



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,
HONG KONG. TEL.: 2842 8777

Dear DIB Clients

I write to thank you for your support over the past years in subscribing to the Daily Information Bulletin (DIB).

In the meantime, I am glad to inform you that DIB has now been uploaded onto the Hong Kong Government Home Page on the Internet (<http://www.info.gov.hk/isd/news/index.htm>) from April 1, 1997.

This arrangement has ensured that existing DIB subscribers as well as the general public can have quicker access to the press releases issued daily by the Hong Kong Government through the Information Superhighway.

Following the upgrading of services, the DIB will no longer be printed in hard copies and distributed by post to subscribers with effect from May 1, 1997.

This decision will do good to the community at large in terms of environmental protection as 3.1 million sheets of A4-size paper will be saved each year, not to mention the saving of postage and large quantity of ink for printing.

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It is the policy of this department that we should aim at running a paperless office in the long run, but if you have difficulties in the new arrangements, please contact the undersigned at 2842 8738.

Robert Yip
(Robert YIP)

for Director of Information Services

Return Slip

To : GIS, 8th floor, Murray Building, Garden Road, Hong Kong
(Attn : Robert Yip)

I would like to receive the Daily Information Bulletin
through my Internet e-mail account _____

from May 1, 1997.



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Monday, April 7, 1997

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Transcript of the Governor's media session

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The following is the transcript of the Governor, the Rt Hon Christopher Patten, speaking to the media after a tea reception for wives and widows of ex-Prisoners of War, and ex-servicemen today (Monday):

Governor: I am delighted that we have been able to invite to Government House, this afternoon, the wives and widows of those brave servicemen, who have been campaigning for many years for full British citizenship - a mark of the valour and service of their husbands. I am delighted that that campaign which has been long and bravely fought, has been successful, and I wanted to have the opportunity of inviting these ladies to Government House this afternoon to thank them very much.

But, of course, I also wanted to thank Jack Edwards who has been the tireless campaigner on the ladies behalf. He has campaigned, literally, right around the globe for them and I hope this is a justifiably proud moment for Jack this afternoon.

Wilkinson Sword have helped us generously with many of the arrangements and we are very pleased to have had their support as well.

So it has been the end of a long story but it has ended happily and successfully and many of the reasons for that are standing next to me: Jack Edwards. Jack, thank you very much.

Mr Jack Edwards: Thank you very much.

Governor: Do you want to say a word?

Mr Jack Edwards: Yes. I would like to say that I could not have got here today without the Governor's help. You who have been in Hong Kong have known I have been fighting for over 30 years for benefits for the veterans. But this was the culminating - the passport was the hardest of all. We won medical benefits, we won grants from the War Memorial Fund; they turned it into a pension. But the passports were the hardest to get because in 1986 I won it for the men under the 1981 Nationality Act but the ladies was the most difficult battle. But I could not have done it without the backing of the Governor of Hong Kong, Chris Patten, and of course the Prime Minister, John Major, and the Home Secretary, and of course the Leader of the Opposition Tony Blair, and Robin Cook, who both gave me their hands on this issue.

And of course I have got to thank you, the media, who have been right behind me all the way. Thank you very much.

End

Governor pays tribute to war veterans

* * * * *

The Governor, the Rt Hon Christopher Patten and Mrs Patten today (Monday) hosted a tea party for about 40 wives and widows of former Prisoners of War and servicemen at Government House. The guests included the Chairman of the Royal British Legion, Mr Jack Edwards.

The occasion was a celebration of the receipt of British passports by the war wives and widows. The Governor said he and Mrs Patten were delighted to have been able to invite to Government House the wives and widows who had been campaigning for many years for full British citizenship which he described as a mark of the valour and service of their brave husbands.

"I am delighted that that campaign, which has been long and bravely fought, has been successful and I wanted to have the opportunity of inviting these ladies to Government House this afternoon to thank them very much," Mr Patten said.

The Governor also took the opportunity to thank Mr Edwards for his tireless campaign around the world on the ladies' behalf. "I hope this is a justifiably proud moment for Jack Edwards this afternoon," he said.

"It's been the end of a long story, but it has ended happily and successfully," the Governor added.

