THE CLEARING OF SPECIFIED DEBT INSTRUMENTS IN A PAPERLESS FORM.

/INTRODUCING THE .....

INTRODUCING THE MAIN AMENDMENTS TO THE BANKING ORDINANCE, THE SPOKESMAN SAID FOLLOWING THE COLLAPSE OF THE BCCI GROUP, THE BASLE COMMITTEE OF BANKING SUPERVISORS ISSUED IN JULY 1992 A SET OF NEW MINIMUM STANDARDS ON THE SUPERVISION OF INTERNATIONAL BANKING GROUPS AND THEIR CROSS BORDER ESTABLISHMENTS.

"THE OBJECTIVE OF THE NEW STANDARDS IS TO SEEK WORLDWIDE SUPERVISORY CO-OPERATION TO ENSURE THAT NO BANK CAN OPERATE INTERNATIONALLY WITHOUT BEING SUBJECT TO EFFECTIVE CONSOLIDATED SUPERVISION BY A RESPONSIBLE BANKING AUTHORITY," THE SPOKESMAN SAID.

ALTHOUGH HONG KONG'S FRAMEWORK OF CONSOLIDATED SUPERVISION OF BANKS' GLOBAL OPERATIONS LARGELY CONFORMS WITH THE BASLE MINIMUM STANDARDS, THE EXISTING PROVISIONS GOVERNING THE PRIOR APPROVAL OF THE ESTABLISHMENT OF OVERSEAS BANKING ENTITIES BY LOCALLY INCORPORATED AUTHORISED INSTITUTIONS DOES NOT MEET THE NEW STANDARDS FULLY.

AT PRESENT, THE PRIOR APPROVAL OF THE MONETARY AUTHORITY IS REQUIRED ONLY FOR THE ESTABLISHMENT OF AN OVERSEAS BRANCH OR AN OVERSEAS REPRESENTATIVE OFFICE.

THERE IS NO PARALLEL REQUIREMENT GOVERNING THE ESTABLISHMENT OF A BANKING SUBSIDIARY.

"EXPERIENCE HAS SHOWN THAT SERIOUS PROBLEMS IN AN OVERSEAS BANKING SUBSIDIARY COULD BE DAMAGING TO CONFIDENCE IN THE PARENT BANK AND, IN MANY RESPECTS, AN OVERSEAS SUBSIDIARY DEMANDS THE SAME BREADTH OF PARENTAL COMMITMENT AS AN OVERSEAS BRANCH," THE SPOKESMAN SAID.

EVEN WHERE THE OVERSEAS BANKING SUBSIDIARY IS OWNED BY THE AUTHORISED INSTITUTION'S HOLDING COMPANY, THERE MAY BE A RISK OF CONTAGION TO THE INSTITUTION, PARTICULARLY IF THERE IS A CLEAR NAME ASSOCIATION, HE ADDED.

THE SPOKESMAN SAID AN AMENDMENT WAS THEREFORE SOUGHT SO THAT A LOCALLY INCORPORATED AUTHORISED INSTITUTION, OR ITS LOCALLY INCORPORATED HOLDING COMPANY, SHOULD BE REQUIRED TO SEEK THE MONETARY AUTHORITY'S PRIOR APPROVAL FOR THE ESTABLISHMENT OR ACQUISITION OF AN OVERSEAS BANKING SUBSIDIARY.

"THIS AMENDMENT WOULD ENSURE THAT HONG KONG'S SYSTEM OF BANKING SUPERVISION CONTINUES TO MEASURE UP TO THE HIGHEST INTERNATIONAL STANDARDS," HE ADDED.

HE SAID ANOTHER SIGNIFICANT PROVISION OF THE BILL WAS TO SHORTEN THE PERIOD OF TIME WITHIN WHICH A LOCALLY INCORPORATED AUTHORISED INSTITUTION SHOULD PUBLISH ITS ANNUAL AUDITED FINANCIAL STATEMENTS IN THE NEWSPAPERS.

"IT IS PROPOSED THAT THE SIX-MONTH DEADLINE FOR LOCALLY INCORPORATED AUTHORISED INSTITUTIONS TO PUBLISH THEIR ANNUAL AUDITED FINANCIAL STATEMENTS SHOULD BE REDUCED TO FOUR MONTHS," THE SPOKESMAN SAID.

"THIS WILL HELP THE AUDITORS TO CO-ORDINATE THEIR AUDIT WORK ON AUTHORISED INSTITUTIONS WITH THE REPORTS WHICH THEY SUBMIT TO THE MONETARY AUTHORITY UNDER THE BANKING ORDINANCE. IT WILL ALSO PROVIDE MORE TIMELY INFORMATION TO DEPOSITORS, THE GENERAL PUBLIC AND THE SUPERVISORS."

FOR OVERSEAS INCORPORATED INSTITUTIONS, THE AMENDMENT WOULD REQUIRE THEM TO SUBMIT THEIR AUDITED FINANCIAL STATEMENTS TO THE MONETARY AUTHORITY WITHIN SIX MONTHS OF THEIR FINANCIAL YEAR END IN ORDER TO OBTAIN AN EXEMPTION FROM THE STATUTORY AUDIT REQUIREMENTS UNDER SECTION 59 OF THE BANKING ORDINANCE.

THIS IS ALREADY IMPLIED UNDER THE PRESENT LEGISLATION. THE DIFFERENT TIME-FRAME RECOGNISES THE DIFFICULTY OF ENFORCING LEGISLATION IN HONG KONG ON AN INSTITUTION WHOSE MAIN BUSINESS OPERATIONS ARE IN A DIFFERENT JURISDICTION.

THE SPOKESMAN SAID THE REQUIREMENT ON THE LANGUAGE USED IN PUBLISHING THE ACCOUNTS WAS ALSO CLARIFIED SO THAT THE ENGLISH LANGUAGE WAS TO BE USED IN THE ENGLISH NEWSPAPER, AND THE CHINESE LANGUAGE IN A CHINESE NEWSPAPER.

TURNING TO THE HONG KONG MONETARY AUTHORITY'S PLANS TO INTRODUCE A CENTRAL CUSTODY SYSTEM, HE SAID AMENDMENTS TO A NUMBER OF ORDINANCES WERE REQUIRED TO GIVE RECOGNITION TO THE RIGHTS AND INTERESTS IN SPECIFIED DEBT INSTRUMENTS IN PAPERLESS FORM.

UNDER THE PROPOSED SYSTEM, THE HONG KONG MONETARY AUTHORITY WILL ACT AS THE CENTRAL CUSTODIAN AND CLEARING AGENT FOR DEBT INSTRUMENTS, SUCH AS BONDS, CERTIFICATES OF DEPOSITS, FIXED AND FLOATING RATE NOTES, AND COMMERCIAL PAPERS, ISSUED BY PRIVATE SECTOR BORROWERS.

