



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 842 8777

MONDAY, MARCH 9, 1992

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BUDGET HAS TO BE CONSIDERED AS A PACKAGE

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THE FINANCIAL SECRETARY, MR HAMISH MACLEOD, TODAY (MONDAY) REITERATED HIS FIRM CONVICTION THAT THE BUDGET HAD TO BE LOOKED AT AS A PACKAGE.

"IF WE START UNSTITCHING IT AND TRYING TO NEGOTIATE ON PARTICULAR PARTS OF IT, THEN IT REALLY BECOMES AN IMPOSSIBLE SITUATION. AND I DON'T THINK THAT IT IS IN ANYONE'S INTEREST TO HAVE UNCERTAINTY ABOUT SOMETHING AS IMPORTANT AS THE BUDGET," HE SAID.

SPEAKING TO REPORTERS AFTER HIS MEETING WITH REPRESENTATIVES OF THE CO-OPERATIVE RESOURCES CENTRE, MR MACLEOD SAID DIALOGUE WITH GROUPS OF LEGISLATIVE COUNCIL MEMBERS WAS USEFUL TO BOTH SIDES, BUT WITHIN THE CONTEXT OF THE BUDGET PACKAGE, IT HAD TO BE A PACKAGE.

"I UNDERSTAND THEIR CONCERN THAT ALLOWANCES IN SALARIES TAX SHOULD KEEP PACE WITH INFLATION," MR MACLEOD SAID, UNDERLINING A POINT IN THE GOVERNMENT PRESS RELEASE ISSUED LAST SATURDAY THAT SALARIES TAX ALLOWANCES HAD INDEED OVER THE PERIOD SINCE 1980 AND ALSO OVER THE PERIOD FROM 86/87 TO THE PRESENT BEEN INCREASED IN LINE WITH INFLATION.

"PARTICULARLY IF YOU ALSO TAKE INTO ACCOUNT THE REVISIONS IN TAX-BANDS, OF WHICH THERE HAVE BEEN A LARGE NUMBER."

THERE HAVE BEEN FIVE REVISIONS IN THE TAX-BANDS SINCE 1979-80.

"SO ROUGHLY SPEAKING IF YOU LOOK BACK YOU WILL SEE THAT ROUGHLY EVERY TWO YEARS OR SO WE REVISED THE TAX-BANDS. IT IS NOT AT ALL UNUSUAL. WE'VE DONE IT FREQUENTLY," HE SAID.

REFERRING TO THE SANDWICH CLASS, MR MACLEOD SAID HE DID HAVE SYMPATHY FOR THEM, BUT THE BASIC PROBLEM WAS NOT THE TAX SYSTEM BUT PROPERTY PRICES.

"THE FACT IS FOR WHATEVER REASONS, THE PROPERTY PRICES, PARTICULARLY IN THE SMALL RESIDENTIAL FLATS, HAVE RISEN BY PRETTY HORRENDOUS PERCENTAGES OVER THE LAST YEAR.

"IT IS A REAL PROBLEM. IT IS A PROBLEM THAT WE TRIED TO TACKLE IN RECENT MONTHS BY THE STAMP DUTY MEASURE TO REDUCE SPECULATION," HE POINTED OUT.

"I THINK WE WILL HAVE TO KEEP A VERY CLOSE EYE ON PROPERTY PRICES AND I NOTICED THAT THERE HAS BEEN SOME SPECULATION IN THE NEWSPAPERS RECENTLY THAT PRICES MAY BE ABOUT TO GO UP AGAIN, AND THAT THE BANKS MAY BE GOING TO LOOSEN THEIR LENDING CRITERIA.

"I HAVE HAD THAT CHECKED. I HAVE HAD THE MAIN LENDING BANKS APPROACHED IN THE LAST FEW DAYS, AND THEY HAVE CONFIRMED TO ME THAT THEY HAD NO SUCH PLANS.

/"THERE WERE

"THERE WERE NO PLANS FOR THE MAJOR BANKS WHO ARE INVOLVED IN MORTGAGE LENDING TO RELAX THEIR LENDING CRITERIA. SO THERE SHOULD BE NO EXCUSE FOR RAISING PRICES BECAUSE SOMEHOW THERE IS GOING TO BE MORE MONEY AVAILABLE," HE SAID.

INDEED ONE BANK HAD ANNOUNCED THAT IT WAS CONSIDERING TIGHTENING ITS LENDING CRITERIA, MR MACLEOD ADDED.

THE FINANCIAL SECRETARY SAID HE ALSO HAD A CHECK ON THE SITUATION OF VACANT FLATS AT PRESENT AND FLATS COMING ON THE MARKET IN THE NEXT FEW MONTHS.

"ABOUT HALF THE FLATS WHICH WERE RELEASED ONTO THE MARKET LAST YEAR ARE STILL VACANT. AND WE HAVE 15,000 NEW FLATS COMING UP ONTO THE MARKET OVER THE NEXT FEW MONTHS.

