



# DAILY INFORMATION BULLETIN

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MONDAY, NOVEMBER 2, 1992

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GOVERNOR ADDRESSES FOREIGN CORRESPONDENTS' CLUB

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FOLLOWING IS THE TRANSCRIPT OF A SPEECH BY THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AT THE FOREIGN CORRESPONDENTS' CLUB TODAY (MONDAY):

STEVE, LADIES AND GENTLEMEN, FIRST OF ALL, THANK YOU VERY MUCH INDEED FOR THAT OBITUARY NOTICE, I AM MUCH OBLIGED. I DON'T WANT TO SPEAK FOR TOO LONG TODAY BECAUSE I WANT TO GIVE YOU AS MUCH TIME AS POSSIBLE TO ASK QUESTIONS, THOUGH IT'S NOT MANDATORY. BUT PERHAPS I COULD SET THE SCENE JUST FOR A FEW MOMENTS AND BEGIN BY A PIECE OF INSIGHT WHICH MAY HAVE ESCAPED SOME OF YOU, BY ACCIDENT.

I THINK I'M RIGHT IN SAYING THAT YOUR LAST SUBSTANTIAL - I PUT THE POINT IN EVERY SENSE OF THE WORD - YOUR LAST SUBSTANTIAL VISITOR TO THE CLUB FROM THE UNITED KINGDOM WAS SIR EDWARD HEATH. HE HAD, OF COURSE, JUST COME FROM PEKING WHERE HE HAD VERY SUCCESSFULLY HELPED TO PAVE THE WAY FOR MY OWN VISIT. I'M TOLD THAT DURING THE COURSE OF ONE OF HIS MEETINGS WITH A SENIOR CHINESE LEADER - NOT A SENIOR CHINESE LEADER THAT I WAS ABLE TO MEET - HE TOLD HIM THAT I'D BE PERFECTLY OK TO DEAL WITH, INDEED EXTREMELY GOOD TO DEAL WITH, SINCE I'D BEEN TO BALLIOL. SO IF ANY OF YOU WANT TO KNOW THE REAL INSIDE STORY ABOUT SOME OF THE LITTLE DIFFICULTIES, PASSING DIFFICULTIES, THAT WE'VE HAD RECENTLY, IT'S OBVIOUSLY THAT THE GOVERNMENT IN PEKING IS DOMINATED BY TRINITY COLLEGE MEN.

I HAVEN'T YET BEEN DENOUNCED BECAUSE OF MY COLLEGE, WHICH AS YOU KNOW, WAS ONCE DESCRIBED AS, "C'EST MAGNIFIQUE MAIS CE N'EST PAS LA GARRE", BUT I HAVE BEEN CALLED MOST OTHER THINGS IN THE LAST FEW WEEKS, NOT LEAST IN MY FAVOURITE BASTION HERE OF A FREE PRESS, WHICH EVEN BROUGHT OUT THE OTHER DAY, AN ENTIRE SUPPLEMENT, BY PUBLIC DEMAND, OF ITS MAIN CRITICISMS OF ME. I'VE BEEN DESCRIBED AS, "A SLY LAWYER", WHICH IS SURELY A CONTRADICTION IN TERMS. I'VE BEEN CALLED "A PIRATE", "A COLONIAL OPPRESSOR", "A CUNNING POLITICAL TRICKSTER", "A FALSE SAVIOUR", AND "GOD OF DEMOCRACY". I JUST WANT YOU TO IMAGINE WHAT SORT OF LANGUAGE THEY'D HAVE USED IF NORMAN TEBBIT HAD BECOME GOVERNOR OF HONG KONG.

ALL THIS HAS BEEN SAID ABOUT A CHAP, WIDELY REGARDED IN BRITISH POLITICS, AS ABOUT AS CONFRONTATIONAL AS A MUG OF HOT MILK. THE WORST THAT YOUR OWN GREAT ORGAN, 'THE GUARDIAN', HAS SAID ABOUT ME IS THAT I TEND TO THE DEMOTIC; AND I AM, I GUESS, THE MAN WHO GAVE TO THE ENGLISH LANGUAGE THE WORDS, "DOUBLE-RUNNY" AND "GOBSMACKED". BUT I'M USUALLY DESCRIBED AS, "IRRETRIEVABLY WET", WHICH MAKES SOME OF THE THINGS THAT HAVE BEEN SAID ABOUT ME IN HONG KONG RECENTLY, I FIND SOMEWHAT SURPRISING.

/SO HOW .....

SO HOW HAS ALL THIS HAPPENED? LET ME SET THE PRESENT DEBATE IN ITS CONTEXT BY REPEATING WHAT I BELIEVE TO BE 10 VERY SIMPLE TRUTHS. THE FIRST IS THAT THE 28TH GOVERNOR OF HONG KONG DIDN'T INVENT THE FACT THAT WE NEED TO BRING FORWARD PROPOSALS FOR THE CONDUCT OF THE 1995 ELECTIONS. AS YOU'LL KNOW, SINCE 1989/1990, THE UNITED KINGDOM HAS BEEN COMMITTED TO PRESSING FOR A FASTER PACE OF DEMOCRATISATION AND TO AN INCREASE IN THE NUMBER OF ELECTED SEATS IN 1995. I SUGGESTED, IN MY SPEECH TO THE LEGISLATIVE COUNCIL ON THE 7TH OF OCTOBER, A DIFFERENT APPROACH BASED ON WHAT PEOPLE IN HONG KONG HAD SAID TO ME IN THE THREE MONTHS SINCE I FIRST BECAME GOVERNOR.

SECONDLY, THE APPROACH WHICH I'VE PUT FORWARD IS WHOLLY CONSISTENT BOTH WITH THE JOINT DECLARATION AND WITH THE BASIC LAW. I DON'T THINK THAT ANYBODY HAS BEEN ABLE TO DEMONSTRATE OTHERWISE IN THE LAST FEW WEEKS, HENCE, I SUSPECT, SOME OF THE ADJECTIVES WHICH HAVE BEEN USED. I ALWAYS THINK THAT ADJECTIVES ARE A POOR REPLACEMENT FOR ARGUMENTS.

THIRDLY, THE ANSWERS ABOUT WHAT TO DO IN 1995, AREN'T TO BE FOUND IN THE BASIC LAW. THE BASIC LAW DOESN'T TELL US WHAT TO DO ABOUT THE VOTING METHOD FOR DIRECTLY ELECTED SEATS. THE BASIC LAW IS SILENT, LITERALLY SILENT, ON WHAT TO DO ABOUT THE NINE NEW FUNCTIONAL CONSTITUENCIES OR ABOUT THE ELECTION COMMITTEE.

FOURTH, IT'S NOT, THEREFORE, ENOUGH FOR CRITICS TO SAY - WHEN WE SAY DON'T JUST SAY WHAT'S WRONG WITH WHAT WE'VE PROPOSED, SAY WHAT YOU WOULD DO - IT'S NOT ENOUGH FOR THOSE CRITICS TO SAY, "BUT WE'VE SAID IT ALL, WE'VE SAID IT ALL IN THE BASIC LAW." IT ISN'T SET OUT IN THE BASIC LAW AND THEREFORE CRITICS, I REPEAT, SHOULD PUT FORWARD THEIR OWN ALTERNATIVE PROPOSALS IF THEY DON'T LIKE MY OWN.