Mr Patten also thanked Wilkinson Sword for their support and generosity. At the tea party, agents for the company presented to each of the wives and widows a cheque to cover the cost of their passports and expenses they incurred in obtaining them.

During this afternoon's meeting, Mr Edwards showed to the Governor the Union Jack which was raised over Hong Kong at the end of the war. Among the guests at Government House was Mr Arthur May, aged 90, who hoisted the flag on the Peak to reclaim Hong Kong on 18 August 1945, some 12 days before the British fleet arrived.

End

China will keep its promises set out in Basic Law: Acting CS

* * * * *

The Acting Chief Secretary, Mr Donald Tsang, said today (Monday) that all key ingredients to Hong Kong's economic success now were all guaranteed from July 1 and beyond in the Basic Law, and he believed that China would keep the promises set out in it.

Mr Tsang was speaking at the Harvard Business School Alumni Conference on "Greater China: Myths, Realities, Opportunities".

He said the reason for his faith in the Basic Law was that the Law was drafted by the Chinese Government over a period of five years with the participation of a whole range of Hong Kong people.

"The promises it contains are not new requirements. They are based on Hong Kong's way of life now. They enshrine in law our current formula for what makes Hong Kong special - economically, financially, politically and in day to day life," he said.

"The Chinese Government created this blueprint for the Special Administrative Region of China because it could see how successful Hong Kong is today and they want it to be just as successful, and indeed more so, tomorrow.

"Hong Kong's continuing success will become a point of China's national honour. Why then should China risk that success by going back on its promises? I do not believe China will," Mr Tsang said.

He quoted in full Article 5 of the Basic Law to rebut the myth that Hong Kong's autonomy, particularly its economic autonomy, would be diminished and its way of life would be changed.

The article states that "the socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years".

"This is the overall pledge. But underpinning it are the many separate guarantees which sum up the way Hong Kong works now and will work in the future," he added.

Rebutting the other five myths, Mr Tsang said the Joint Declaration and the Basic Law promise that the common law and other existing laws shall be maintained, which mean that the rule of law will prevail after 1997.

He said: "It is in no-one's interests to renege upon this promise. The rule of law lies at the very heart of Hong Kong's success. It plays a crucial role in securing and upholding the prosperity and stability of Hong Kong."

"The law does rule in Hong Kong. And this gives entrepreneurs and investors the confidence to go about their business knowing that their rights will not be impinged upon or subject to the whims of Government or individual officials," he added.

On the myth that the level playing field which Hong Kong had carefully maintained over the years would slowly start to tilt after 1997, Mr Tsang said there would be no reason to change as Hong Kong would still have the same civil servants, playing by the same rules as now.

On the other myth that the press freedom and the free flow of information generally would be eroded after 1997, Mr Tsang said the Government would not let these be eroded and again the Basic Law makes a promise to this effect.

Mr Tsang said: "Information be it economic, political, commercial, scientific or technological, is the lifeblood of a modern community like ours. Without it bankers, policy makers, investors and indeed Financial Secretaries, cannot make the best decisions. The decisions that lead to good profits, to good government and to good management."

He added that Hong Kong was the telecommunications hub in the Asia Pacific region and Hong Kong was linked to the rest of the world by submarine cables, satellites, and the internet.

"Within Hong Kong, our private telecommunications companies are now building the optic fibre backbone of the information superhighway which will lead us into the new information age.

"And our community values this flow of information, cherishes the freedom of our press," he said.

Mr Tsang also corrected the misconceptions held by some quarters concerning the post-1997 law and order and corruption scene in Hong Kong, as well as the alleged replacement of Hong Kong civil servants with Peking officials.

Turning to the future opportunities, Mr Tsang said: "Hong Kong is known world-wide for its harbour. So please allow me to indulge in a little metaphor making."

"What do I see as lying ahead for the 'S. S. Hong Kong'? New waters certainly. But we have a sound ship. An engine powered by the spirit of free enterprise. And the right crew on board.

"We can set forth with confidence on our historic journey, rather than discovering uncharted islands," he said.

"Hong Kong has the skills - in languages, financial intermediation, management and technology - the creativity and drive to make the best of the opportunities which abound in the fastest growing region in the world," Mr Tsang concluded.

End

Premature for Hong Kong to introduce paternity leave

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It would be premature for Hong Kong to introduce legislation on paternity leave in the absence of international standards, a Government spokesman said today (Monday).