THE SPOKESMAN SAID UNDER THE PROPOSED SCHEME, THE ISSUER OF DEBT INSTRUMENTS WOULD ISSUE ONE GLOBAL INSTRUMENT FOR ANY ONE ISSUE, WHICH WOULD BE HELD AS BEARER BY THE HONG KONG MONETARY AUTHORITY.

THE AUTHORITY, ON BEHALF OF ACCEPTABLE DEALERS, WOULD RECORD ON ITS COMPUTER SYSTEM INTERESTS IN THOSE GLOBAL INSTRUMENTS AND FACILITATE THE TRANSFER OF SUCH INTERESTS UPON RECEIPT OF INSTRUCTIONS.

"THIS WILL SPEED UP THE SETTLEMENT PROCESS AND REDUCE SETTLEMENT RISK," THE SPOKESMAN SAID.

"IT IS HOPED THAT SUCH A SYSTEM WILL FURTHER STIMULATE THE DEVELOPMENT OF HONG KONG'S CAPITAL MARKETS. IT HAS BEEN WIDELY WELCOMED BY MARKET PARTICIPANTS."

THE SPOKESMAN SAID A NUMBER OF OTHER CHANGES TO THE BANKING ORDINANCE WERE BEING SOUGHT TO IMPROVE THE WORKING OF THE ORDINANCE AND TO CLARIFY CERTAIN PROVISIONS, INCLUDING THOSE RELATING TO LOCAL REPRESENTATIVE OFFICES.

HE SAID THE MAIN PROVISIONS IN THE BILL HAD BEEN DISCUSSED WITH THE BANKING ADVISORY COMMITTEE AND THE DEPOSIT-TAKING COMPANIES ADVISORY COMMITTEE AS WELL AS THE INDUSTRY ASSOCIATIONS.

THE BILL IS SCHEDULED FOR INTRODUCTION INTO THE LEGISLATIVE COUNCIL ON JULY 7.

FRIDAY, JUNE 25, 1993

- 13 -

TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE TO START ON JULY 1  
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THE GOVERNOR HAS APPOINTED JULY 1 1993 AS THE COMMENCEMENT DATE FOR THE TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE, A GOVERNMENT SPOKESMAN ANNOUNCED TODAY (FRIDAY).

THE ORDINANCE, ENACTED IN NOVEMBER 1992, IMPOSES A STATUTORY REQUIREMENT THAT ANY TOY OR CHILDREN'S PRODUCT MANUFACTURED, IMPORTED OR SUPPLIED FOR LOCAL CONSUMPTION MUST BE SAFE.

"UNDER THE ORDINANCE, TOYS ARE REQUIRED TO COMPLY WITH ANY ONE SET OF THE PRESCRIBED SAFETY STANDARDS FOR TOYS, NAMELY, ICTI, ASTM AND EN71;" THE SPOKESMAN SAID.

"CHILDREN'S PRODUCTS ARE REQUIRED TO COMPLY WITH THE RELEVANT BRITISH STANDARDS INSTITUTION SPECIFICATIONS AS SET OUT IN THE SCHEDULE OF THE ORDINANCE.

THE COMMISSIONER OF CUSTOMS AND EXCISE WILL BE RESPONSIBLE FOR ENFORCING THE ORDINANCE. HE WILL ACT ON COMPLAINTS AND CONDUCT SPOT CHECKS.

AS A REMEDIAL MEASURE, THE COMMISSIONER MAY REQUIRE SUPPLIERS THROUGH A NOTICE SYSTEM TO MODIFY, AND IN EXTREME CASES, TO RECALL UNSAFE TOYS OR CHILDREN'S PRODUCTS.

"A PERSON AGGRIEVED BY CERTAIN ENFORCEMENT ACTION OF THE COMMISSIONER OF CUSTOMS AND EXCISE MAY APPEAL TO AN APPEAL BOARD WHICH COMPRISES CONSUMERS, MEMBERS FROM THE TOYS AND CHILDREN'S PRODUCTS INDUSTRY, LEGAL PRACTITIONERS AND EXPERTS IN PRODUCT SAFETY," HE SAID.

PRE-SALE TESTING WILL BE VOLUNTARY. A PERSON MAY HAVE A TOY OR CHILDREN'S PRODUCT TESTED BY A LABORATORY APPROVED BY THE DIRECTOR-GENERAL OF INDUSTRY TO DETERMINE WHETHER IT COMPLIES WITH THE PRESCRIBED SAFETY REQUIREMENTS FOR TOYS OR CHILDREN'S PRODUCTS.

THE ORDINANCE STIPULATES THAT A COURT, IN MAKING A DECISION ON THE DEFENCE OF DUE DILIGENCE FOR A PERSON, MAY TAKE INTO CONSIDERATION ANY CERTIFICATE ISSUED BY AN APPROVED LABORATORY WHICH SUGGESTS THAT THE TOYS OR CHILDREN'S PRODUCT IN QUESTION COMPLIES WITH ANY STATUTORY SAFETY REQUIREMENT PRESCRIBED IN THE ORDINANCE.

"WE HOPE THIS WILL ENCOURAGE SUPPLIERS TO CONDUCT PRE-SALE TESTING," HE SAID.

A PERSON WHO COMMITS AN OFFENCE UNDER THIS ORDINANCE MAY HAVE TO FACE A FINE OF \$100,000 AND ONE YEAR'S IMPRISONMENT ON FIRST CONVICTION AND A FINE OF \$500,000 AND TWO YEARS' IMPRISONMENT ON SUBSEQUENT CONVICTION.

CONSUMERS ARE WELCOME TO COME FORWARD WITH COMPLAINTS AGAINST ANY TOY AND CHILDREN'S PRODUCT FOUND TO BE UNSAFE," HE SAID.

/COMPLAINTS SHOULD .....

COMPLAINTS SHOULD BE REFERRED TO THE CONSUMER PROTECTION DIVISION OF THE TRADING STANDARDS INVESTIGATION BUREAU, CUSTOMS AND EXCISE DEPARTMENT, 16TH FLOOR, TRADE DEPARTMENT TOWER, 700 NATHAN ROAD, MONG KOK.

THE DIVISION MAY BE CONTACTED ON TEL 398 5158 AND 852 3185 RESPECTIVELY DURING AND AFTER OFFICE HOURS.

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POWER OF REGULATORS TO BE STREAMLINED

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THE GOVERNMENT IS INTRODUCING TWO BILLS TO FACILITATE THE USE BY THE FINANCIAL SECRETARY AND THE SECURITIES AND FUTURES COMMISSION (SFC) OF THEIR RESPECTIVE INVESTIGATORY POWERS AND ANOTHER ONE TO PROVIDE IMMUNITY TO THE STOCK EXCHANGE OF HONG KONG (SEHK) IN CARRYING OUT ITS LISTING FUNCTIONS.

THIS WAS STATED BY THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, TODAY (FRIDAY).

