



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 2842 8777

Friday, June 30, 1995

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/Gondola regulation

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Joint Communiqué

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The Airport Committee of the Sino-British Joint Liaison Group, having discussed the specific agreements to be entered into between the Hong Kong Government and the Airport Authority (AA) and the Mass Transit Railway Corporation (MTRC) respectively in accordance with the provisions of the "Memorandum of Understanding Concerning the Construction of the New Airport in Hong Kong and Related Questions" and further to the decisions recorded in the Agreed Minute in relation to the overall financing arrangements for the New Airport at Chek Lap Kok and the Airport Railway, have reached a common view.

Both sides have agreed that the Hong Kong Government may now enter into a Financial Support Agreement with the AA and the MTRC respectively in accordance with the common view reached by the Sino-British Airport Committee. The texts of the two Financial Support Agreements are annexed hereto.

The British side has reaffirmed that, on the basis of the continuing progress of the Airport Core Programme, the seven projects directly funded by the Hong Kong Government together with the Western Harbour Crossing project will be completed before 30 June 1997 and the New Airport at Chek Lap Kok and the Airport Railway will be completed to the maximum extent possible by 30 June 1997.

The Chinese side has reaffirmed its support for the construction of the New Airport and related projects, and reconfirmed that obligations related to the airport projects entered into or guaranteed by the Hong Kong Government will continue to be valid and be recognised and protected by the Hong Kong Special Administrative Region Government from 1 July 1997.

Both sides have expressed their determination and confidence that construction of the New Airport and Airport Railway will proceed with all due speed to full completion as soon as possible.

(signed)

(signed)

H. LL. DAVIES
British Senior Representative
30 June 1995

ZHAO JIHUA
Chinese Senior Representative
30 June 1995

End/Friday, June 30, 1995

**Agreed Minute on Franchises for Air Cargo Services
for the New Airport in Hong Kong**

At the meeting of the Airport Committee of the Sino-British Joint Liaison Group held on 30 June 1995, the British and Chinese sides discussed the question of the two Franchise Agreements to be entered into by the Airport Authority in Hong Kong with Hong Kong Air Cargo Terminals Limited and Asia Airfreight Terminal Company Limited. Both sides have examined the text of the two Franchise Agreements and reached a common view.

The Chinese side confirmed that the two Franchise Agreements shall continue to be valid and shall be recognised and protected by the Government of the Hong Kong Special Administrative Region after 30 June 1997 in accordance with relevant provisions of the 'Memorandum of Understanding Concerning the Construction of the New Airport in Hong Kong and Related Questions'.

(signed)

(signed)

H. LL. DAVIES
British Senior Representative
30 June 1995

ZHAO JIHUA
Chinese Senior Representative
30 June 1995

End/Friday, June 30, 1995

Government welcomes Airport Committee accord

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The Financial Secretary, Sir Hamish Macleod, today (Friday) welcomed the agreement reached on the Financial Support Agreements (FSAs) for the new airport and the airport railway by the British and Chinese sides of the Airport Committee.

"The two financial support agreements to be signed between the Hong Kong Government, the Mass Transit Railway Corporation (MTRC) and the future Airport Authority (AA) form an essential part of the overall financing arrangement for the airport and the airport railway as they provide the Government assurances needed to allow the two organisations to arrange borrowings from banks and other institutional lenders," said Sir Hamish.

"The air cargo services are major franchised services essential for the operation of the new airport. This agreement is a big step forward in the franchise award process which the PAA has been engaging in for more than one year and I hope to see the award of the other major franchises in the coming months," he said.

In a Joint Communique signed this morning (Friday) by the leaders of the two sides in the Airport Committee, both sides expressed their determination and confidence that construction of the new airport and airport railway will proceed with all due speed to full completion as soon as possible.

The British side reaffirmed that, on the basis of the continuing progress of the Airport Core Programme, the seven projects directly funded by the Hong Kong Government together with the Western Harbour Crossing project will be completed before June 30, 1997 and the new airport at Chek Lap Kok and the airport railway will be completed to the maximum extent possible by June 30, 1997.

The Chinese side reaffirmed its support for the construction of the new airport and related projects, and reconfirmed that obligations related to the airport projects entered into or guaranteed by the Hong Kong Government will continue to be valid and be recognised and protected by the Hong Kong Special Administrative Region Government from July 1, 1997.

Separately in an Agreed Minute signed this morning by the leaders of both sides in the Airport Committee, the Chinese side agreed the terms of the two franchise agreements to be entered into by the Airport Authority with Hong Kong Air Cargo Terminals Limited and Asia Airfreight Terminal Company Limited for the provision of air cargo services at Chek Lap Kok and confirmed that they will continue to be valid after the transfer of sovereignty.

Under the terms of the Airport Committee Agreed Minute signed on November 4 last year, the Government is to inject equity of not less than \$60.3 billion into the new airport and the airport railway while the level of borrowing for the projects by the two organisations is capped at \$23 billion on completion of the two projects.

The Secretary for the Treasury, Mr K C Kwong, said: "Both the future AA and the MTRC need the Government assurances contained in the FSAs to enable them to raise, in a cost-effective manner, the necessary borrowings in accordance with the Agreed Minute."

One of the most important assurances contained in the FSA cover the circumstances in which additional equity would be required by the MTRC or future AA to enable them to complete the airport railway or the new airport. The FSAs provide that the Government will inject additional equity into the organisations if required due to force majeure or circumstances outside the control of the Government or the MTRC or AA, or for other justifiable reasons.

"Bankers and other institutional lenders do require an explicit assurance in the Government's agreements with the two organisations to ensure that sufficient funds will be available to ensure that the projects are completed," Mr Kwong explained.

"We have taken soundings from the local and international banking community who have assured us that this formulation will provide lenders with an acceptable degree of certainty. Both statutory bodies are also confident of being able to borrow at competitive rates on this basis.

"We have every confidence however that should such a circumstance arise, the requirements for additional equity support from the Government will be kept to a minimum because of the stringent cost monitoring and control procedures we have in place," said Mr Kwong.

The airport FSA provides further comfort to lenders in respect of payments of interest and principal due to them before project completion. The agreement provides that the Government will provide interest-free loans to the AA to meet debt service costs due before completion of the new airport in the event there is a shortfall in funding.

"Agreement on the FSAs removes a major uncertainty facing the airport and the AR (airport railway) projects as the two organisations will now be able to complete the financing of the projects by borrowing commercially in accordance with the Agreed Minute," Mr Kwong said.

"Agreement on the airport cargo service franchises clears the way for early provision of one of the most critical privately-funded franchises for the new airport," said the Secretary for Economic Services, Mr Gordon Siu.

"The next step now is to move ahead quickly with the remaining major franchises for the airport and the enactment of the AA Ordinance. With early resolution of these issues, we will be able to maintain the good progress we have made on the construction of the new airport," Sir Hamish said.

He said in the light of this, the Government had in consultation with the MTRC and Provisional Airport Authority (PAA) reviewed the target opening dates for the two projects.

"Based on their current programme of works already under way, we anticipate that the PAA's physical works at the new airport will be substantially complete by mid-1997. We need to allow nine months for commissioning, trial operations, and planning the move from Kai Tak. We therefore expect the new airport to be open in April 1998, subject to early conclusion of the remaining key franchise agreements. These include aviation fuel services, aircraft maintenance, aircraft catering and ramp handling services.

