



# DAILY INFORMATION BULLETIN

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

WEDNESDAY, JUNE 30, 1993

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WEDNESDAY, JUNE 30, 1993

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PUBLIC TO BE CONSULTED ON MAHJONG PARLOURS CONTROL

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THE GOVERNMENT IS CONSULTING MEMBERS OF THE PUBLIC AND THE DISTRICT BOARDS ON MEASURES TO STEP UP CONTROL OF LICENSED MAHJONG PARLOURS (LMPS) AND UNLICENSED MAHJONG ASSOCIATIONS.

OUTLINING THE RECOMMENDATIONS, A GOVERNMENT SPOKESMAN SAID TODAY (WEDNESDAY) THAT THE CONSULTATION EXERCISE FOLLOWED THE ENDORSEMENT BY THE FIGHT CRIME COMMITTEE IN FEBRUARY THIS YEAR OF PROPOSALS TO STRENGTHEN THE EXISTING SYSTEM OF CONTROLS.

THE PROPOSALS WERE PUT FORWARD BY AN INTER-DEPARTMENTAL WORKING GROUP SET UP IN 1990 TO REVIEW THE SITUATION.

THE SPOKESMAN POINTED OUT THAT LMPS ARE PREMISES LICENSED FOR THE PLAYING OF GAMES IN WHICH MAHJONG OR TIN KAU TILES ARE USED.

MAHJONG PARLOURS WERE FIRST SUBJECT TO LICENSING CONTROL IN 1956.

LICENCES ARE ISSUED BY THE COMMISSIONER FOR TELEVISION AND ENTERTAINMENT LICENSING (CTEL) UNDER SECTION 22(1)(B) OF THE GAMBLING ORDINANCE.

THE WORKING GROUP PROPOSED THAT THE LICENCE CONDITIONS FOR LMPS SHOULD BE TIGHTENED UP IN ORDER TO IMPROVE THE STANDARD AND LEVEL OF SUPERVISION OF THESE PREMISES.

"THE INTENTION IS THAT THE REVISED LICENSE CONDITIONS, COUPLED WITH AN INCREASE IN POLICE INSPECTION OF LMPS, WILL RESULT IN BETTER REGULATION OF THESE ESTABLISHMENTS," HE SAID.

THE PROPOSED ADDITIONAL CONDITIONS FOR LMPS WILL INCLUDE REQUIREMENTS TO ENSURE THAT PERSONS EMPLOYED AT THE LICENSED PREMISES ARE APPROVED BY THE LICENSING AUTHORITY (CTEL) IN CONSULTATION WITH POLICE IN ORDER TO MINIMISE TRIAD INVOLVEMENT IN THE OPERATION OF LMPS.

UNDER THE PROPOSAL, THE LICENSEE OR HIS/HER AGENTS HAS TO BE PRESENT AT THE PREMISES AT ALL TIMES DURING THE HOURS OF PLAY SO AS TO ENSURE THAT THE LICENSEE IS HELD RESPONSIBLE FOR BREACH OF LICENCE CONDITIONS TAKING PLACE AT HIS PARLOUR.

HE COULD NOT THEREFORE ARGUE THAT CONTRAVENTIONS OF LICENCE CONDITIONS OCCURRED WITHOUT HIS KNOWLEDGE, CONSENT OR CONNIVANCE.

TURNING TO THE CONTROL OF UNLICENSED MAHJONG ASSOCIATIONS (UMAS), THE SPOKESMAN POINTED OUT THAT THESE WERE CLUBS WHICH PROVIDED FACILITIES FOR THEIR MEMBERS TO PLAY MAHJONG AND CHARGED A FEE FOR SUCH SERVICES.

"THEY DIFFER FROM LMPS IN THAT THE UMAS DO NOT HOLD MAHJONG/TIN KAU LICENCES, ALTHOUGH MAHJONG PLAYING IS THE MAJOR ACTIVITY TAKING PLACE IN THESE PREMISES."

/HE SAID .....

HE SAID A NEW PROVISION WAS INTRODUCED TO THE GAMBLING ORDINANCE IN 1977 TO ALLOW MAHJONG PLAYING ON SOCIAL OCCASIONS IN LICENSED RESTAURANTS AND THE PREMISES OF SOCIETIES REGISTERED OR EXEMPTED FROM REGISTRATION UNDER THE SOCIETIES ORDINANCE.

"THE POLICY INTENTION WAS TO ACCOMMODATE MAHJONG PLAYING AS A FORM OF SOCIAL RECREATION IN RESTAURANTS OR THE PREMISES OF SOCIETIES."

THERE ARE CURRENTLY ABOUT 200 UMAS OPERATING IN THE TERRITORY, INDICATING DEMAND IN THE COMMUNITY FOR THE TYPE OF FACILITIES PROVIDED BY SUCH ESTABLISHMENTS.

HAVING CONSIDERED VARIOUS OPTIONS TO ADDRESS THE ISSUE OF UMAS, THE WORKING GROUP RECOMMENDED THAT SUCH PREMISES BE SUBJECT TO STATUTORY CONTROL UNDER EXISTING LEGISLATION.

"THE POLICY OBJECTIVE CONTINUES TO BE THAT MAHJONG-PLAYING ON A SOCIAL OCCASION WHICH IS NOT CONDUCTED FOR THE PRIVATE GAIN OF ANY PERSON OTHER THAN TO THE EXTENT OF A PERSON'S WINNINGS AS A PLAYER OF THE GAME SHOULD BE ALLOWED.

"MAHJONG PLAYING FOR WHICH A FEE IS CHARGED SHOULD BE LIMITED AND CLEARLY DEFINED. THEREFORE, THE EMPHASIS WILL BE ON THE CONTROL OF PREMISES IN WHICH MAHJONG PLAYING TAKES PLACE," THE SPOKESMAN SAID.

IT IS PROPOSED THAT PREMISES OTHER THAN LMPS IN WHICH A FEE IS CHARGED FOR MAHJONG PLAYING SHOULD BE SUBJECT TO STATUTORY CONTROL AND RESTRICTED TO ONE OF THE FOLLOWING:

- \* CLUB-HOUSES WITH CERTIFICATES OF COMPLIANCE OR CERTIFICATES OF EXEMPTION ISSUED UNDER THE CLUBS (SAFETY OF PREMISES) ORDINANCE; OR
- \* PREMISES LICENSED AS RESTAURANTS UNDER THE PUBLIC HEALTH AND MUNICIPAL SERVICES ORDINANCE.

IN ADDITION, THE GOVERNMENT PROPOSED THAT THE OPERATION OF UMAS SHOULD BE REGULATED IN THE FOLLOWING WAYS:

- \* THE MANAGEMENT OR EMPLOYEES OF CLUBS OR RESTAURANTS SHOULD NOT BE ALLOWED TO PARTICIPATE IN MAHJONG GAMES PLAYED BY CLIENTS ON THE PREMISES. THIS IS TO PREVENT THE OPERATORS OF UMAS FROM MAKING PROFIT THROUGH TAKING PART IN MAHJONG GAMES PLAYED AT THEIR PREMISES; AND
- \* A NOMINAL FEE MAY BE CHARGED FOR THE PROVISION OF MAHJONG EQUIPMENT BUT IT MUST NOT EXCEED A PRESCRIBED AMOUNT SPECIFIED IN THE GAMBLING REGULATIONS. THE PRESCRIBED FEE WHICH WAS SET IN 1977 SHOULD BE ADJUSTED TO TAKE INTO ACCOUNT THE EFFECT OF INFLATION.

IMPLEMENTATION OF THE PROPOSALS CONCERNING LMPS REQUIRES APPROVAL OF THE GOVERNOR IN COUNCIL, THE SPOKESMAN SAID.

"SUBJECT TO THE RESULT OF THE CONSULTATION EXERCISE, RECOMMENDATIONS WILL BE PUT FORWARD TO THE EXECUTIVE COUNCIL FOR CONSIDERATION AND APPROVAL."

"TO IMPLEMENT THE RECOMMENDATIONS IN RESPECT OF UMAS WILL INVOLVE AMENDMENTS TO THE GAMBLING ORDINANCE, THE CLUBS (SAFETY OF PREMISES) ORDINANCE AND THE GAMBLING REGULATIONS," HE SAID.

THE SPOKESMAN NOTED THAT THE RECOMMENDATIONS PROPOSED WERE IN LINE WITH THE EXISTING GAMBLING POLICY WHICH WAS TO DISCOURAGE ILLEGAL GAMBLING BY ALLOWING THE EXISTENCE OF CONTROLLED GAMBLING OUTLETS OPERATING UNDER STRICT LICENSING CONDITIONS.

THE CONSULTATION EXERCISE WITH DISTRICT BOARDS IS EXPECTED TO LAST UNTIL THE END OF SEPTEMBER 1993.

MEMBERS OF THE PUBLIC WHO WISH TO EXPRESS THEIR VIEWS CAN WRITE TO HEADQUARTERS OF THE CITY AND NEW TERRITORIES ADMINISTRATION ON THE 31ST FLOOR, SOUTHORN CENTRE, 130 HENNESSY ROAD, WAN CHAI, HONG KONG.

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#### ARRANGEMENTS FOR DUAL POSSESSION OF BDTC AND BN(O) PASSPORTS

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THE HONG KONG GOVERNMENT ANNOUNCED TODAY (WEDNESDAY) THE DETAILED ARRANGEMENTS FOR THE IMPLEMENTATION OF THE HOME SECRETARY'S DECISION TO ALLOW HONG KONG BRITISH DEPENDENT TERRITORIES CITIZENS TO RETAIN THEIR PASSPORTS IN ADDITION TO THEIR BRITISH NATIONAL (OVERSEAS) PASSPORTS.

THE DECISION WAS ANNOUNCED BY THE HOME OFFICE SOME THREE WEEKS AGO.

A GOVERNMENT SPOKESMAN SAID THE NEW ARRANGEMENTS WOULD TAKE EFFECT FROM JULY 1. DETAILS ARE AS FOLLOWS:-

- \* HOLDERS OF VALID BDTC PASSPORTS APPLYING FOR A BN(O) PASSPORT WILL BE ALLOWED TO RETAIN THEIR BDTC PASSPORTS IN ADDITION TO THEIR NEW BN(O) PASSPORTS, THAT IS, THEY WILL NOT BE REQUIRED TO SURRENDER THEIR CURRENT BDTC PASSPORTS FOR INVALIDATION.
- \* AN ELIGIBLE PERSON WHO DOES NOT HAVE EITHER A BDTC PASSPORT OR A BN(O) PASSPORT AT PRESENT MAY, IF THEY WANT, APPLY FOR BOTH PASSPORTS AT THE SAME TIME, SUBJECT TO PAYMENT OF THE PRESCRIBED FEES FOR BOTH PASSPORTS.
- \* CURRENT BN(O) PASSPORT HOLDERS WHO PREVIOUSLY GAVE UP THEIR BDTC PASSPORTS WHEN REGISTERING AS BN(O)S MAY, IF THEY WANT, APPLY FOR NEW BDTC PASSPORTS SUBJECT TO PAYMENT OF THE PRESCRIBED FEE.

\* ACCORDING TO STANDARD PRACTICE, ALL PASSPORTS, WHETHER BN(O) OR BDTC, WILL BE VALID FROM THE DATE OF ISSUE. THIS MEANS THAT BOTH PASSPORTS WILL RUN CONCURRENTLY BUT THE BDTC PASSPORT WILL OF COURSE EXPIRE ON OR BEFORE JUNE 30, 1997.

THESE NEW ARRANGEMENTS WILL ALSO COVER THOSE BDTC PASSPORT HOLDERS WHO APPLIED FOR A BN(O) PASSPORT BEFORE JULY 1 THIS YEAR AND WHO HAVE NOT YET COLLECTED THE NEW PASSPORTS.

OVERSEAS BRITISH POSTS AND PASSPORT OFFICES HAVE BEEN INSTRUCTED TO IMPLEMENT THE NEW ARRANGEMENTS WITH EFFECT FROM THE SAME DATE, THAT IS JULY 1 THIS YEAR.

THE SPOKESMAN TAKES THIS OPPORTUNITIES TO URGE ELIGIBLE HKBDTCS TO APPLY EARLY FOR THEIR BN(O) PASSPORTS TO AVOID CONGESTION, IN PARTICULAR THOSE BORN BETWEEN 1967 - 1971.

THEY BELONG TO THE FIRST GROUP IN THE PHASED REGISTRATION PROGRAMME AND THE CUT-OFF DATE FOR APPLICATIONS PROPOSED BY THE HONG KONG GOVERNMENT IS THE END OF OCTOBER THIS YEAR.

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#### LEVERAGED FOREIGN EXCHANGE TRADING BILL

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THE GOVERNMENT IS INTRODUCING A BILL TO REGULATE THE LEVERAGED FOREIGN EXCHANGE TRADING BUSINESS IN HONG KONG, THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID TODAY (WEDNESDAY).

THE LEVERAGED FOREIGN EXCHANGE TRADING BILL WILL BE INTRODUCED INTO THE LEGISLATIVE COUNCIL ON JULY 14.

"RETAIL INVESTORS HAVE COMPLAINED ABOUT MALPRACTICES BY COMPANIES OFFERING LEVERAGED FOREIGN EXCHANGE CONTRACTS," MR CARTLAND SAID.

AT PRESENT, SUCH COMPANIES FALL OUTSIDE THE SCOPE OF REGULATION BY THE MONETARY AUTHORITY AND THE SECURITIES AND FUTURES COMMISSION (SFC).