"SO THERE IS A GOOD SUPPLY, THE BANKS WILL CONTINUE TO BE CAUTIOUS ON LENDING AND THERE IS NO OBJECTIVE REASON FOR AN EXPECTATION OF RISING PROPERTY PRICES," HE STRESSED.

ASKED WHETHER HE WAS WORRIED THAT MEMBERS MIGHT VETO THE BUDGET IF IT HAD TO BE SEEN AS A PACKAGE, MR MACLEOD SAID: "I BELIEVE THAT LEGCO MEMBERS ARE RESPONSIBLE, THAT THEY DO NOT WISH TO CREATE A SITUATION WHERE A BUDGET, OR SOME PARTS OF A BUDGET, CANNOT BE IMPLEMENTED."

HE ADDED THAT IT WOULD BE A VERY SERIOUS THING IF SOME PARTS OF THE BUDGET WERE NOT APPROVED.

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NEW SCHEME OF CONTROL AGREEMENT FOR CLP

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THE SECRETARY FOR ECONOMIC SERVICES, MRS ANSON CHAN, TODAY (MONDAY) REPRESENTED THE GOVERNMENT TO SIGN A NEW SCHEME OF CONTROL AGREEMENT WITH CHINA LIGHT AND POWER COMPANY LIMITED, EXXON ENERGY LIMITED AND THEIR SUBSIDIARY GENERATING COMPANIES.

THE NEW SCHEME WILL COMMENCE IN OCTOBER 1993 AND EXTEND UNTIL THE END OF SEPTEMBER 2008, SOME 11 YEARS BEYOND THE RESUMPTION OF SOVEREIGNTY OVER HONG KONG BY CHINA.

SPEAKING AT THE SIGNING CEREMONY, MRS ANSON CHAN SAID THE AGREEMENT WAS A POWERFUL SYMBOL OF CONTINUITY DURING THIS PERIOD OF TRANSITION, AND OF THE CONTINUING COMMITMENT OF CHINA LIGHT AND ITS PARTNER EXXON ENERGY TO A PROSPEROUS AND DYNAMIC FUTURE FOR HONG KONG.

/"WE ARE

"WE ARE FIRMLY COMMITTED TO A POLICY OF ENCOURAGING THE PRIVATE SECTOR TO FINANCE AND OPERATE PUBLIC UTILITY SERVICES BECAUSE WE BELIEVE THAT RUNNING BUSINESSES IS BEST LEFT TO BUSINESSMEN," MRS CHAN SAID.

"THE EFFICIENCY AND COST-EFFECTIVENESS OF OUR TWO POWER COMPANIES, WHICH FUNCTION WITHOUT THE ASSISTANCE OF ANY SUBSIDY FROM PUBLIC FUNDS, IS TESTIMONY TO THE WISDOM OF THAT APPROACH," SHE ADDED.

MRS CHAN STRESSED THAT THIS DID NOT MEAN THAT THE GOVERNMENT HAD A COMPLETELY HANDS-OFF ATTITUDE.

"GIVEN THE VITAL IMPORTANCE OF A SECURE ENERGY SUPPLY BOTH TO HONG KONG'S ECONOMY AND TO THE LIVELIHOOD AND WELL-BEING OF ORDINARY PEOPLE, WE ACCEPT FULLY THAT THE GOVERNMENT HAS A RESPONSIBILITY TO ENSURE THAT THE INTERESTS OF THE PUBLIC ARE PROTECTED," SHE SAID.

"IN EXERCISING OUR REGULATORY RESPONSIBILITIES WE AIM TO STRIKE AN EQUITABLE BALANCE BETWEEN THE INTERESTS OF SHAREHOLDERS AND CONSUMERS.

"IN PARTICULAR, WE AIM TO ENSURE:

- * THAT CONSUMERS GET A RELIABLE AND EFFICIENT SERVICE AND ONE WHICH WILL GROW TO MEET THE INCREASING DEMANDS OF THE COMMUNITY;
- * THAT CONSUMERS GET THE SERVICE AT A REASONABLE PRICE;
- * THAT THE SHAREHOLDERS OF THE COMPANIES GET A REASONABLE RETURN ON THEIR INVESTMENT, SO AS TO ENCOURAGE THEM TO CONTINUE TO MAKE THE NECESSARY INVESTMENTS;
- * THAT THE COMPANIES CAN COMPETE SUCCESSFULLY IN THE FINANCIAL MARKETS WHEN FUNDS ARE NEEDED; AND
- * THAT THESE OBJECTIVES ARE ACHIEVED WITHOUT ANY DIRECT SUBSIDY FROM PUBLIC FUNDS AND WITHOUT UNDUE INTERFERENCE IN THE MANAGEMENT OF THE COMPANIES.

THE SCHEME OF CONTROL AGREEMENT SETS OUT THE MUTUAL OBLIGATIONS AND RESPONSIBILITIES OF BOTH SIDES.

THE COMPANIES UNDERTAKE TO PROVIDE A SERVICE WHICH IS NOT JUST ADEQUATE TO MEET DEMAND BUT WHICH IS ALSO EFFICIENT, OF HIGH QUALITY AND PROVIDED AT THE LOWEST REASONABLE COST.