"According to the MTRC's programme, the airport railway works will be substantially completed in April 1998, with opening scheduled in June 1998 after a period of tests and trial running. However the MTRC has a good track record of completing projects ahead of schedule. We are therefore confident that the corporation will make every endeavour to open the railway earlier with a view to synchronising the opening dates of the two projects as far as possible," he said.

Physical works on the 10 Airport Core Programme projects are moving ahead very rapidly. Overall, including the airport and the airport railway, over one-third of the works has been completed.

"The agreement with the Chinese is a major step forward as it now gives the Government the green light to sign a Financial Support Agreement on the airport railway with the MTRC," Sir Hamish said.

"The Provisional Airport Authority will be reconstituted as the AA following enactment of the Airport Authority Bill by the Legislative Council. Subject to the approval of Finance Committee of the Legislative Council, the Government will then be able to sign the Financial Support Agreement on the airport with the AA," he added.

Mr Kwong announced that the Government proposed to seek Finance Committee approval next month to convert the authorised advance of \$36,648 million (money of the day) to the PAA into equity following the establishment of the Airport Authority.

Finance Committee will also be asked to note the financial implications of Government signing the FSA with the AA.

Summary of Equity and Debt for the two Projects

	<u>Equity</u>	<u>Debt</u>
New Airport	\$36.6 billion	\$11.6 billion
Airport Railway	\$23.7 billion	\$11.4 billion
Total	\$60.3 billion	\$23 billion

End/Friday, June 30, 1995

Transcript of the Governor's media session

* * * * *

The following is a transcription of the Governor, the Rt Hon Christopher Patten's media session before attending the fourth Anniversary dinner of the China Club today (Friday):

Question: The new airport is to open in April 1998, so you cannot fulfil your wish to go back to England through the new airport.

Governor: Well, the airport should be substantially completed by the middle of '97. Unfortunately, because of the amount of time it has taken to negotiate the financing arrangements, we won't be able to open it until a bit later because of the commissioning and the trials and so on, but I think at the end of the day we'll have built the airport more rapidly than most other people would have managed, at a decent price. It's a terrific project and I'm pleased that at the end of marathon discussions we've eventually got an agreement. There are other ways, of course, in which I can leave: I could go by boat or I could, as I once suggested, go by the through train.

Question: One of the cargo franchises goes to HAECO. Do you expect that Jardine will get the CT-9 agreement settled?

Governor: I think the allocation of the franchises has underlined the way we do business in Hong Kong. We've gone about it in the usual way, fair, open, clean, with proper competition between firms and the ones that were offering the best deal have won and I hope we can do business in exactly the same way with the other franchises on the airport. But I would like to congratulate the negotiators who have had a very long and grinding series of talks. I'm obviously sorry that it's taken over four years to get this agreement and there are a lot of other agreements that we've still got to reach, so while it's encouraging to have got this and to have got the franchise, we've still got a lot more work to do and the people of Hong Kong expect us to get on with that work as rapidly and energetically and constructively as possible.

Question: What do you expect the JLG talks that's coming next week?

Governor: The JLG has a lot of big issues on the agenda. I don't think that with what I know of the situation, I don't think we are going to see an avalanche of agreements at next week's JLG meeting. I hope I'm proved wrong. But as you know, we're very constructive and trying to co-operate and I hope that the Chinese officials will come to the party as well. What I think we'll be looking for most of all next week is a sign of a more constructive atmosphere that will help us in the expert talks that take place between JLG meetings to make a lot more progress over the coming months.

Question: What is wrong with Mrs Patten today? What's wrong with her leg?

Mrs Patten: I sprained my ankle walking down the stairs.

Governor: Not playing tennis or anything, she was taking the dogs out for a walk.

Question: In Government House?

Governor: In Government House. She missed her step.

Mrs Patten: But I'm on the mend.

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Governor's statement on the Times report

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In response to a report in the Times of London today (Friday) headlined "Patten offers early poll to Peking", a spokesman for the Governor, the Rt Hon Christopher Patten, commented:

"The Governor made no such offer. He simply responded during an interview with a journalist from the Times to a hypothetical question on the possibility of further elections under certain circumstances in Hong Kong prior to 1997.

"The Governor's and the Government's position has always been that the 1994/95 electoral arrangements approved by the Legislative Council last summer are the best for Hong Kong. They are fully compatible with the Basic Law, and the best thing for China to do would be to recognise that, and to leave those arrangements unchanged in 1997.

"That is still our position.

"It is certainly wrong to say that we have made any offer to China on this matter. It is equally wrong to read such a meaning into the Governor's response to a hypothetical question.

"Nor have we received any such offer from the Chinese side. And as the Governor said in the interview, we have seen no evidence of any such offer being in prospect."

Following is the excerpt from an interview with the Governor by Jonathan Mirsky of the Times on Thursday (June 29):

Mirsky: Suppose the Chinese suggested to you an election of any sort to be held in Hong Kong before 1997 for a LegCo to be established after 1997; and they said except for criminals anybody can stand, so that you might say this means that Szeto and Martin and everybody, if they ran in this 1996 or early 97 election under perhaps not 'one- person, one-vote' but some kind of functional constituency, something that did not look rigged and so forth; and the alternative to that was the Chinese appointment of a legislature next year, which would then be the legislature after 1997, can you imagine any circumstances in which you might say: yeah we might be able to have an election under some circumstances for that post-1997 thing?

Governor: Obviously the issue for us, the issue of principle, isn't a particular set of arrangements to elect the institution, but whether any arrangements that are put in place are fair and open.

Mirsky: ... suppose these struck you as fair and open

Governor: We believe that the arrangements for this Legislative Council fall into that category. So there would have to be some very persuasive argument to justify terminating the life of this institution or agreeing to play a part in terminating the life of this institution before 1997. And we would obviously need to carry the Legislative Council with us on any such proposition. But I think that, while the best thing that could happen would be to leave the 1995 Legislative Council in place, with objective tests for legislators in 1997, if the Chinese side were to put forward proposals which were plainly fair and open, and which could command majority support in the Legislative Council, then that would open up new possibilities. I have to say that I think that would be a second best to continuing the 1995 Council; and I also have to say there isn't any sign of them doing that.

Mirsky: Except that Tsang Yok-sing has said this quite a lot. He's been saying it for a number of years. He said in the papers recently again, "It might be, if the British could be reasonable etc, etc, there might be some way of having an election that would see a reasonably representative LegCo appear in 1997."

Governor: All I can say to you is that the arrangements which were on China's side of the table for elections when the talks broke down in 1993 would not, alas, meet the sort of criteria which you have suggested.

Mirsky: No, but just as I could write Percy Cradock's letter to the Times about the court, I think I could write a little speech for you saying that the Chinese have now put forward some arrangements that seem to me to be fair and possible. They are not the best thing. Of course it would be best if LegCo went through. But it sounds to me as if now if anyone could stand and the LegCo that appeared in elections at the end of 1996 or at the beginning of 1997 were seen by the population of Hong Kong to be a genuinely elected one, it would not be as good as the through train, but surely anybody can see it's a hell lot better than an appointed LegCo.

Governor: Well, I think I see all those arguments, and it's a fascinating hypothesis, but I don't see much evidence that it's going to present us with the problem of saying yea or nay. And I think it would have to be a jolly convincing-looking Legislative Council for the one in 1995 to feel that we could entertain the proposition of supporting its election. But the only point that I want to make is that, for us, these arrangements are not a matter of face, they are a matter of trying to do the decent thing for Hong Kong. And I still hope that China will recognise that the sensible thing to do is to leave them in place.