LEVERAGED FOREIGN EXCHANGE CONTRACTS INVOLVE A CUSTOMER LODGING A MARGIN DEPOSIT AT A PROPORTION OF THE FULL CONTRACT VALUE FOR THE FUTURE PURCHASE OR SALE OF A CURRENCY. DUE TO THEIR LEVERAGED NATURE, SUCH CONTRACTS CAN RESULT IN HIGH PROFIT AND LOSS.

MOST COMPLAINTS FROM CUSTOMERS INVOLVE THE DISCRETIONARY TRADING METHOD, UNDER WHICH A CUSTOMER WILL BE ASKED TO SIGN AN AUTHORISATION GIVING DISCRETION TO A NOMINATED EMPLOYEE OF THE COMPANY TO TRADE ON THAT CLIENT'S BEHALF.

A COMMON MALPRACTICE IS THAT THE COMPANY WILL CARRY OUT MANY MORE TRANSACTIONS THAN WOULD BE WARRANTED IN ORDER TO MAXIMISE COMMISSION CHARGES.

OTHER MALPRACTICES INCLUDE PUTTING THE CLIENT AGAINST THE MARKET TREND, THE ISSUE OF DISHONOURED CHEQUES AND TRADING WITHOUT AUTHORITY.

THERE ARE ENFORCEMENT PROBLEMS AGAINST SUCH KINDS OF MISBEHAVIOUR, EVEN THOUGH THEY COULD INVOLVE CRIMINAL OFFENCES AND CIVIL LIABILITIES.

IT IS OFTEN DIFFICULT TO SECURE SUFFICIENT EVIDENCE TO PROVE THAT THESE COMPANIES HAVE DISHONESTLY OR RECKLESSLY TRADED THE CLIENT'S ACCOUNT.

MR CARTLAND EXPLAINED THAT THE FRAMEWORK BEING PROPOSED WAS MODELLED ON THAT FOR REGULATING SECURITIES AND COMMODITIES DEALERS. COMPANIES ENGAGED IN THE BUSINESS AND THEIR REPRESENTATIVES WOULD BE SUBJECT TO REGISTRATION BY THE SFC.

THE "FIT AND PROPER" CRITERIA WILL BE USED IN ASSESSING APPLICATIONS FOR LICENCES. RELEVANT CONSIDERATIONS INCLUDE AN APPLICANT'S FINANCIAL STATUS, EDUCATION OR OTHER QUALIFICATIONS, HIS ABILITY TO ACT HONESTLY AND FAIRLY, HIS REPUTATION, CHARACTER AND RELIABILITY.

"THE SFC WILL HAVE POWER TO SUSPEND OR REVOKE A LICENCE, TO SUPERVISE AND INVESTIGATE LICENCE HOLDERS FOR SUSPECTED BREACHES OF THE PROPOSED FRAMEWORK AND TO INTERVENE IN THE BUSINESS OF A LICENSED TRADER WHERE NECESSARY.

"THE COMMISSION WILL ALSO BE ABLE TO STIPULATE STRINGENT CONDUCT RULES IN VIEW OF THE NATURE OF THE BUSINESS," MR CARTLAND SAID.

CONDUCT RULES WILL COVER IMPORTANT ISSUES SUCH AS A BINDING WRITTEN CLIENT AGREEMENT, A MECHANISM FOR SETTLING DISPUTES, HOW MARGIN CALLS ARE TO BE MADE, THE ISSUE OF DETAILED CONTRACT NOTES TO CLIENTS, THE CONDUCT OF DISCRETIONARY ACCOUNTS AND DEALING PROCEDURES.

LICENSED TRADERS WILL NEED TO MAINTAIN SEGREGATED TRUST ACCOUNT FOR CLIENTS' MONEY. THE SFC WILL BE EMPOWERED TO PROMULGATE RULES REGARDING FINANCIAL RESOURCES TO BE MAINTAINED BY LICENSED TRADERS.

AUDITED FINANCIAL STATEMENTS WILL HAVE TO BE LODGED WITH THE SFC FOR EVERY FINANCIAL YEAR WHILE OTHER RETURNS MAY BE REQUIRED BY THE SFC.

THE COMMISSION MAY ALSO APPOINT AN AUDITOR TO EXAMINE THE BOOKS, ACCOUNTS AND RECORDS OF A LICENCE HOLDER.

HAWKING OF BUSINESS WILL BE PROHIBITED EXCEPT UNDER CERTAIN RESTRICTIVE CIRCUMSTANCES.

"TO ENSURE THE FINANCIAL STRENGTH OF THE LICENSED TRADER, THERE WILL BE A MINIMUM SHARE CAPITAL REQUIREMENT, CURRENTLY ENVISAGED AT A LEVEL SLIGHTLY HIGHER THAN THAT REQUIRED FOR A DEPOSIT-TAKING COMPANY," MR CARTLAND ADDED.

SINCE COMPANIES ALREADY EXIST THAT OFFER LEVERAGED FOREIGN EXCHANGE CONTRACTS, THE BILL WOULD PROVIDE FOR A GRACE PERIOD OF 30 DAYS AFTER THE BILL BECOMES EFFECTIVE FOR SUCH OPERATORS TO APPLY FOR LICENCES, DURING WHICH PERIOD THE RESTRICTIONS IN THE BILL WOULD NOT APPLY, HE SAID.

THOSE CHOOSING NOT TO APPLY FOR A LICENCE WITHIN THE 30 DAYS WOULD HAVE TO CEASE BUSINESS IMMEDIATELY AT THE EXPIRY OF THE GRACE PERIOD.

OPERATORS WHICH APPLIED FOR REGISTRATION WILL BE ALLOWED TO CARRY ON THEIR BUSINESS WHILE THEIR APPLICATIONS WERE BEING PROCESSED.

THOSE REFUSED A LICENCE WOULD HAVE TO CEASE OPERATION IMMEDIATELY AND WOULD BE GIVEN 14 DAYS TO CLOSE EXISTING CLIENT POSITIONS UNDER THE SUPERVISION OF THE SFC.

THE BILL WILL BE GAZETTED ON FRIDAY (JULY 2).

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#### MONETARY STATISTICS FOR MAY

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HONG KONG DOLLAR DEPOSITS WITH AUTHORISED INSTITUTIONS AND THE BROADER DEFINITIONS OF HONG KONG DOLLAR MONEY SUPPLY INCREASED IN MAY THIS YEAR, ACCORDING TO STATISTICS PUBLISHED TODAY (WEDNESDAY) BY THE HONG KONG MONETARY AUTHORITY.

HONG KONG DOLLAR LOANS AND ADVANCES ALSO INCREASED DURING THE MONTH.

#### DEPOSITS

HONG KONG DOLLAR DEPOSITS WITH AUTHORISED INSTITUTIONS, ADJUSTED TO INCLUDE SWAP DEPOSITS, ROSE BY 1.4% IN MAY FOLLOWING AN INCREASE OF 5.7% IN MARCH AND A DECREASE OF 0.6% IN APRIL.

AMONG THESE DEPOSITS, SAVINGS DEPOSITS AND TIME DEPOSITS INCREASED BY 0.8% AND 2.6% RESPECTIVELY WHILE DEMAND DEPOSITS DECREASED BY 2.3%. YEAR-ON-YEAR, TOTAL HONG KONG DOLLAR DEPOSITS GREW BY 17.2%.

FOREIGN CURRENCY DEPOSITS WITH AUTHORISED INSTITUTIONS INCREASED BY 0.4% IN MAY, AFTER A DECREASE OF 0.2% IN MARCH AND AN INCREASE OF 1.8% IN APRIL.

OF THESE DEPOSITS, U.S. DOLLAR DEPOSITS DECREASED BY 1.0% WHILE NON-U.S. DOLLAR FOREIGN CURRENCY DEPOSITS INCREASED BY 1.7%. YEAR-ON-YEAR, TOTAL FOREIGN CURRENCY DEPOSITS GREW BY 9.8%.

DURING MAY, DEPOSITS IN ALL CURRENCIES WITH LICENSED BANKS AND RESTRICTED LICENCE BANKS INCREASED BY 0.7% AND 9.2% RESPECTIVELY WHILE DEPOSITS WITH DEPOSIT-TAKING COMPANIES DROPPED BY 1.3%.

/YEAR-ON-YEAR, DEPOSITS .....

YEAR-ON-YEAR, DEPOSITS WITH LICENSED BANKS GREW BY 14.6% WHILE DEPOSITS WITH RESTRICTED LICENCE BANKS AND DEPOSIT-TAKING COMPANIES DECLINED BY 27.3% AND 14.2% RESPECTIVELY.

#### MONEY SUPPLY

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HK\$M1 DECREASED BY 0.4% WHILE BOTH HK\$M2 AND HK\$M3 INCREASED BY 1.4% EACH IN MAY. THEIR CORRESPONDING GROWTH RATES IN APRIL WERE 4.3%, 0.5% AND -0.4% RESPECTIVELY.

YEAR-ON-YEAR, THESE MONETARY AGGREGATES INCREASED BY 19.2%, 19.1% AND 17.5% RESPECTIVELY.

TOTAL M1, M2 AND M3 INCREASED BY 0.2%, 0.8% AND 0.9% IN MAY RESPECTIVELY. THEIR CORRESPONDING GROWTH RATES IN APRIL WERE 4.2%, 1.4% AND 0.7% RESPECTIVELY.

YEAR-ON-YEAR, THESE MONETARY AGGREGATES INCREASED BY 18.1%, 15.0% AND 13.5% RESPECTIVELY.

#### LOANS AND ADVANCES

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TOTAL OUTSTANDING LOANS AND ADVANCES EXTENDED BY AUTHORISED INSTITUTIONS INCREASED BY 2.6% IN MAY, FOLLOWING INCREASES OF 1.9% AND 2.6% IN MARCH AND APRIL RESPECTIVELY.

AMONG THESE LOANS, HONG KONG DOLLAR LOANS INCREASED BY 1.9% WHILE FOREIGN CURRENCY LOANS INCREASED BY 2.9%. COMPARED WITH A YEAR EARLIER, THESE LOANS INCREASED BY 14.0% AND 20.2% RESPECTIVELY.

LOANS TO FINANCE VISIBLE TRADE OF HONG KONG INCREASED BY 2.3% IN MAY, AFTER INCREASES OF 1.5% AND 3.6% IN MARCH AND APRIL RESPECTIVELY. YEAR-ON-YEAR, SUCH LOANS GREW BY 10.7%.

OTHER LOANS FOR USE IN HONG KONG INCREASED BY 1.7% IN MAY, FOLLOWING INCREASES OF 3.4% AND 0.8% IN MARCH AND APRIL RESPECTIVELY. YEAR-ON-YEAR, THESE LOANS INCREASED BY 14.3%.

LOANS FOR USE OUTSIDE HONG KONG INCREASED BY 3.4% IN MAY, AFTER INCREASES OF 0.9% AND 3.6% IN MARCH AND APRIL RESPECTIVELY. YEAR-ON-YEAR, THESE LOANS GREW BY 21.9%.

LOANS TO FINANCE TRADE NOT TOUCHING HONG KONG DECREASED BY 2.0% DURING MAY, AFTER AN INCREASE OF 1.6% IN MARCH AND A DECREASE OF 1.2% IN APRIL. YEAR-ON-YEAR, THESE LOANS DECREASED BY 18.7%.

#### NUMBER OF REPORTING INSTITUTIONS

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THE NUMBER OF REPORTING LICENSED BANKS INCREASED BY ONE TO 165 WHILE THE NUMBER OF REPORTING RESTRICTED LICENCE BANKS AND DEPOSIT-TAKING COMPANIES REMAINED UNCHANGED AT 55 AND 143 RESPECTIVELY.