FIFTH, I THINK THAT THAT'S WHAT PEOPLE SHOULD BE DOING NOW. I THINK THAT HONG KONG WON'T UNDERSTAND IF CRITICS OF MY PROPOSALS, WHETHER HERE IN THE TERRITORY OR OUTSIDE, SIMPLY DENOUNCE THE ARGUMENTS THAT I'VE PUT FORWARD. I THINK IT'S INCUMBENT ON EVERYONE TO PUT FORWARD ALTERNATIVE PROPOSALS AND TO BE PREPARED TO DISCUSS THEM. AND I HOPE, FOR INSTANCE, THAT CHINA WILL BE PREPARED TO DO THAT IN THE FORUM OF THE JOINT LIAISON GROUP, AN IDEA WHICH CHINA WAS TALKING ABOUT WHEN I WAS IN PEKING.

SIXTH, THERE HASN'T BEEN, IN THE PAST, A SECRET DEAL, NO SECRET AGREEMENT, NO SECRET UNDERSTANDING. AND I NOTICE THE WAY THAT THE "DEAL" TURNED INTO AN "AGREEMENT" TURNED INTO AN "UNDERSTANDING". BUT IF OTHERS ACTUALLY THINK THAT THERE WAS A SECRET DEAL OR AGREEMENT OR UNDERSTANDING, FOR EXAMPLE, ON THE ELECTION COMMITTEE, LET THEM SAY PRECISELY WHAT THAT SECRET UNDERTAKING OR UNDERSTANDING AMOUNTED TO. THAT WOULD BE A VERY HELPFUL WAY FORWARD, PERHAPS, OFFERING AN ALTERNATIVE TO WHAT I'VE SUGGESTED.

NEXT, THE MODEST PROPOSALS THAT I'VE PUT FORWARD FOR BROADENING THE BASE OF DEMOCRACY HERE IN HONG KONG, DO, IN MY JUDGMENT, REPRESENT A WAY OF SECURING GREATER POLITICAL STABILITY RATHER THAN THE REVERSE. LET'S NOT FORGET THAT THERE ISN'T A CHOICE BETWEEN WHAT I PROPOSED ON THE ONE HAND OR THE STATUS QUO ON THE OTHER, WE HAD TO PUT FORWARD PROPOSALS FOR 1995. IF I'D PUT FORWARD PROPOSALS WHICH WERE UNFAIR, WHICH APPEARED TO BLOCK OFF ANY FURTHER MODEST STEPS TOWARDS GREATER DEMOCRACY, I THINK THAT WOULD HAVE BEEN THE CAUSE OF GREATER POLITICAL INSTABILITY, BOTH BEFORE 1997 AND AFTER 1997.

NEXT, I WANT TO HAVE A GOOD AND EFFECTIVE RELATIONSHIP WITH CHINA. HONG KONG WANTS TO HAVE A GOOD AND EFFECTIVE RELATIONSHIP WITH CHINA. I DON'T THINK IT WOULD MAKE MUCH SENSE FOR ME TO TRY TO CONSTRUCT SUCH A RELATIONSHIP ON A BASIS WHICH I BELIEVED WAS BAD FOR HONG KONG, AND ON A BASIS WHICH I BELIEVED MIGHT DAMAGE CHINA'S RELATIONS WITH HONG KONG.

MY PENULTIMATE POINT IS SIMPLY THIS, THAT BETWEEN NOW AND 1997, I AM GOING TO BE CALLED UPON TO GIVE REASSURANCES, NOT JUST BY BRIAN WALDEN, REASSURANCES EVEN DEMANDED BY SOME WHO ARE AT PRESENT CRITICAL OF WHAT I'VE SUGGESTED, REASSURANCES THAT HONG KONG'S WAY OF LIFE WILL BE GUARANTEED AND SECURED AS SET OUT IN THE JOINT DECLARATION, BEYOND 1997. I THINK I'LL BE BETTER PLACED TO GIVE THOSE REASSURANCES, IF I'M THOUGHT TO BE SOMEONE WHO HAS A VISION FOR HONG KONG AND IF I'M THOUGHT TO BE SOMEONE WHO'S PREPARED TO STAND UP FOR HONG KONG.

AND LAST, MY TENTH POINT, I AM UNINHIBITEDLY OPTIMISTIC ABOUT THE FUTURE OF HONG KONG. OF COURSE MUCH OF THE ECONOMIC DYNAMISM IN HONG KONG WILL DEPEND ON CHINA'S OWN SUCCESSFUL OPENING UP, BUT I THINK AT PRESENT OUR ECONOMIC PROSPECTS ARE SET FAIR, AND I FOR ONE WILL BE LOBBYING EXTREMELY HARD TO ENSURE THAT THOSE PROSPECTS AREN'T JEOPARDISED BY THE POLITICISATION OF TRADE IN THE COMING MONTHS. I SAY NOTHING ABOUT EVENTS OVER THE NEXT 24-36 HOURS, BUT I THINK YOU SEE WHAT I MEAN.

I THINK HONG KONG HAS BEEN ONE OF THE MIRACLES, ONE OF THE ECONOMIC AND SOCIAL MIRACLES, OF THE SECOND HALF OF THIS CENTURY, AND IN MY VIEW, THE STORY HAS ONLY JUST STARTED. IN THE NEXT FEW WEEKS AND MONTHS, I THINK IT'S IMPORTANT TO BE CALM AND THOUGHTFUL AND RATIONAL, AND I'M SURE THAT IS WHAT PEOPLE IN HONG KONG WOULD HOPE FOR AS WELL, SO THAT WE CAN DISCUSS THE IMPORTANT ISSUES AFFECTING OUR POLITICAL AND ECONOMIC FUTURE, SO THAT WE CAN GET THEM RIGHT, SO THAT WE CAN ENSURE THAT THIS REMARKABLE COMMUNITY CONTINUES TO ENJOY PROSPERITY, STABILITY AND THE WAY OF LIFE ENSHRINED IN THE JOINT DECLARATION, FOR AS LONG AHEAD AS ANY OF US CAN SEE.

STEVE VINES: THANK YOU VERY MUCH INDEED. THE GOVERNOR, AS HE HAS INDICATED, WILL NOW TAKE SOME QUESTIONS.

QUESTION: I KNOW THAT SOME PEOPLE IN HONG KONG ARE MAKING OUT THAT THE REASON FOR THIS CHANGE IN APPROACH TO CHINA IS BASED ON AN EVALUATION BY BRITAIN THAT CHINA NOW, BECAUSE OF THE HUGE AMOUNTS OF MONEY IT'S BEEN POURING INTO HONG KONG, HAS AS MUCH OR MORE TO LOSE - PROBABLY MORE - ECONOMICALLY, BY DE-STABILISING HONG KONG OR MESSING THINGS UP, THAN BRITAIN DOES, THAT THIS IS A GAMBLE THAT BRITAIN HAS TAKEN AND IT'S DECIDED IT'S A GAMBLE WORTH TAKING, SIMPLY BECAUSE CHINA HAS MORE TO LOSE. ARE YOU TAKING THAT GAMBLE?