End/Friday, June 30, 1995

New Chairman appointed to Civic Education Committee

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The Government has appointed Mr Moses Cheng Mo-chi to succeed Dr Daniel Tse Chi-wai as Chairman of the Committee on the Promotion of Civic Education (CPCE) from tomorrow (Saturday).

Mr Cheng is a lawyer by profession and a Legislative Councillor since 1991. His chairmanship of the CPCE will be for the period between July 1, 1995 and March 31, 1997.

To strengthen the committee's work and to replace some members who had recently completed serving the terms of their appointments, the following have also been appointed members of the CPCE:

(i) Mr Cheung Yin-tung, a teacher of the Kwong Ming School, a member of the Commission on Youth, a former member of the Yuen Long District Board and Chairman of the Yuen Long District Civic Education Committee;

(ii) Dr Patricia Ip Lai-sheung, a Consultant Paediatrician of the United Christian Hospital, Chairperson of the 1993 Conference on Children's Rights in Hong Kong, Chairperson of Against Child Abuse and Chairperson of the Hong Kong Committee on Children's Rights;

(iii) Ms Elle Shum Mun-ling, Managing Director of SE Asia Resources Ltd, former Commissioner for Television and Entertainment Licensing Authority, and member of the Hong Kong Federation of Women;

(iv) Mr Benny Tai Yiu-ting, a Lecturer at the University of Hong Kong, a former member of the Consultative Committee on the Basic Law and a member of the Bilingual Laws Advisory Committee; and

(v) Mr Andrew Yuen Wai-man, Marketing Manager of Dayton Industrial Co. and an active participant of the Girl Guides and Scouts movement.

Meanwhile, the Government paid tribute to the outgoing chairman, Dr Tse, for his commitment, leadership and guidance in spreading the civic education message during his seven years with the Committee.

Thanks were also extended to three other recently retired members - Mr Johannes Chan Man-mun, Mr Chan Chun-fat and Mr Yip Wah - for their contributions to the CPCE.

The CPCE was set up in 1986. It has five sub-committees currently working on the themes for 1995/96, namely, Civic Rights and Representative Government; Equal Opportunities and Elimination of Discrimination; and the Rule of Law.

Upcoming activities will include the Civic Education Exhibition '95, a cartoon/illustration design competition on the theme "Equal Opportunities and Elimination of Discrimination", and a publicity campaign on human rights education.

Also in the pipeline is the production of a series of publications on civic education, human rights and the Basic Law as well as a human rights education teaching kit for primary school students.

Other members of the CPCE include: Mr Chan Kar-lok, Mrs Anita Chan Fok Po-chun, Mr Chan Wing-tai, Mr Cheng Kai-nam, Dr Fanny Cheung Mui-ching, Mr Raymond Chow Wai-kam, Dr John Ho Dit-sang, Miss Junia Ho, Mr Lai Chi-tong, Mr Peter Lam Yuk-wah, Mrs Justina Leung Ngai Mou-yin, Dr Lo Chi-kin, Mr Tai Hay-lap and Mr William Tsui Hing-chuen.

End/Friday, June 30, 1995

Re-appointments to Civil Service Salaries Commission

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The Government announced today (Friday) that the Governor had re-appointed Mr David A Morris and Mr Nicholas Chiu Sai-chuen as members of the Standing Commission on Civil Service Salaries and Conditions of Service.

The appointments are for a term of two years with effect from tomorrow (July 1).

Mr Morris and Mr Chiu have served on the Standing Commission for eight and six years respectively.

Chaired by Sir Sidney Gordon, the Standing Commission advises the Government on the principles and practices governing the pay and conditions of service of the non-directorate civil service other than the disciplined services.

Other members include Mr Alexander Au Siu-kee, Dr Wilfred Chan Siu-yuen, Mr David W Gairns, Mrs Janie Kaung Lai-chun, Mr Lo King-man, Mr Tang Kwai-nang and Professor Robert Ian Tricker.

End/Friday, June 30, 1995

New appeal mechanism for public housing tenants

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The Housing (Amendment) Ordinance 1995 and the Housing (Tenancy Appeals) Rules gazetted today (Friday) will provide, as from tomorrow (July 1), a new appeal mechanism for public housing tenants.

Under the Ordinance, the Secretary for Housing, Mr Dominic Wong, will appoint an Appeal Panel to hear appeals against decisions of the Housing Authority to terminate leases or give notices to quit. Procedures for hearing appeals are stated in the new Rules.

"The main objective is to ensure that every appeal is handled in a consistent, efficient and impartial manner," Mr Dominic Wong said. "Membership of the Appeal Panel will be announced shortly."

The Ordinance will also deter the creation of unauthorised mortgages or charges on Home Ownership Scheme and Private Sector Participation Scheme flats by making them legally void and rendering offenders liable to prosecution.

Other provisions in the Ordinance will clarify the Housing Authority's power to employ staff and consultants, and will streamline the delegation of administrative responsibilities by the Director of Housing to Housing Department officials.

End/Friday, June 30, 1995

Appeal Board panel under toys' safety law re-appointed

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A Government spokesman announced today (Friday) that the Secretary for Trade and Industry had re-appointed an Appeal Board panel under the Toys and Children's Products Safety Ordinance with immediate effect for a period of two-and-a-half-years.

Members re-appointed to the Appeal Board panel are as follows:

Chairman

Mr Andrew Liao Cheung-sing, QC

Deputy Chairman

Mr William Tsui Hing-chuen

Members

Mr Arthur Chan Man
Mrs Chow Wong Mabel
Dr David Lloyd Crone
Mr Fan Sai-yee
Dr Ho Siu-lau
Mr Jeffrey Lam Kin-fung
Miss Leona Lam Wai-ling
Mr Lau Siu-hung
Dr David Lee Ka-yan
Miss Mabel Li Choi-kwan
Mr Pong Fu-wai
Mr Thomas Shek Hing-lung
Mr Geoffrey Stammers
Mr Andrew Tang Shin-kwan
Mr Wong Kwok-keung

"Members of the panel will hear appeals against an enforcement decision or action of the Commissioner of Customs and Excise under Part VI of the Ordinance," the spokesman said.

An enforcement decision or action may take the form of the following notices served by the Commissioner -

(a) Notice to warn, which requires suppliers of toys and children's products to improve the safety of their products;

(b) Prohibition notice, which requires suppliers to stop supplying unsafe products; and

(c) Recall notice, which requires suppliers to recall unsafe products from the market.

End/Friday, June 30, 1995

Monthly statistics for May 1995

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According to statistics published today (Friday) by the Hong Kong Monetary Authority, the movement of Hong Kong dollar deposits into time deposits has continued to moderate in May 1995.

Table 1 sets out summary figures for May 1995 and comparisons with earlier months.

Deposits

The growth of total Hong Kong dollar deposits moderated to 0.7% in May 1995, compared to 1.9% last month. Time deposits registered a growth of 0.3%, compared with 3.5% in April. Savings and demand deposits grew at 1.3% and 1.7% respectively, compared to 1.6% growth and an 8% decline in April. This indicates that the deposit migration resulting from the rise in interest rates and the partial removal of the interest rate cap on time deposits has moderated. Savings deposits have now risen in each of the last few months.

Swap deposits continued to decline in May, but at a slower pace of 3.6% compared to 5.8% in April. Since the first phase of the removal of the interest rate cap was implemented in October 1994, such deposits have fallen by 38% from the peak in November as HK dollar time deposits have become a preferred alternative:

The growth of foreign currency deposits was fairly stable at 1.3% against 1.6% in the previous month. Non- US dollar deposits grew by 2.6% while US dollar deposits grew by 0.1%.