MONETARY STATISTICS - MAY 1993

(HK\$mn)

	May 1993	Earlier months (% change to May 1993)		
		Apr 1993	Feb 1993	May 1992
<u>Money Supply</u>				
M1 - HK\$	148,124	148,781 ( -0.4 )	134,093 ( 10.5 )	124,221 ( 19.2 )
Foreign currency	16,412	15,436 ( 6.3 )	15,970 ( 2.8 )	15,116 ( 8.6 )
Total	164,536	164,218 ( 0.2 )	150,063 ( 9.6 )	139,337 ( 18.1 )
M2 - HK\$*	801,659	790,573 ( 1.4 )	746,473 ( 7.4 )	673,182 ( 19.1 )
Foreign currency*	843,097	840,566 ( 0.3 )	823,706 ( 2.4 )	757,632 ( 11.3 )
Total	1,644,756	1,631,139 ( 0.8 )	1,570,180 ( 4.7 )	1,430,814 ( 15.0 )
M3 - HK\$*	817,933	806,388 ( 1.4 )	769,810 ( 6.3 )	696,091 ( 17.5 )
Foreign currency*	875,062	870,906 ( 0.5 )	857,264 ( 2.1 )	795,216 ( 10.0 )
Total	1,692,995	1,677,294 ( 0.9 )	1,627,075 ( 4.1 )	1,491,307 ( 13.5 )
Notes and coins in circulation	64,498	63,439 ( 1.7 )	62,575 ( 3.1 )	51,902 ( 24.3 )
of which held by public	56,806	55,300 ( 2.7 )	54,761 ( 3.7 )	45,079 ( 26.0 )
<u>Total Deposits</u>				
Total Demand deposits	107,730	108,918 ( -1.1 )	95,302 ( 13.0 )	94,258 ( 14.3 )
Total Savings deposits	383,188	376,004 ( 1.9 )	357,353 ( 7.2 )	332,829 ( 15.1 )
Total Time deposits with licensed banks	1,078,859	1,073,448 ( 0.5 )	1,045,570 ( 3.2 )	942,768 ( 14.4 )
Total Time deposits with restricted licence banks	27,169	24,890 ( 9.2 )	35,866 ( -24.2 )	37,378 ( -27.3 )
Total Time deposits with deposit-taking companies	17,970	18,211 ( -1.3 )	18,523 ( -3.0 )	20,946 ( -14.2 )
HK\$ deposits*	747,215	737,123 ( 1.4 )	701,314 ( 6.5 )	637,737 ( 17.2 )
US\$ deposits*	415,007	419,309 ( -1.0 )	417,691 ( -0.6 )	322,661 ( 28.6 )
Other foreign currency deposits*	452,695	445,039 ( 1.7 )	433,609 ( 4.4 )	467,781 ( -3.2 )
All deposits	1,614,917	1,601,472 ( 0.8 )	1,552,614 ( 4.0 )	1,428,178 ( 13.1 )
Foreign currency swap deposits	61,199	61,171 ( 0.0 )	60,976 ( 0.4 )	42,830 ( 42.9 )
<u>Total Loans and advances</u>				
To finance H.K.'s visible trade	98,775	96,531 ( 2.3 )	91,780 ( 7.6 )	89,219 ( 10.7 )
To finance merchandising trade not touching H.K.	11,998	12,237 ( -2.0 )	12,200 ( -1.7 )	14,750 ( -18.7 )
Other loans for use in H.K.	992,523	975,635 ( 1.7 )	935,875 ( 6.1 )	868,605 ( 14.3 )
Other loans for use outside H.K.	1,612,918	1,559,887 ( 3.4 )	1,491,999 ( 8.1 )	1,322,827 ( 21.9 )
Other loans where the place of use is not known	41,856	43,272 ( -3.3 )	38,717 ( 8.1 )	38,602 ( 8.4 )
Loans in HK\$	883,197	866,327 ( 1.9 )	833,744 ( 5.9 )	774,498 ( 14.0 )
Loans in foreign currencies	1,874,874	1,821,234 ( 2.9 )	1,736,827 ( 7.9 )	1,559,506 ( 20.2 )
Total loans and advances	2,758,070	2,687,562 ( 2.6 )	2,570,571 ( 7.3 )	2,334,004 ( 18.2 )

\* Adjusted for foreign currency swap deposits. Starting from April 1991, swap deposits can further be broken down into US dollar and non-US dollar foreign currency swap deposits.

Note: 'Restricted licence banks' and 'deposit-taking companies' were known as 'licensed deposit-taking companies' and 'registered deposit-taking companies' respectively before 1 February 1990.

HU CLARIFIES WALLED CITY CLEARANCE ISSUES

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THE CHAIRMAN OF THE HOUSING AUTHORITY'S SPECIAL COMMITTEE TO OVERSEE THE CLEARANCE OF KOWLOON WALLED CITY, MR F K HU, ATTENDED A MEETING OF THE PUBLIC ACCOUNTS COMMITTEE (PAC) THIS (WEDNESDAY) MORNING, AND CLARIFIED THE MAJOR AREAS OF CONCERN IDENTIFIED BY THE PAC IN CONNECTION WITH CLEARANCE OF THE WALLED CITY.

AMONG THE AREAS OF CONCERN HE SPOKE ON WERE:

- \* THE ADOPTION OF THE RESULTS OBTAINED IN THE FIVE PER CENT SAMPLE SURVEY CONDUCTED BY THE BUILDINGS AND LANDS DEPARTMENT (BLD) IN MAY 1987 AS THE BASIS FOR FORMULATING THE COMPENSATION PACKAGE;
- \* THE UNDERSTATEMENT OF THE MODE FLAT SIZE, RESULTING IN AN ADDITIONAL TOTAL COST OF \$119 MILLION TO THE GOVERNMENT; AND
- \* THE PAYMENT OF COMPENSATION TO ABSENTEE-OWNERS FOR THEIR MULTIPLE FLATS AT THE SAME RATE AS THAT FOR RESIDENT-OWNERS, RESULTING IN AN ADDITIONAL TOTAL COST OF \$91 MILLION TO THE GOVERNMENT.

AS REGARDS THE FIVE PER CENT SAMPLE SURVEY, MR HU POINTED OUT THAT IT WAS CARRIED OUT BY THE BLD TO PROVIDE INFORMATION FOR THE SPECIAL COMMITTEE TO DRAW UP ITS COMPENSATION PROPOSALS.

THE COMMITTEE HAD DISCUSSED THE RESULTS OF THE SURVEY, BUT NOT THE DETAILS OF THE 413 INDIVIDUAL STRUCTURES SURVEYED, FOR EXAMPLE, WHETHER THEY WERE TOILETS, KITCHENS OR STOREROOMS.

IN MID-MAY 1987, MR HU ADDED, THE REGISTRAR GENERAL HAD RECEIVED ONLY 1,731 CLAIMS TO OWNERSHIP OUT OF A TOTAL OF OVER 8,000 STRUCTURES.

IT WOULD NOT THEREFORE HAVE BEEN POSSIBLE FOR THE BLD TO ESTABLISH BEYOND DOUBT TO WHICH, IF ANY, UNITS THESE TOILETS OR KITCHENS BELONGED.

"INDEED, IT WAS POSSIBLE THAT THEY WERE OWNED SEPARATELY IN THEIR OWN RIGHT," HE NOTED.

MR HU POINTED OUT THAT MANY OF THOSE KITCHENS OR TOILETS WERE REMOTE FROM THE PARENT UNITS. "THEY WERE NOT NEXT DOOR," HE NOTED.

"IT SHOULD BE NOTED THAT OF THE 413 UNITS IN THE SURVEY, A UNIT AS SMALL AS 3.24 SQUARE METRES WAS COMPENSATED AS A UNIT IN ITS OWN RIGHT.

"IN VIEW OF THE NEED FOR A SPEEDY DECISION ON THE COMPENSATION PACKAGE A RE-SURVEY WOULD NOT HAVE BEEN ADOPTED. WE WOULD HAVE DRAWN CONCLUSIONS BASED ON THE AVAILABLE INFORMATION.

"IT WAS MOST LIKELY THAT THE SPECIAL COMMITTEE WOULD HAVE DISCARDED THE STRUCTURES WHICH WERE 'IN DOUBT' IF IT KNEW THAT THEY WERE BEING USED AS TOILETS OR KITCHENS," HE ADDED.

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REFERRING TO UNDERSTATEMENT OF THE MODE FLAT SIZE, MR HU SAID THE OBJECTIVE OF THE SURVEY WAS NOT TO IDENTIFY THE MODE SIZED FLATS, BUT TO OBTAIN INFORMATION GENERALLY.

WHEN PRESENTED WITH THE THREE AVERAGES, NAMELY THE MODE, MEAN AND MEDIAN, THE SPECIAL COMMITTEE, HAVING DECIDED AGAINST ALLOWING EVEN THE SMALLEST UNIT OWNER TO OBTAIN COMPENSATION EQUAL TO THE COST OF A HOME OWNERSHIP UNIT, DECIDED TO ADOPT THE MODE BECAUSE IT GAVE 62 PER CENT OF THE OWNERS AT LEAST THAT AMOUNT.

THE COMMITTEE DECIDED NOT TO ADOPT THE MEAN NOR THE MEDIAN WHICH WOULD HAVE GIVEN LESS THAN 51 PER CENT OF THE OWNERS OF THE WALLED CITY SUFFICIENT MONEY TO ACQUIRE A HOS FLAT.

THE 62 PER CENT WAS CONSIDERED APPROPRIATE GIVEN THE NEED FOR THE COMPENSATION PACKAGE TO BE ACCEPTABLE, AND IT WAS ENVISAGED AT THAT TIME THAT ALL ACQUISITIONS WOULD BE ACHIEVED BY AGREEMENT RATHER THAN A FORCIBLE CLEARANCE.

"ACCORDINGLY, IF THE MODE DERIVED FROM THE SURVEY WAS LESS THAN 60 PER CENT, I WOULD DOUBT WHETHER THE SPECIAL COMMITTEE WOULD HAVE ADOPTED THAT RATE," HE NOTED.

SPEAKING OF PAYMENT OF COMPENSATION TO ABSENTEE-OWNERS FOR THEIR MULTIPLE FLATS, MR HU SAID THE SPECIAL COMMITTEE WAS AWARE THAT THE HOME PURCHASE ALLOWANCE POLICY WAS TO PAY IT TO ALL CATEGORIES OF OWNERS, INCLUDING MULTIPLE OWNERS.

IT WAS ALSO AWARE OF THE EXISTENCE OF MULTIPLE OWNERS IN THE WALLED CITY.

IN THIS RESPECT, THE FOLLOWING POINTS WERE PARTICULARLY RELEVANT:

- \* THE SPECIAL COMMITTEE WAS REQUIRED BY ITS TERMS OF REFERENCE TO DRAW UP COMPENSATION PROPOSALS BASED ON ARRANGEMENT UNDER MULTI-STOREY ACQUISITIONS. TO HAVE DEPARTED FROM THE ACROSS-THE-BOARD APPLICATION OF THE HOME PURCHASE ALLOWANCE WOULD HAVE DEVIATED FROM THE TERMS OF REFERENCE.
- \* AS THE SPECIAL COMMITTEE WAS CONCERNED ABOUT THE ACCEPTABILITY OF THE PACKAGE, A DEPARTURE FROM THE EXISTING POLICY WAS OUT OF QUESTION.

MR HU STRESSED THAT THE SPECIAL COMMITTEE WAS AWARE OF THE EXPECTATIONS OF WALLED CITY OWNERS, AND THAT IT WAS GENERAL KNOWLEDGE THAT THE HOME PURCHASE ALLOWANCE WAS PAID TO ALL CATEGORIES OF OWNERS.

"AS FAR AS THE SPECIAL COMMITTEE WAS CONCERNED, THERE WAS NEVER ANY QUESTION THAT MULTIPLE OWNERS OF UNITS SHOULD BE TREATED DIFFERENTLY FROM OTHER OWNERS," MR HU ADDED.

THE DIRECTOR OF BUILDINGS AND LANDS, MR DARWIN CHEN, ATTENDED THE PAC MEETING AS CONTROLLING OFFICER.

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SPEL RETURNS FROM PEARL RIVER DELTA VISIT

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THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON, TODAY (WEDNESDAY) RETURNED TO HONG KONG AFTER HIS VISIT TO GUANGZHOU, RONGQI PORT AND ZHUHAI.

IT WAS HIS FIRST OFFICIAL TRIP TO THE PEARL RIVER DELTA BUT PART OF A CONTINUING PROGRAMME OF SIMILAR VISITS.

"IN GUANGZHOU, I MET MR ZHUANG WANLONG, DEPUTY DIRECTOR OF THE GUANGDONG PROVINCIAL PLANNING COMMISSION AND MR SHEN DONGLIU, DEPUTY CHIEF OF THE GUANGDONG LAND ADMINISTRATION BUREAU AND HAD A COMPREHENSIVE BRIEFING ON THE MAJOR INFRASTRUCTURAL DEVELOPMENTS IN GUANGDONG PROVINCE," HE SAID.

THESE INCLUDE RAILWAY, EXPRESSWAY, AIRPORT AND PORT PROJECTS, HE ADDED.

"I ALSO EXCHANGED VIEWS WITH OFFICIALS OF THE GUANGZHOU MUNICIPAL GOVERNMENT, MR ZHAO ZHENGQIANG, DEPUTY SECRETARY-GENERAL; MADAM LI YANHONG, VICE CHAIRMAN OF THE GUANGZHOU PLANNING COMMISSION AND MR YU ZHEFU, DEPUTY DIRECTOR OF TECHNICAL DEPARTMENT OF THE GUANGZHOU METRO CORPORATION.

"WE COMPARED NOTES ON TOWN PLANNING, URBAN RENEWAL AND NEW TOWN DEVELOPMENT MATTERS AND ON INFRASTRUCTURAL PLANNING AND DEVELOPMENT," MR EASON SAID.

THE DELEGATION ATTENDED A DINNER YESTERDAY EVENING HOSTED BY MR WU XIYUAN, DEPUTY SECRETARY-GENERAL, GUANGDONG PROVINCIAL GOVERNMENT.

THE DELEGATION LEFT GUANGZHOU FOR ZHUHAI THIS MORNING AND PAID A BRIEF VISIT TO RONGQI PORT.

MR EASON SAID IT WAS INTERESTING TO VISIT A TYPICAL PORT IN THE PEARL RIVER DELTA AREA AND LOOK AT THEIR RIVER TRADE OPERATIONS.

"WE COULD SEE HOW THE PROPOSED RIVER TRADE TERMINAL BEING PLANNED FOR TUEN MUN AREA 38 IS NEEDED TO SERVE THE PEARL RIVER DELTA AREA," HE SAID.

IN THE AFTERNOON, MR EASON MET AND HAD LUNCH WITH MR CHEN HUANLI, VICE MAYOR OF ZHUHAI CITY.

THE DELEGATION WAS ALSO BRIEFED BY MR HUANG ZHENSHAN, VICE SECRETARY-GENERAL, PEOPLE GOVERNMENT OF ZHUHAI ON THE MAJOR EXPRESSWAY, RAILWAY AND BRIDGE PROJECTS AND OTHER INFRASTRUCTURAL PROJECTS UNDER PLANNING OR CONSTRUCTION.