Commenting on the Employment (Amendment) (No.4) Bill 1997 -- a Member's Bill sponsored by Hon Mok Ying-fan and to be introduced into the Legislative Council this Thursday (April 10) -- the spokesman said that there were no international labour standards on paternity leave, either in the form of International Labour Convention or Recommendation.

The spokesman said the Government did not support the Bill which would require employers to grant seven days' paternity leave to all married male employees with continuous contract of employment and to grant paternity leave pay at the rate of four-fifths of normal wages to married male employees with continuous employment of not less than 40 weeks immediately before the date of confinement of the spouse.

"The proposal to grant paternity leave to all married male employees with continuous contract of employment deviates from the existing principle of granting leave benefits under the Employment Ordinance. Specifically, the entitlement to any leave with pay such as annual leave, statutory holiday, sick leave and maternity leave now rests with an employee who is directly employed by the employer.

"The proposal will also increase the costs and operational difficulties of employers. The difficulty of making staffing adjustments as a result of the bill will be especially significant for small employers which make up the majority of business establishments in Hong Kong," the spokesman said.

"At the request of the Hon Mok Ying-fan, we will consult the Labour Advisory Board (LAB) on his Bill on April 21. Legislators should therefore take account of the outcome of LAB's discussion before deciding whether to support the bill," he said.

End

Government opposes Member's Bill on Collective Bargaining

* * * * *

The Government does not support the Employee's Rights to Representation, Consultation and Collective Bargaining Bill 1997 -- a Member's Bill sponsored by the Hon Lee Cheuk-yan and to be introduced into the Legislative Council on April 10 (Thursday).

"It is not suitable for Hong Kong to legislate for collective bargaining," a Government spokesman said.

"Collective Bargaining tends to work effectively only in an environment where a small number of establishments employ a large number of people and where the majority of employees are represented by trade unions.

"Such an environment does not exist in Hong Kong, where 94 per cent of establishments are small-sized establishments employing less than 20 employees," the spokesman explained.

He said that it was not necessary for Hong Kong to introduce legislation to provide for employee representation, consultation and collective bargaining, as the existing practice of voluntary and direct negotiation between employers and employees at enterprise level, underpinned by conciliation service rendered by the Labour Department, had been working well.

"With the current system of dispute resolution, the average number of working days lost through labour disputes in the past three years is 0.5 days per 1,000 wage earners and salaried employees," the spokesman said.

"There is no need to change the existing system," he said.

The Bill seeks to give new rights to individual employees who are members of trade unions. They include the rights to be represented by a trade union on employment matters; to be consulted by their employer through a representative trade union on matters affecting their interests; and to be covered by a collective agreement negotiated by a representative trade union with their employer.

The spokesman explained that, if passed, the Bill would not be conducive to industrial harmony. "It may induce rivalry amongst unions arising from the competition for more members in order to meet the criteria for union recognition, and this may give rise to disputes among employees who are unionised and those who are not.

"Also, the detailed procedures for determining union representation for the purpose of collective bargaining under the bill would impede the operation of the current mechanism for prompt dispute resolution through direct and voluntary negotiations between the employer and employees," he added.

The spokesman pointed out that the Bill required an employer to consult his employees when considering such business plans as changes in ownership, relocation and re-structuring.

"This will lead to unnecessary intervention in the investment plans of the current owner and potential investors. As a result, it will discourage investment in Hong Kong and ultimately affect the employment opportunities of the local workforce," he said.

"The Bill increases the rights of employees without taking adequate consideration of the interests of employers. While an employer has the obligation to disclose necessary information when he proposes changes in the ownership of the undertaking, and restructuring etc., there is no obligation on the trade unions to keep proper charge of the information. If an employer fails to perform his duty under the law, an employee and his union have the right to file a claim at the Labour Tribunal which may order the employer to take certain actions. However, there is no provision for the Tribunal to order an employee or the union to take certain actions," the spokesman added.

Lastly, he said that the Bill had not gone through the process of tripartite discussion among Government, employer and employee representatives at the Labour Advisory Board (LAB).

"As a matter of principle, the Government will not support legislative initiatives on labour issues which have not been discussed by the LAB," he said.