THE COMPANIES (AMENDMENT) (NO.4) BILL 1993, THE SECURITIES AND FUTURES COMMISSION (AMENDMENT) BILL 1993 AND THE STOCK EXCHANGES UNIFICATION (AMENDMENT) BILL 1993, ARE GAZETTED TODAY. THEY WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL ON JULY 7.

THE COMPANIES (AMENDMENT) (NO.4) BILL 1993 MAINLY AIMS AT FACILITATING THE USE BY THE FINANCIAL SECRETARY OF THE POWER TO INVOKE PRELIMINARY INVESTIGATIONS ON COMPANIES.

AT PRESENT, WHERE THE FINANCIAL SECRETARY'S ATTENTION IS DRAWN TO CIRCUMSTANCES SUGGESTING FRAUD, MISFEASANCE OR OTHER MISCONDUCT IN THE MANAGEMENT OF THE AFFAIRS OF A COMPANY, HE MAY AUTHORISE A PUBLIC OFFICER UNDER THE COMPANIES ORDINANCE TO REQUIRE THE PRODUCTION OF THE COMPANY'S BOOKS OR PAPERS AND TO ASK ABOUT THEM.

"SUCH PRELIMINARY INSPECTIONS PROVIDE A DISCREET AND LESS COSTLY WAY TO ASSESS WHETHER FULL-SCALE INVESTIGATIONS ARE WARRANTED," MR CARTLAND SAID.

THIS POWER HAS NEVER BEEN INVOKED BEFORE, PARTLY BECAUSE THE GOVERNMENT DOES NOT HAVE STAFF WITH THE TIME AND RELEVANT SKILL FOR THIS TYPE OF WORK.

MOREOVER, SINCE THE CONDITIONS FOR INVOKING PRELIMINARY INSPECTIONS ARE THE SAME AS THOSE FOR FULL SCALE INVESTIGATIONS, THE PROVISIONS FOR PRELIMINARY INSPECTIONS HAVE BEEN RENDERED REDUNDANT, HE SAID.

"TO FACILITATE THE USE BY THE FINANCIAL SECRETARY OF HIS POWER UNDER THE COMPANIES ORDINANCE, IT IS PROPOSED TO LOWER THE THRESHOLD FOR INITIATING PRELIMINARY INVESTIGATIONS AND TO RELAX THE EXISTING REQUIREMENT FOR APPOINTING A PUBLIC OFFICER AS AN INSPECTOR," MR CARTLAND SAID.

ON THE SECURITIES AND FUTURES COMMISSION (AMENDMENT) BILL 1993, MR CARTLAND SAID THE BILL SOUGHT TO PROVIDE THE SFC WITH PRELIMINARY INVESTIGATORY POWER IN RESPECT OF LISTED COMPANIES.

HE SAID AT PRESENT THE SFC DID NOT HAVE AUTHORITY TO CONDUCT PRELIMINARY INVESTIGATIONS ON CASES SUGGESTING FRAUD, MISFEASANCE OR MISCONDUCT IN THE MANAGEMENT OF THE AFFAIRS OF LISTED COMPANIES OR FAILURE TO DISCLOSE INFORMATION TO MEMBERS OF THESE COMPANIES.

"THE SECURITIES AND FUTURES COMMISSION (AMENDMENT) BILL 1993 EXTENDS SUCH POWERS TO THE SFC," MR CARTLAND SAID.

"IT IS ALSO PROPOSED THAT THE SFC BE ALLOWED TO APPLY FOR COURT ORDERS TO PROTECT THE INTERESTS OF SHAREHOLDERS SIMILAR TO THOSE UNDER 168A OF THE COMPANIES ORDINANCE," HE SAID.

IT IS NEVERTHELESS RECOGNISED THAT THE BANKING ORDINANCE PROVIDES EXTENSIVE POWER FOR THE MONETARY AUTHORITY TO REGULATE AUTHORISED INSTITUTIONS WHICH MAY BE LISTED.

THEREFORE, THE PROPOSED POWER OF THE SFC WILL NOT APPLY TO AUTHORISED INSTITUTIONS EXCEPT WHERE THE CASE RELATES SOLELY TO THE DISCLOSURE OF INFORMATION TO SHAREHOLDERS, HE SAID.

"FOR THE SAME REASON, THE POWER OF THE SFC TO APPLY FOR COURT ORDERS WILL NOT APPLY TO AUTHORISED INSTITUTIONS UNDER THE BANKING ORDINANCE," HE ADDED.

THERE WILL BE CASES REQUIRING CO-OPERATION BETWEEN THE REGULATORS. THE SFC WILL NEED TO CONSULT THE MONETARY AUTHORITY BEFORE INVESTIGATING AN AUTHORISED INSTITUTION OR ITS RELATED COMPANIES.

"THE SFC WILL ALSO BE REQUIRED TO CONSULT THE INSURANCE AUTHORITY BEFORE REQUIRING ANY AUTHORISED INSURERS UNDER THE INSURANCE ORDINANCE TO PRODUCE RECORDS AND DOCUMENTS FOR THE PURPOSE OF PRELIMINARY INSPECTIONS," MR CARTLAND SAID.

THE STOCK EXCHANGES UNIFICATION (AMENDMENT) BILL 1993 PROVIDES STATUTORY IMMUNITY TO THE SEHK IN CARRYING OUT ITS LISTING FUNCTIONS.

MR CARTLAND SAID THE BILL SOUGHT TO CLARIFY THE POWER OF THE SEHK TO MAKING LISTING RULES AND ENSURE THAT THE SEHK ENJOYED STATUTORY IMMUNITY IN CARRYING OUT ITS LISTING FUNCTIONS.

"IT IS UNCLEAR WHETHER THE SEHK HAS ANY IMMUNITY AT PRESENT IN RESPECT OF LISTING MATTERS AND THE PROPOSED AMENDMENTS ARE ESSENTIAL FOR THE SEHK TO ACT FIRMLY AND WITHOUT THE FEAR OF LIABILITY IN RELATIONS TO DECISIONS SUCH AS SUSPENSION OF TRADING OF SHARES," HE SAID.

FRIDAY, JUNE 25, 1993

- 16 -

FIRST CHINA STUDIES COURSE DUE TO START

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THE DEPUTY SECRETARY FOR RECREATION AND CULTURE, MR PAUL LEUNG, WILL LEAD A PARTY OF 20 CIVIL SERVANTS TO ATTEND THE FIRST CHINA STUDIES COURSE IN QINGHUA UNIVERSITY, BEIJING, NEXT MONTH.

THE PARTY IS MADE UP OF 12 ADMINISTRATIVE OFFICERS AND EIGHT DEPARTMENTAL OFFICERS.