IN FULFILLMENT OF THESE OBLIGATIONS THE COMPANIES SUBMIT TO THE GOVERNMENT, FOR ITS SCRUTINY AND APPROVAL, THEIR FORECASTS OF DEMAND, DETAILS OF THE INVESTMENTS WHICH THEY CONSIDER NECESSARY TO MEET THAT DEMAND AND THE TARIFFS WHICH THEY BELIEVE IT WILL BE NECESSARY TO CHARGE OVER THE PLANNING PERIOD IN QUESTION.

/MRS CHAN

MRS CHAN SAID: "FOR OUR PART, WE IN THE GOVERNMENT BELIEVE THAT THE CURRENT SCHEME OF CONTROL AGREEMENT HAS GENERALLY WORKED WELL:

- * CLP'S CONSUMERS ENJOY ONE OF THE MOST RELIABLE ELECTRICITY SUPPLIES IN THE REGION;
- * THE COMPANIES HAVE INVESTED OVER \$55 BILLION IN ASSETS DURING THE COURSE OF THE CURRENT AND PREVIOUS SCA;
- * TARIFF LEVELS COMPARE FAVOURABLY WITH THOSE CHARGED IN THE REGION AND HAVE INCREASED BY AN AVERAGE OF UNDER 13% OVER THE PAST 10 YEARS. THIS REPRESENTS A REDUCTION OF OVER 40 PER CENT IN REAL TERMS;
- * THE TECHNICAL EFFICIENCY AND PRODUCTIVITY OF THE COMPANIES HAVE IMPROVED STEADILY - WITH THE RESULT THAT FEWER PEOPLE AND LESS FUEL ARE REQUIRED NOW TO PRODUCE THE SAME MOUNTS OF ELECTRICITY THAN WAS THE CASE 10 YEARS AGO.

"FOR THESE REASONS THE MAJOR TERMS OF THE NEW AGREEMENT REMAIN BASICALLY UNCHANGED," MRS CHAN SAID.

"AT THE SAME TIME IMPORTANT NEW PROVISIONS HAVE BEEN INCORPORATED TO ENABLE THE GOVERNMENT TO:

- I. REVIEW THE LIFE OF ASSETS TO BRING THEM MORE INTO LINE WITH THEIR ESTIMATED USEFUL LIVES;
- II. ALLOW CAPITALISED EXPENDITURE ON REFURBISHING OR IMPROVING ASSETS TO BE ELIGIBLE FOR PERMITTED RETURN SO AS TO ENSURE THAT ASSETS ARE NOT REPLACED PREMATURELY;
- III. REDUCE THE SOURCES OF FUNDING THAT ARE CONSIDERED AS SHAREHOLDERS' INVESTMENTS AND THEREFORE ELIGIBLE FOR THE ADDITIONAL 1-1/2 PERMITTED RETURN;
- IV. SET OUT THE COMPANIES' RIGHTS AND OBLIGATIONS ON ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION (INCLUDING SUBMITTING IN FUTURE FINANCING REVIEWS PLANS TO REDUCE PEAK DEMAND);
- V. IMPROVE GOVERNMENT'S MONITORING ABILITY THROUGH ENHANCING THE SCOPE OF FINANCING AND AUDITING REVIEWS E.G. THE LATTER WILL ALSO NOW COVER TECHNICAL MATTERS;
- VI. CLARIFY THAT FUTURE ARRANGEMENTS FOR EXPORT SALES OF ELECTRICITY REQUIRE OUR PRIOR APPROVAL;
- VII. IMPROVE THE PRESENTATION OF THE SCA TO MAKE IT MORE UNDERSTANDABLE TO THE LAYMAN.

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"IN ACCORDANCE WITH PROCEDURES AGREED IN THE SINO-BRITISH JOINT LIAISON GROUP A COPY OF THE NEW DRAFT AGREEMENT WAS PASSED TO THE CHINESE FOR ANY COMMENTS THEY MIGHT HAVE," MRS CHAN SAID.

THE CHINESE SIDE HAD CONFIRMED THAT THEY HAVE NO OBJECTION TO THE TERMS OF THE NEW AGREEMENT, SHE SAID.

ALSO SPEAKING AT THE OCCASION, MANAGING DIRECTOR OF CHINA LIGHT & POWER COMPANY LIMITED, SIR WILLIAM STONES SAID THE AGREEMENT, WHICH WOULD SPAN 1997, ALSO DEMONSTRATED THE STRONG COMMITMENT AND CONFIDENCE OF THE TWO COMPANIES IN THE LONG-TERM FUTURE OF HONG KONG.

"BY THE END OF THIS DECADE CLP CONSUMERS WILL OBTAIN THEIR ELECTRICAL ENERGY FROM OIL, COAL, NUCLEAR, HYDRO POWER AND NATURAL GAS. WE WILL ALSO BE STRONGLY INTERCONNECTED WITH THE RAPIDLY DEVELOPING POWER INDUSTRY IN CHINA.