End

HK signs Air Services Agreement with US

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Development of air services between Hong Kong and the United States of America entered an important phase today (Monday) with the formal signing of an agreement between the two Governments.

The Secretary for Economic Services, Mr Stephen Ip, signed the agreement on behalf of the Hong Kong Government, and the US Consul-General in Hong Kong, Mr Richard Boucher, signed the agreement on behalf of the Government of the United States of America.

Speaking at the signing ceremony, Mr Ip pointed out that the agreement would provide a firm legal basis for the continued development of air services between Hong Kong and the United States up to and beyond June 30, 1997.

Mr Ip noted the strong economic and tourism links between Hong Kong and the United States and said that air services played a vital role in strengthening such links.

He said Hong Kong's regular air services with the United States started in 1937, when Pan American established a passenger and cargo flying boat service between California and Hong Kong.

Currently, nine US airlines operate about 84 passenger and cargo services per week to Hong Kong. In 1996, they carried about 920,000 passengers and 147,000 tonnes of air cargo on direct services between Hong Kong and the United States.

Cathay Pacific started its passenger and cargo services to the United States in 1986. This was followed by Air Hong Kong, a dedicated air-cargo carrier, in 1996.

Cathay Pacific and Air Hong Kong now operate about 21 services per week between Hong Kong and points in the United States. In 1996, they carried 315,000 passengers and about 42,000 tonnes of air cargo.

The total number of passengers carried on direct services alone between Hong Kong and the United States by the airlines of both sides was close to 1.2 million in 1996, 12.7 per cent more than that carried in 1995.

The Hong Kong-US Agreement is the nineteenth Air Services Agreement signed by Hong Kong. Hong Kong has signed similar agreements with the Netherlands, Switzerland, Canada, Brunei, France, New Zealand, Malaysia, Brazil, Sri Lanka, Australia, Germany, Korea, Singapore, Italy, India, Japan, Myanmar and Thailand.

End

Majority satisfied with HK's present situation: HAB poll

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The latest public opinion survey conducted by the Home Affairs Branch (HAB) in March has shown that 76 per cent of the respondents were satisfied with the present situation in Hong Kong.

This represented an increase of three percentage points as compared with the last survey conducted in January, an HAB spokesman said today (Monday).

Twenty-four per cent of the respondents expected the situation would improve in the next 12 months while 49 per cent believed it would stay about the same. This compared with 25 per cent and 45 per cent respectively in the last survey.

When asked if they thought Hong Kong would continue to be prosperous and stable, 73 per cent expressed confidence, the same as that in January.

On the overall performance of the Government, the number of respondents who expressed satisfaction increased from 48 per cent to 53 per cent while those holding the opposite view decreased from 28 per cent to 24 per cent.

Civil servants' working attitude struck 58 per cent as good while those who thought otherwise remained at 23 per cent.

Of the three most-mentioned problems facing Hong Kong, housing issues continued to top the list at 66 per cent while social welfare-related and labour-related problems were mentioned by an equal 25 per cent of respondents.

The number of interviewees who said the payments under the Comprehensive Social Security Assistance Scheme was too low has dropped from 11 per cent in last September to nine per cent.

The survey was the 69th in the series to gauge the trend of public opinion on perceived problems in Hong Kong, the Government's overall performance and the community's view of the general situation.

Through a random sampling of residential telephone numbers, 1526 respondents aged between 15 and 64 were successfully interviewed.

End

TB case in Tsuen Wan nursery

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The following statement was issued by the Department of Health and the Social Welfare Department in response to press enquiries on a tuberculosis (TB) case in a nursery in Tsuen Wan:

A spokesman for the Department of Health said: "A worker in a nursery in Tsuen Wan was diagnosed as having TB on February 14 this year. She was considered as having low grade infectivity.

"The worker was given treatment immediately and sick leave of three weeks were granted.

"The nursery was contacted on February 15 and arrangement was made for public health follow-up measures.

"All other staff who subsequently took the chest X-ray examination were found not to have tuberculosis.

"A health talk had been arranged for parents on March 26. Tuberculin tests were carried out for the children on April 4. Results were pending."

The spokesman stressed that in order to obtain the trust and co-operation of TB patients in carrying out preventive measures, it was not a practice to announce individual case to the media.