"WE HAD A QUICK TOUR OF ZHUHAI TO SEE THE MAJOR ROAD AND BRIDGE PROJECTS UNDER CONSTRUCTION. WE WERE IMPRESSED BY THE RAPID DEVELOPMENT IN THE AREA."

COMMENTING ON HIS VISIT, MR EASON SAID IT WAS VERY USEFUL AND PROVIDED MEMBERS OF THE DELEGATION VALUABLE FIRST-HAND INFORMATION ON DEVELOPMENTS ON THE PEARL RIVER DELTA AREA.

"WE WERE ABLE TO MAKE MANY USEFUL CONTACTS AND EXCHANGE VIEWS ON MATTERS OF MUTUAL INTEREST IN THE INFRASTRUCTURAL FIELD. THIS HAS FURTHERED OUR UNDERSTANDING ABOUT PEARL RIVER DELTA DEVELOPMENT AND THE ROLE HONG KONG CAN PLAY," HE SAID.

"CERTAINLY, THIS INFORMATION WILL BE FED INTO OUR THINKING ON OUR OWN INFRASTRUCTURAL PLANNING," MR EASON SAID.

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STATEMENT ON U.S. MILK FOOD CONTAMINATION  
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IN RESPONSE TO PRESS ENQUIRIES ON U.S. MILK FOOD CONTAMINATION, A SPOKESMAN FOR THE DEPARTMENT OF HEALTH SAID THE DEPARTMENT HAD CHECKED THE MILK PRODUCTS AND FOOD SUPPLEMENTS IN HONG KONG.

ACCORDING TO THE INFORMATION SO FAR AVAILABLE, NO INFANT FORMULA SOLD IN HONG KONG IS LIKELY TO BE IMPLICATED.

THE TWO PRODUCTS AVAILABLE IN THE MARKET LIKELY TO BE AFFECTED BY THE CONTAMINATION ARE: ENERCAL, (BATCH VO8NDC) PRODUCED AFTER NOVEMBER 4, 1992 AND FORMANCE, PRODUCED AFTER THE SAME DATE.

THE PUBLIC ARE ADVISED TO TAKE NOTE OF SUCH PRODUCTS AND IT IS UNDERSTOOD THAT THE AGENTS INVOLVED HAVE ALREADY TAKEN ACTION TO RECALL THE PRODUCTS, THE SPOKESMAN SAID.

THE DEPARTMENT HAS TAKEN SAMPLES TO DETERMINE THE CONTAMINATION.

THERE IS NO REPORT OF ILLNESSES RELATED TO THE CONSUMPTION OF THE SAID PRODUCTS.

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LAND REGISTRY TO OPERATE ON TRADING FUND BASIS

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THE LAND REGISTRY, WHICH HAS RECENTLY BECOME A SEPARATE GOVERNMENT DEPARTMENT TAKING OVER THE FUNCTIONS OF THE LAND OFFICE OF THE FORMER REGISTRAR GENERAL'S DEPARTMENT, WILL OPERATE ON A TRADING FUND BASIS, STARTING FROM AUGUST 1.

FOLLOWING THE PASSAGE OF A RESOLUTION IN THE LEGISLATIVE COUNCIL TO ESTABLISH THE LAND REGISTRY TRADING FUND, THE LAND REGISTRAR, MR KENNETH PANG, EXPLAINED AT A NEWS CONFERENCE THIS (WEDNESDAY) AFTERNOON HOW HIS DEPARTMENT WOULD OPERATE UNDER THE TRADING FUND, AND OUTLINED THE PROJECTS IN THE PIPELINE TO PROVIDE MORE EFFECTIVE AND BETTER SERVICES TO THE PUBLIC.

"MY IMMEDIATE TASK IS TO ARRANGE FOR THE SMOOTH TRANSITION OF THE LAND REGISTRY FROM A VOTE-FUNDED DEPARTMENT TO TRADING FUND OPERATIONS," HE NOTED.

THE LAND REGISTRY IS ONE OF THE FIRST DEPARTMENTS TO OPERATE UNDER A TRADING FUND.

A TRADING FUND, MR PANG EXPLAINED, IS A FINANCIAL AND ACCOUNTING ARRANGEMENT WHICH REQUIRES A DEPARTMENT OFFERING SERVICES OF A COMMERCIAL NATURE TO OPERATE ON A COMMERCIAL BASIS WHILE REMAINING AS A GOVERNMENT DEPARTMENT AND ITS STAFF AS CIVIL SERVANTS.

"THE BASIC OBJECTIVE IS TO IMPROVE THE QUALITY OF SERVICE TO CUSTOMERS WITH STRONG EMPHASIS ON MEETING PERFORMANCE TARGETS AND FINANCIAL OBJECTIVES. THERE IS GREATER FLEXIBILITY FOR DEPLOYING RESOURCES TO MEET OPERATIONAL NEEDS," HE STRESSED.

MR PANG WENT ON TO SAY THAT TRADING-FUNDED DEPARTMENT RECEIVES PAYMENTS FROM ITS CUSTOMERS IN BOTH THE PRIVATE AND PUBLIC SECTORS FOR SERVICES PROVIDED, AND THE PAYMENTS ARE CREDITED TO THE FUND TO FINANCE ITS EXPENDITURE. THE DEPARTMENT IS REQUIRED TO BALANCE INCOME AND EXPENDITURE, TAKING ONE YEAR WITH ANOTHER.

"THIS ARRANGEMENT GIVES THE DEPARTMENT GREATER FINANCIAL FLEXIBILITY SO AS TO RESPOND MORE PROMPTLY TO THE CHANGING NEEDS OF ITS FEE-PAYMENT CUSTOMERS AND TO INVEST IN EFFICIENCY IMPROVEMENT CAPITAL PROJECTS, SUCH AS OFFICE AUTOMATION AND INFORMATION TECHNOLOGY," HE NOTED.

MR PANG, IN HIS CAPACITY AS LAND REGISTRAR, IS THE GENERAL MANAGER OF THE LAND REGISTRY TRADING FUND. HE IS ACCOUNTABLE TO THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS AND ULTIMATELY TO THE FINANCIAL SECRETARY FOR MANAGING AND OPERATING THE BUSINESS OF THE LAND REGISTRY AND FOR ACHIEVING ITS PERFORMANCE TARGETS AND FINANCIAL OBJECTIVES.

THE TRADING FUND'S ANNUAL REPORT AND THE DIRECTOR OF AUDIT'S REPORT ON THE ACCOUNTS WILL BE TABLED IN THE LEGISLATIVE COUNCIL.

THE MAIN SERVICES PROVIDED BY THE LAND REGISTRY ARE:

- \* REGISTRATION OF DOCUMENTS RELATED TO LAND UNDER THE LAND REGISTRATION ORDINANCE;
- \* PROVISION OF FACILITIES FOR SEARCH OF THE LAND REGISTER AND RELATED RECORDS BY THE PUBLIC AND GOVERNMENT DEPARTMENTS' AND
- \* REGISTRATION OF OWNERS CORPORATIONS UNDER THE BUILDING MANAGEMENT ORDINANCE.

MR PANG THEN LISTED OUT THE EFFICIENCY IMPROVEMENT PROJECTS INCLUDED IN THE LAND REGISTRY'S BUSINESS AND CORPORATE PLAN FOR THE NEXT FEW YEARS. THEY ARE:

- \* MICROFILMING OF REGISTERED DOCUMENTS IN THE EIGHT NEW TERRITORIES DISTRICT LAND REGISTRIES. AT PRESENT SUCH DOCUMENTS ARE STORED IN PAPER FORM;
- \* COMPUTERISATION OF THE NEW TERRITORIES LAND REGISTRATION SYSTEM BY EXTENDING THE COMPUTERISED REGISTRATION SYSTEM IN THE URBAN REGISTRY TO THE NEW TERRITORIES REGISTRIES;
- \* PROVISION OF COMPUTERISED DIRECT SEARCH FACILITIES BY MEANS OF A COMPUTERISED PUBLIC NETWORK ACCESS SYSTEM TO ENABLE CUSTOMERS TO MAKE ON-LINE SEARCHES OF THE LAND REGISTER THROUGH COMPUTER TERMINALS AT THEIR OWN OFFICES; AND
- \* CONVERSION OF THE PRESENT "DEEDS" REGISTRATION SYSTEM TO ONE OF "TITLE" REGISTRATION WHICH WOULD CONFER CERTAINTY OF OWNERSHIP AND SIMPLIFY CONVEYANCING PROCEDURES. DRAFTING WORK ON THE PROPOSED TITLE REGISTRATION LEGISLATION IS CURRENTLY UNDERWAY.

IN CONCLUSION, MR PANG STRESSED THAT HE AND HIS STAFF WERE COMMITTED TO PROVIDING AN EFFICIENT, COURTEOUS AND PROFESSIONAL SERVICE TO ALL THE CUSTOMERS IN BOTH THE PRIVATE AND PUBLIC SECTORS.

"WE ARE COMMITTED TO DOING OUR BEST TO MEET PERFORMANCE STANDARDS AND TO FURTHER IMPROVE OUR SERVICES. IN THIS CONNECTION, THE LAND REGISTRY WILL ANNOUNCE ITS PERFORMANCE PLEDGES TO CUSTOMERS IN THE NEAR FUTURE," HE ADDED.

WEDNESDAY, JUNE 30, 1993

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OFFICE OF TELECOMS AUTHORITY OPENS

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THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, ANNOUNCED THAT HONG KONG'S NEW TELECOMMUNICATIONS REGULATORY BODY, THE OFFICE OF THE TELECOMMUNICATIONS AUTHORITY (OFTA), WILL OFFICIALLY OPEN TOMORROW (THURSDAY).

THE OFFICE, WHICH IS ABSORBING THE FORMER TELECOMMUNICATIONS BRANCH OF THE POST OFFICE, WILL BE RESPONSIBLE FOR ALL ASPECTS OF THE REGULATION OF TELECOMMUNICATIONS SERVICES IN HONG KONG.

OFTA WILL BE HEADED BY THE NEWLY APPOINTED DIRECTOR-GENERAL OF TELECOMMUNICATIONS, MR ALEXANDER ARENA.

MR ARENA HAS HAD EXTENSIVE EXPERIENCE IN REGULATING TELECOMMUNICATIONS MARKETS DURING HIS TIME AS A MEMBER OF THE BOARD OF THE AUSTRALIAN REGULATORY BODY AUSTEL.

HE HAS BEEN EMPLOYED AS A TELECOMMUNICATIONS CONSULTANT IN THE ECONOMIC SERVICES BRANCH OF THE GOVERNMENT SECRETARIAT SINCE FEBRUARY.

"THE ESTABLISHMENT OF OFTA MARKS A MILESTONE IN THE DEVELOPMENT OF TELECOMMUNICATIONS REGULATION IN HONG KONG," MR SIU SAID.

"ONE OF THE MOST PRESSING AND DIFFICULT REGULATORY TASKS FACING US IS THE INTRODUCTION OF LOCAL NETWORK COMPETITION," MR SIU ADDED.

"IT IS ESSENTIAL THAT WE HAVE A SPECIALIST REGULATORY BODY THAT CAN TAKE THE COMPLEX DECISIONS NECESSARY TO STEER HONG KONG THROUGH THE TRANSITION TO AN INCREASINGLY COMPETITIVE TELECOMS MARKET," HE SAID.

THE DIRECTOR-GENERAL OF TELECOMMUNICATIONS, MR ARENA, SAID: "A HIGH PRIORITY WILL BE PLACED ON BUILDING UP ADDITIONAL EXPERTISE IN FINANCIAL, ECONOMIC AND LEGAL DISCIPLINES TO EQUIP OFTA TO CARRY OUT ITS NEW REGULATORY FUNCTIONS."

"WE ALSO EXPECT LOCAL INDUSTRY AND CONSUMERS TO PLAY A MORE ACTIVE ROLE IN ADVISING US OF THEIR REGULATORY CONCERNS. TO THIS END OFTA WILL BE SETTING UP A CONSULTATIVE MACHINERY TO COLLECT VIEWS FROM USERS AND OPERATORS THROUGHOUT HONG KONG," HE ADDED.

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RESULTS OF 1991 SURVEY OF INDUSTRIAL PRODUCTION

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THE GROSS OUTPUT PERFORMED BY MANUFACTURING ESTABLISHMENTS IN 1991 AMOUNTED TO \$324.2 BILLION, REPRESENTING A SLIGHT INCREASE OF 0.6% OVER 1990.

NET OF TOTAL OPERATING EXPENDITURE, THE GROSS SURPLUS OF THESE ESTABLISHMENTS AMOUNTED TO 10.5% OF THE GROSS OUTPUT IN 1991, WHICH WAS SLIGHTLY HIGHER THAN THE CORRESPONDING FIGURE OF 10.3% IN 1990.

THESE ARE SOME OF THE MAJOR RESULTS OF THE 1991 SURVEY OF INDUSTRIAL PRODUCTION RELEASED TODAY (WEDNESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT. THE SURVEY WAS CONDUCTED FROM APRIL 1992 TO EARLY 1993.

ALL VALUE FIGURES ARE EXPRESSED IN CURRENT PRICES. THE PERCENTAGE CHANGES DERIVED FROM THESE FIGURES HAVE NOT BEEN ADJUSTED FOR PRICE CHANGES. CAUTION SHOULD THEREFORE BE TAKEN IN INTERPRETING THE SURVEY RESULTS.

THE SURVEY RESULTS SHOWED THAT THERE WERE SOME 43,900 MANUFACTURING ESTABLISHMENTS OPERATING IN 1991.