Loans and Advances

Total outstanding loans and advances extended by authorised institutions rose by 2.2% in May, down from 5.2% in April. The slow down was entirely due to the moderation in the growth of foreign currency loans to 2.5% from 7.1% in the previous month. The growth in Hong Kong dollar loans, however, was very stable at 1.6% compared to 1.4% in April.

Money Supply

Total currency held by the public registered a decline of 0.9% in May. This was offset by 1.7% growth in Hong Kong dollar demand deposits. As a result, HK\$M1 recorded a mild increase of 0.6% during the month.

The growth of HK\$M2 and HK\$M3, after adjusting for foreign currency swap deposits, both moderated to 0.6% this month, from 1.8% in April.

For further press enquiries, please contact the Press and Publications Section, Hong Kong Monetary Authority on 2878 8261.

TABLE 1 : MONETARY STATISTICS - MAY 1995

	(HK\$mn)			
	May 1995	Earlier months (% change to May 1995)		
		Apr 1995	Feb 1995	May 1994
Money Supply				
M1 - HK\$	166,060	165,071 (0.6)	169,244 (-1.9)	164,236 (1.1)
Foreign currency	17,590	16,525 (6.4)	18,529 (-5.1)	18,671 (-5.8)
Total	183,651	181,596 (1.1)	187,773 (-2.2)	182,907 (0.4)
M2 - HK\$@	1,162,566	1,155,501 (0.6)	1,114,306 (4.3)	992,935 (17.1)
Foreign currency*	977,544	965,723 (1.2)	922,245 (6.0)	829,540 (17.8)
Total	2,140,110	2,121,223 (0.9)	2,036,551 (5.1)	1,822,475 (17.4)
M3 - HK\$@	1,180,133	1,173,289 (0.6)	1,131,942 (4.3)	1,009,864 (16.9)
Foreign currency*	1,040,852	1,028,043 (1.2)	983,249 (5.9)	874,645 (19.0)
Total	2,220,985	2,201,332 (0.9)	2,115,191 (5.0)	1,884,509 (17.9)
Notes and coins in circulation	78,256	78,915 (-0.8)	80,566 (-2.9)	72,444 (8.0)
of which held by public	69,295	69,914 (-0.9)	71,570 (-3.2)	64,260 (7.8)
Total Deposits				
Total Demand deposits	114,356	111,682 (2.4)	116,203 (-1.6)	118,647 (-3.6)
Total Savings deposits	398,265	393,522 (1.2)	380,466 (4.7)	405,100 (-1.7)
Total Time deposits with licensed banks	1,515,621	1,503,305 (0.8)	1,425,592 (6.3)	1,202,783 (26.0)
Total Time deposits with restricted licence banks	38,526	37,428 (2.9)	36,049 (6.9)	28,818 (33.7)
Total Time deposits with deposit-taking companies	20,037	20,223 (-0.9)	19,888 (0.7)	17,742 (12.9)
HK\$ deposits@	1,081,266	1,073,789 (0.7)	1,031,587 (4.8)	922,695 (17.2)
Demand deposits	96,766	95,157 (1.7)	97,674 (-0.9)	99,976 (-3.2)
Saving deposits	271,593	268,129 (1.3)	263,133 (3.2)	280,107 (-3.0)
Time deposits@	712,907	710,503 (0.3)	670,781 (6.3)	542,612 (31.4)
US\$ deposits*	509,055	508,305 (0.1)	512,987 (-0.8)	439,458 (15.8)
Other foreign currency deposits*	496,485	484,066 (2.6)	433,623 (14.5)	410,937 (20.8)
All deposits	2,086,806	2,066,160 (1.0)	1,978,198 (5.5)	1,773,090 (17.7)
Foreign currency swap deposits	64,678	67,075 (-3.6)	79,422 (-18.6)	87,893 (-26.4)
Total Loans and advances				
To finance H.K.'s visible trade	150,197	143,907 (4.4)	135,120 (11.2)	114,973 (30.6)
To finance merchandising trade not touching H.K.	15,498	13,801 (12.3)	13,404 (15.6)	11,559 (34.1)
Other loans for use in H.K.	1,329,261	1,312,371 (1.3)	1,286,216 (3.3)	1,178,128 (12.8)
Other loans for use outside H.K.	2,242,316	2,183,437 (2.7)	1,883,984 (19.0)	1,713,264 (30.9)
Other loans where the place of use is not known	41,717	42,698 (-2.3)	41,452 (0.6)	45,142 (-7.6)
Loans in HK\$	1,180,216	1,161,967 (1.6)	1,134,172 (4.1)	1,051,640 (12.2)
Loans in foreign currencies	2,598,773	2,534,246 (2.5)	2,226,004 (16.7)	2,011,427 (29.2)
Total loans and advances	3,778,989	3,696,213 (2.2)	3,360,176 (12.5)	3,063,067 (23.4)

* Adjusted to exclude foreign currency swap deposits.
 @ Adjusted to include foreign currency swap deposits.

Note: Data may not add up to total due to rounding.

End/Friday, June 30, 1995

A new telecommunication era in Hong Kong

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The Secretary for Economic Services, Mr Gordon Siu, said today (Friday) - July 1, 1995 - would mark "a new era in Hong Kong's Telecommunications development".

He said: "The end of Hong Kong Telephone Company's monopoly on local fixed-line telephone service today brings with it the complete liberalisation of Hong Kong's local telecom market.

"Starting from tomorrow (Saturday), Hong Kong consumers can have four telephone companies to choose from. They are Hong Kong Telephone, Hutchison Communications, New T&T Hong Kong, and New World Telephone.

"The opening up of fixed network services to competition includes basic local telephone service, fax, data, etc. With four competing fixed network operators, Hong Kong will have one of the most liberal and open local telecommunications markets in the world, well ahead of most other western countries.

"The success of competition in mobile communications services is here for all to see. We now have very high mobile penetration rates and consumers have a wide range of products and services at reasonable and affordable prices to choose from.

"The expiry of Hong Kong Telephone's monopoly means that it is now possible to extend the success competition has brought about to other sectors of telecommunications in Hong Kong," he added.

Mr Siu said Hong Kong was not looking for competition for competition's sake.

"With the rapid development of telecommunications technologies, we expect competition to bring not only more choice, better quality of service, and lower prices to consumers, but more importantly, it will spur service innovation.

"Some of the new services we expect to see, through fixed network competition, will include personal numbering which will allow customers to be reached on a single telephone number wherever they are and high speed data transmission services which will meet the demand of business users as well as provide the infrastructure for interactive computing and multi-media services to promote Hong Kong's competitiveness as an international business centre." he said.

"The three new networks have undertaken, in their licence conditions, to employ the latest and most advanced fibre optic technology in building their networks. Through vigorous competition in local fixed network services, we expect to see, in the next several years, the rapid extension of fibre optic and broad band technology to individual homes and offices. This will allow the introduction in Hong Kong, ahead of many other countries, of advanced information and interactive services promised by the constant breakthrough in telecommunications technologies.

"This latest development marks an important step towards achieving the Hong Kong Government's policy objective to provide the widest range of telecom services at reasonable and affordable prices to all Hong Kong people. But most important of all, this will put Hong Kong well in advance of our competitors in building an information superhighway to meet the challenge of the Information Age of the 21st century," Mr Siu added.