THE COURSE, WHICH WILL LAST FROM JULY 5 TO AUGUST 22, WILL INCLUDE VISITS TO AREAS OUTSIDE BEIJING TO ENABLE PARTICIPANTS TO COMPARE THE ECONOMIC DEVELOPMENT IN VARIOUS REGIONS, AND TO STUDY THE RELATIONSHIP BETWEEN THE CENTRAL AND LOCAL GOVERNMENTS.

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ATTENTION NEWS EDITORS:

MR PAUL LEUNG WILL BRIEF THE MEDIA ON DETAILS OF THE FIRST CHINA STUDIES COURSE AT THE RCB CONFERENCE ROOM, 41ST FLOOR, REVENUE TOWER, 5 GLOUCESTER ROAD, HONG KONG, AT 3 PM TODAY (FRIDAY).

YOU ARE INVITED TO ATTEND THE MEDIA SESSION.

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RESULTS OF 1991 SURVEY OF STORAGE, COMMUNICATION,  
FINANCING, INSURANCE AND BUSINESS SERVICES RELEASED

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THE STORAGE, COMMUNICATION, FINANCING, INSURANCE AND BUSINESS SERVICES INDUSTRIES REGISTERED RAPID GROWTH IN 1991. COMPARED WITH 1990, TOTAL BUSINESS RECEIPTS WENT UP BY 22% IN VALUE TERMS FOR THE STORAGE, COMMUNICATION AND INSURANCE INDUSTRIES, BY 20% FOR THE FINANCING INDUSTRY AND BY 18% FOR THE BUSINESS SERVICES INDUSTRY.

THESE ARE SOME OF THE MAJOR FINDINGS OF THE 1991 SURVEY OF STORAGE, COMMUNICATION, FINANCING, INSURANCE AND BUSINESS SERVICES, RELEASED TODAY (FRIDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THE SURVEY WAS CONDUCTED FROM MAY 1992 TO EARLY 1993.

THE GROWTH IN GROSS SURPLUS (WHICH EQUALS TOTAL BUSINESS RECEIPTS LESS TOTAL OPERATING EXPENDITURE), HOWEVER, VARIED AMONG THESE SERVICE INDUSTRIES.

WHILE BUSINESS SERVICES, COMMUNICATION AND FINANCING INDUSTRIES HAD SIGNIFICANT INCREASES IN GROSS SURPLUS OVER 1990, OF 36%, 34% AND 33% RESPECTIVELY, THE STORAGE INDUSTRY ONLY RECORDED A MILD INCREASE OF 9%.

ALL VALUE FIGURES ARE EXPRESSED IN CURRENT PRICE TERMS. THE PERCENTAGE CHANGES DERIVED FROM THESE FIGURES HAVE NOT BEEN ADJUSTED FOR PRICE INCREASES.

/IN 1991, .....

IN 1991, SOME 13, 200 ESTABLISHMENTS WERE IN OPERATION IN THE BUSINESS SERVICES INDUSTRY, AN INCREASE OF 18% OVER 1990.

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 BUSINESS RECEIPTS GENERATED BY THESE ESTABLISHMENTS AMOUNTED TO \$39.1 BILLION, AN INCREASE OF 18% OVER 1990.

THE GROSS SURPLUS OF THE INDUSTRY ACCOUNTED FOR 22% OF THE TOTAL BUSINESS RECEIPTS, AN INCREASE OF 3 PERCENTAGE POINTS OVER THE FIGURE IN 1990.

THE TOTAL OPERATING EXPENDITURE OF THE INDUSTRY (COMPRISING COMPENSATION OF EMPLOYEES, OPERATING EXPENSES AND VALUE OF PURCHASES OF GOODS FOR SALE) ACCOUNTED FOR 78% OF THE TOTAL BUSINESS RECEIPTS. THIS WAS 3 PERCENTAGE POINTS LOWER THAN THE FIGURE IN 1990.

THE INDUSTRY'S VALUE ADDED GREW BY 22% FROM \$15.6 BILLION IN 1990 TO \$19 BILLION IN 1991. IT CONSTITUTED 49% OF THE TOTAL BUSINESS RECEIPTS. THIS WAS 2 PERCENTAGE POINTS HIGHER THAN THE FIGURE IN 1990.

IN THE COMMUNICATION INDUSTRY, THERE WERE SOME 420 ESTABLISHMENTS IN OPERATION IN 1991, AN INCREASE OF 7% OVER 1990. THESE INCLUDES TELEPHONE, TELEGRAPH, COURIER AND RADIO-PAGING COMPANIES.

TOTAL BUSINESS RECEIPTS GENERATED BY THESE ESTABLISHMENTS AMOUNTED TO \$21.4 BILLION, WHICH WAS 22% HIGHER THAN 1990.

THE GROSS SURPLUS OF THE INDUSTRY ACCOUNTED FOR 43% OF THE TOTAL BUSINESS RECEIPTS, AN INCREASE OF 4 PERCENTAGE POINTS OVER THE FIGURE IN 1990.

THE TOTAL VALUE ADDED OF THESE ESTABLISHMENTS WAS \$12.7 BILLION IN 1991, REPRESENTING AN INCREASE OF 23% OVER 1990. IT ACCOUNTED FOR 59% OF THE BUSINESS RECEIPTS AND COMPARED THE SAME WITH THE FIGURE IN 1990.

IN THE INSURANCE INDUSTRY, WHICH INCLUDES GENERAL INSURERS, LIFE INSURERS AND INSURANCE AGENTS, THERE WERE SOME 1900 ESTABLISHMENTS IN OPERATION IN 1991, AN INCREASE OF 14% OVER 1990.

THE INSURANCE INDUSTRY GENERATED \$23.9 BILLION OF BUSINESS RECEIPTS IN 1991, AN INCREASE OF 22% OVER 1990.

IN THE FINANCING INDUSTRY, SOME 3,700 ESTABLISHMENTS OPERATED IN 1991.

THIS INDUSTRY COMPRISES LOAN AND MORTGAGE COMPANIES, CREDIT INSTITUTIONS, FINANCE LEASING, 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 1991 SURVEY OF BANKS, DEPOSIT-TAKING COMPANIES, RESTRICTED LICENCE BANKS AND REPRESENTATIVE OFFICES OF FOREIGN BANKS, THE RESULTS OF WHICH WERE PUBLISHED IN THE MARCH 1993 ISSUE OF THE HONG KONG MONTHLY DIGEST OF STATISTICS.

THESE ESTABLISHMENTS GENERATED \$68.4 BILLION OF BUSINESS RECEIPTS, AN INCREASE OF 20% OVER 1990.

THE GROSS SURPLUS OF THE FINANCING INDUSTRY ACCOUNTED FOR 54% OF THE TOTAL BUSINESS RECEIPTS. COMPARED WITH 1990, IT WAS 5 PERCENTAGE POINTS HIGHER.

THE OPERATING EXPENDITURE OF THESE ESTABLISHMENTS ACCOUNTED FOR 46% OF THE TOTAL BUSINESS RECEIPTS, A DECREASE OF 5 PERCENTAGE POINTS OVER THE FIGURE IN 1990.