GOVERNOR: I DISAGREE WITH YOUR PREMISE. THE POLICY OF THE CONSERVATIVE GOVERNMENT IN THE UNITED KINGDOM TOWARDS HONG KONG WAS SET OUT VERY CLEARLY IN THE CONSERVATIVE PARTY'S ELECTION MANIFESTO AND THAT IS THE POLICY WHICH I AM SEEKING TO IMPLEMENT: A COMMITMENT TO WORKING FOR THE SUCCESSFUL IMPLEMENTATION OF THE JOINT DECLARATION, A COMMITMENT TO NURTURING DEMOCRACY. I SUPPOSE WHERE THERE MAY HAVE BEEN SOME DIFFERENCE IS IN THIS RESPECT: THE UNITED KINGDOM GOVERNMENT, THE PRESENT SOVEREIGN POWER, HAS FOR THE LAST THREE YEARS BEEN PRESSING THE FUTURE SOVEREIGN POWER TO ACCEPT THE CASE FOR AN INCREASE IN THE NUMBER OF DIRECTLY ELECTED SEATS IN THE LEGISLATIVE COUNCIL. I PROPOSED AN ALTERNATIVE TO THAT, WHICH I KNOW A NUMBER OF LIBERALS IN HONG KONG BELIEVE DOESN'T GO FAR ENOUGH, BUT IN MY VIEW, REPRESENTED THE BEST POSSIBLE POINT OF BALANCE IN THE COMMUNITY. BUT I DON'T ACCEPT THE PREMISE THAT UNITED KINGDOM POLICY HAS CHANGED, EITHER FUNDAMENTALLY OR AT ALL.

WHAT I'D ALSO DISAGREE WITH, IS THE ASSUMPTION THAT ANY OF US ARE GAMBLING, EITHER CHINA OR THE UNITED KINGDOM, WITH THE FUTURE OF HONG KONG. HONG KONG'S SUCCESS MATTERS ENORMOUSLY; IT MATTERS TO THE REGION, IT MATTERS TO THE WORLD, AND OF COURSE IT MATTERS TO CHINA AS PART OF THE REGION AND AS THE FUTURE SOVEREIGN POWER. BUT HONG KONG'S FUTURE AND SUCCESS MATTERS ABOVE ALL TO THE SIX MILLION PEOPLE WHO LIVE HERE, AND I WOULDN'T SEEK TO DOUBT OR DISPUTE THE CONCERN OF MY CHINESE COLLEAGUES ABOUT THE WELL-BEING OF THE PEOPLE OF HONG KONG. I HOPE I'LL BE ABLE TO PERSUADE THEM THAT THERE IS AN INTIMATE RELATIONSHIP BETWEEN HONG KONG'S PROSPERITY AND STABILITY ON THE ONE HAND, AND ITS WAY OF LIFE ON THE OTHER. AND I HOPE THAT I'LL BE ABLE TO CONVINCED THEM THAT THE PROPOSALS I'VE PUT FORWARD, AS I SAID IN MY SPEECH, ARE MORE RATHER THAN LESS LIKELY TO PROMOTE POLITICAL STABILITY. THAT'S WHAT I'LL CONTINUE TO ARGUE BUT I CERTAINLY WOULDN'T SEEK TO SUGGEST THAT ALL THOSE CHINESE OFFICIALS WITH WHOM I DISAGREED, WEREN'T ALSO COMMITTED TO SUCCESS IN HONG KONG.

THE ONLY POSTSCRIPT THAT I WOULD ADD, IS THAT I'M SURE THAT THE PEOPLE OF HONG KONG WILL BE MUCH MORE INTERESTED IN RATIONAL DISCUSSION RATHER THAN THREATS OR BACKGROUND MUSIC. THE ISSUES THAT WE'RE TALKING ABOUT ARE EXTREMELY IMPORTANT AND DESERVE TO BE DISCUSSED IN A CALM AND RATIONAL AND CONSTRUCTIVE WAY.

TERRY NEALON (RTHK) : MR PATTEN, ARE YOU CONCERNED THAT CRITICAL COMMENTS MADE LAST FRIDAY NIGHT BY SIR GORDON MCWHINNIE AT THE INSTITUTE OF ACCOUNTANTS ANNUAL DINNER, MAY BE AN INDICATION THAT THE LOCAL BUSINESS COMMUNITY IS BECOMING INCREASINGLY WORRIED ABOUT WHAT IT REGARDS AS CONFRONTATION WITH CHINA?

GOVERNOR: FORTUNATELY, WE LIVE IN A SOCIETY WHERE PEOPLE CAN MAKE THEIR VIEWS PLAIN AND GET THEM REPORTED, EVEN WHEN THEY DON'T AGREE WITH THE GOVERNOR. I'D SAY THREE THINGS IN RESPONSE TO THAT SORT OF CRITICISM. FIRST, AS I'VE SAID ALREADY DURING THE COURSE OF MY REMARKS, I BELIEVE VERY STRONGLY THAT THE PROPOSALS, THE RATHER RESTRAINED PROPOSALS THAT I'VE PUT FORWARD, ARE THE BEST WAY OF ACHIEVING POLITICAL STABILITY, AND THAT IT WOULD BE NO WAY OF ACHIEVING POLITICAL STABILITY, TO BLOCK OFF, TO RESIST, EVERY AMBITION OF THE PEOPLE OF HONG KONG TO HAVE A RATHER GREATER SHARE IN MANAGING THEIR OWN AFFAIRS. I DON'T THINK THAT SOME OF THOSE WHO HAVE OFFERED CRITICAL OBSERVATIONS WOULD ARGUE, FOR EXAMPLE, THAT DEMOCRACY HAD BEEN APPALLINGLY BAD FOR THE ECONOMY OF JAPAN.

SECONDLY, I ALSO THINK THAT PEOPLE WHO MAKE THOSE SORT OF REMARKS MIGHT THINK FORWARD TO THE POSITION AFTER 1997, AND MIGHT THINK ABOUT THE BEST WAYS IN WHICH TO SECURE THE WAY OF LIFE WHICH THEY ENJOY AND THE WAY OF LIFE WHICH HAS HELPED TO MAKE HONG KONG SO PROSPEROUS.

AND THIRDLY, I THINK SOME OF THOSE PEOPLE WILL BE HOPING THAT THE GOVERNOR OF HONG KONG WILL BE A VERY ACTIVE LOBBYIST FOR FREE TRADE, NOT LEAST BETWEEN CHINA AND THE UNITED STATES, IN THE COMING MONTHS, AND I THINK THEY MIGHT HAVE A THOUGHT ABOUT THE CREDIBILITY OF THE GOVERNOR OF HONG KONG WHEN HE'S ARGUING THE CASE FOR FREE TRADE BETWEEN CHINA AND THE UNITED STATES. I THINK HE'S MORE LIKELY TO BE ABLE TO PUT THOSE ARGUMENTS WITH AUTHORITY AND CONVICTION IF HIS AUDIENCES THINK THAT HE'S SOMEBODY WHO STANDS UP FOR HONG KONG RATHER THAN THE REVERSE.