"TODAY OUR PRICE OF ELECTRICITY IS LESS THAN IT WAS AT THE END OF 1983 AND IN REAL TERM IS 40 PER CENT LESS THAN 10 YEARS AGO. THIS IS QUITE AN ACHIEVEMENT AND HAS ASSISTED IN THE FIGHT AGAINST INFLATION," HE SAID.

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DEBATE TO OVERRIDE BUSH'S MFN VETO SCHEDULED

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THE U.S. HOUSE OF REPRESENTATIVES HAS SCHEDULED A DEBATE ON WEDNESDAY (MARCH 11) ON THE VOTE TO OVERRIDE PRESIDENT BUSH'S VETO OF THE BILL WHICH SEEKS TO IMPOSE CONDITIONS ON THE RENEWAL OF MOST FAVOURED NATION (MFN) TRADING STATUS FOR CHINA.

A TRADE DEPARTMENT SPOKESMAN STATED THE ABOVE TODAY, QUOTING A RELIABLE SOURCE FROM WASHINGTON.

HOWEVER, HE ADDED THAT IT MIGHT BE POSSIBLE THAT THE VOTE WOULD BE RESCHEDULED TO THURSDAY (MARCH 12) AS SOME MEMBERS OF THE HOUSE WOULD BE INVOLVED IN THE 'SUPER TUESDAY' PRESIDENTIAL ELECTION ACTIVITIES AND MIGHT NOT BE ABLE TO MAKE IT BACK TO WASHINGTON ON WEDNESDAY.

"ON THE BASIS OF PREVIOUS VOTING PATTERNS, ALL EXPECTATIONS ARE THAT A VETO OVERRIDE WOULD BE CARRIED BY A LARGE MAJORITY IN THE HOUSE.

"THE IMPORTANT BATTLE WILL BE THE VOTE IN THE SENATE BUT THAT HAS YET TO BE SCHEDULED," THE SPOKESMAN SAID.

LOCAL TRADERS WERE REASSURED THAT THE GOVERNMENT WOULD CONTINUE TO DO ALL IT COULD TO ENSURE THAT HONG KONG'S INTERESTS IN THIS MATTER WERE FULLY UNDERSTOOD AND TAKEN INTO ACCOUNT.

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ANNUAL REPORT ON HONG KONG 1991 TO PARLIAMENT

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THE ANNUAL REPORT ON HONG KONG 1991 TO PARLIAMENT WILL BE TABLED IN THE LEGISLATIVE COUNCIL ON WEDNESDAY (MARCH 11) FOLLOWING ITS PRESENTATION TO PARLIAMENT TODAY (MARCH 9 LONDON TIME).

ANNOUNCING THIS, A GOVERNMENT SPOKESMAN SAID: "HER MAJESTY'S GOVERNMENT AGREED IN 1985, DURING THE PARLIAMENTARY DEBATES ON THE HONG KONG BILL, TO PRODUCE ANNUAL REPORTS ON HONG KONG AND TO LAY THEM BEFORE PARLIAMENT. THE PURPOSE OF THIS SERIES OF REPORTS IS TO KEEP PARLIAMENT INFORMED OF DEVELOPMENTS IN HONG KONG."

HE SAID THE REPORT, THE SEVENTH IN THE SERIES, CONTAINED A GENERAL SURVEY OF THE MAIN EVENTS IN HONG KONG DURING THE YEAR 1991.

IT COVERS VISITS TO HONG KONG BY MEMBERS OF THE ROYAL FAMILY AND GOVERNMENT MINISTERS, CONTACTS BETWEEN HONG KONG AND CHINA, CONSTITUTIONAL DEVELOPMENTS, AND HUMAN RIGHTS.

IT ALSO COVERS MATTERS CONCERNING VIETNAMESE MIGRANTS, EMIGRATION AND NATIONALITY, THE GENERAL ECONOMIC SITUATION, THE PORT AND AIRPORT DEVELOPMENT STRATEGY, GENERAL SOCIAL CONDITIONS, THE CIVIL SERVICE, AND LAW AND ORDER.

COPIES OF BOTH THE ENGLISH AND CHINESE VERSIONS OF THE REPORT WILL BE AVAILABLE FREE OF CHARGE TO MEMBERS OF THE PUBLIC STARTING THURSDAY (MARCH 12) FROM ALL DISTRICT OFFICES; THE GOVERNMENT PUBLICATIONS SALES CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL; AND THE GOVERNMENT PUBLICATIONS SALES SECTION OF THE INFORMATION SERVICES DEPARTMENT AT FRENCH MISSION BUILDING, 1 BATTERY PATH, CENTRAL.

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LEGCO TO MEET ON WEDNESDAY

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MEMBERS OF THE LEGISLATIVE COUNCIL WILL ASK A TOTAL OF 12 QUESTIONS AND CONSIDER FOUR BILLS AT THE COUNCIL'S MEETING ON WEDNESDAY (MARCH 11).

THE BANKRUPTCY (AMENDMENT) BILL 1992 AND INLAND REVENUE (AMENDMENT) (NO.2) BILL 1992 WILL BE INTRODUCED FOR FIRST AND SECOND READINGS AND DEBATES ON THEM WILL BE ADJOURNED.