Following a comprehensive review of telecommunications policy, the Government announced in 1992 the opening up of local telephone services to competition when Hong Kong Telephone's exclusive franchise would expire on June 30, 1995.

Hong Kong Telephone, together with Hutchison Communications, New T & T Hong Kong, and New World Telephone which were selected after an open licence application exercise, has each been granted a Fixed Telecommunication Network Services licence to provide local telephone and telephone-related services on a competitive basis starting July 1, 1995.

End/Friday, June 30, 1995

Kwai Chung Sewage Screening Plant opens

The Kwai Chung Sewage Screening Plant which provides preliminary treatment to domestic and industrial sewage from Tsuen Wan and Kwai Chung districts was officially opened today (Friday).

Speaking at the opening ceremony of the plant this morning, the Director of Drainage Services, Mr Ng Yee-yum, pointed out that when fully commissioned, the plant could provide preliminary treatment to a maximum capacity of 870,000 cubic metres of sewage per day -- equivalent to the quantity of sewage produced by a population of 1.1 million.

"Initially, the treated sewage will be discharged into the Rambler Channel through an existing submarine outfall for further dispersion and dilution.

"After completion of the Stage I of the Strategic Sewage Disposal Scheme in mid-1997, the treated sewage will be connected to the sewer tunnel leading to the sewage treatment works on Stonecutters Island.

"Consequently, the water quality at Rambler Channel will be greatly improved," Mr Ng said.

Also speaking at the ceremony, the Director of Territory Development, Mr Lee Shing-see, said construction of the sewage screening plant was a project of the New Town Development Programme.

He revealed that work had already started on another project to upgrade the sewage collection system in Tsuen Wan and Kwai Chung.

"Part of this will involve the reconstruction and widening of the nearby Wing Shun and Kwai Yue Streets. These works are also being carried out by the Drainage Services Department (DSD) on our behalf," he said.

The Kwai Chung Sewage Screening Plant was constructed by DSD on behalf of the Territory Development Department.

It has been designed as a multi-storey building with plan area of 3,400 square metres.

It has taken three and a half years to built at a cost of \$139 million.

End/Friday, June 30, 1995

Water supply free from insects and bacteria

A detailed examination by the Department of Ecology and Biodiversity of the University of Hong Kong of insect samples collected by residents of Tsing Yi and Kwai Chung housing estates handed to the Water Supplies Department last week has confirmed that the water supplied to consumers is clean and free from insects and bacteria.

A spokesman for the department said of the five samples collected by the residents, only one consisted of fabric and organic debris which did not resemble an aquatic animal.

Two other samples are larva of moth flies which are commonly found in damp areas in toilets. Another one was a caterpillar and the last one was a centipede, both non-aquatic in nature.

He stressed that the results indicated that the insect samples could not have come from the water supplied by the department.

The spokesman assured the public that the water supplied to consumers was fully treated and disinfected.

"Its quality is closely monitored by regular and frequent testing of water samples taken from all strategic points of the water supply system including the pumping stations, service reservoirs, sump and roof tanks of buildings and consumer taps and complies fully with the World Health Organisation's Guideline Standards for drinking water," he added.

He also reminded consumers to keep their own plumbing system including roof tanks and associated taps and sinks clean to prevent contamination of water.

End/Friday, June 30, 1995

Gondola regulation takes effect

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A new regulation governing the safe use of suspended working platforms, commonly known as gondolas, will take effect from tomorrow (Saturday).

The effective date of the Factories and Industrial Undertakings (Suspended Working Platforms) Regulation was gazetted today (Friday).

A Labour Department spokesman said under the new regulation, the owner of a suspended working platform must ensure its good design and construction and proper operation.

Additional safety ropes fitted with automatic fall-arresting device or two independent suspension wires must be provided for each gondola.

Furthermore, a suspended working platform must be periodically inspected by a competent person and examined by a registered professional engineer.

The new law prohibits the operation of a gondola in bad weather and requires every worker on it to wear a safety belt and keep it attached to an independent lifeline.

Regarding Section 17 of the Regulation which requires persons working on a gondola to obtain gondola operation certificates, the spokesman said this Section would be effective on January 1 next year so as to give more time to the industry concerned to run such training courses.

"In the past two years, the Labour Department has organised various talks and seminars on the safe operation of gondolas.

"The department's Industrial Safety Training Centre (ISTC) is also running free courses on the statutory requirements under the new law," the spokesman said.

Guide books, leaflets and posters on the new regulation are now available at the offices of the Factory Inspectorate Division (FID) and ISTC for collection.

Enquiries on the new regulation can be made to the FID offices or the Industrial Safety Training Centre on tel 2852 3564.

End/Friday, June 30, 1995

Companies (A) Bill and Professional Accountants (A) Bill

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The Companies (Amendment)(No. 2) Bill 1995 and the Professional Accountants (Amendment) Bill 1995 were published in the Gazette today (Friday).

A Government spokesman said the amendment to the Companies Ordinance (Cap. 32) would lift the restriction on the appointment of a body corporate as auditor while the amendment to the Professional Accountants Ordinance (Cap. 50) would prescribe the conditions under which incorporated auditing practices might register with the Hong Kong Society of Accountants (HKSA).

Amendments also include a requirement to have adequate professional indemnity insurance cover and limitations on who may be directors and shareholders of such companies.

Introducing the background to the Bills, the spokesman said the HKSA had made submissions to the Administration since August 1988 to request auditing practices be permitted to incorporate with limited liability.

"They expressed that the principle of unlimited liability for all partners irrespective of fault was inequitable, an auditor should be able to seek protection from liability resulting from the professional negligence of his partners and that incorporation would help bring the extent of personal liability within known and reasonable bounds.

"It is noted that incorporation of firms of auditors is permitted in the United Kingdom and in various other jurisdictions," he said.

He explained that the proposal was accepted in principle by the Standing Committee on Company Law Reform if adequate auditing standards would be maintained and incorporated practices of certified public accountants or public accountants would take out sufficient professional indemnity insurance cover to meet claims against them.

The spokesman said the HKSA had taken active steps to address the two concerns identified by the Standing Committee.

"The Society implemented a new Practice Review programme in 1992 by sending reviewers to individual practice units to monitor compliance with auditing standards and requirements.

"The HKSA expects to complete the review on 300 units by the end of 1995. In the event that the standards remain inadequate in particular cases, the HKSA is empowered to take disciplinary action," he said.

On the question of professional indemnity insurance, the spokesman said the Society would require corporate practice to take reasonable steps to secure that they were able to meet claims against them arising out of their professional services.

"In addition, the Society will hold a Master Policy of professional indemnity insurance and corporate practices will be required to subscribe a minimum required level of professional indemnity insurance according to rules specified by the Society.

"The HKSA will be empowered to take disciplinary action against corporate practices which fail to comply with the rules," he said.

The spokesman pointed out that in order to further safeguard the public interest, the HKSA had agreed to consult the Administration fully on any proposed changes to the rules relating to incorporation, and to respond to any initiatives from the Administration for changes.

"An important measure will be included in the HKSA's auditing standards to safeguard that the interests of audit clients and third parties.

"The auditor responsible for a particular audit is required to clearly identify himself in the audit report and the engagement letter given to the client so as to facilitate aggrieved parties to take civil action against the auditor concerned.

"The measures will have the intended effect of protecting blameless auditors from liability resulting from the professional negligence of their partners," he said.