EXPRESSED AS A PERCENTAGE OF THE GROSS OUTPUT, THE OPERATING EXPENDITURE INCURRED BY MANUFACTURING ESTABLISHMENTS IN 1991 WAS 16.4% FOR COMPENSATION OF EMPLOYEES; 62.7% FOR CONSUMPTION OF MATERIALS, SUPPLIES, AND INDUSTRIAL WORK/SERVICES; AND 10.4% FOR OTHER EXPENSES. THESE PERCENTAGES WERE SIMILAR TO THOSE IN 1990.

THE VALUE ADDED OF MANUFACTURING INDUSTRY AMOUNTED TO \$92.7 BILLION IN 1991. THIS REPRESENTED A SLIGHT INCREASE OF 0.5% OVER 1990.

THE VALUE ADDED CONTENT OF THE GROSS OUTPUT PERFORMED BY THESE ESTABLISHMENTS AMOUNTED TO 28.6%. THIS COMPRISED MAINLY 16.4% FOR COMPENSATION OF EMPLOYEES AND 10.5% FOR GROSS SURPLUS. THE CORRESPONDING FIGURES FOR THESE TWO VALUE ADDED COMPONENTS IN 1990 WERE 16.9% AND 10.3% RESPECTIVELY.

IN TERMS OF VALUE ADDED, THE FIVE LARGEST BROAD INDUSTRY GROUPS IN 1991 WERE:

- \* BASIC METALS, FABRICATED METAL PRODUCTS, MACHINERY AND EQUIPMENT, ACCOUNTING FOR 21.1% OF THE TOTAL VALUE ADDED OF THE MANUFACTURING INDUSTRY;
- \* WEARING APPAREL, 19.9%;
- \* TEXTILES, 15.1%;
- \* ELECTRICAL AND ELECTRONIC PRODUCTS, 12.4%; AND
- \* PAPER PRODUCTS, PRINTING AND PUBLISHING, 10.2%.

SIGNIFICANT INCREASES IN VALUE ADDED IN 1991 WERE RECORDED IN THE FOOD, BEVERAGES AND TOBACCO INDUSTRY (+14.1%) AND THE CHEMICAL, RUBBER AND NON-METALLIC MINERAL PRODUCTS INDUSTRY (+13.3%).

HOWEVER, SIGNIFICANT DECREASES WERE RECORDED IN THE LEATHER, WOOD AND CORK PRODUCTS INDUSTRY (-19.4%) AND THE PLASTIC PRODUCTS INDUSTRY (-11.6%).

APART FROM MANUFACTURING ESTABLISHMENTS, THE SURVEY ALSO ENUMERATED ESTABLISHMENTS ENGAGED IN MINING AND QUARRYING; AND SUPPLY OF ELECTRICITY, GAS AND WATER.

SUMMARY STATISTICS FOR THE 1991 SURVEY OF INDUSTRIAL PRODUCTION WILL BE INCLUDED IN THE JUNE 1993 ISSUE OF THE HONG KONG MONTHLY DIGEST OF STATISTICS PUBLISHED BY THE CENSUS AND STATISTICS DEPARTMENT.

DETAILS OF THE SURVEY RESULTS WILL BE PUBLISHED IN A FULL REPORT AVAILABLE AROUND AUGUST.

ENQUIRIES REGARDING STATISTICS ON INDUSTRIAL PRODUCTION CAN BE DIRECTED TO THE INDUSTRIAL PRODUCTION STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON TEL 839 3202.

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Summary results of the 1991 Survey of Industrial Production  
analysed by broad manufacturing industry group

Broad industry group	Number of establishments	Number of persons engaged	Compensation of employees (\$ Mn)	Consumption of materials, supplies & industrial work/services (\$ Mn)	Other expenses (\$ Mn)	Gross surplus (net of "textile export quota transfer receipts") (\$ Mn)	Gross output (\$ Mn)	Value added (\$ Mn)
Food, beverages and tobacco	854 (-12)	27 207 (*)	2,783 (17)	9,052 (4)	2,724 (17)	4,077 (12)	18,635 (9)	6,970 (14)
Wearing apparel, except knitwear and footwear	7 443 (-17)	187 496 (-15)	13,128 (-5)	39,725 (1)	7,072 (9)	3,586 (-5)	63,510 (*)	18,424 (-3)
Leather, wood and cork products	2 000 (-24)	13 068 (-31)	848 (-22)	2,945 (-23)	548 (-11)	410 (-15)	4,750 (-21)	1,293 (-19)
Textiles (including knitting)	4 684 (-16)	99 234 (-12)	8,541 (-3)	35,463 (8)	5,670 (4)	4,065 (-1)	53,738 (5)	14,009 (*)
Paper products, printing and publishing	6 495 (-4)	56 025 (-5)	5,094 (10)	13,235 (-1)	3,030 (5)	4,061 (6)	25,421 (3)	9,458 (5)
Chemicals, rubber & non-metallic mineral products	1 131 (-20)	13 444 (-13)	1,370 (-4)	7,483 (-7)	1,480 (-2)	1,585 (14)	11,918 (-4)	3,250 (13)
Plastic products	3 795 (-20)	38 725 (-22)	2,870 (-10)	9,416 (-17)	1,927 (-13)	2,105 (-17)	16,318 (-15)	5,238 (-12)
Basic metals, fabricated metal products, machinery & equipment	13 836 (-14)	131 220 (-13)	11,079 (*)	46,003 (13)	5,990 (-3)	8,073 (9)	71,145 (9)	19,565 (3)
Electrical & electronic products	930 (-8)	61 188 (-20)	5,342 (-8)	31,081 (-10)	4,168 (-11)	5,335 (10)	45,925 (-8)	11,464 (1)
Other manufacturing industries	2 725 (-26)	23 798 (-25)	2,021 (-13)	8,879 (7)	1,094 (2)	862 (-16)	12,856 (1)	3,022 (-10)
Total	43 893 (-15)	651 404 (-15)	53,076 (-3)	203,280 (1)	33,705 (1)	34,157 (3)	324,218 (1)	92,693 (*)

Notes : (1) Individual entries may not add up exactly to the respective totals due to rounding.

(2) Figures in brackets represent percentage changes in 1991 over 1990.

(3) Value added is a measure of the contribution of an industry to Hong Kong's Gross Domestic Product.

(4) The "Number of person engaged" are 'full-year equivalent' figures, i.e. for an establishment which operated for only part of 1991, the number of persons engaged as at the end of the quarters during which the establishment operated are summed up and divided by 4.

\* Changes within +/- 0.5%

TEXTILES TRADER REGISTRATION SCHEME LAUNCHED

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THE TEXTILES TRADER REGISTRATION SCHEME (TTRS), WHICH AIMS AT SUPPLEMENTING EXISTING TEXTILES LICENSING ARRANGEMENTS AND REPLACING THE TRANSHIPMENT CARGO EXEMPTION SCHEME IN RESPECT OF TEXTILES, WILL COME INTO EFFECT TOMORROW (THURSDAY).

"SO FAR, OVER 10,000 TEXTILES TRADERS HAVE BEEN REGISTERED UNDER THE TTRS. WE HOPE MORE TRADERS WILL APPLY FOR REGISTRATION AND BENEFIT FROM THE SCHEME," A SPOKESMAN FOR THE TRADE DEPARTMENT SAID.

THE REGISTRATION IS VALID FOR 12 MONTHS AND SUBJECT TO ANNUAL RENEWAL. THE CURRENT ANNUAL REGISTRATION FEE IS \$2,000.

THOSE REGISTERED UNDER THE TTRS WILL BE EXEMPTED FROM TEXTILES LICENSING REQUIREMENTS IN RESPECT OF ALL IMPORTS, ALL RE-EXPORTS, DOMESTIC EXPORTS TO NON-RESTRAINED MARKETS AND TEXTILES TRANSHIPMENT CARGO.

THEY WILL ONLY BE REQUIRED TO SUBMIT TO THE CARRIER AT THE TIME OF SHIPMENT A NOTIFICATION CONTAINING INFORMATION ON THE CONSIGNMENT IN QUESTION. THE NOTIFICATION WILL THEN BE RETURNED TO THE TRADE DEPARTMENT BY THE CARRIER, TOGETHER WITH THE MANIFEST.

"TRADERS ARE NO LONGER REQUIRED TO COME TO THE DEPARTMENT IN PERSON TO OBTAIN THE RELEVANT LICENCES BEFORE THE IMPORTATION OR EXPORTATION OF THOSE TEXTILES COVERED BY THE SCHEME," THE SPOKESMAN SAID.

REGISTERED TEXTILES TRADERS SHOULD BUY THE VARIOUS NOTIFICATION FORMS FROM THE TRADE DEPARTMENT. THEY SHOULD BRING ALONG THEIR CERTIFICATES OF REGISTRATION OR CERTIFIED PHOTOCOPIES OF THEIR CERTIFICATES.

COPIES OF A CIRCULAR EXPLAINING THE PROCEDURES FOR THE COMPLETION AND SUBMISSION OF NOTIFICATIONS HAVE BEEN SENT TO TEXTILES TRADERS REGISTERED UNDER THE SCHEME.

THE CIRCULAR IS ALSO AVAILABLE AT THE TRADE DEPARTMENT'S ENQUIRY COUNTER ON THE GROUND FLOOR, TRADE DEPARTMENT TOWER, 700 NATHAN ROAD, KOWLOON.

WITH THE LAUNCHING OF THE TTRS ON JULY 1, THE TRANSHIPMENT CARGO EXEMPTION SCHEME WILL CEASE TO APPLY TO TEXTILES GOODS ON THE SAME DAY.

"TEXTILES TRANSHIPMENT CARGO MUST BE COVERED BY NOTIFICATIONS, OR FOR THOSE NOT YET REGISTERED UNDER THE TTRS, BY IMPORT AND RE-EXPORT LICENCES," HE SAID.

"IMPORT AND EXPORT LICENCE FORMS (FORMS 7 & 4) MUST BE USED TO COVER TEXTILES CONSIGNMENTS NOT COVERED BY NOTIFICATIONS," THE SPOKESMAN STRESSED.

"EXISTING INSTANT LICENSING SERVICES WILL CONTINUE UNTIL THE END OF JULY THIS YEAR. STARTING FROM AUGUST 2, APPROVED LICENCES WILL BE ISSUED TWO CLEAR WORKING DAYS AFTER SUBMISSION.

"TRADERS ARE URGED TO MAKE USE OF THE TTRS, WHICH IS A MORE CONVENIENT ALTERNATIVE," THE SPOKESMAN SAID.

APPLICATION FORMS ARE AVAILABLE FROM THE TRADE DEPARTMENT ENQUIRY COUNTER.

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RESULTS OF 1991 SURVEY OF WHOLESALE, RETAIL AND  
IMPORT/EXPORT TRADES, RESTAURANTS AND HOTELS

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BOTH THE IMPORT/EXPORT AND RETAIL TRADES REGISTERED RAPID GROWTH IN 1991, WITH TOTAL SALES INCREASED BY 26% AND 20% RESPECTIVELY WHEN COMPARED WITH 1990.

OVER THE SAME PERIOD, THE TOTAL SALES OF THE WHOLESALE TRADE, RESTAURANTS AND HOTELS (INCLUDING BOARDING HOUSES) ALSO WENT UP, BY 14%, 13% AND 10% RESPECTIVELY.

GROWTH IN GROSS SURPLUS (WHICH EQUALS TOTAL SALES LESS TOTAL OPERATING EXPENDITURE) VARIED AMONGST THESE BUSINESS ACTIVITIES.

WHILE THE IMPORT/EXPORT, WHOLESALE AND RETAIL TRADES HAD INCREASED IN GROSS SURPLUS OVER 1990, OF 20%, 14% AND 13% RESPECTIVELY, RESTAURANTS AND HOTELS RECORDED DECREASES OF 13% AND 23% RESPECTIVELY.

THESE ARE SOME OF THE MAJOR RESULTS OF THE 1991 SURVEY OF WHOLESALE, RETAIL AND IMPORT/EXPORT TRADES, RESTAURANTS AND HOTELS RELEASED TODAY (WEDNESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THE SURVEY WAS CONDUCTED FROM APRIL 1992 TO EARLY 1993.

ALL VALUE FIGURES ARE EXPRESSED IN CURRENT PRICES. THE PERCENTAGE CHANGES DERIVED FROM THESE FIGURES HAVE NOT BEEN ADJUSTED FOR PRICE CHANGES. CAUTION SHOULD THEREFORE BE TAKEN IN INTERPRETING THE SURVEY RESULTS.

IN 1991, THERE WERE SOME 82,500 IMPORT/EXPORT ESTABLISHMENTS IN OPERATION, AN INCREASE OF 19% OVER 1990. TOTAL SALES GENERATED BY THESE ESTABLISHMENTS AMOUNTED TO \$1,313 BILLION, AN INCREASE OF 26% OVER 1990.

THE GROSS SURPLUS OF THE IMPORT/EXPORT TRADE ACCOUNTED FOR 4.5% OF ITS TOTAL SALES WHILE THE TOTAL OPERATING EXPENDITURE (COMPRISING COMPENSATION OF EMPLOYEES, OPERATING EXPENSES AND VALUE OF PURCHASES OF GOODS FOR SALE) TOOK UP THE REMAINING 95.5%.

COMPARED WITH 1990, THESE PERCENTAGES REMAINED VIRTUALLY UNCHANGED.

THE TRADE'S VALUE ADDED GREW BY 23% FROM \$88 BILLION IN 1990 TO \$107.8 BILLION IN 1991.