FRANK CHING (FAR EASTERN ECONOMIC REVIEW) : MR PATTEN, IF, AS YOU SAY, THE UK GOVERNMENT WAS ALWAYS COMMITTED TO DEMOCRACY IN HONG KONG, WHY IS IT THAT WHAT YOU'RE PROPOSING NOW IS COMING AT SUCH A LATE DATE? WHY, FOR INSTANCE, WAS IT DECIDED NOT TO HOLD DIRECT ELECTIONS IN 1988, WHEN IT WAS CLEARLY THE VIEW OF THE MAJORITY OF THE PEOPLE IN HONG KONG AT THE TIME THAT THAT SHOULD HAPPEN? AND IN THAT CONNECTION, HAVE YOU READ THE REPORT WRITTEN BY THE SECRETARY GENERAL OF GALLUP ON THE HONG KONG GOVERNMENT'S OPINION SURVEYS IN 1987?

GOVERNOR: ON THE LATTER POINT, NO, I HAVEN'T, BUT I WILL BEFORE YOU ASK ME THE QUESTION AGAIN. AND I'M NOT SURE THAT MY KNOWLEDGE OF RECENT POLITICAL HISTORY IN HONG KONG IS AS GOOD AS YOURS, BUT LET ME JUST SAY WHAT I'M TRYING TO DO. THE ARRANGEMENTS FOR THE 1995 ELECTIONS WERE NOT CUT AND DRIED, WE ALL KNOW THAT. WE ALL KNOW WHAT THE PRESENT SOVEREIGN POWER AND THE FUTURE SOVEREIGN POWER HAD IN THE PAST SAID ABOUT ONE ASPECT OF THOSE ELECTIONS, THAT IS THE NUMBER OF DIRECTLY ELECTED SEATS TO BE IN THE LEGISLATURE AFTER 1995. I'VE TRIED, I THOUGHT REASONABLY CONSTRUCTIVELY AND HELPFULLY, TO FIND A WAY IN WHICH WE COULD ACHIEVE SOME OF OUR OBJECTIVES WHILE GETTING ROUND THAT ROAD-BLOCK. I STILL HAVEN'T HEARD ANY BETTER WAY OF ACCOMPLISHING THAT EXERCISE.

AS FOR THE PAST, I THINK THAT THERE HAVE BEEN, OBVIOUSLY, DISAGREEMENTS WITHIN HONG KONG, AND BETWEEN HONG KONG AND THE UNITED KINGDOM, AND BETWEEN HONG KONG AND CHINA, ABOUT THE PACE OF DEMOCRATISATION --

FRANK CHING: HAS THERE BEEN BETWEEN THE HONG KONG GOVERNMENT AND THE PEOPLE?

GOVERNOR: -- I LEAVE THAT TO COMMENTATORS AND HISTORIANS LIKE YOU. WHAT I TRIED TO DO WAS TO FIND A BRIDGE BETWEEN THE GOVERNMENT AND THE PEOPLE OF HONG KONG ON WHICH MOST PEOPLE MIGHT BE ABLE TO STAND. WHETHER OR NOT I'VE CONSTRUCTED THE RIGHT EDIFICE WILL, I GUESS, BE DECIDED IN PART, OR IN WHOLE, BY THE LEGISLATIVE COUNCIL SOME TIME IN THE FIRST PART OF NEXT YEAR.

FRANK CHING: YOU HAVEN'T ANSWERED THE QUESTION --

GOVERNOR: WELL, I'M NOT VERY KEEN ON GETTING INTO AN ARGUMENT ABOUT HISTORY IN THE LATE 1980S, I'M MUCH MORE INTERESTED - THOUGH WHEN I KNOW THE TEXT AS WELL AS YOU DO I MAY BE BETTER PLACED - I'M MUCH MORE INTERESTED IN TRYING TO FIND A WAY FORWARD NOW.

BRIAN CAPLEN (ASIAN BUSINESS) : I WONDER IF I COULD ASK YOU ABOUT ANOTHER ROAD-BLOCK, WHICH IS THE AIRPORT. WOULDN'T IT BE A SIMPLER SOLUTION IF THE HONG KONG GOVERNMENT AGREED TO PUT THE AIRPORT IN SHENZHEN RATHER THAN CHEK LAP KOK, WHICH WOULD COST A LOT LESS MONEY AND WOULD, PRESUMABLY, BE BETTER RECEIVED IN BEIJING?

GOVERNOR: NO, I DON'T THINK THAT WOULD BE A GOOD IDEA. IT WOULD, AMONG OTHER THINGS, INVOLVE THE UNITED KINGDOM RESILING FROM THE MEMORANDUM OF UNDERSTANDING, AND BOTH THE UNITED KINGDOM AND CHINA ARE COMMITTED TO THE MEMORANDUM OF UNDERSTANDING WHICH GIVES WHOLEHEARTED SUPPORT BY BOTH PRIME MINISTERS TO THE CASE FOR BUILDING A NEW AIRPORT IN HONG KONG. I DON'T THINK IT WOULD MAKE VERY MUCH SENSE TO HAVE A SPECIAL ADMINISTRATIVE REGION, AFTER 1997, OUT OF WHICH YOU HAD TO DRIVE IN ORDER TO GET TO THE AIRPORT. I THINK THERE ARE ALL SORTS OF OTHER DOWNSTREAM ARGUMENTS FOR A NEW AIRPORT FOR HONG KONG, WHICH YOU LEAVE ON ONE SIDE. FOR EXAMPLE, THE EXTREMELY IMPORTANT CASE FOR REPLACING KAI TAK, FOR EXAMPLE THE IMPORTANT SPECIFIC ECONOMIC BENEFITS TO HONG KONG, THE LAND RECLAMATION BENEFITS TO HONG KONG, SO I THINK THERE'S AN OVERWHELMINGLY STRONG CASE FOR AN AIRPORT AT CHEK LAP KOK AND I'M ABSOLUTELY CONVINCED, AS I THINK MOST PEOPLE ARE IN HONG KONG, THAT WE'LL HAVE AN AIRPORT AT CHEK LAP KOK.

QUESTION: ... I WONDER IF YOU WERE SURPRISED BY THE RESISTANCE OF MEMBERS OF LEGCO TO ACTUALLY HAVING TO VOTE ON THIS ISSUE AND WHAT YOUR RESPONSE WOULD BE TO MEMBERS OF LEGCO WHO ARE RELUCTANT TO VOTE ON YOUR PROPOSAL?