ANOTHER TWO BILLS DUE TO BE GIVEN A SECOND READING, AND TO GO THROUGH THE COMMITTEE STAGE AND THIRD READING ARE THE INLAND REVENUE (AMENDMENT) (NO.5) BILL 1991 AND DENTISTS REGISTRATION (AMENDMENT) (NO.2) BILL 1991.

THE FINANCIAL SECRETARY WILL MOVE A MOTION UNDER THE PUBLIC FINANCE ORDINANCE.

THE HON PEGGY LAM WILL MOVE A MOTION ON LAW AND ORDER THAT:

"IN VIEW OF THE COMMUNITY'S STRONG CONCERN OVER VIOLENT CRIMES AND GANG ACTIVITIES, THIS COUNCIL URGES THE GOVERNMENT TO TAKE IMMEDIATE AND APPROPRIATE MEASURES, INCLUDING THOSE TO IMPROVE THE EFFICIENCY, EQUIPMENT AND MORALE OF THE POLICE FORCE, SO AS TO PROTECT THE LIVES AND PROPERTY OF THE PEOPLE, MAINTAIN LAW AND ORDER AND REDUCE THE CRIME RATE IN HONG KONG."

MEANWHILE, THE HON MARTIN BARROW WILL RAISE AN ADJOURNMENT DEBATE ON "VOLUNTARY RETURN PROGRAMME FOR VIETNAMESE MIGRANTS."

FOUR PAPERS WILL BE PRESENTED IN THE LEGCO.

THE HON STEPHEN CHEONG WILL PRESENT THE HONG KONG POLYTECHNIC'S ANNUAL REPORT 1990-91 WITH BALANCE SHEET AT JUNE 30, 1991 AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

THE SECRETARY FOR MONETARY AFFAIRS WILL PRESENT THE SECURITIES AND FUTURES COMMISSION APPROVED ESTIMATES OF INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDING MARCH 31, 1993.

THE SECRETARY FOR HEALTH AND WELFARE WILL PRESENT THE GREEN PAPER BY THE WORKING PARTY ON REHABILITATION POLICIES AND SERVICES ON EQUAL OPPORTUNITIES AND FULL PARTICIPATION: A BETTER TOMORROW FOR ALL.

THE SECRETARY FOR CONSTITUTIONAL AFFAIRS WILL PRESENT A WHITE PAPER ON THE ANNUAL REPORT ON HONG KONG 1991 TO PARLIAMENT.

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS OF THE COUNCIL MEETING FROM THE PUBLIC GALLERY. THEY MAY MAKE RESERVATIONS BY TELEPHONING 869 9492.

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FLYOVER TO EASE FUTURE WESTERN HARBOUR CROSSING TRAFFIC PROPOSED
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THE HIGHWAYS DEPARTMENT PROPOSES TO BUILD A FLYOVER BETWEEN WATER STREET AND KENNEDY TOWN TO CATER FOR THE FUTURE TRAFFIC GENERATED FROM THE PROPOSED WESTERN HARBOUR CROSSING.

AS PART OF ROUTE 7, THE FLYOVER IS A DUAL THREE-LANE ROAD WITH DOWN RAMPS CONNECTING WITH THE PROPOSED BELCHER'S BAY LINK.

THE PROJECT WILL ALSO INCLUDE THE CONSTRUCTION OF A SINGLE-LANE ELEVATED ROAD CONNECTING THE EXISTING HILL ROAD FLYOVER WITH THE PROPOSED FLYOVER, AND ANCILLARY ROAD AND DRAINAGE WORKS.

THE PROPOSED ROAD NETWORK WILL RELIEVE CONGESTION ON THE EXISTING NARROW STREETS BETWEEN SAI YING PUN AND KENNEDY TOWN AND SERVE AS PART OF THE FREE-FLOW THROUGH ROUTE FROM CHAI WAN TO KENNEDY TOWN.

A NOTICE CONCERNING THE PROPOSED ROADWORKS WAS PUBLISHED IN THE LATEST GOVERNMENT GAZETTE.

THE PLAN SHOWING THE PROPOSED ROADWORKS MAY BE SEEN AT THE FOLLOWING GOVERNMENT OFFICES DURING OFFICE HOURS:

- * THE CENTRAL AND WESTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG.
- * THE DISTRICT LANDS OFFICE, HONG KONG WEST, 19TH FLOOR, SOUTHOEN CENTRE, 130 HENNESSY ROAD, WAN CHAI, HONG KONG.

ANY PERSON OBJECTING TO THE PROPOSAL MUST SEND HIS OBJECTION IN WRITING TO THE SECRETARY FOR TRANSPORT, CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, HONG KONG NOT LATER THAN MAY 5, THIS YEAR DESCRIBING HIS INTEREST AND MANNER IN WHICH HE ALLEGES HE WILL BE AFFECTED BY THE PROPOSAL.