THE TOTAL VALUE ADDED OF THE INDUSTRY, WHICH DID NOT INCLUDE THAT OF INVESTMENT AND HOLDING COMPANIES DUE TO THE SPECIAL FEATURES OF THEIR BUSINESS OPERATIONS, INCREASED BY 12% TO \$5.6 BILLION IN 1991.

IT ACCOUNTED FOR 8% OF THE TOTAL BUSINESS RECEIPTS AND WAS 1 PERCENTAGE POINT LOWER THAN THE FIGURE IN 1990.

IN THE STORAGE INDUSTRY, ALTHOUGH A DECREASE OF 9% IN THE NUMBER OF ESTABLISHMENTS WAS REGISTERED IN 1991, THE INDUSTRY RECORDED A 22% INCREASE IN BUSINESS RECEIPTS WHICH AMOUNTED TO \$3.3 BILLION.

ON THE OTHER HAND, THE INDUSTRY'S GROSS SURPLUS ACCOUNTED FOR 18% OF THE TOTAL BUSINESS RECEIPTS IN 1991, A DROP OF 2 PERCENTAGE POINTS FROM THE FIGURE IN 1990.

THE OPERATING EXPENDITURE OF THE INDUSTRY ACCOUNTED FOR 82% OF THE TOTAL BUSINESS RECEIPTS. COMPARED WITH 1990, THIS WAS HIGHER BY 2 PERCENTAGE POINTS.

THE VALUE ADDED OF THE STORAGE INDUSTRY INCREASED BY 9% TO \$1.3 BILLION IN 1991. IT ACCOUNTED FOR 38% OF THE TOTAL BUSINESS RECEIPTS, AND WAS 5 PERCENTAGE POINTS LOWER THAN THE FIGURE IN 1990.

SUMMARY STATISTICS FOR THE 1991 SURVEY OF STORAGE, COMMUNICATION, FINANCING, INSURANCE, AND BUSINESS SERVICES WILL BE INCLUDED IN THE JUNE ISSUE OF THE HONG KONG MONTHLY DIGEST OF STATISTICS PUBLISHED BY THE CENSUS AND STATISTICS DEPARTMENT.

MORE DETAILED RESULTS TOGETHER WITH THE BACKGROUND AND METHODOLOGY OF THE SURVEY WILL BE GIVEN IN A FULL SURVEY REPORT TO BE PUBLISHED AROUND AUGUST.

THE REPORT WILL BE ON SALE AT THE GOVERNMENT PUBLICATION CENTRE, GENERAL POST OFFICE BUILDING, GROUND FLOOR, CONNAUGHT PLACE, CENTRAL; AND THE PUBLICATIONS OFFICE OF THE CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER, 12 HARBOUR ROAD, HONG KONG.

ENQUIRIES REGARDING THESE SURVEY RESULTS MAY BE DIRECTED TO THE BUSINESS SERVICES STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT (AT TELEPHONE NUMBER 802 1244).

Comparison of selected principal statistics for all establishments in the Storage, Communication,  
Financing, Insurance and Business Services Industries between 1990 and 1991

Industry		Number of establish- ments	Number of persons engaged	Number of employees	Compen- sation of employees	Operating expenses	Value of purchases of goods for sale	Business receipts and other income	Value added	Gross surplus
					\$Mn.	\$Mn.	\$Mn.	\$Mn.	\$Mn.	\$Mn.
Storage	1991	222	5 055	4 998	531.1	2,175.4	-	3,303.9	1,255.3	597.5
	1990	244	4 706	4 671	468.2	1,682.7	-	2,698.6	1,152.9	547.7
	% change	(-9)	(+7)	(+7)	(+13)	(+29)	-	(+22)	(+9)	(+9)
Communication	1991	422	26 324	25 623	3,614.8	7,528.5	1,134.7	21,432.9	12,710.9	9,154.9
	1990	395	27 131	26 840	3,668.0	5,931.2	1,162.0	17,574.3	10,323.7	6,813.1
	% change	(+7)	(-3)	(-5)	(-1)	(+27)	(-2)	(+22)	(+23)	(+34)
Financing	1991	3 723	37 859	36 491	7,791.0	23,643.2	-	68,418.9	5,563.5	36,984.7
	1990	3 560	37 702	36 316	7,105.7	22,148.6	-	57,048.3	4,978.4	27,793.9
	% change	(+5)	(#)	(#)	(+10)	(+7)	-	(+20)	(+12)	(+33)
Business Services	1991	13 207	97 615	86 522	11,267.7	17,984.4	1,140.7	39,110.5	19,030.4	8,717.7
	1990	11 196	85 599	77 734	9,461.8	16,314.8	906.4	33,080.3	15,561.7	6,397.4
	% change	(+18)	(+14)	(+11)	(+19)	(+10)	(+26)	(+18)	(+22)	(+36)
Insurance	1991	1 929	23 201	22 291	3,729.3	2,409.8	-	23,906.1	-	-
	1990	1 687	20 684	19 714	3,177.6	2,006.8	-	19,551.6	-	-
	% change	(+14)	(+12)	(+13)	(+17)	(+20)	-	(+22)	-	-

Notes : (1) In the financing industry, value added was not compiled for investment and holding companies owing to the special features of their business operations. Hence, total value added for the industry did not include that of investment and holding companies.

(2) Financing industry excluded banks, deposit-taking companies and restricted licence banks.

(3) Value added and gross surplus were not compiled for the insurance industry.

(4) Figures denoting changes are derived from unrounded figures.

(5) Value added is a measure of the contribution of an economic sector to Hong Kong's Gross Domestic Product. The definition can be found in the "1991 Survey of Storage, Communication, Financing, Insurance and Business Services" Report.

(6) # denotes change less than  $\pm 0.5\%$ .

- 20 -

FLAGS TO BE SOLD INSIDE RESTAURANTS  
\* \* \* \* \*

THE SOCIAL WELFARE DEPARTMENT (SWD) HAS ALLOCATED THE HONG KONG SOCIETY FOR REHABILITATION TO HOLD ITS FLAG DAY FOR FUND-RAISING TOMORROW (SATURDAY).

THE SOCIETY WILL BE SELLING FLAGS IN PUBLIC PLACES FROM 8 AM TO NOON ACCORDING TO NORMAL PRACTICE. HOWEVER, THE SOCIETY ALSO DECIDED TO SELL FLAGS INSIDE SOME RESTAURANTS FROM 11 AM TO 3 PM ON THAT DAY.

"WE HAVE NO OBJECTION TO THIS ADDITIONAL INITIATIVE BY THE SOCIETY AND THIS IS PURELY A PRIVATE ARRANGEMENT BETWEEN THE SOCIETY AND THE RESTAURANT OPERATORS CONCERNED AND IS OUTSIDE THE PURVIEW OF THE PUBLIC SUBSCRIPTION PERMIT ADMINISTERED BY SWD."