GOVERNOR: IT'S OBVIOUSLY A GREAT HONOUR TO BE A MEMBER OF THE LEGISLATIVE COUNCIL, AN HONOUR AND A RESPONSIBILITY, AND PEOPLE WHO ARE LEADERS OF THE COMMUNITY DO HAVE TO TAKE A SHARE IN DETERMINING THE FUTURE OF THAT COMMUNITY. I CAN'T IMAGINE THAT ANYBODY WOULD WANT TO BE IN THE LEGISLATIVE COUNCIL WHO DIDN'T WANT TO DISCHARGE THE RESPONSIBILITIES WHICH BEING PART OF A LEGISLATURE BRINGS. SO I DON'T UNDERSTAND HOW ANYBODY COULD SAY, "WELL, WE'LL BE MEMBERS OF THE LEGISLATIVE COUNCIL BUT WE DON'T WANT TO BE AROUND IF THERE'S EVER A DIFFICULT DECISION TO MAKE." WHAT LEADERSHIP IN A COMMUNITY AMOUNTS TO, FOR THE GOVERNOR AND FOR THE SENIOR MEMBERS OF THE GOVERNMENT, FOR THE EXECUTIVE COUNCIL, FOR THE LEGISLATIVE COUNCIL, IS FACING UP TO THE LONG AGENDA OF TOUGH CHOICES, WHICH IS WHAT POLITICS AND PUBLIC ADMINISTRATION IS ALL ABOUT.

I'M SURE THAT THE PROPOSALS THAT I PUT FORWARD IN THE FUTURE TO THE LEGISLATIVE COUNCIL, I'M SURE THAT THOSE PROPOSALS WILL BE PROPERLY DEBATED IN THE LEGISLATIVE COUNCIL, AS THEY SHOULD BE, THAT THE LEGISLATIVE COUNCIL WILL DEBATE AND THEN DECIDE. THAT IS WHAT HAPPENS IN A COMMUNITY LIKE THIS; THAT IS WHAT HAPPENS IN A COMMUNITY WHERE THE EXECUTIVE HAS TO BE ACCOUNTABLE TO THE LEGISLATURE.

QUESTION (AFP) : GOVERNOR, REGARDING FRANK CHING'S QUESTION JUST NOW, YOU STILL HAVEN'T ANSWERED IT. YOU SAY YOU'RE NOT CONCERNED ABOUT WHAT HAPPENED IN HISTORY, BUT TO THE PEOPLE OF HONG KONG, IN 1997 THEY'LL HAVE TO FACE UP TO REALITY AND MR LU PING HAS SAID THAT HE'S GOING TO OVERHAUL THE WHOLE PROCEDURE AND ARRANGEMENTS IN 1997 AND STICK TO THE BASIC LAW. SO WHAT KIND OF COST -- DO YOU THINK THE COST THAT THE HONG KONG PEOPLE ARE PAYING FOR YOUR FASTER SPEED OF DEMOCRATISATION -- DO YOU THINK THIS IS WORTH THE PRICE PAYING FOR WHAT HAPPENS AFTER 1997? AND AGAIN, WHY DO THE BRITISH COME OUT WITH FRESH SUGGESTIONS FOUR-AND-A-HALF YEARS BEFORE THE HANDOVER? WHY NOT EARLIER, EVEN IN 1990 WHEN THE BASIC LAW WAS BEING DISCUSSED? THANK YOU.

GOVERNOR: BUT I'VE JUST DESCRIBED TO YOU THAT I HAD TO PUT FORWARD PROPOSALS FOR 1995 BECAUSE THE ARRANGEMENTS AREN'T IN PLACE. I REMAIN WHOLLY CONVINCED THAT IF WE INTRODUCE ARRANGEMENTS IN 1995 WHICH WORK AND WORK SUCCESSFULLY FOR HONG KONG, THEN THEY WILL SURVIVE BEYOND 1997. I SAID THAT AT INORDINATE LENGTH YESTERDAY, IN AN INORDINATELY LONG INTERVIEW WITH BRIAN WALDEN, DURING WHICH HE ASKED THE SAME QUESTION AN INORDINATELY LARGE NUMBER OF TIMES, AND IT REPRESENTS MY STRONGLY HELD VIEW - OTHERWISE I'LL GET IN TROUBLE.

QUESTION: MR PATTEN, I DON'T BELIEVE YOU'VE ACTUALLY ANSWERED MR CHING'S QUESTION. WHY DID YOU NOT? WHY WEREN'T THESE PROPOSALS PUT FORWARD IN 1990? SURELY, IT'S A BIT LATE NOW AND THERE CLEARLY IS A SORT OF DIFFERENCE OF INTERPRETATION BETWEEN THE BRITISH THAT THERE'S AN UNDERSTANDING AND WHAT CHINA THINKS. WHY WEREN'T THESE PROPOSALS PUT FORWARD EARLIER IF BRITAIN WAS NOT SATISFIED WITH THEM?

GOVERNOR: YOU KNOW PERFECTLY WELL. YOU KNOW PERFECTLY WELL THAT ONE OF THE PROPOSALS WHICH I'VE SUGGESTED AN ALTERNATIVE FOR, WAS PUT FORWARD VERY VIGOROUSLY IN 1990. WHAT WAS THE ARGUMENT ABOUT IN 1990? THE ARGUMENT WAS ABOUT WHETHER THERE SHOULD BE A FASTER PACE OF DEMOCRATISATION AND WHETHER THERE SHOULD BE MORE DIRECTLY ELECTED SEATS IN THE LEGISLATIVE COUNCIL AFTER 1995. THAT, BOTH DURING THOSE DISCUSSIONS AND AFTERWARDS, WAS STATED ON THE RECORD AS BEING THE POSITION OF THE UNITED KINGDOM GOVERNMENT. NOW, BECAUSE I WAS TOLD THAT CHINA WOULDN'T MOVE ON THE QUESTION OF THE NUMBER OF DIRECTLY ELECTED SEATS, BECAUSE WE WERE TOLD THAT CHINA WOULDN'T MOVE ON ANYTHING WHICH INVOLVED CHANGING THE BASIC LAW, I PROPOSED AN ALTERNATIVE APPROACH, I PROPOSED A PARALLEL APPROACH. I THINK IT'S A VERY SENSIBLE APPROACH.

IF YOU WANT TO GO BACK TO THE ARGUMENT ABOUT DIRECTLY ELECTED SEATS, OR IF ANYBODY ELSE WANTS TO GO BACK TO THAT ARGUMENT, SO BE IT, BUT I THINK THE PROPOSALS I'VE PUT FORWARD REPRESENT A SENSIBLE ALTERNATIVE AND I HOPE THEY'LL BE REGARDED AS SUCH. THEY SEEM TO BE REGARDED AS SUCH, EVEN BY THOSE OF MY CRITICS WHO THINK WE SHOULD GO FASTER AND FURTHER.

PHILIPPE LE CORRE (RADIO FRANCE INTERNATIONAL) : GOVERNOR, ABOUT THOSE PROPOSALS YOU'VE TAKEN NOW, AS WAS SAID, NOT BEFORE, ARE THEY OF A GREAT IMPORTANCE FOR THE IMAGE OF THE UK IN ASIA-PACIFIC? AND IF, YES, IS THAT IMAGE MORE IMPORTANT THAN THE RELATIONSHIP BETWEEN UK AND CHINA?