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SHW OFFERS ASSISTANCE TO PLAYGROUPS

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REPRESENTATIVES OF THE PRE-SCHOOL PLAYGROUPS ASSOCIATION (PPA) EXECUTIVE COMMITTEE MET THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, THIS (MONDAY) AFTERNOON TO DISCUSS THE REALLOCATION OF SPACE IN THE OLD BRITISH MILITARY HOSPITAL IN BORRETT ROAD.

MRS WONG TOLD THE REPRESENTATIVES THAT SHE APPRECIATED THEIR FEELINGS ON THE ISSUE AND ACKNOWLEDGED THAT THE WORK OF THE PPA HAD GAINED MUCH RESPECT FROM THE LOCAL COMMUNITY.

THERE WAS, HOWEVER, A SHORTAGE OF SPACE IN THE PARTICULAR LOCALITY IN QUESTION TO MEET A RANGE OF SOCIAL WELFARE AND COMMUNITY NEEDS.

AT PRESENT, THE ASSOCIATION OCCUPIES 1,022 SQUARE METRES IN THE SAID PREMISES AND ITS ACCOMMODATION WILL BE REDUCED BY ONE-THIRD TO ABOUT 665 SQUARE METRES IN JUNE THIS YEAR TO PROVIDE URGENTLY NEEDED ACCOMMODATION FOR THE WEST ISLAND SCHOOL.

AFTER THE REDUCTION, THE ASSOCIATION WILL STILL HAVE NEARLY NINE SQUARE METRES FOR EACH CHILD.

/THIS COMPARES

THIS COMPARES WITH 1.8 SQUARE METRES FOR EACH CHILD IN ACCORDANCE WITH THE PLANNING STANDARD FOR CHILD CARE CENTRES UNDER CURRENT LEGISLATION.

"THE DECISION TO ALLOCATE PART OF THE SPACE USED BY THE PPA TO WEST ISLAND SCHOOL HAD NOT BEEN AN EASY ONE," MRS WONG SAID, "BUT REPRESENTED A SENSIBLE COMPROMISE.

"AN ADDITIONAL 357 SQUARE METRES HAS TO BE PROVIDED TO THE SCHOOL. OTHERWISE, THERE WILL BE NO FIRST YEAR IN-TAKE IN 1992, AND THE PRESENT PUPILS CANNOT CONTINUE THEIR EDUCATION."

IN THE COURSE OF THE MEETING, THE SECRETARY FOR HEALTH AND WELFARE OFFERED ASSISTANCE IN THE FOLLOWING AREAS:

- * THE ASSOCIATION WILL BE ALLOWED TO USE WEST ISLAND SCHOOL HALL FOR UP TO TWO DAYS A WEEK;
- * THE ADMINISTRATION IS LIKELY TO SUPPORT THE ASSOCIATION IF IT WISHES TO APPLY FOR ADDITIONAL SPACE IN HOUSING AUTHORITY PREMISES; AND
- * THE GOVERNMENT PROPERTY ADMINISTRATOR IS LIAISING WITH THE ENGLISH SCHOOLS FOUNDATION TO REFURBISH THE FACILITIES REMAINING AVAILABLE FOR THE ASSOCIATION'S USE, AND THUS RESULTING IN MUCH BETTER UTILISATION OF THE ACCOMMODATION.

MRS WONG URGED THE ASSOCIATION TO APPROACH THE GOVERNMENT PROPERTY ADMINISTRATOR EARLY TO TAKE THE MATTER FORWARD IN EVERYONE'S INTEREST.

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HK COMMISSIONER VISITS MANCHESTER

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THE HONG KONG COMMISSIONER IN LONDON, MR JOHN YAXLEY, MADE A THREE-DAY VISIT TO MANCHESTER LAST WEEK TO MEET VARIOUS SECTORS OF THE COMMUNITY AND THE MEDIA.

LEADING A TEAM OF THE HONG KONG GOVERNMENT OFFICE (LONDON), THE COMMISSIONER TOOK PART IN AN AUDIO-VISUAL BUSINESS SEMINAR ON THE NEW AIRPORT JOINTLY ORGANISED WITH HMG'S DEPARTMENT OF TRADE AND INDUSTRY (NORTHWEST).

AT THE SEMINAR, BUSINESSMEN IN THE REGION WERE BRIEFED ON THE INVESTMENT AND BUSINESS OPPORTUNITIES IN HONG KONG.

SPEAKERS INCLUDED MR YAXLEY; HEAD OF SPECIAL HONG KONG AIRPORT UNIT, DEPARTMENT OF TRADE AND INDUSTRY (NORTHWEST), MR JIM BROAD; AND REGIONAL DIRECTOR, NORTHERN EUROPE, OF HONG KONG TRADE DEVELOPMENT COUNCIL, MR JOSEPH LEE.

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OPENING THE SEMINAR WAS THE CHAIRMAN OF HONG KONG TRADE ADVISORY GROUP, BRITISH OVERSEAS TRADE BOARD, MR MICHAEL ROSENBERG.

THE COMMISSIONER ALSO VISITED THE LORD MAYOR OF MANCHESTER, COUNCILLOR CHADWICK.