The spokesman added that advice has been received from the Attorney General's Chambers that personal liability might be incurred, if the negligent individual, in the circumstances of the case, assumed a personal duty of care. It would, therefore, be unsafe for any auditor in an incorporated practice to assume that incorporation would protect him from liability arising from his own professional negligence.

In order to ensure independence of the incorporated practices, it is proposed that in general only professional accountants will be eligible to be directors and shareholders of corporate practices.

The HKSA also intends to require a minimum of two-thirds of the directors and members of a corporate practice to be professional accountants. The Bill contains provisions limiting the power and control which may be exercised by non-accountant appointees.

The Bills are scheduled for introduction in the Legislative Council on July 5, 1995.

End/Friday, June 30, 1995

Phase II livestock farm licensing begins tomorrow

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Phase II of the Licensing Scheme for Livestock Keeping which affect livestock and poultry farmers operating in Yuen Long and Tuen Mun will begin tomorrow (Saturday).

Making the announcement today (Friday), an Agriculture and Fisheries Department (AFD) senior veterinary officer, Dr Liu Kwei-kin said the exact locations of farms affected under Phase II include the Tuen Mun and Yuen Long corridor, Yuen Long area and along Kam Tin River Valley.

Dr Liu stressed that it was against the law if livestock and poultry farms located within the livestock waste control and restricted areas were operated without a licence. He urged livestock keepers to apply a licence before the deadline on December 31.

"Despite the fact that there are still six months away from the deadline, livestock farmers are strongly advised to apply early because it takes time to process the application and to consider whether their proposed waste treatment system is appropriate," he said.

Dr Liu hoped that Phase II farmers would follow the good example of their Phase I counterparts.

"Practically all the livestock and poultry farmers under Phase I known to us have already applied for licence from AFD," he added.

On the livestock licence, he pointed out that it would be valid for a period of three years, renewable upon expiry.

A fee is chargeable to each licence, ranging from \$750 to \$4,500, depending on the size of the farm and the number of livestock being kept.

Application forms for the licence are now obtainable in person or by post from the following offices: AFD Farm Licensing Unit, Castle Peak Poultry Breeding Centre, Kei Lun Wai, Tuen Mun; Ta Kwu Ling Pig Breeding Centre; AFD's Agricultural Offices in Yuen Long and Tai Po; and the AFD headquarters on 12th floor of Canton Road Government Offices.

Completed forms, together with two copies of the plan for the livestock farm, should be sent to any one of the above addresses in person, or by registered post to the Farm Licensing Unit.

Applications should also give detailed information on the plan of the farm and waste treatment system to be used. Other relevant documents for the applicant and his farm should also be attached.

On livestock waste treatment system, Dr Liu said farmers could choose or make reference from the guide published by the Environmental Protection Department (EPD).

A pamphlet outlining the licensing procedures is also available for collection at local AFD and EPD offices as well as at district offices.

Large scale maps, from which a farmer can identify the location of his farm, are available for public inspection at the Land Registry and EPD's local control offices in Tai Po, Tsuen Wan, Kwun Tong and Wan Chai.

Under the Public Health (Animals and Birds) (Licensing of Livestock Keeping) Regulation, any person operating a livestock farm without a licence would be liable to a \$50,000 fine for the first offence plus a daily fine of \$1,000 during the offence period. The fine for subsequent conviction is \$100,000.

Further enquiries on licensing can be directed to AFD's Farm Licensing Unit 2462 7422 or 2462 7443.

End/Friday, June 30, 1995

Two telecommunication orders

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The Gazette announced today (Friday) that two orders had been made by the Governor-in-Council on June 27, namely the Telecommunication (Fixed Telecommunication Network Services)(Exemption from Licensing) Order and the Telecommunication (Hong Kong Telephone Company)(Exemption from Licensing)(Repeal) Order 1995.

The first order was made to exempt customers of all FTNS licensees from holding a licence for the establishment, maintenance, possession and use of telecommunication equipment (such as telephones, fax machines etc.) connected to the FTNS networks.

This new exemption order is necessary after the licensing of three new entrants to compete with Hong Kong Telephone Company (HKTC) with effect from tomorrow (July 1).

The new exemption order is just an extension of the existing exemption order covering HKTC which is repealed under the second order made by Governor-in-council.

End/Friday, June 30, 1995

Cordless Access Services Licensing

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The Telecommunications Authority, Mr Alexander Arena, announced today (Friday) that six proposals had been received from consortia interested in operating Cordless Access Services (CAS) in Hong Kong.

"We are looking for proposals which offer the best value-for-money for consumers. As previously announced, up to four licences could be issued for the provision of CAS.

"The proposals received will be evaluated carefully against a set of criteria, namely, customer services and charges, technical quality, investment and finance, corporate structure, implementation schedule, level of performance bond, management and technical expertise, other benefits to the local telecommunications industry and economy, and research and quality of proposal. All the information supplied to us will be kept in strict confidence," Mr Arena said.

An inter-departmental working group has been formed to evaluate proposals and make recommendations to the Telecommunications Authority on which applicants to license.

Membership of the working group comprises representatives from the Office of the Telecommunications Authority, the Economic Services Branch, the Attorney General's Chambers and the Independent Commission Against Corruption.

A formal announcement of the successful applications for CAS is expected to be made before the end of this year.

CAS are designed primarily to provide cordless access to fixed telecommunications networks and form an evolution of the CT-2 type of service. CAS provide two-way calling and call continuity at low moving speed. The granting of additional licences would enable the introduction of new advanced cordless access technology in Hong Kong.

End/Friday, June 30, 1995

PSPS site puts up for sale

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The Lands Department is offering a 30,000-square-metre site in Tseung Kwan O for sale by tender for Private Sector Participation Scheme development.

Details of the tender are contained in the Government Gazette today (Friday).

The site would provide about 230,000 square metres of gross floor area for residential purposes and another 3,300 square metres for non-industrial purposes. On completion, the PSPS development will provide 3,300 to 4,000 residential flats.

A spokesman for the department said the terms of the tender contained a new element for the employment of contractors.

"The purchaser shall employ a main contractor with confirmed status in Group NW2 of the Building (New Works) category of the Housing authority List of building contractors for the purpose of carrying out and supervising all works and services and co-ordinating all ancillary works to be carried out by specialist contractors or suppliers in connection with the development of the lot," the spokesman added.

The Tender Form, Tender Notice and Conditions may be obtained from the Lands Department, 14th floor, Murray Building, Garden Road, Hong Kong and the District Lands Offices (Kowloon), Yau Ma Tei car park building, 10th floor, 250 Shanghai Street, Kowloon.

The tender documents will also be available at the District Lands Offices of Sha Tin, Tai Po, North, Yuen Long, Tsuen Wan, Kwai Tsing, Tuen Mun, Sai Kung and Islands.

Closing date for acceptance of tender is noon on August 25.

End/Friday, June 30, 1995

Electronic parking devices

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The Transport Department plans to replace by phases within the next three years, the current on-street mechanical parking meters with electronic parking devices.

The 13,500 on-street parking meters currently in use are coin-operated.

The first phase is to replace about 30 per cent of the present mechanical meters by the end of next year at suitable locations on Hong Kong Island, Kowloon and the New Territories.

In demonstrating the operation of electronic parking devices at a press conference today (Friday), the Assistant Commissioner for Transport (Management and Licensing), Dr Ernest Lee, said the electronic parking devices would include electronic parking meters (EPM) and pay-and-display machines (PDM).

The EPM will be installed at on-street parking spaces; while the PDM at suitable parking lots. Both the EPM and PDM will be cashless, operated by a common parking card.