GOVERNOR: WHAT THEY'RE MOST IMPORTANT FOR IS THE FUTURE GOOD GOVERNMENT OF HONG KONG. WHAT THEY'RE MOST IMPORTANT FOR IS PRESERVING THE WAY OF LIFE, THE PROSPERITY AND THE STABILITY OF HONG KONG. THAT'S WHAT SHOULD DETERMINE WHETHER OR NOT ONE BRINGS FORWARD ANY PARTICULAR SET OF PROPOSALS FOR THE GOVERNMENT OF HONG KONG. THOSE PROPOSALS WERE MADE IN HONG KONG, THEY REPRESENT THE RESULT OF THE CONVERSATIONS THAT I HAD WITH POLITICAL AND COMMUNITY LEADERS IN HONG KONG. THE MAJOR CONCERN IS THAT WE SHOULD HAVE IN PLACE FOR 1995, AS I'VE SAID AGAIN AND AGAIN, ARRANGEMENTS WHICH ARE FAIR, WHICH ARE OPEN, AND WHICH ARE ACCEPTABLE TO THE PEOPLE OF HONG KONG. IN THAT WAY, WE CAN ENSURE THAT THE NEXT FIVE YEARS, THE LAST FIVE YEARS OF BRITISH STEWARDSHIP, ARE HONOURABLE AND COMPETENT, AND THAT IS WHAT I WOULD LIKE TO SEE THEM AS.

LARRY ZUCKERMAN (INTERNATIONAL HERALD TRIBUNE) : I'D LIKE TO GET BACK TO A SUBJECT I KNOW YOU LIKE TALKING ABOUT, WHICH IS THE AIRPORT. I WAS SURPRISED TO HEAR YOU SAY THAT YOU WERE WORRIED THAT BRITAIN MIGHT VIOLATE THE MOU. ISN'T IT TRUE NOW THAT CHINA'S HAS VIOLATED BOTH THE LETTER AND THE SPIRIT OF THE MEMORANDUM?

GOVERNOR: YOU'D BETTER ASK THAT QUESTION NEXT TIME THE HONG KONG AND MACAU OFFICE GIVE A PRESS CONFERENCE. WE REMAIN WHOLEHEARTEDLY COMMITTED TO DOING ANYTHING WE CAN TO GIVING HONG KONG THE AIRPORT THAT HONG KONG NEEDS, WANTS, AND WILL EVENTUALLY GET, AS SOON AS POSSIBLE. I HAVE NO DOUBT AT ALL THAT THE BEST WAY OF SECURING THAT OBJECTIVE IS THROUGH AN OVERALL AGREEMENT WITH CHINA. CHINA HAS COMMITTED HERSELF TO SUCH AN OVERALL AGREEMENT. THE PRIME MINISTER OF THE PRC AND THE PRIME MINISTER OF THE UNITED KINGDOM BOTH SIGNED THAT MEMORANDUM OF UNDERSTANDING. I ASSUME THAT EVERYONE, LIKE THE HONG KONG GOVERNMENT AND THE UNITED KINGDOM GOVERNMENT, STILL STANDS BY IT.

LARRY ZUCKERMAN : WILL YOU BE SAYING THEN IN 1997 WHEN THE AIRPORT IS STILL NOT BUILT ... THE MOU, THAT THEY HAVEN'T VIOLATED IT?

GOVERNOR: I THINK, WERE THAT TO BE THE CASE, WHICH I DON'T THINK IT WILL BE, AND WERE YOU TO BE STILL HERE IN HONG KONG IN 1997 TO ASK THE GOVERNOR, WHO IN 1997 WILL BE CHRIS PATTEN, I WOULD PROBABLY HAVE TO GIVE YOU A DIFFERENT ANSWER. BUT AS I SUGGESTED IN THE FIRST THREE CLAUSES OF THAT SENTENCE, I THINK IT'S A HYPOTHETICAL QUESTION.

{REUTERS} : MR PATTEN, SINCE YOU'VE ARRIVED IN HONG KONG YOU'VE CONSTANTLY STRESSED YOUR CLOSE POLITICAL RELATIONSHIP WITH THE LEADERSHIP IN THE BRITISH GOVERNMENT. IS IT THAT YOU'RE TRYING TO SAY THAT YOU'RE NEGOTIATING POSITION WITH CHINA WOULD BE WEAKENED IF THAT LEADERSHIP WERE TO CHANGE, IF THERE WERE OTHER PERSONALITIES THERE, OR EVEN ANOTHER PRIME MINISTER?

GOVERNOR: WELL - I THINK THAT'S THE LABOUR PARTY CHIEF WHIP AT THE BACK - FIRST OF ALL IT'S, ON THE WHOLE, NOT BEEN ME WHO'S STRESSED THE CLOSENESS OF THAT RELATIONSHIP BUT OTHERS WHO'VE WRITTEN ABOUT ME OR SPOKEN ABOUT ME, BUT IT EXISTS, IT'S A MATTER OF FACT. I DON'T THINK, HOWEVER, THAT YOUR QUESTION WILL ARISE, SINCE I BELIEVE THAT, FOR INSTANCE - IF YOU'RE REFERRING TO EVENTS THIS WEEK - I THINK THAT THE GOVERNMENT WILL WIN THE VOTE ON WEDNESDAY. I WAS INTERESTED, THE OTHER DAY, THAT THE LEADER OF THE LIBERAL PARTY BY AND LARGE ENDORSED THE POLICY THAT I'D PUT FORWARD. I WAS INTERESTED THAT THE OTHER DAY, THE SPOKESMAN ON HONG KONG FOR THE LABOUR PARTY BY AND LARGE ENDORSED THE PROPOSALS THAT I'D PUT FORWARD, THOUGH HE WOULD HAVE LIKED ME TO HAVE GONE RATHER FURTHER. SO IT APPEARS AS THOUGH THERE IS FAIRLY BI-PARTISAN SUPPORT IN THE HOUSE OF COMMONS FOR THE POLICIES WHICH I'VE BEEN PURSUING. THEREFORE, I DON'T IMAGINE THAT EVEN SOME NAMELESS CALAMITY AT WESTMINSTER WOULD MAKE VERY MUCH DIFFERENCE, OR ANY DIFFERENCE AT ALL, TO POLICY IN HONG KONG. BUT I LIKE MY FRIENDS TO DO WELL IN LIFE AND THEREFORE MY OWN FEELINGS ABOUT EVENTS THIS WEEK AT WESTMINSTER CAN BE TAKEN AS READ.

(ASIAN WALL STREET JOURNAL) : GOVERNOR, YOU HAVE SAID THAT THERE HAVE BEEN NO SECRET DEALS. COULD WE INVITE YOU, TODAY, TO GO ON RECORD AS SAYING THAT FOR THE REMAINDER OF YOUR TENURE AS GOVERNOR HERE, THERE WILL BE NO SECRET DEALS WITH CHINA?

GOVERNOR: THERE WILL BE NO SECRET DEALS, NOR COULD THERE BE, ON THE POLITICAL DEVELOPMENT OF HONG KONG. IF YOU'RE SAYING, WILL THERE NEVER BE ANYTHING WE DISCUSS ABOUT THE FUTURE WITH CHINA WHICH IS SECRET, THEN I'D BE A LIAR IF I SAID, "NO, WE'LL NEVER TALK SECRETLY TO CHINA." BUT I DON'T THINK THAT IT'S POSSIBLE TO TALK ABOUT THE CENTRAL ISSUES AFFECTING THE GOVERNMENT OF THIS COMMUNITY WITHOUT THE PUBLIC THEMSELVES HAVING A SHARE IN THE DEBATE AND THE DISCUSSION.