IN THE RETAIL TRADE, THERE WERE SOME 55,500 ESTABLISHMENTS IN OPERATION IN 1991, AN INCREASE OF 3% OVER 1990. TOTAL SALES GENERATED BY THESE ESTABLISHMENTS AMOUNTED TO \$187.2 BILLION, WHICH WAS 20% HIGHER THAN THAT IN 1990.

THE GROSS SURPLUS AND THE TOTAL OPERATING EXPENDITURE OF THE RETAIL TRADE ACCOUNTED FOR 5.9% AND 94.1% OF ITS TOTAL SALES RESPECTIVELY.

WHEN COMPARED WITH THE RESPECTIVE FIGURES OF 6.3% AND 93.7% IN 1990, ONLY A SMALL CHANGE WAS RECORDED.

THE TRADE'S VALUE ADDED WAS \$24.4 BILLION IN 1991, AN INCREASE OF 19% OVER 1990.

IN THE WHOLESALE TRADE, THERE WERE SOME 21,300 ESTABLISHMENTS IN OPERATION IN 1991, AN INCREASE OF 17% OVER 1990. THESE ESTABLISHMENTS GENERATED \$140.1 BILLION OF TOTAL SALES IN 1991, AN INCREASE OF 14% OVER 1990.

THE GROSS SURPLUS AND THE TOTAL OPERATING EXPENDITURE OF THE WHOLESALE TRADE ACCOUNTED FOR 3.6% AND 96.4% OF ITS TOTAL SALES RESPECTIVELY. THESE PERCENTAGES REMAINED UNCHANGED WHEN COMPARED WITH THE CORRESPONDING FIGURES IN 1990.

THE TRADE'S VALUE ADDED INCREASED BY 12% TO \$10.6 BILLION IN 1991.

SOME 9,700 RESTAURANTS WERE IN OPERATION IN 1991. THEY GENERATED \$47.3 BILLION OF TOTAL SALES, AN INCREASE OF 13% OVER 1990.

THE GROSS SURPLUS OF THESE RESTAURANTS ACCOUNTED FOR 6.4% OF ITS TOTAL SALES, A DROP OF 1.9 PERCENTAGE POINTS BELOW THE FIGURE IN 1990.

CONCURRENTLY THE TOTAL OPERATING EXPENDITURE OF THE INDUSTRY ACCOUNTED FOR 93.6% OF ITS TOTAL SALES, WHICH WAS 1.9 PERCENTAGE POINTS HIGHER THAN THE CORRESPONDING FIGURE IN 1990.

THE INDUSTRY'S VALUE ADDED WAS \$17.5 BILLION, AN INCREASE OF 8% OVER 1990.

SOME 1,650 HOTELS AND BOARDING HOUSES WERE IN OPERATION IN 1991. THEY GENERATED \$13.1 BILLION OF TOTAL SALES, AN INCREASE OF 10% OVER 1990.

THE GROSS SURPLUS OF THE HOTEL INDUSTRY ACCOUNTED FOR 15.5% OF ITS TOTAL SALES, A DECREASE OF 6.6 PERCENTAGE POINTS BELOW THE FIGURE IN 1990 WHILE THE TOTAL OPERATING EXPENDITURE ACCOUNTED FOR 84.5%.

/THE INDUSTRY'S .....

THE INDUSTRY'S VALUE ADDED WAS \$7.1 BILLION IN 1991, AN INCREASE OF 6% OVER 1990.

SUMMARY STATISTICS FOR THE 1991 SURVEY OF WHOLESALE, RETAIL AND IMPORT/EXPORT TRADES, RESTAURANTS AND HOTELS WILL BE INCLUDED IN THE JUNE 1993 ISSUE OF THE HONG KONG MONTHLY DIGEST OF STATISTICS PUBLISHED BY THE DEPARTMENT.

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

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

ENQUIRIES REGARDING THESE SURVEY RESULTS MAY BE DIRECTED TO THE WHOLESALE AND RETAIL TRADE STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON TEL 802 1248.

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Comparison of Selected Principal Statistics for all establishments in  
the Wholesale, Retail and Import/Export Trades, Restaurants and Hotels Sector between 1990 and 1991

Major industry group		Number of establishments	Number of persons engaged	Number of employees	Compensa-	Operating expenses	Value of	Gross surplus	Sales and other receipts	Value added
					tions of employees		\$ Mn.			
Wholesale trade	1991	21 298	85 498	61 830	5,166	11,460	118,496	5,027	140,149	10,649
	1990	18 240	79 381	59 732	4,608	9,581	104,746	4,395	123,330	9,484
	% change	+17	+8	+4	+12	+20	+13	+14	+14	+12
Retail trade	1991	55 525	213 904	145 218	12,661	25,240	138,203	11,050	187,154	24,411
	1990	53 844	194 723	132 380	10,128	20,627	115,647	9,788	156,190	20,484
	% change	+3	+10	+10	+25	+22	+20	+13	+20	+19
Import/export trade	1991	82 468	434 764	380 783	45,184	127,867	1,081,187	58,727	1,312,965	107,781
	1990	69 140	376 157	321 094	36,325	112,969	843,393	48,764	1,041,450	87,979
	% change	+19	+16	+19	+24	+13	+28	+20	+26	+23
Restaurants	1991	9 713	197 722	186 556	14,524	12,472	17,307	3,015	47,317	17,451
	1990	8 695	187 171	177 054	12,634	10,527	15,123	3,479	41,763	16,170
	% change	+12	+6	+5	+15	+18	+14	-13	+13	+8
Hotels/ boarding houses	1991	1 649	39 516	37 813	3,944	5,723	1,442	2,032	13,141	7,113
	1990	1 594	36 705	35 339	3,279	4,780	1,225	2,637	11,920	6,693
	% change	+3	+8	+7	+20	+20	+18	-23	+10	+6
Total	1991	170 653	971 404	812 201	81,478	182,762	1,356,636	79,851	1,700,727	167,404
	1990	151 512	874 137	725 598	66,973	158,483	1,080,134	69,063	1,374,654	140,810
	% change	+13	+11	+12	+22	+15	+26	+16	+24	+19

- Notes : (1) Individual items may not add up to the corresponding total due to rounding.  
(2) Value added is a measure of the contribution of an economic sector to Hong Kong's Gross Domestic Product.  
(3) Figures denoting changes are derived from unrounded figures.

NEW SOCIAL SECURITY PACKAGE EFFECTIVE TOMORROW  
\* \* \* \* \*

A NEW SOCIAL SECURITY PACKAGE INCLUDING THE COMPREHENSIVE SOCIAL SECURITY ASSISTANCE (CSSA) SCHEME AND THE SOCIAL SECURITY ALLOWANCE (SSA) SCHEME WILL COME INTO EFFECT TOMORROW (THURSDAY) TO REPLACE THE EXISTING PUBLIC ASSISTANCE (PA) SCHEME AND SPECIAL NEEDS ALLOWANCE (SNA) SCHEME.

A SOCIAL WELFARE DEPARTMENT SPOKESMAN SAID TODAY (WEDNESDAY) THAT TO IMPROVE THE EXISTING SYSTEM, THE BASIC RATE AND SUPPLEMENTS (EXCEPT FOR THE LONG-TERM SUPPLEMENT) UNDER THE PA SCHEME AND BENEFITS UNDER THE SNA SCHEME WOULD BE CONSOLIDATED INTO A STANDARD RATE FOR EACH CATEGORY OF PA RECIPIENTS UNDER THE NEW CSSA SCHEME.

OTHER SPECIAL GRANTS, LIKE RENT ALLOWANCE, DIETARY ALLOWANCE, ALLOWANCE FOR EDUCATIONAL EXPENSES AND SO ON WILL CONTINUE TO BE PAID TO MEET THE SPECIAL NEEDS OF INDIVIDUAL RECIPIENTS UNDER THE NEW CSSA SCHEME.

IN ORDER TO PROVIDE A HIGHER STANDARD OF LIVING FOR PA RECIPIENTS, THE STANDARD RATES UNDER THE NEW SCHEME WILL PROVIDE REAL INCREASES BETWEEN 4% AND 37% OVER THE LEVELS OF PAYMENTS UNDER THE EXISTING PA AND SNA SCHEME.

THE NEW STANDARD RATES FOR DIFFERENT CATEGORIES OF RECIPIENTS ARE AS FOLLOWS:

STANDARD RATE  
-----

	SINGLE PERSON ----- (\$ PER MONTH)	FAMILY MEMBER ----- (\$ PER MONTH)
ELDERLY PERSON -----	1,550	1,285
DISABLED ADULT -----		
50% DISABLED	1,550	1,285
100% DISABLED	1,935	1,675
REQUIRING CONSTANT ATTENDANCE	2,835	2,570
DISABLED CHILD -----		
50% DISABLED	1,770	1,510
100% DISABLED	2,160	1,895
REQUIRING CONSTANT ATTENDANCE	3,055	2,795

/ABLE-BODIES ADULT .....

- 25 -

ABLE-BODIED ADULT -----	1,035	895
ABLE-BODIED CHILD -----	1,260	995

"TO IMPLEMENT THE PACKAGE, ARRANGEMENT HAS BEEN TAKEN BY THE DEPARTMENT TO COMBINE BENEFITS UNDER THE SNA WITH PA PAYMENTS FOR RECIPIENTS OF BOTH SCHEME," THE SPOKESMAN ADDED.

THEY WILL RECEIVE THE COMBINED PAYMENTS THIS MONTH AND THE NEW STANDARD RATES FROM TOMORROW.

IN A FAMILY CASE, THE APPLICANT WILL RECEIVE THE FAMILY'S TOTAL ENTITLEMENT WHICH WILL EMBRACE THE STANDARD RATES PAYABLE TO OTHER ELIGIBLE MEMBERS.

"IN ADDITION, WE WILL CONTINUE TO PROVIDE BENEFITS THAT IS OLD AGE ALLOWANCE AND DISABILITY ALLOWANCE UNDER THE SSA SCHEME FOR THE ELDERLY OR DISABLED WHO WILL NOT RECEIVE THE CSSA PAYMENT," HE SAID.

"THE CURRENT RULE, ALLOWING 45 DAYS ABSENCE FROM THE TERRITORY FOR PA RECIPIENTS AND 119 DAYS ABSENCE FOR SNA RECIPIENTS BEFORE BENEFITS ARE SUSPENDED, WILL ALSO BE RELAXED TO 60 DAYS FOR ABLE-BODIED RECIPIENTS AND 180 DAYS FOR ALL ELDERLY AND DISABLED RECIPIENTS UNDER THE CSSA AND 180 DAYS FOR SSA RECIPIENTS.

"ARRANGEMENTS FOR ADJUSTMENTS TO THE PAYMENTS ARE BEING MADE TO ENSURE THAT THE RECIPIENTS WILL RECEIVE THE NEW RATES IN GOOD TIME," THE SPOKESMAN SAID.

HE STRESSED THAT THE NEW SCHEMES WERE SIMPLE TO APPLY AND WERE FREE-OF-CHARGE.

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## TECHNOLOGY REVIEW BOARD HOLDS SECOND MEETING

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THE TECHNOLOGY REVIEW BOARD CONCLUDED ITS SECOND MEETING IN HONG KONG TODAY (WEDNESDAY).

THE BOARD IS SET UP UNDER THE INDUSTRY AND TECHNOLOGY DEVELOPMENT COUNCIL TO ADVISE ON BROAD STRATEGIC DIRECTIONS FOR TECHNOLOGY DEVELOPMENT IN THE TERRITORY TAKING ACCOUNT OF GLOBAL TECHNOLOGY TRENDS AND LOCAL CIRCUMSTANCES. THE BOARD DRAWS ON EXPERTISE LOCALLY AND OVERSEAS.

PROFESSOR CHARLES KAO, CHAIRMAN OF THE BOARD, DESCRIBED THE THREE-DAY MEETING AS HIGHLY PRODUCTIVE, ACHIEVING CONCRETE RESULTS THAT WOULD BE USEFUL TO INDUSTRY.

"WE HAVE HAD A DISCUSSION ON THE OVERALL TECHNOLOGICAL ASSESSMENT AROUND THE WORLD AND AREAS OF OPPORTUNITIES FOR HONG KONG.

/"WE HAVE .....

"WE HAVE FOCUSED ON THE TECHNOLOGICAL DEVELOPMENT IN THE ELECTRONICS INDUSTRY IN HONG KONG, WITH PARTICULAR EMPHASIS ON TWO AREAS - MULTIMEDIA AND PERSONAL DIGITAL ASSISTANT (PDA)/PERSONAL COMMUNICATION ASSISTANT (PCA)," PROFESSOR KAO SAID.

HE SAID MEMBERS ALSO HAD AN INTERFACE WITH THREE ELECTRONICS MANUFACTURERS IN HONG KONG OF LARGE, MEDIUM AND SMALL SIZE RESPECTIVELY IN ORDER TO OBTAIN A BETTER UNDERSTANDING OF THE TECHNOLOGY-RELATED ISSUES THAT MANUFACTURERS WERE FACING AND WHAT KIND OF TECHNOLOGICAL ASSISTANCE AND INFORMATION THEY WOULD REQUIRE WHEN SEEKING TECHNOLOGICAL ADVANCEMENT.

AT THE CONCLUSION OF THE MEETING, A STRATEGY WAS PROPOSED TO PACKAGE THE TECHNOLOGICAL INFORMATION FORMULATED BY THE BOARD WITH REGARD TO OPPORTUNITIES SUCH AS MULTIMEDIA AND PDA/PCA FOR USE BY INDUSTRY AND INVESTORS IN HONG KONG.