A SWD SPOKESMAN SAID: "NEVERTHELESS WE HAVE ADVISED THE SOCIETY TO TAKE PRECAUTIONARY MEASURES TO ENSURE SAFETY OF VOLUNTEERS WHILE SELLING FLAGS INSIDE THE PARTICIPATING RESTAURANTS AND SECURITY OF THE MONIES COLLECTED."

THE SOCIETY HAS ALSO BEEN ADVISED TO PUT UP POSTERS INSIDE THE PARTICIPATING RESTAURANTS TO INFORM THE PUBLIC OF THE FLAG SELLING ACTIVITY.

"NEEDLESS TO SAY, THE SOCIETY MUST OBTAIN PRIOR CONSENT OF THE RESTAURANT OPERATORS BEFOREHAND," SAID THE SPOKESMAN.

THE SPOKESMAN FURTHER SAID THAT IN CASE OF SUSPICION, MEMBERS OF THE PUBLIC COULD TELEPHONE THE SOCIETY ON 817 6277 BETWEEN 8 AM AND 5 PM ON THAT DAY OR SWD'S HOTLINE 343 2255.

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TENDERS INVITED FOR WEST KOWLOON RECLAMATION DRAINAGE WORKS  
\* \* \* \* \*

THE TERRITORY DEVELOPMENT DEPARTMENT IS INVITING TENDERS FOR THE CONSTRUCTION OF THE SECOND PACKAGE OF THE WEST KOWLOON RECLAMATION NORTHERN HINTERLAND DRAINAGE IMPROVEMENT WORKS.

THE WORKS FORM PART OF THE CONTINUING PROGRAMME FOR THE DEVELOPMENT OF THE WEST KOWLOON RECLAMATION WHICH IS AN AIRPORT CORE PROGRAMME PROJECT.

CONTRACT WORKS MAINLY INVOLVE THE RECONSTRUCTION OF THE DRAINAGE SYSTEM IN THE HINTERLAND OF WEST KOWLOON BETWEEN ARGYLE STREET IN THE SOUTH AND HING WAH STREET IN THE NORTH.

A SPOKESMAN FOR THE DEPARTMENT SAID TODAY (FRIDAY) THAT APART FROM IMPROVING THE CAPACITY OF THE DRAINAGE SYSTEM, THE WORKS WOULD ALSO ENSURE THAT THE RISK OF FLOODING WITHIN THE WEST KOWLOON WAS NOT INCREASED AS A RESULT OF THE MAJOR DRAINAGE EXTENSION BEING CONSTRUCTED ACROSS THE RECLAMATION.

/THE CONTRACT .....

THE CONTRACT ALSO INCLUDES THE CONSTRUCTION OF NEW SEWERS AND DRY WEATHER FLOW INTERCEPTORS TO INTERCEPT THE POLLUTED STORMWATER IN THE EXISTING DRAINAGE SYSTEM.

"WHEN CONSTRUCTION OF THE SEWERS AND INTERCEPTORS ARE COMPLETED, THE WATER QUALITY IN THE HARBOUR OFF WEST KOWLOON WILL BE IMPROVED," THE SPOKESMAN ADDED.

THE CONTRACT WILL BEGIN IN SEPTEMBER FOR COMPLETION IN EARLY 1996.

THE NOTICE OF THE TENDER INVITATION WAS GAZETTED TODAY.

TENDERS FORMS AND FURTHER PARTICULARS MAY BE OBTAINED FROM THE OFFICE OF MOTT MACDONALD HONG KONG LIMITED, 12TH FLOOR, SUN HUNG KAI CENTRE, 30 HARBOUR ROAD, WAN CHAI.

THE TENDER CLOSING DATE IS NOON ON JULY 23, 1993.

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RECONSTRUCTION OF LI TAK STREET AND ADJACENT REAR LANES

\* \* \* \* \*

THE GOVERNMENT PROPOSES TO RECONSTRUCT LI TAK STREET AND THE ADJACENT REAR LANES IN TAI KOK TSUI.

THE PROJECT COMPRISES THE RECONSTRUCTION OF THE EXISTING CARRIAGEWAY, FOOTWAY AND IMPROVEMENT OF THE ASSOCIATED DRAINAGE/UNDERGROUND SERVICES.

AT PRESENT LI TAK STREET AND THE ADJACENT REAR LANES ARE NOT PROPERLY MAINTAINED AND MANAGED BECAUSE THEY ARE UNDER MULTIPLE SUBDIVIDED OWNERSHIP.

AS A RESULT, THEY ARE GENERALLY IN POOR CONDITION, THUS GIVING RISE TO ENVIRONMENTAL AND ACCESS PROBLEMS.

IT IS THEREFORE NECESSARY, IN THE PUBLIC INTEREST, TO RESUME THIS PRIVATE STREET AND ADJACENT REAR LANES TO ENSURE THEIR PROPER MAINTENANCE AND USE.

THE IMPROVEMENT WORK IS PROGRAMMED TO START IN NOVEMBER NEXT YEAR AND WILL TAKE ABOUT FIVE MONTHS TO COMPLETE.

A NOTICE ON THE PROPOSED WORKS IS GAZETTED TODAY (FRIDAY).

THE PLAN AND SCHEME CAN BE SEEN AT THE FOLLOWING GOVERNMENT OFFICES DURING OFFICE HOURS:

- \* CENTRAL AND WESTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG;

- \* DISTRICT LANDS OFFICE, KOWLOON WEST, YAU MA TEI CAR PARK BUILDING, 10TH FLOOR, 250 SHANGHAI STREET, KOWLOON; AND
- \* MONG KOK DISTRICT OFFICE, MONG KOK GOVERNMENT OFFICES, GROUND FLOOR, 30 LUEN WAN STREET, KOWLOON.

ANY PERSON WHO WISHES TO OBJECT TO THE PROPOSAL MUST SEND HIS OBJECTION IN WRITING TO THE SECRETARY FOR TRANSPORT NOT LATER THAN AUGUST 24, THIS YEAR.

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NEW ROAD TO COPE WITH RESIDENTIAL DEVELOPMENT

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A NEW ROAD WITH FOOTPATHS WILL BE BUILT IN TSENG TAU TSUEN, TUEN MUN, BY A PRIVATE DEVELOPER TO PROVIDE ACCESS TO A RESIDENTIAL DEVELOPMENT IN THE AREA.

THE PROJECT ALSO INCLUDES THE REALIGNMENT OF A SECTION OF FRASER ROAD.

"THROUGHOUT THE ROAD CONSTRUCTION PERIOD, FRASER ROAD WILL BE KEPT IN SERVICE UNTIL WORKS ON ITS REALIGNED SECTION IS COMPLETED.