"Coin-operated mechanical parking meters were first introduced in Hong Kong about 30 years ago. They are becoming technologically obsolete. The manufacturer has advised that he would no longer supply the existing mechanical meters and would discontinue supply of the spare parts in a few years time. Besides, mechanical meters can only provide very limited management information.

"Between 1992 and 1994, field tests were carried out in Tsuen Wan, Wan Chai, Causeway Bay and Tsim Sha Tsui to test four types of electronic parking devices," Dr Lee said.

He said these devices included one PDM, and three types of EPM operated by electronic keys, magnetic cards and chip cards respectively. Each test lasted for about one year, so as to try out the performance under different weather conditions.

"The trials have been successful, and the overall performance of the new parking devices is considered good in the key aspects like ease of maintenance, revenue protection, enforcement, public acceptance and management information function."

"In view of the successful trials, Transport Department plans to replace all the mechanical parking meters with electronic devices operated by pre-paid parking cards by phases within the next three years.

"Specifications for the new equipment are being drawn up. It is planned to procure the new equipment through public tender," Dr Lee added.

End/Friday, June 30, 1995

Site formation for reprovisioning of rehabilitation centre

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The Architectural Services Department is inviting tenders for site formation and drainage works for the reprovisioning of Aberdeen Rehabilitation Centre at Welfare Road.

The total site area of the centre is about 16,250 square metres.

Works are expected to start in September for completion in January next year.

Tender forms and further particulars can be obtained from the Architectural Services Department, 34th floor, Queensway Government Offices, 66 Queensway, Hong Kong.

Tender offers will close at noon on July 14.

End/Friday, June 30, 1995

Reclamation at Tuen Mun Area 38

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The Civil Engineering Department is inviting tenders for the Stage I reclamation and construction of roads and drains at Tuen Mun Area 38 Special Industries Area Development.

The works comprise the Stage I reclamation of 28 hectares and the construction of seawalls, roads and drains to provide land and the associated infrastructures for the development of a special industries area in Tuen Mun Area 38.

Works are expected to commence in September for completion by the end of 1998.

The works have been designed and construction will be supervised by the Port Works Division of Civil Engineering Office, Civil Engineering Department.

Tender forms and further particulars can be obtained from the Chief Engineer, Port Works Division, Civil Engineering Office, fifth floor, Civil Engineering Building, 101 Princess Margaret Road, Kowloon.

Tender offers will close at noon on July 28.

End/Friday, June 30, 1995

Hollywood Road widening

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The Government proposes to widen and reconstruct a section of Hollywood Road between Ladder Street and Possession Street in the Western District of Hong Kong Island.

The works when completed will provide additional on street loading/unloading facilities and improve the traffic condition along this section of Hollywood Road.

A notice concerning the proposed works has been published in the Gazette today (Friday).

A plan and scheme showing the proposed works can be seen at:

- * Central and Western District Office, Public Enquiry Centre, ground floor, Harbour Building, 38 Pier Road, Central, Hong Kong; and
- * District Lands Office, Hong Kong West, Southern Centre, 19th floor, 130 Hennessy Road, Wan Chai, Hong Kong.

Any person objecting to the works or use, or both, must send his objection in writing to the Secretary for Transport at the Central Government Offices, East Wing, second floor, Lower Albert Road, Central, no later than August 29, describing his interest and the manner in which he alleges he will be affected by the works or the use.

End/Friday, June 30, 1995

Victoria Road improvements Stage II Phase I

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The Highways Department is inviting tenders for the Victoria Road improvements Stage II Phase I.

Works comprise the realignment and widening of a 1.3 kilometre long section of Victoria Road Between Mount Davis Road and Sandy Bay Road into a two-lane carriageway with footpaths of width up to 2.75 metres on both sides of the road for most of its length; road reconstruction and associated drainage works; and construction of two viaducts at sharp bends to straighten the road.

In addition, retaining walls, slope works and landscaping works will be carried out.

Construction works are expected to start in September and will take about 26 months to complete.

The works have been designed and will be supervised by Rendel Palmer and Tritton (Asia) Development and Engineering Consultants for Highways/Hong Kong Region of Highways Department.

A notice on tender invitation has been gazetted today (Friday).

Forms of tender and further particulars may be obtained from Rendel Palmer & Tritton (Asia) Development and Engineering Consultants. Enquiries can be made on tel 2862 3750.

Tenders must be addressed to the Chairman, Central Tender Board, and placed in the Government Secretariat Tender Box at the lift lobby on the lower ground floor of the Central Government Offices, East Wing, Lower Albert Road, Hong Kong, before noon on July 21.

Late tenders will not be accepted.

End/Friday, June 30, 1995

Tenders invited for channel works

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The Drainage Services Department is inviting tenders for the construction of a main drainage channel for Yuen Long and Kam Tin under Stage I of a flood-control project for Northwest New Territories.

The works involve the construction of a 2.2-kilometre concrete lined drainage channel along the middle reaches of the existing Kam Tin River to alleviate the flooding situation in Kam Tin area.

The contract also includes construction of two footbridges and two vehicular bridges to reprovide access for pedestrians and vehicles.

Upon completion of the works, the flow capacity of the drainage system in Kam Tin will be much increased.

The works are scheduled to begin in October this year and will take about 33 months to complete.

A notice of the tender invitation was gazetted today (Friday).

Tender forms and particulars may be obtained from the Drainage Projects Division, 44th floor, Revenue Tower, 5 Gloucester Road, Wan Chai.

The tender closing date is noon on August 4.

End/Friday, June 30, 1995

Plans to construct access road to Tai Po Town

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A real estate developer plans to construct an access road from Sai Sha Road to his proposed residential development at Tai Po Town Lot No 146 and widen a section of Sai Sha Road at Cheung Muk Tau in Ma On Shan.

The developer will carry out the works at his own expense to the satisfaction of the Director of Lands.

During the construction period, necessary access will be maintained so that any inconvenience to the public will be minimised.

A notice concerning the proposed works was published in the Government Gazette today (Friday).

A plan showing the works can be seen at the Central and Western District Office, Public Enquiry Service Centre, ground floor, Harbour Building, 38 Pier Road, Central; and at District Lands Offices/Tai Po and Tai Po District Office, both in Tai Po Government Offices Building, 1 Ting Kok Road, Tai Po, New Territories.

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 August 29.

End/Friday, June 30, 1995

Inland Revenue Department performance pledge

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The Inland Revenue Department (IRD), as part of the Government's "serving the community" programme, has introduced a performance pledge in January 1993 and the standard response times members of the public can expect for a wide range of the department's services are now published.

Services covered by the pledge include enquiries, the issue of returns and processing of assessments, purchase and redemption of tax reserve certificates, objections and tax holdover claims, documents stamping, business registration matters and estate duty finalisations. A Users' Committee, with a broadly based membership drawn from the community at large, has also been established to independently monitor the department's performance with its pledges.

The Commissioner of Inland Revenue, Mr Anthony Au-Yeung, releasing his annual performance pledge report today (Friday), announced that the department had delivered almost all of its pledged services within target during the year to March 31.

He said only in the personal enquiries area did actual performance fall short of the target. This, he explained, was attributable to an increased number of questions asked by personal callers relating to the newly introduced composite tax return, which was issued for the first time in May last year, adding that remedial measures had been effective in addressing the problem.