"IT IS HOPED THAT SUCH TECHNOLOGICAL INFORMATION WOULD HELP STIMULATE AND SUSTAIN BUSINESS DEVELOPMENT IN ALL INDUSTRY SECTORS IN HONG KONG," HE SAID.

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FANLING SITE TO LET  
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THE BUILDINGS AND LANDS DEPARTMENT IS INVITING TENDERS FOR THE SHORT-TERM TENANCY OF A PIECE OF GOVERNMENT LAND IN AREA 49A, FANLING.

THE 9,900-SQUARE METRE SITE IS INTENDED FOR USE AS A VEHICLE PARK FOR PRIVATE CARS, LIGHT VANS, GOODS VEHICLES, COACHES AND BUSES BUT EXCLUDING CONTAINER TRAILERS AND CONTAINERS ON TRAILERS.

IT CAN ALSO BE USED FOR STORAGE OF GOODS INCLUDING UNLICENSED MOTOR VEHICLES BUT EXCLUDING CONTAINERS, CONTAINER TRAILERS, CONSTRUCTION PLANT AND MACHINERY, DUSTY MATERIALS AND DANGEROUS GOODS, OR FOR REPAIR AND/OR MAINTENANCE OF MOTOR VEHICLES BUT EXCLUDING CONTAINER TRAILERS, CHASSIS, CONTAINERS AND CONTAINERS ON TRAILERS.

THE TENANCY IS FOR TWO YEARS, RENEWABLE QUARTERLY AFTERWARDS.

CLOSING DATE FOR SUBMISSION OF TENDERS IS NOON ON JULY 16.

THE TENDER FORM, TENDER NOTICE AND CONDITIONS MAY BE OBTAINED FROM:

- \* THE NORTH DISTRICT LANDS OFFICE, SIXTH FLOOR, 3 PIK FUNG ROAD, NORTH DISTRICT GOVERNMENT OFFICES, FANLING;
- \* THE BUILDINGS AND LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD; AND
- \* THE DISTRICT LANDS OFFICES KOWLOON, 10TH FLOOR, YAU MA TEI CARPARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

THE TENDER PLAN IS ALSO AVAILABLE IN THE OFFICES.

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TEACHER QUALIFICATION ASSESSMENT RESULTS

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NINETY-FIVE OUT OF 184 CANDIDATES PASSED IN THE FIRST NON-GRADUATE TEACHER QUALIFICATIONS ASSESSMENT SCHEME WHICH WAS HELD IN APRIL AND MAY THIS YEAR.

A SPOKESMAN FOR THE EDUCATION DEPARTMENT SAID LETTERS OF NOTIFICATION WOULD BE SENT TO BOTH SUCCESSFUL AND UNSUCCESSFUL CANDIDATES TODAY.

HE SAID OUT OF 95 SUCCESSFUL CANDIDATES, 77 WERE QUALIFIED TO USE CHINESE AS THE MEDIUM OF INSTRUCTION, AND 18 CHINESE AND ENGLISH.

TWENTY-THREE PASSED ALL THE THREE PARTS AND 72 PASSED PARTS I AND II.

PART I OF THE EXAMINATION IS TO TEST THE CANDIDATES ON GENERAL EDUCATION, PART II IN THE MEDIUM OF INSTRUCTION AND PART III, PROFESSIONAL TRAINING.

THE SPOKESMAN SAID THE SCHEME WAS ESTABLISHED IN ACCORDANCE WITH THE RECOMMENDATION OF THE EDUCATION COMMISSION REPORT NO. 5 TO IDENTIFY A WIDER POOL OF NON-GRADUATE TEACHERS.

HE SAID A CANDIDATE FAILING IN ONE SUBJECT IN A SITTING MAY APPLY TO RESIT THE EXAMINATION ONCE ON THE SUBJECT IN THE SUBSEQUENT YEARS.

HOWEVER, HE SAID, A CANDIDATE FAILING IN TWO OR MORE SUBJECTS IN ONE SITTING OR FAILING IN THE SAME SUBJECT REPEATEDLY IN TWO ATTEMPTS WOULD BE REQUIRED TO REPEAT THE WHOLE EXAMINATION.

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NEW POST OFFICE FOR POK FU LAM

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THE ACTING POSTMASTER GENERAL, MRS DORIS HO, ANNOUNCED TODAY (WEDNESDAY) THAT A NEW POST OFFICE WILL OPEN IN POK FU LAM AT 9.30 AM ON MONDAY (JULY 5).

THE OFFICE IS LOCATED ON THE GROUND FLOOR OF BLOCK H-19, FU WING YUEN, CHI FU FA YUEN.

IT WILL REPLACE THE EXISTING POK FU LAM POST OFFICE AT SHOP 502, CHI FU COMMERCIAL CENTRE WHICH WILL CLOSE FOR BUSINESS AT 1 PM ON SATURDAY (JULY 3).

THE HOURS OF BUSINESS AND TELEPHONE NUMBER OF THE NEW OFFICE WILL BE THE SAME AS THOSE OF THE EXISTING OFFICE.

/MRS HO .....

- 28 -

MRS HO ADVISED LOCAL PHILATELISTS THAT A SPECIAL HANDBACK SERVICE WOULD BE AVAILABLE AT THE POK FU LAM POST OFFICE ON JULY 5.

UNREGISTERED FULLY POSTAGE PREPAID "FIRST DAY COVERS" PREPARED PRIVATELY, AND BEARING A LOCAL ADDRESS, WILL BE ACCEPTED OVER THE COUNTER, IMPRESSED WITH THE NORMAL POST OFFICE DATESTAMP AND HANDED BACK TO THE PERSON PRESENTING THEM.

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## GENERAL HOUSEHOLD SURVEY

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THE CENSUS AND STATISTICS DEPARTMENT WILL CONDUCT A GENERAL HOUSEHOLD SURVEY FROM JULY TO SEPTEMBER.

THE QUARTERLY SURVEY, CONDUCTED ON A CONTINUOUS BASIS SINCE AUGUST 1981, COLLECTS INFORMATION ON EMPLOYMENT, UNEMPLOYMENT AND UNDEREMPLOYMENT, AND THE GENERAL SOCIAL CHARACTERISTICS OF THE POPULATION.

QUESTIONS ON HONG KONG RESIDENTS' EXPENDITURE ABROAD, SICK LEAVE AND MATERNITY LEAVE PATTERN OF EMPLOYEES, EXPENDITURE ON LEGAL SERVICE, DOMESTIC HELPERS, CIGARETTE SMOKING PATTERN, PUBLIC AWARENESS OF THE CONCEPT OF ENERGY EFFICIENCY AND HOUSEHOLD EXPENDITURE ON RENT WILL ALSO BE INCLUDED IN THIS ROUND OF THE SURVEY.

ABOUT 11,800 HOUSEHOLDS ARE SELECTED SCIENTIFICALLY FROM ALL DISTRICTS FOR PARTICIPATION IN THE SURVEY.

TO MEASURE MORE ACCURATELY THE 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 PREVIOUS 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 CO-OPERATION.

CENSUS OFFICERS OF THE DEPARTMENT WILL CONTACT HOUSEHOLDS CONCERNED TO COLLECT THE REQUIRED INFORMATION.

WHEN THEY VISIT HOUSEHOLDS, CENSUS OFFICERS CARRY WITH THEM GOVERNMENT IDENTITY CARDS AND CERTIFICATES FOR CONDUCTING THE SURVEY. THEY WILL MAKE SUCH DOCUMENTS AVAILABLE FOR INSPECTION BY HOUSEHOLDS TO CONFIRM THEIR IDENTITIES.

THE GENERAL HOUSEHOLD SURVEY IS CONDUCTED UNDER THE CENSUS AND STATISTICS ORDINANCE.

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.

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FINANCE COMMITTEE MEETS ON FRIDAY  
\* \* \* \* \*

THE FINANCE COMMITTEE WILL HOLD A MEETING AT 2.30 PM ON FRIDAY (JULY 2) AT THE LEGISLATIVE COUNCIL CHAMBER.

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS FROM THE PUBLIC GALLERY. THEY MAY RESERVE SEATS BY CALLING 869 9492.

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ATTENTION NEWS EDITORS:

ADVANCE COPIES OF THE COMMITTEE'S PAPERS WILL BE AVAILABLE AFTER 2.30 PM TOMORROW (THURSDAY) IN THE PRESS ROOM ON THE FIRST FLOOR OF THE LEGISLATIVE COUNCIL BUILDING. PLEASE NOTE THAT THE CONTENT OF THE PAPERS WILL BE EMBARGOED FOR USE UNTIL THE MEETING ENDS.

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS  
\* \* \* \* \*

	\$ MILLION
	-----
OPENING BALANCE IN THE ACCOUNT	2,615
REVERSAL OF LAF	+185
BALANCE AFTER REVERSAL OF LAF	2,800
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	-110
CLOSING BALANCE IN THE ACCOUNT	2,690
LAF RATE 2.00 BID/4.00 OFFER TWI 112.3 *-0.2* 30.6.93	

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.64 PCT	14 MONTHS	2408	4.375	100.41	4.04
1 MONTH	3.44 PCT	17 MONTHS	2411	4.625	100.59	4.22
3 MONTHS	3.34 PCT	20 MONTHS	2502	4.75	100.60	4.41
6 MONTHS	3.51 PCT	23 MONTHS	2505	3.75	98.60	4.58
12 MONTHS	3.90 PCT					

TOTAL TURNOVER OF BILLS AND BONDS - 19,798 MN

CLOSED 30 JUNE 1993

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# DAILY INFORMATION BULLETIN

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

## SUPPLEMENT

WEDNESDAY, JUNE 30, 1993

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GOVT SUPPORTS LICENSING OF REAL ESTATE AGENTS  
\* \* \* \* \*

THE GOVERNMENT AGREES THAT SOME FORM OF REGULATION OF REAL ESTATE AGENTS BACKED UP BY LEGISLATION IS REQUIRED, THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, SAID TODAY (WEDNESDAY).

SPEAKING AT THE MOTION DEBATE ON THE LICENSING OF REAL ESTATE AGENTS IN THE LEGISLATIVE COUNCIL, MR MAK SAID FURTHER DISCUSSIONS AND CONSIDERATION ON WHAT KIND OF CONTROL WAS REQUIRED.

"BUT THESE SHOULD NOT DETRACT THE PRINCIPLE THAT ADDITIONAL REGULATION OF ESTATE AGENT PRACTICES IS DESIRABLE," HE SAID.

MR MAK SAID THE GOVERNMENT WAS LOOKING INTO THE MERITS OF A POSITIVE LICENSING SYSTEM VIS-A-VIS A NEGATIVE ONE.

"UNDER A POSITIVE LICENSING SYSTEM, ALL ESTATE AGENTS HAVE TO HAVE A LICENCE IN ORDER TO PRACTISE. UNDER A NEGATIVE SYSTEM, ANYONE MAY PRACTISE AS AN ESTATE AGENT PROVIDED THAT HE FOLLOWS THE REGULATIONS PRESCRIBING THE OBLIGATIONS FOR ESTATE AGENTS.

"HE WILL BE DISQUALIFIED FROM FURTHER PRACTISING ONLY WHEN HE BREACHES THE PROVISIONS," HE SAID.

MR MAK SAID SINCE A NEGATIVE SYSTEM DID NOT REQUIRE THE ISSUE OF LICENCES AS SUCH, IT WOULD BE SIMPLER TO ADMINISTER AND THE RESOURCE IMPLICATIONS WERE LIKELY TO BE SMALLER.

HE SAID THE GOVERNMENT WOULD CONTINUE TO CONSULT INTERESTED PARTIES ON THE DETAILS SO THAT THE SHAPE OF A POSSIBLE REGULATORY SYSTEM COULD BE DRAWN UP.

THESE INCLUDED A CLEAR DEFINITION OF THE LEVEL OF PROFESSIONAL COMPETENCE, THE ROLE OF AN ESTATE AGENT (FOR EXAMPLE, WHETHER HE MAY ACT AS AN INTERMEDIARY BETWEEN SELLER AND BUYER OR WHETHER HE CAN REPRESENT ONLY ONE PARTY'S INTERESTS), THE LIKELY EFFECTS ON THE COMMISSION CHARGING SYSTEM.

"SINCE LEGISLATION IS ALMOST CERTAINLY REQUIRED, RESOURCES WILL HAVE TO BE MADE AVAILABLE FOR ADMINISTRATION AND ENFORCEMENT.

"ANY BID FOR SUCH RESOURCES WILL EITHER HAVE TO COMPETE WITH OTHERS FOR PRIORITY OR FINANCED BY A CHARGE ON THE LICENSEES," HE SAID.

"AS ALL THIS WILL TAKE TIME, IT WOULD BE USEFUL, IF IN THE MEANTIME, PRACTISING ESTATE AGENTS COULD PROMOTE SELF-REGULATION AND IMPROVE THEIR SERVICE, THUS PAVING THE WAY FOR A POSSIBLE LICENSING SYSTEM IN FUTURE," HE SAID.

BILL ON RENT DECONTROL PASSED

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THE LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1992 WAS PASSED WITH AMENDMENTS IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

SPEAKING AT THE RESUMED DEBATE ON THE BILL, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, EMPHASISED THAT THE BILL HAD TAKEN INTO CONSIDERATION BOTH THE INTERESTS OF TENANTS AND LANDLORDS.