"A SECTION OF THE ROAD, TOGETHER WITH SOME ASSOCIATED TRACKS AND FOOTPATHS, WILL THEN BE CLOSED AND PEDESTRIAN AND VEHICULAR TRAFFIC WILL BE DIVERTED TO THE NEW ROAD AND FOOTPATHS," A TERRITORY DEVELOPMENT DEPARTMENT SPOKESMAN SAID TODAY (FRIDAY).

A NOTICE FOR THE PROPOSED ROAD WORKS WAS GAZETTED TODAY.

A PLAN SHOWING THE PROPOSED WORKS CAN BE SEEN DURING OFFICE HOURS AT:

- \* THE PUBLIC ENQUIRY SERVICE CENTRE, CENTRAL AND WESTERN DISTRICT OFFICE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG; AND
- \* TUEN MUN DISTRICT LANDS OFFICE AND TUEN MUN DISTRICT OFFICE, SIXTH AND SECOND FLOOR RESPECTIVELY, TUEN MUN GOVERNMENT OFFICES, 1 TUEN HI ROAD, TUEN MUN.

ANY PERSON OBJECTING TO THE PROPOSALS SHALL SEND HIS OPPOSITION IN WRITING TO THE SECRETARY FOR TRANSPORT AT THE CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, CENTRAL, NOT LATER THAN AUGUST 24, 1993, DESCRIBING HIS INTEREST AND MANNER IN WHICH HE WILL BE AFFECTED BY THE PROPOSALS.

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FRIDAY, JUNE 25, 1993

PREQUALIFICATION FOR LANDSLIP PREVENTIVE WORKS INVITED

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THE CIVIL ENGINEERING DEPARTMENT IS INVITING APPROVED CONTRACTORS TO PARTICIPATE IN A PREQUALIFICATION EXERCISE FOR LANDSLIP PREVENTIVE WORKS WHICH WILL START IN OCTOBER 1993 AND APRIL 1994.

UNDER THE TWO-YEAR CONTRACTS TO BE AWARDED, LANDSLIP PREVENTIVE WORKS WILL BE CARRIED OUT IN DIFFERENT PARTS OF THE TERRITORY.

WORKS WILL INCLUDE SOIL NAILING, CUT BACK, SKIN WALL AND ROCK SLOPE STABILISATION WORKS SUCH AS ROCK DOWEL, ROCK BOLT, CONCRETE BUTTRESS, SPRAYED CONCRETE, SCALING, PROVISION OF SURFACE DRAINAGE CHANNELS AND HYDROSEEDING TO COMPLETED SLOPE PROFILE.

ONLY CONTRACTORS ON THE APPROVED CONTRACTORS FOR PUBLIC WORKS LIST I IN GROUP B OR C FOR SITE FORMATION AND/OR ROADS AND DRAINAGE WORKS MAY APPLY FOR PREQUALIFICATION.

INTERESTED PARTIES MAY APPLY FOR PREQUALIFICATION DOCUMENTS FROM CHIEF GEOTECHNICAL ENGINEER/DESIGN, 10TH FLOOR, CIVIL ENGINEERING BUILDING, 101 PRINCESS MARGARET ROAD, HO MAN TIN, KOWLOON.

THE DEADLINE FOR SUBMISSION OF APPLICATIONS IS NOON ON JULY 16.

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TENDERS INVITED FOR BRIDGE CONSTRUCTION

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THE CIVIL ENGINEERING DEPARTMENT IS INVITING TENDERS FOR THE CONSTRUCTION OF A BRIDGE ON CONCORDE ROAD.

WORKS INCLUDE THE CONSTRUCTION OF A COMPOSITE STEEL BRIDGE AND THE ASSOCIATED ROAD AND DRAINAGE WORKS.

THE BRIDGE, WHICH MEASURES 26 METRES LONG AND FIVE METRES WIDE, WILL BE CONSTRUCTED ON CONCORDE ROAD ACROSS THE KAI TAK NULLAH AT HONG KONG INTERNATIONAL AIRPORT.

CONSTRUCTION IS EXPECTED TO START IN SEPTEMBER FOR COMPLETION IN EIGHT MONTHS.

FORMS OF TENDER AND FURTHER PARTICULARS MAY BE OBTAINED FROM THE CHIEF ENGINEER, DEVELOPMENT AND AIRPORT DIVISION, CIVIL ENGINEERING OFFICE, CIVIL ENGINEERING DEPARTMENT, SECOND FLOOR, CIVIL ENGINEERING BUILDING, 101 PRINCESS MARGARET ROAD, HO MAN TIN, KOWLOON.

TENDER OFFERS WILL CLOSE AT NOON ON JULY 16.

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MAINLAYING WORKS AT SHAM WAN PROPOSED

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THE GOVERNMENT INTENDS TO PERMIT AN ENGINEERING CONSULTANT FIRM TO CONSTRUCT A PIPELINE WITH A DIAMETER OF 150 MILLIMETRES AT SHAM WAN/ABERDEEN CHANNEL FOR SUPPLYING FRESH WATER TO TWO FLOATING RESTAURANTS.

WORKS ARE SCHEDULED TO START AFTER AUTHORISATION IS GIVEN AND WILL TAKE ABOUT TWO MONTHS TO COMPLETE.

THE EXTENT OF THE AREA AFFECTED WAS DESCRIBED IN A NOTICE GAZETTED TODAY (FRIDAY).

ANY PERSON WHO CONSIDERS THAT HE HAS AN INTEREST, RIGHT OR EASEMENT IN OR OVER THE FORESHORE AND SEABED INVOLVED MAY SUBMIT A WRITTEN OBJECTION TO THE DIRECTOR OF BUILDINGS AND LANDS ON OR BEFORE AUGUST 25.

THE OBJECTION SHALL DESCRIBE THE INTEREST, RIGHT OR EASEMENT OF THE OBJECTOR AND THE MANNER IN WHICH HE WILL BE AFFECTED.

THE NOTICE, IN BOTH ENGLISH AND CHINESE, TOGETHER WITH ITS RELATED PLAN CAN BE SEEN ON NOTICE BOARDS POSTED NEAR THE SITE.

THE PLAN CAN ALSO BE SEEN AT:

- \* THE SURVEY AND MAPPING OFFICE, BUILDINGS AND LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG (WHERE COPIES CAN BE PURCHASED ON ORDER);
- \* THE DISTRICT LANDS OFFICE, HONG KONG SOUTH, 20TH FLOOR, SOUTHORN CENTRE, 130 HENNESSY ROAD, WAN CHAI, HONG KONG;
- \* THE CENTRAL AND WESTERN DISTRICT OFFICE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG, AND
- \* THE SOUTHERN DISTRICT OFFICE, SHOP 25, GROUND FLOOR, MEI FUNG COURT, ABERDEEN CENTRE, 7-11 NAM NING STREET, ABERDEEN, HONG KONG.