Mr Au-Yeung also highlighted a number of the department's performance results for the year (see Annex). The Commissioner said although he was pleased with the results, the department would not become complacent and was constantly striving for further improvements. To this end, he noted the Hong Kong Polytechnic University had been commissioned, in February this year, to conduct an independent survey of the effectiveness and quality of the department's enquiry services. He said the survey found IRD to be an efficient provider of quality service to the public.

In the light of last year's achievements, the Commissioner has enhanced some service standards in the areas of telephone enquiries, return processing, business registration and estate duty for the present year. Improvements to automated telephone answering system will also speed-up the public's access to information.

He said he was able to upgrade these areas because of staff support and constructive input from the Users' Committee.

Mr Au-Yeung said the department's overall achievement was attributable to his staff's appreciation of the needs of the public and their earnest endeavours to fulfil them.

To show appreciation, letters of commendation were presented to the best counter staff from eight of the department's front-line service areas by the chairman of the Users' Committee, Mr Michael Olesnicky.

The Commissioner also thanked taxpayers who had shown understanding on the occasions when the level of services delivered had fallen short of the standards pledged.

The Commissioner said copies of the performance pledge leaflet and the 1994-95 annual report are available from the Inland Revenue Department's Enquiry Service Centre at Revenue Tower, Wan Chai, and its two collection offices in Kowloon and Tsuen Wan. Copies will also be available from District Offices early next month.

End/Friday, June 30, 1995

Scholarships for overseas studies 1996-97

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Students are invited to apply for a number of fellowships and scholarships to go on overseas studies for the academic year 1996/97.

Announcing the award scheme today (Friday), the Sir Edward Youde Memorial Fund Council said the aim was to encourage the best students to pursue further education in reputable institutions overseas.

Successful candidates for the awards are expected to have a strong sense of commitment to Hong Kong and be ready to contribute significantly to the community upon return from their overseas studies. They will be required to work in Hong Kong for at least three years upon graduation.

The fellowships are for studies leading to postgraduate degrees either by research or by coursework; the scholarships are for undergraduate studies leading to first degrees.

The applicants will be responsible for fulfilling all application procedures and admission requirements of the academic institutions of their choice.

The value of fellowship is about \$208,000 per year for up to three years for Doctoral degree or two years for Master degree; the value of scholarship is about \$190,000 per year for up to three years.

Application forms and information notes are available at the following addresses:

- (a) Student Financial Assistance Agency
Ninth floor, National Mutual Centre
151 Gloucester Road
Wan Chai
Hong Kong

- (b) Education Department
Careers and Guidance Services Section
Room 206
Mongkok Government Offices
30 Luen Wan Street
Mong Kok
Kowloon

For enquiries, please call 2802 1635, 2802 1638 or 2802 1639.

The closing date for all applications is September 29. Short-listed applicants will be required to attend at least one selection interview in Hong Kong to be conducted in between January and March next year.

End/Friday, June 30, 1995

Scholarship for disabled students 1996-97

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Disabled students can now apply for fellowship/scholarship for overseas studies in the 1996-97 academic year.

The Sir Edward Youde Memorial Fund Council announced today (Friday) that one student would be selected for the award.

The fellowship/scholarship is aimed at encouraging disabled student who has attained a reasonably high standard of scholastic achievements to pursue further education in a reputable institution overseas.

The fellowship is for studies leading to a postgraduate degree either by research or by coursework; the scholarship is for undergraduate studies leading to a first degree.

The successful candidate for the award is expected to demonstrate his/her ability to maintain health of body and of mind, to adapt to new environment and to be a good example to other disabled persons. He/she is required to serve in Hong Kong for at least three years upon graduation.

The applicants will be responsible for fulfilling all application procedures and admission requirements of the academic institution of his/her choice, and be offered a place subsequently.

The value of the fellowship is about \$208,000 per year for up to three years for Doctoral degree or two years for Master degree; the value of the scholarship is about \$190,000 per year for up to three years.

In addition, a special one-off grant may also be given for the purchase of study aids or acquisition of supportive services depending on the merits of the case.

Application forms and information notes are available at the following addresses:

- (a) Student Financial Assistance Agency
Ninth floor, National Mutual Centre
151 Gloucester Road
Wan Chai
Hong Kong
- (b) Education Department
Careers and Guidance Services Section
Room 206
Mongkok Government Offices
30 Luen Wan Street
Mong Kok
Kowloon

For enquiries, please call 2802 1635, 2802 1638 or 2802 1639.

The closing date for all applications is September 29. Short-listed candidates will be invited to attend a selection interview to be conducted in Hong Kong in January next year.

End/Friday, June 30, 1995

Change of telephone number announcement to end soon

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A spokesman from the Office of the Telecommunications Authority (OFTA) reminds the public that all residential, business telephone and facsimile numbers in Hong Kong have already been changed from 7-digit to 8-digit by adding a prefix '2' in front of the previous numbers.

"Telephone users are now receiving a recorded announcement advising them to dial the 8-digit number. However, this announcement will end on June 30, 1995. From July 1, 1995 onwards, telephone users dialling the old 7-digit number will not be connected," said the spokesman.

"Telephone numbers for paging services will be changed on October 1, 1995. Paging service operators will inform their customers of the details in the near future."

Any enquiries on the above numbering change can be directed to OFTA on 2961 6650.

End/Friday, June 30, 1995

Census continues to conduct General Household Survey

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The Census and Statistics Department continues to conduct the General Household Survey during the quarter from July to September this year.

The Survey, conducted on a continuous basis, collects information on employment, unemployment and underemployment, and the general social characteristics of the population.

In addition, questions on worker displacement in Hong Kong, hospitalisation, taxi waiting time, Hong Kong residents working in China, Hong Kong residents' expenditure abroad and household expenditure on rent will be included in this round of the Survey.

Each quarter, about 13,500 living quarters from all districts, are selected using a scientifically designed sample for participation in the survey.

To measure more accurately changes in the socio-economic characteristics of the population, the survey adopts an overlapping sample design such that about half of the households enumerated in a given quarter are the same as those enumerated in the preceding quarter.

An official letter, in both Chinese and English, has been sent to the sampled households to explain the purpose of the survey and to seek their voluntary co-operation.

Officers of the department will contact the households concerned to collect the required information. When visiting households, they carry with them a Government Identity Card and a certificate for conducting the survey. They will make such documents available for inspection by households to confirm their identities.

To make it more convenient for both the households and the department, the sampled households could telephone the department to make prior appointment for visit by the interviewers.

The General Household Survey is conducted under Part IIIA of the Census and Statistics Ordinance (Chapter 316 of the Laws of Hong Kong) as notified in the General Notice No. 212 in the Gazette of January 19, 1990.

In accordance with the provisions of the Ordinance, data relating to individual persons or households collected will be kept confidential and will not be released to the public, any private organisations or other government departments.

End/Friday, June 30, 1995

Hong Kong Monetary Authority money market operations

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,413	0930	+121
Closing balance in the account	2,247	1000	+116
Change attributable to :		1100	+104
Money market activity	+104	1200	+104
LAF today	-270	1500	+104
		1600	+104

LAF rate 4.25% bid/6.25% offer TWI 118.4 *-0.1* 30.6.95

Hong Kong Monetary Authority

EF bills			EF notes			
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.41	2 years	2705	6.40	100.85	6.00
1 month	5.41	3 years	3804	6.90	101.76	6.30
3 months	5.49	5 years	5006	6.60	99.01	6.95
6 months	5.54	5 years	M501	7.90	102.44	7.43
12 months	5.64					

Total turnover of EF bills and notes - \$14,762 million

Closed June 30, 1995

End/Friday, June 30, 1995