IF, IN MY SPEECH TO THE LEGISLATIVE COUNCIL ON THE 7TH OF OCTOBER, I'D SAID, "NOW I TURN TO THE 1995 LEGISLATIVE ELECTIONS, I'M GOING TO GO AND TALK ABOUT THEM IN PEKING AND WHEN WE'VE SORTED IT ALL OUT WE'LL LET YOU KNOW, BUT WATCH THIS SPACE.", I DON'T THINK THAT THAT WOULD HAVE BEEN CONDUCIVE TO POLITICAL STABILITY AND I CAN'T HONESTLY COMPREHEND HOW ANYBODY COULD THINK THAT WOULD HAVE BEEN CONDUCIVE TO POLITICAL STABILITY. ONE OF THE THINGS WHICH WOULD HAVE IMMEDIATELY RESULTED WOULD HAVE BEEN A GREAT PUFF OF SPECULATION ABOUT THE MEANING OF EVERY WORD, THERE WOULD HAVE BEEN ENDLESS EXEGESIS OF EVERY PUNCTUATION MARK IN EVERY SPEECH IN EVERY PRESS CONFERENCE AND AT CONFERENCES ON THE AIRPORT. I THINK IT WOULD HAVE LED TO AN IMPOSSIBLE SEVERAL MONTHS OR YEARS IN HONG KONG.

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IF IT'S RIGHT TO TALK OPENLY ABOUT HOW TO BUILD AN AIRPORT, FOR HEAVENS SAKE, WHY IS IT WRONG TO TALK OPENLY ABOUT HOW TO SECURE PEOPLE'S FREEDOMS AND WAY OF LIFE AND PROSPERITY IN HONG KONG? WHAT I THINK HAS EVERYTHING TO BE SAID FOR IT, IS A DISCUSSION IN WHICH, IF THERE ARE DIFFERENT POINTS OF VIEW THEY ARE PUT FORWARD INTELLIGENTLY ABOUT HOW TO SECURE THAT WAY OF LIFE. WHAT I DON'T THINK THERE'S MUCH OF A CASE FOR IS ONE SET OF PEOPLE PUTTING FORWARD IDEAS AND ANOTHER SET OF PEOPLE EITHER JUST RUBBISHING THEM OR MAKING INTIMIDATORY NOISES, I DON'T THINK THAT'S THE BEST WAY OF CARRYING THE DEBATE AND THE DISCUSSION FORWARD. SO THE ANSWER TO YOUR QUESTION IS - IF I'VE GOT IT THE RIGHT WAY ROUND - NO, THERE WON'T BE ANY SECRET DEALS ON THE FUTURE POLITICAL DEVELOPMENT OF HONG KONG.

(SCM POST) : GOVERNOR, NOW YOU'VE APPARENTLY REACHED THIS ROAD-BLOCK IN YOUR NEGOTIATIONS FOR POLITICAL REFORM WITH CHINA, CAN YOU TELL US WHAT YOU'RE NEXT GOING TO DO? ARE YOU GOING TO INVITE CHINESE OFFICIALS TO HONG KONG OR WILL YOU SEEK AN INVITATION TO GO TO BEIJING TO CONTINUE NEGOTIATIONS?

GOVERNOR: WHEN I WAS IN PEKING IT WAS SUGGESTED THAT THE NEXT STEP FORWARD COULD BE DISCUSSIONS IN THE JOINT LIAISON GROUP, AND IF THAT IS THE WAY CHINA WOULD LIKE TO TAKE THINGS FORWARD, THEN I THINK IT WOULD BE A VERY SENSIBLE WAY TO CONTINUE THE DEBATE. SO I HOPE THAT WE'LL HAVE THAT SORT OF MEETING, OTHERWISE WE'LL HAVE TO LOOK AT OTHER WAYS OF COMMUNICATING AND DISCUSSING THINGS. IT DOES MAKE MORE SENSE TO HAVE A DISCUSSION. IT DOES MAKE MORE SENSE TO PUT FORWARD PROPOSALS AND DEBATE THEM WITH ONE ANOTHER, RATHER THAN JUST HAVE ONE SIDE PUTTING FORWARD PROPOSALS AND THE OTHER SIDE EITHER SAYING, NO, OR EVEN DECLINING TO SAY, NO.

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#### HK, NETHERLANDS SIGN FUGITIVE OFFENDERS AGREEMENT

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AN AGREEMENT ON THE SURRENDER OF FUGITIVE OFFENDERS WHICH WILL REMAIN IN FORCE AFTER 1997 WAS SIGNED BETWEEN HONG KONG AND THE NETHERLANDS TODAY (MONDAY).

THIS IS THE FIRST TIME THAT HONG KONG HAS SIGNED AN AGREEMENT WITH ANOTHER COUNTRY IN THIS IMPORTANT AREA OF CRIMINAL CO-OPERATION.

THE AGREEMENT SETS OUT THE CONDITIONS FOR THE SURRENDER OF FUGITIVE OFFENDERS BETWEEN THE TWO PLACES BOTH BEFORE AND AFTER 1997.

SIGNING THE AGREEMENT ON BEHALF OF THE HONG KONG GOVERNMENT WAS SECRETARY FOR SECURITY, MR ALISTAIR ASPREY. THE CONSUL-GENERAL OF THE NETHERLANDS, MR HENDRIK J VAN PESCH, SIGNED THE AGREEMENT ON BEHALF OF THE GOVERNMENT OF THE NETHERLANDS.

/MR ASPREY .....

MR ASPREY NOTED THAT HONG KONG'S EXISTING ARRANGEMENTS FOR THE SURRENDER OF FUGITIVE OFFENDERS WERE BASED ON BILATERAL TREATIES BETWEEN BRITAIN AND FOREIGN COUNTRIES AND A SET OF ARRANGEMENTS WITH COMMONWEALTH COUNTRIES, BOTH OF WHICH THE UNITED KINGDOM HAD EXTENDED TO HONG KONG.

BUT THESE ARRANGEMENTS CANNOT CONTINUE IN THEIR PRESENT FORM BEYOND 1997.

"IT IS IMPORTANT, THEREFORE, THAT HONG KONG SHOULD HAVE AN EFFECTIVE NETWORK OF ARRANGEMENTS WITH OTHER JURISDICTIONS WHICH WILL ENDURE BEYOND 1997.

"SUCH ARRANGEMENTS WILL ASSIST IN MAINTAINING HONG KONG'S STANDING AS A MAJOR INTERNATIONAL COMMERCIAL AND FINANCIAL CENTRE WHERE THE RULE OF LAW PREVAILS," MR ASPREY SAID.

THE BRITISH AND CHINESE GOVERNMENTS HAVE THEREFORE AGREED IN THE JOINT LIAISON GROUP THAT THE EXISTING ARRANGEMENTS SHOULD BE REPLACED BY BINDING BILATERAL INTERNATIONAL AGREEMENTS WHICH WILL CONTINUE IN FORCE AFTER 1997.

THEY HAVE AGREED ON A MODEL AGREEMENT ON THE BASIS OF WHICH HONG KONG CAN NEGOTIATE AND CONCLUDE AGREEMENTS ON THE SURRENDER OF FUGITIVE OFFENDERS WITH OTHER COUNTRIES.