MR YAXLEY WAS TOLD THAT THE LOCAL CHINESE COMMUNITY HAD ALWAYS BEEN AN INSPIRATION TO THE BUSINESS COMMUNITY IN MANCHESTER. THEIR ENTERPRISE HAD TRANSFORMED CHINATOWN, EXTENDING THE BOUNDARIES OF THE DEVELOPMENT OF MANCHESTER AS A WHOLE.

THE HUSTLE AND BUSTLE OF THE CHINATOWN, WHICH REMAINED VIBRANT EVEN IN THE ECONOMIC RECESSION IN THE COUNTRY, HAD BEEN VERY IMPRESSIVE, THE LORD MAYOR NOTED.

SHARING THIS VIEW WERE THE DEPUTY COUNCIL LEADER, COUNCILLOR RICHARD LEE; AND CHAIRMAN OF THE CITY COUNCIL'S SOCIAL SERVICES COMMITTEE, COUNCILLOR BRIAN HARRISON.

MR YAXLEY INVITED THE LORD MAYOR TO SEND A DELEGATION TO HONG KONG TO HAVE A BETTER INSIGHT INTO THE TERRITORY AS AN INTERNATIONAL TRADING AND FINANCIAL CENTRE, AND TO PROMOTE TRADE.

AS PART OF THE CHINESE NEW YEAR EVENT, MR YAXLEY HOSTED A SPRING RECEPTION FOR OVER 120 REPRESENTATIVES OF THE CHINESE COMMUNITY, UPDATING THEM ON THE POLITICAL AND ECONOMIC DEVELOPMENTS OF HONG KONG.

HE ALSO TOURED A HONG KONG EXHIBITION MOUNTED BY THE HONG KONG STUDENTS ASSOCIATION OF THE INSTITUTE OF SCIENCE AND TECHNOLOGY, UNIVERSITY OF MANCHESTER (UMIST), WHERE HE DISCUSSED STUDENT MATTERS WITH THE SENIOR INTERNATIONAL LIAISON OFFICER OF THE UNIVERSITY OF MANCHESTER, DR PETER GABBUTT.

AT A SEMINAR, HE ADDRESSED 150 HONG KONG STUDENTS OF MANCHESTER UNIVERSITY AND UMIST, AND ANSWERED QUESTIONS ON THE TERRITORY, ESPECIALLY ITS INFRASTRUCTURAL DEVELOPMENT.

MRS YAXLEY PAID VISITS TO FAULKNER COURT SHELTERED HOME FOR CHINESE ELDERLIES AND THE CHINESE SECTION OF MANCHESTER CENTRAL LIBRARY.

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GUIDE TO POLLUTION CONTROL LAW RELEASED

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THE INDUSTRY DEPARTMENT TODAY (MONDAY) RELEASED A BOOKLET ENTITLED "A GUIDE TO POLLUTION CONTROL LEGISLATION AFFECTING MANUFACTURING INDUSTRIES".

A SPOKESMAN FOR THE DEPARTMENT SAID WHEREAS PREVIOUSLY INFORMATION ON ENVIRONMENTAL LEGISLATION WAS MADE KNOWN TO THE PUBLIC ON AN AD HOC BASIS, THE PRESENT GUIDE ATTEMPTED TO PROVIDE A COMPREHENSIVE SUMMARY OF THE MAJOR ENVIRONMENTAL LEGISLATION TO DATE, AS WELL AS THE VARIOUS AGENCIES DEALING WITH SUCH MATTERS.

THE SPOKESMAN SAID IF MANUFACTURERS FOUND THE GUIDE TO BE USEFUL, THE DEPARTMENT WOULD CONSIDER PUBLISHING THE GUIDE ANNUALLY.

THE SPOKESMAN ALSO SAID THE INDUSTRY DEPARTMENT HAD JUST COMMISSIONED A \$12 MILLION CONSULTANCY STUDY ON SUPPORT TO INDUSTRY ON ENVIRONMENTAL MATTERS IN HONG KONG.

TAKING THE PROPOSALS OUTLINED IN THE WHITE PAPER "POLLUTION IN HONG KONG - A TIME TO ACT" INTRODUCED IN JUNE 1989, AND THE GENERAL WORLDWIDE TREND TOWARDS REQUIRING BETTER ENVIRONMENTAL PROTECTION BY MANUFACTURING INDUSTRIES, THE OBJECTIVE OF THE STUDY WOULD BE TO REVIEW THE CURRENT LEVEL AND MECHANISMS OF SUPPORT TO INDUSTRY WITH A VIEW TO ENSURING THAT HONG KONG'S MANUFACTURED EXPORTS REMAIN COMPETITIVE IN BOTH REGIONAL AND WORLD MARKETS.

THE FINAL REPORT OF THE CONSULTANTS WOULD BE PRESENTED TO THE INDUSTRY AND TECHNOLOGY DEVELOPMENT COUNCIL FOR ITS ADVICE TO THE GOVERNMENT BY MID NEXT YEAR.

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ROVING EXHIBITION ON "THE CHANGEABLE WEATHER IN SPRING"

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A ROVING EXHIBITION ON THE LOCAL WEATHER IN SPRING IS BEING ORGANISED BY THE ROYAL OBSERVATORY (RO) FOR SECONDARY SCHOOL STUDENTS.