He noted that in 1996, contact screening for TB was carried out in 41 schools throughout the territory.

A spokesman for the Social Welfare Department (SWD) said: "For the benefit of the children and staff, all child care centres are required to abide by the guidelines issued by the Department's Child Care Centres Advisory Inspectorate with regard to pre-employment and annual physical examination (including a chest X-ray) of its staff by a registered medical practitioner.

"A medical certificate should be issued stating that he/she is medically fit to work in a child care centre.

"In the light of the latest development, close liaison will be maintained between the DH and the Child Care Centres Advisory Inspectorate to advise and assist operators of child care centres to take necessary precautionary measures," he added.

End

19 elderly apply for Portable CSSA

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The Social Welfare Department has so far received 19 applications for Portable Comprehensive Social Security Assistance (PCSSA) since the scheme was launched last Tuesday (April 1).

A department spokesman said the applications were being processed.

The PCSSA scheme, he said, allowed elderly Comprehensive Social Security Assistance recipients to continue to receive welfare payments if they wished to retire to Guangdong, China.

To be eligible, an applicant must be:

- * a Hong Kong permanent resident who has lived in the territory for at least seven years;
- * aged 60 or above; and
- * having received CSSA continuously for three years immediately before application.

An eligible single elderly will receive a monthly standard rate of \$2,060 and an annual long-term supplement of \$1,530.

Interested applicants should approach their respective Social Security Field Unit which deal with their CSSA cases, or call the SWD's hotline 2343 2255.

End

Improvement measures taken

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In response to media enquiries on a complaint to the Ombudsman against delay in endorsing a hearing assessment report, a spokesman for the Education Department said today (Monday):

"This was an unfortunate case and it helped to focus on the need to review and improve our registry procedures. We have taken steps to prevent recurrence, including the Ombudsman's suggestion for setting up a register to keep track of file movement.

"We are pleased to see that the student concerned has integrated and adjusted well in her present school."

End

Tender for fifteenth issue of 3-year Exchange Fund Notes

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The Hong Kong Monetary Authority announces that the tender for the fifteenth issue of 3-year Exchange Fund Notes will be held on Monday, 14 April 1997 for settlement on Tuesday, 15 April 1997.

Similar to the previous issue, an amount of HK\$500 million 3-year Notes will be on offer. In addition to that, another HK\$100 million will be held as reserve by the Hong Kong Monetary Authority for supply to Market Makers in the secondary market. The Notes will mature on 17 April 2000 and will carry interest at the rate of 6.50% per annum payable semi-annually in arrears.

Members of the public who wish to tender for the Notes may do so through any of the Market Makers or Recognized Dealers on the published list which can be obtained from the Hong Kong Monetary Authority at 30/F, 3 Garden Road, Hong Kong (or telephone 2878 8150). Each tender must be for an amount of HK\$50,000 or integral multiples thereof.

HONG KONG MONETARY AUTHORITY EXCHANGE FUND NOTE
PROGRAMME TENDER INFORMATION

Tender information for the fifteenth issue of 3-Year Exchange Fund Notes :-

- Issue Number : 3004
- Tender Date and Time : Monday 14 April 1997,
9:30 a.m. to 10:30 a.m.
- Issue and Settlement Date : Tuesday 15 April 1997
- Amount on Offer : HK\$500 million plus an additional HK\$100 million
as reserve stock for the Monetary Authority
- Maturity : Three years
- Maturity Date : 17 April 2000
- Interest Rate : 6.50% per annum payable semi-annually in arrears
- Interest Payment Dates : 15 Oct 1997, 15 Apr 1998,
15 Oct 1998, 15 Apr 1999,
15 Oct 1999, 17 Apr 2000
- Tender Amount : Each tender must be for an amount of HK\$50,000 or
integral multiples thereof. Members of the public who
wish to tender for the Notes may approach Market
Makers or Recognized Dealers on the published list
- Other details : Please see Information Memorandum published or
approach Market Makers or Recognized Dealers

End

Water storage figure

Storage in Hong Kong's reservoirs at 9 am today (Monday) stood at 78.4 per cent of capacity or 459.439 million cubic metres.

This time last year the reservoirs contained 468.456 million cubic metres of water, representing 79.9 per cent of capacity.

End