THE AGREEMENT WITH THE NETHERLANDS CONTAINS SAFEGUARDS WHICH ARE NORMALLY FOUND IN AGREEMENTS GOVERNING THE SURRENDER OF FUGITIVE OFFENDERS:

- \* DOUBLE CRIMINALITY RULE: THE ACT IN RESPECT OF WHICH A FUGITIVE'S RETURN IS REQUESTED MUST CONSTITUTE A CRIME IN BOTH JURISDICTIONS AT THE TIME IT WAS COMMITTED;
- \* THE PRIMA FACIE RULE: THERE MUST BE A PRIMA FACIE CASE AGAINST A PERSON WHOSE RETURN IS REQUESTED;
- \* SPECIALITY RULE: A RETURNED FUGITIVE SHOULD NOT BE TRIED FOR OFFENCES OTHER THAN THOSE FOR WHICH HE WAS SURRENDERED; AND
- \* THE POLITICAL OFFENCES RULE: RETURN MAY BE REFUSED IF THE OFFENCE IN QUESTION IS A POLITICAL OFFENCE.

THE NEGOTIATED AGREEMENT HAS BEEN DISCUSSED WITH THE CHINESE SIDE IN THE JOINT LIAISON GROUP.

MR ASPREY TODAY EXPRESSED HIS GRATITUDE TO THE CHINESE AUTHORITIES FOR GIVING IT CAREFUL CONSIDERATION AND FOR GIVING IT THEIR SUPPORT.

THE AGREEMENT WILL COME INTO FORCE AFTER THE ENACTMENT IN HONG KONG OF A NEW FUGITIVE OFFENDERS ORDINANCE TO PROVIDE LEGISLATIVE BACKING FOR IT.

IT IS HOPED THAT, FOLLOWING CONSULTATION IN THE JOINT LIAISON GROUP, THE BILL WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL EARLY NEXT YEAR.

MONDAY, NOVEMBER 2, 1992

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MR WILLIAM O'NEIL VISITS MARINE DEPARTMENT

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THE SECRETARY-GENERAL OF THE INTERNATIONAL MARITIME ORGANISATION (IMO), MR WILLIAM O'NEIL, TODAY (MONDAY) HAD A FIRST-HAND LOOK AT THE POLICIES, PLANS AND ACTIVITIES OF THE MARINE DEPARTMENT.

HE WAS MET BY THE DIRECTOR OF MARINE, MR TONY MILLER.

MR MILLER TOLD MR O'NEIL THAT HONG KONG WAS ONE OF THE FIRST PORTS IN THE WORLD TO HANDLE MORE THAN SIX MILLION TEUS (20-FOOT EQUIVALENT UNITS) OF CONTAINERISED CARGO A YEAR AND SOME 130,000 OCEAN-GOING AND RIVER-TRADE VESSELS CALLED AT HONG KONG ANNUALLY AND LOADED AND DISCHARGED MORE THAN 100 MILLION TONNES OF CARGO.

"TO MEET ANTICIPATED GROWTH, PLANNING IS WELL IN HAND FOR MAJOR PORT DEVELOPMENT WHICH WILL MORE THAN DOUBLE CARGO HANDLING CAPACITY BY 2006.

"THE PRINCIPAL FEATURES ARE TO DEVELOP CONTAINER TERMINALS TOGETHER WITH OTHER MARINE FACILITIES ON TSING CHAU TSAI PENINSULA ON LANTAU ISLAND OVER THE NEXT DECADE," MR MILLER SAID.

THE MARINE DEPARTMENT IS COMMITTED TO PORT STATE CONTROL AND AIMS AT THE INSPECTION OF FIVE PER CENT OF OCEAN-GOING SHIPS WHICH VISITED HONG KONG ANNUALLY.

MORE THAN 1,050 OCEAN-GOING SHIPS VISITING THE PORT OF HONG KONG ANNUALLY WERE SUBJECT TO PORT STATE CONTROL INSPECTION TO CHECK COMPLIANCE WITH INTERNATIONAL CONVENTIONS, NAMELY THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, THE INTERNATIONAL CONVENTION ON STANDARDS OF TRAINING, CERTIFICATION AND WATCHKEEPING FOR SEAFARERS AND THE INTERNATIONAL CONVENTION FOR THE PREVENTION OF POLLUTION FROM SHIPS.

OF THESE, 10 PER CENT REQUIRED DEFICIENCIES TO BE MADE GOOD BEFORE THE SHIP COULD SAIL FROM HONG KONG.

MR O'NEIL WAS ALSO TOLD THAT THE HONG KONG SHIPPING REGISTER, WHICH CAME INTO OPERATION UNDER LOCAL LEGISLATION IN DECEMBER 1990, REFLECTS THE HONG KONG GOVERNMENT'S COMMITMENT TO MAINTAIN THE HIGHEST INTERNATIONAL STANDARDS OF MARITIME SAFETY.

ADMINISTERED BY THE MARINE DEPARTMENT, THE HONG KONG REGISTER NOW HAS A TOTAL FLEET AMOUNTING TO 7.2 MILLION GROSS REGISTERED TONNAGE COMPARED WITH 6.4 MILLION GROSS REGISTERED TONNAGE IN DECEMBER 1990.

MR O'NEIL, IN TURN, BRIEFED MR MILLER ON ITEMS ON THE IMO AGENDA.

MR O'NEIL IS THE PRINCIPAL SPEAKER AT THE PORTS 2000 CONFERENCE TO BE HELD IN HONG KONG FROM TOMORROW (TUESDAY) TO THURSDAY (NOVEMBER 5). HE WILL FLY TO JAPAN ON THURSDAY.

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MONDAY, NOVEMBER 2, 1992

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WATER STORAGE FIGURE

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STORAGE IN HONG KONG'S RESERVOIRS AT 9 AM TODAY (MONDAY) STOOD AT 79.4 PER CENT OF CAPACITY OR 465.367 MILLION CUBIC METRES.

THIS TIME LAST YEAR THE RESERVOIRS CONTAINED 278.772 MILLION CUBIC METRES OF WATER, REPRESENTING 47.6 PER CENT OF CAPACITY.

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS

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	\$ MILLION
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OPENING BALANCE IN THE ACCOUNT	2,324
REVERSAL OF LAF	-824
BALANCE AFTER REVERSAL OF LAF	1,500
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	+125
CLOSING BALANCE IN THE ACCOUNT	1,625
LAF RATE 2.00 BID/4.00 OFFER TWI 112.2 *+0.1* 2.11.92	

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS			HONG KONG GOVERNMENT BONDS			
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.68 PCT	13 MONTHS	2311	6.25	102.22	4.09
1 MONTH	3.41 PCT	16 MONTHS	2402	5.50	101.30	4.50
3 MONTHS	3.33 PCT	19 MONTHS	2405	5.502	101.30	4.67
6 MONTHS	3.45 PCT	22 MONTHS	2408	4.375	99.32	4.83
12 MONTHS	4.05 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 14,163 MN

CLOSED 2 NOVEMBER 1992

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