AN RO SPOKESMAN SAID DURING THE TRANSITION FROM WINTER TO SUMMER, COLD AIR FROM THE NORTH STARTED TO LOSE ITS GRIP OVER THIS REGION WHILE WARM AIR FROM THE SOUTH INVADED THE REGION WITH INCREASING FREQUENCY. IT WAS THE INTERACTION BETWEEN THE WARM AIR AND THE COLD AIR THAT BRINGS THE CHANGEABLE WEATHER IN SPRING.

THE EXHIBITION IS TO BE HOSTED BY 24 SCHOOLS FROM MID JANUARY TO THE END OF MARCH. THE SCHOOLS VISITED BY THE EXHIBITION ARE SCATTERED OVER THE TERRITORY, RANGING FROM AS FAR SOUTH AS WAH FU ESTATE AND AS FAR NORTH AS YUEN LONG.

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AS A CO-OPERATIVE PROJECT WITH THE SCHOOLS, SELECTED STUDENTS ARE GIVEN DETAILED BRIEFING ON THE EXHIBITION TO ENABLE THEM TO EXPLAIN TO THEIR FELLOW STUDENTS WHEN THE EXHIBITION GOES TO THEIR SCHOOLS.

UP TO THE END OF FEBRUARY, THE EXHIBITION HAS VISITED MORE THAN HALF OF THE SCHOOLS. THE RESPONSES FROM TEACHERS AND STUDENTS SO FAR ARE FAVOURABLE.

THERE WILL BE A SECOND SCHOOL EXHIBITION IN SEPTEMBER AND OCTOBER THIS YEAR COVERING THE THEME ON TYPHOON.

THIS SERIES OF ROVING EXHIBITIONS ON THE WEATHER IN HONG KONG AIMS TO PROMOTE AMONG STUDENTS A BETTER UNDERSTANDING OF THE PHYSICAL PROCESSES INVOLVED IN AND THE POTENTIAL HAZARDS BROUGHT BY LOCAL WEATHER.

IT IS HOPED THAT THROUGH THIS, THE STUDENTS WOULD APPRECIATE THE REAL-LIFE RELEVANCE OF WHAT THEY STUDY IN SCHOOL IN CONNECTION WITH WEATHER.

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WATER STORAGE FIGURE
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STORAGE IN HONG KONG'S RESERVOIRS AT 9 AM TODAY (MONDAY) STOOD AT 33.1 PER CENT OF CAPACITY OR 193.964 MILLION CUBIC METRES.

THIS TIME LAST YEAR THE RESERVOIRS CONTAINED 159.584 MILLION CUBIC METRES OF WATER, REPRESENTING 27.2 PER CENT OF CAPACITY.

A SPOKESMAN FOR THE WATER SUPPLIES DEPARTMENT ADVISED THE PUBLIC TO DO EVERYTHING THEY COULD TO CONSERVE WATER AND AVOID WASTAGE.

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WATER SUPPLY SUSPENSION
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SUPPLY OF FRESH WATER TO SOME PREMISES IN TAI KOK TSUI, KOWLOON WILL BE SUSPENDED FROM 11 PM ON WEDNESDAY (MARCH 11) TO 6 AM THE FOLLOWING DAY TO FACILITATE LEAKAGE TEST.

THE SUSPENSION WILL AFFECT NOS. 1-45 BEECH STREET, NOS. 1-43 LIME STREET, NOS. 1-12 FIR STREET, NOS. 59-81 TONG MEI ROAD, NOS. 1-25 TUNG CHAU STREET, NOS. 10-40 BEDFORD ROAD, NOS. 3-79 LARCH STREET AND NOS. 2-64 FUK TSUN STREET.

MEANWHILE, SALT WATER SUPPLY TO ALL PREMISES IN TUEN MUN IN THE NEW TERRITORIES WILL BE TURNED OFF FROM 8.30 AM TO 6 PM ON WEDNESDAY (MARCH 11) BECAUSE OF SUSPENSION OF ELECTRICITY SUPPLY TO A PUMPING STATION IN THE AREA.

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HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS
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	DATE	\$ MILLION
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CLOSING BALANCE IN THE ACCOUNT ON	7.3.92	600
EFFECT OF FORWARDS TO BE SETTLED ON	9.3.92	+99
EFFECT OF OPERATIONS THIS MORNING		-99
EFFECT OF OPERATIONS THIS AFTERNOON		NEUTRAL
TRADE WEIGHTED INDEX 112.2 *-0.1* 9.3.92		

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	4.15 PCT	21 MONTHS	2311	6.25	100.56	5.98
1 MONTH	3.98 PCT	24 MONTHS	2402	5.50	99.05	6.11
3 MONTHS	3.95 PCT					
6 MONTHS	4.20 PCT					
12 MONTHS	4.71 PCT					
TOTAL TURNOVER OF BILLS AND BONDS - 4,057 MN						
CLOSED 9 MARCH 1992						

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