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NEW ROAD PROPOSED FOR TSUEN WAN

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THE TERRITORY DEVELOPMENT DEPARTMENT'S TSUEN WAN DEVELOPMENT OFFICE PROPOSES TO CONSTRUCT AN ACCESS ROAD FROM YI PEI CHUN ROAD TO LO WAI VILLAGE.

THE PROPOSED ROADWORKS ALSO INCLUDE THE BUILDING OF ASSOCIATED FOOTPATHS, OPEN CAR PARKS, IMPROVEMENTS TO THE EXISTING FOOTPATH NETWORK AND SEPARATE DRAINAGE SYSTEMS.

A NOTICE OF THE PROPOSED WORKS WAS GAZETTED TODAY (FRIDAY).

THE WORKS ARE SCHEDULED TO BEGIN IN MAY NEXT YEAR FOR COMPLETION IN 22 MONTHS.

A PLAN SHOWING THE PROPOSED WORKS CAN BE SEEN DURING OFFICE HOURS AT:

- \* THE PUBLIC ENQUIRY SERVICE CENTRE, CENTRAL AND WESTERN DISTRICT OFFICE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG; AND
- \* TSUEN WAN DISTRICT LANDS OFFICE AND TSUEN WAN DISTRICT OFFICE, 10TH AND FIRST FLOOR RESPECTIVELY, TSUEN WAN MTR STATION MULTI-STOREY CARPARK BUILDING, 174-208 CASTLE PEAK ROAD, TSUEN WAN.

ANY PERSON OBJECTING TO THE PROPOSAL SHALL SEND HIS OPPOSITION IN WRITING TO THE SECRETARY FOR TRANSPORT AT THE CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, CENTRAL, NOT LATER THAN AUGUST 24, 1993, DESCRIBING HIS INTEREST AND MANNER IN WHICH HE WILL BE AFFECTED BY THE PROPOSAL.

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#### MORE LEISURE FACILITIES IN SHEK KIP MEI AND MONG KOK

\* \* \* \* \*

THE ARCHITECTURAL SERVICES DEPARTMENT IS INVITING TENDERS FOR THE CONSTRUCTION OF A RECREATION GROUND AT TO YUEN STREET, SHEK KIP MEI.

WORKS INCLUDE THE CONSTRUCTION OF FOOTPATHS, PLANTERS, ARBOURS, PAVILIONS, JOGGING TRACK, FITNESS STATION AREA, BASKETBALL COURT, CHILDREN'S PLAY AREA AND A SERVICE BUILDING.

TENDERS ARE ALSO INVITED FOR THE CONSTRUCTION OF A PUBLIC GARDEN AT SAI YEE STREET, MONG KOK.

THE CONTRACTOR IS ALSO REQUIRED TO CONSTRUCT PUBLIC TOILET FACILITIES AND AN OFFICE BUILDING IN THE GARDEN FOR THE URBAN SERVICES DEPARTMENT.

WORKS OF BOTH PROJECTS ARE EXPECTED TO BEGIN IN SEPTEMBER FOR COMPLETION AROUND MID-1994.

FORMS OF TENDER AND FURTHER PARTICULARS MAY BE OBTAINED FROM THE ARCHITECTURAL SERVICES DEPARTMENT, 34TH FLOOR, QUEENSWAY GOVERNMENT OFFICES, 66 QUEENSWAY, HONG KONG.

TENDER OFFERS WILL CLOSE AT NOON ON JULY 16.

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- 26 -

NO NOMINATION TODAY FOR LEGCO BY-ELECTION

\* \* \* \* \*

THE GOVERNMENT HAS RECEIVED NO NOMINATION FOR THE LEGISLATIVE COUNCIL BY-ELECTION IN RESPECT OF THE REGIONAL COUNCIL FUNCTIONAL CONSTITUENCY TODAY (FRIDAY) -- THE FIRST DAY OF NOMINATION FOR CANDIDATES.

NOMINATIONS ARE OPEN FROM TODAY TO JULY 9. THE BY-ELECTION WILL BE HELD ON JULY 28 TO FILL THE VACANCY LEFT BY MR GILBERT LEUNG KAM-HO.

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TIME ADJUSTMENT ON JULY 1

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AT 8 AM ON JULY 1, THE USUAL SIX-PIP TIME SIGNALS FROM THE ROYAL OBSERVATORY WILL NOT BE BROADCAST BY RADIO TELEVISION HONG KONG.

IT WILL RESUME AT 8.30 AM OR 9 AM DEPENDING ON THE RADIO CHANNEL.

THIS IS TO ENABLE AN ADJUSTMENT TO BE MADE WHICH WILL RESULT IN A DELAY OF ONE SECOND TO THE HONG KONG STANDARD TIME.

THE ADJUSTMENT IS NEEDED TO BETTER MATCH THE CO-ORDINATED UNIVERSAL TIME (UTC), THE TIME SCALE NOW IN USE, WITH THE ASTRONOMICAL TIME.

IT HAS BEEN INTERNATIONALLY AGREED THAT AN ADJUSTMENT OF ONE SECOND, (A LEAP SECOND) SHOULD BE APPLIED FROM TIME TO TIME SO THAT THE CO-ORDINATED UNIVERSAL TIME WILL NOT DIFFER FROM THE ASTRONOMICAL TIME BY MORE THAN NINE-TENTHS OF A SECOND.

THE LAST ADJUSTMENT WAS MADE ON JULY 1 LAST YEAR.

THE ROYAL OBSERVATORY MAINTAINS THE HONG KONG TIME STANDARD AND SINCE 1980, OPERATES A HIGH PRECISION ATOMIC CLOCK TO GIVE THE CO-ORDINATED UNIVERSAL TIME.

MEMBERS OF THE PUBLIC WHO WISH TO CARRY OUT TIME CHECKS CAN EITHER LISTEN TO THE TIME SIGNALS BROADCAST BY RADIO TELEVISION HONG KONG OR CALL THE ROYAL OBSERVATORY ON TEL 732 9472.

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FRIDAY, JUNE 25, 1993

- 27 -

HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS

\* \* \*

\$ MILLION

OPENING BALANCE IN THE ACCOUNT	2,170
REVERSAL OF LAF	+630
BALANCE AFTER REVERSAL OF LAF	2,800
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	-35
CLOSING BALANCE IN THE ACCOUNT	2,765
LAF RATE 2.00 BID/4.00 OFFER TWI 112.4 *-0.6* 25.6.93	

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS

EF NOTES/HONG KONG GOVERNMENT BONDS

TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.37 PCT	14 MONTHS	2408	4.375	100.32	4.12
1 MONTH	3.37 PCT	17 MONTHS	2411	4.625	100.42	4.35
3 MONTHS	3.35 PCT	20 MONTHS	2502	4.75	100.41	4.53
6 MONTHS	3.54 PCT	23 MONTHS	2505	3.75	98.37	4.71
12 MONTHS	3.89 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 21,366 MN

CLOSED 25 JUNE 1993

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