HE SAID AMENDMENTS WERE INCLUDED AS A RESULT OF THE COMPREHENSIVE EXAMINATION BY THE AD HOC GROUP SET UP TO STUDY THE BILL AND THE DEBATE ON IT.

"I AM CONFIDENT THAT THESE AMENDMENTS ADDRESS WITH EQUITY THE PRINCIPAL CONCERNS WHICH HAVE BEEN EXPRESSED BY MEMBERS OF THIS COUNCIL, VARIOUS CONCERNED GROUPS AND BY THE PUBLIC," HE SAID.

THE NEWLY ENACTED LAW SEEKS TO PHASE OUT RENT CONTROLS WHICH WERE TEMPORARILY INTRODUCED MANY YEARS AGO TO COUNTER THE POSSIBILITY OF UNREASONABLE RENTS BEING CHARGED WHEN THE SUPPLY OF ACCOMMODATION WAS NOT KEEPING UP WITH DEMAND.

"FOR SOME YEARS NOW, THIS IMBALANCE HAS BEEN CORRECTED AND A REASONABLE BALANCE IS FORECASTED FOR THE FUTURE," HE SAID.

IN THE MEANTIME IF ACTION, AS PROPOSED IN THE BILL, IS NOT COMMENCED, THE DISPARITY BETWEEN THE LEVEL OF CONTROLLED RENT AND MARKET RENTS WILL CONTINUE TO INCREASE, MAKING IT EVEN MORE DIFFICULT TO ACHIEVE DECONTROL, MR SUEN SAID.

REGARDING THE AMENDMENTS, MR SUEN SAID THE DEADLINE FOR THE PHASING OUT OF CONTROLS WOULD BE EXTENDED FOR TWO YEARS FROM DECEMBER 31, 1994 TO DECEMBER 31, 1996.

THE ANNUAL ADJUSTMENTS FOR PART II TENANCIES, WHICH CONSTITUTED 97 PER CENT OF ALL CONTROLLED PREMISES, WOULD BE LOWERED FROM THE ORIGINAL PROPOSAL OF 7.5 PERCENTAGE POINTS OF THE PREVAILING MARKET RENT TO 5.

AS FOR STATUTORY COMPENSATION, RAISING THE MULTIPLIER FROM THE ORIGINAL 1.3 TO 1.7 OF THE CURRENT RATEABLE VALUE WOULD ALLOW A DISPOSSESSED TENANT TO RENT SIMILAR PREMISES FOR ABOUT EIGHT MONTHS.

MR SUEN POINTED OUT THAT LAST YEAR, THE COMMISSIONER OF RATING AND VALUATION HAD CONDUCTED A COMPREHENSIVE SURVEY OF ALL HOUSEHOLDS AFFECTED BY PART II CONTROLS.

THE SURVEY CONFIRMED THAT THERE WERE SOME 32,500 PART II CONTROLLED UNITS HOUSING 45,500 HOUSEHOLDS WITH A TOTAL POPULATION OF 137,000 PERSONS.

HE NOTED THAT LANDLORDS OF CONTROLLED PREMISES HAD FOR MANY YEARS BEEN UNABLE TO CHARGE MARKET RENTS AND ABOUT 75 PER CENT OF PART II LANDLORDS PURCHASED THEIR PROPERTIES BEFORE CONTROLS WERE INTRODUCED.

ALMOST HALF ARE SINGLE PREMISES OWNERS AND FOR MANY, RENTALS ARE A VITAL PART OF THEIR INCOMES, HE ADDED.

MR SUEN ALSO POINTED OUT THAT LANDLORDS WHO WERE UNABLE TO CHARGE MARKET RENTS WOULD BE RELUCTANT TO COMMIT RESOURCES TO THE MAINTENANCE AND REFURBISHMENT OF THEIR PROPERTIES.

HE SAID: "UNDER THE REVISED PROPOSALS, MANY TENANTS WOULD CONTINUE TO ENJOY SUB-MARKET RENTS FOR A FURTHER FOUR TO FIVE YEARS.

"AFTER THE PHASING OUT OF CONTROLS, AFFECTED TENANTS WILL CONTINUE TO ENJOY SECURITY OF TENURE PROVIDED THEY PAY MARKET RENTS."

NOTING THE WORRIES EXPRESSED ON THE LESS-PRIVILEGED OCCUPANTS OF CONTROLLED BEDSPACE APARTMENTS, MR SUEN SAID THIS WAS UNDERSTANDABLE.

HE POINTED OUT THAT LAST YEAR'S SURVEY INDICATED THAT THESE OCCUPANTS TOTALLED JUST OVER 2,000 AND MANY WERE IN FACT PAYING MARKET-LEVEL RENTS.

"IT ESTABLISHED THAT THE AVERAGE RENT FOR SUCH ACCOMMODATION WAS \$279 PER MONTH WITH 86 PER CENT OF OCCUPANTS PAYING LESS THAN \$400," HE SAID.

ON AVERAGE THESE TENANTS WERE PAYING 7.3 PER CENT OF THEIR INCOMES.

NO ADDITIONAL INCREASES WILL BE PAYABLE IN THE FIRST YEAR OF THE DECONTROL PROCESS AND BEDSPACE OCCUPANTS WILL FACE AN ADDITIONAL AVERAGE INCREASE OF AN AVERAGE OF \$17 PER MONTH IN YEAR TWO, MR SUEN SAID.

"I AM CONFIDENT THAT THE PROPOSED PERMITTED INCREASES WILL NOT HAVE UNDUE ADVERSE SOCIAL CONSEQUENCES ON THIS CATEGORY OF TENANTS," THE SECRETARY SAID.

MR SUEN ALSO SAID DISCUSSIONS HAD BEEN HELD WITH THE SOCIAL WELFARE DEPARTMENT ON THE POSSIBLE EFFECTS OF RENT DECONTROL.

HE WAS SATISFIED THAT THERE WOULD BE ADEQUATE ASSISTANCE UNDER THE SOCIAL SECURITY SYSTEM TO OFFSET ANY ADVERSE FINANCIAL IMPACT ON TENANTS FACING SUCH HARDSHIP AS RESULT OF RENT DECONTROL.

THE COMPREHENSIVE SOCIAL SECURITY ASSISTANCE SCHEME TO BE INTRODUCED WITH EFFECT FROM TOMORROW WILL PROVIDE REAL INCREASES IN THE LEVELS OF BENEFITS, MR SUEN SAID.

HE SAID: "FOR INSTANCE THE CURRENT MAXIMUM RENT ALLOWANCE OF \$743 A MONTH FOR A SINGLE PERSON WILL BE INCREASED TO \$1,118.

"I AM ASSURED THAT IN GENERAL FOR NEEDY TENANTS FACING GENUINE HARDSHIP AS A RESULT OF RENT DECONTROL, THE EXISTING MEANS TEST SHOULD NOT GIVE RISE TO ANY UNDUE OBSTACLE TO THEIR ACCESS TO ASSISTANCE.

/"IN ADDITION .....

"IN ADDITION THERE IS ANNUAL SPECIAL PUBLIC HOUSING QUOTA FOR REFERRALS FROM THE SOCIAL WELFARE DEPARTMENT ON COMPASSIONATE GROUNDS AND HOMES FOR THE AGED AS WELL AS TEMPORARY URBAN HOSTELS FOR THE ELDERLY AND SINGLETON HOSTELS ESTABLISHED BY THE GOVERNMENT FOR OTHER SINGLE TENANTS IN NEED OF SUCH ACCOMMODATION," HE SAID.

THERE IS CLEARLY ADEQUATE CAPACITY TO DEAL WITH ANY CASES OF REAL HARDSHIP BROUGHT ABOUT BY RENT DECONTROL, HE ADDED.

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WESTERN HARBOUR CROSSING FRANCHISE "AN EXCELLENT DEAL"  
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THE SECRETARY FOR TRANSPORT, MR K Y YEUNG, TODAY TOLD THE LEGISLATIVE COUNCIL THAT THE GOVERNMENT HAD STRUCK AN "EXCELLENT DEAL" ON THE FRANCHISE FOR THE WESTERN HARBOUR CROSSING.

IT WAS "GOOD FOR HONG KONG AND FAIR TO ALL PARTIES", MR YEUNG SAID.

MOVING THE SECOND READING OF THE WESTERN HARBOUR CROSSING BILL IN THE LEGISLATIVE COUNCIL, MR YEUNG SAID THE GOVERNMENT HAD MET "ALL THE NECESSARY PUBLIC INTEREST OBJECTIVES" WHILE ALSO MAKING IT POSSIBLE TO FINANCE THE PROJECT ENTIRELY IN THE PRIVATE SECTOR.

MR YEUNG SAID: "I BELIEVE WE HAVE NEGOTIATED A FRANCHISE AGREEMENT THAT IS GOOD FOR HONG KONG AND FAIR TO ALL PARTIES. FROM THE TUNNEL USERS' VIEWPOINT, TUNNEL TOLLS WILL BE CAPPED FOR THE FIRST TIME EVER, AND SURPLUS REVENUES WILL BE PUT BACK INTO THE PROJECT TO DEFER TOLL INCREASES, THUS ENSURING TOLL STABILITY.

THE BILL PROVIDES THE FRANCHISEE WITH THE DEGREE OF CERTAINTY HE, HIS BANKERS, AND HIS SHAREHOLDERS NEED FOR BACKING SUCH A MASSIVE INVESTMENT.

THE FRANCHISEE WILL PROVIDE \$6 BILLION WORTH OF ESSENTIAL TRANSPORT INFRASTRUCTURE AT NO COST TO THE PUBLIC PURSE, THEREBY ALLOWING PUBLIC FUNDS TO BE SPENT INSTEAD ON OTHER VITAL WORKS," THE SECRETARY SAID.

CERTAINTY WAS AN ESSENTIAL PREREQUISITE FOR SUCH A FORMIDABLE \$7.5 BILLION (INCLUDING FINANCING CHARGES) INVESTMENT.

THE PROPOSED FRANCHISEE AND HIS BANKERS HAD TO BE CERTAIN THAT THE TUNNEL WOULD PROVIDE SUFFICIENT REVENUE TO REPAY THE DEBTS AND TO PROVIDE A REASONABLE RETURN ON INVESTMENT, MR YEUNG SAID.

"THIS IS AN ESSENTIAL PREREQUISITE. WITHOUT SUCH CERTAINTY, THERE CAN BE NO FRANCHISE. IN THE NEGOTIATIONS, WE AGREED THAT THE PROPOSED FRANCHISEE BE GIVEN THE DEGREE OF CERTAINTY HE NEEDS; BUT AT THE SAME TIME WE HAVE SECURED ALL THE NECESSARY PUBLIC INTEREST OBJECTIVES. I BELIEVE WE HAVE STRUCK AN EXCELLENT DEAL," SAID MR YEUNG.

THE TERMS OF THE FRANCHISE WERE "AT LEAST COMPARABLE AND IN SOME WAYS BETTER THAN THOSE IN EARLIER TUNNEL FRANCHISES".

THIS WAS A "SIGNIFICANT ACHIEVEMENT" BECAUSE THERE HAD BEEN HIGHLY COMPETITIVE TENDERING FOR THE OTHER FRANCHISES.

THE INITIAL TOLL LEVELS OF \$30 FOR CAR IN 1997 PRICES - \$20 IN TODAY'S PRICES - MIGHT APPEAR EXPENSIVE BUT COULD NOT BE SET LOWER IF THE FRANCHISEE WAS TO REMAIN SOLVENT.

"THE TOLLS ARE SET AT THE LEVELS NEEDED TO SERVICE DEBT IN THE EARLY YEARS OF TUNNEL OPERATION.

"IN THAT PERIOD, MOST OF THE REVENUE WILL BE USED TO REPAY LOANS, AND THE FRANCHISEE WILL ONLY EARN A SMALL RETURN ON HIS INVESTMENT.

"IF THE TOLLS WERE SET LOWER, THEN QUITE SIMPLY THE COMPANY WOULD NOT BE SOLVENT," SAID MR YEUNG.

A \$30 TOLL WOULD NOT OF ITSELF TRIGGER TOLL INCREASES ON THE OTHER TWO HARBOUR TUNNELS.

TOLL INCREASES ON THOSE TUNNELS WOULD HAVE TO BE JUSTIFIED UNDER THE TERMS OF THEIR FRANCHISES, AND THEN ONLY IF THE OPERATORS WERE NOT RECEIVING A REASONABLE RETURN ON THEIR INVESTMENTS.

ANY INCREASE WOULD BE SUBJECT TO LEGCO'S AGREEMENT.

THE 16.5% AVERAGE RATE OF RETURN WAS NOT EXCESSIVE - IT WAS WHAT THE MARKET REQUIRED.

EXCESS REVENUE OVER A SET PERCENTAGE CEILING WOULD BE PLACED IN A TOLL STABILITY FUND WHICH WOULD BE USED TO DEFER FUTURE TOLL INCREASES.

"THIS IS A NEW AND IMAGINATIVE ARRANGEMENT, AND A MAJOR IMPROVEMENT ON PREVIOUS TUNNEL FRANCHISES.

"FOR THE FIRST TIME WE HAVE DEFINED WHAT IS A REASONABLE RETURN FOR THE FRANCHISEE AND HAVE CAPPED HIS PROFITS, WITH THE EXCESS BEING USED TO STABILISE TOLLS FOR THE BENEFIT OF TUNNEL USERS.

"THIS REPLACES THE SOMEWHAT VAGUE FORMULA IN THE EXISTING FRANCHISES WHICH GIVE US NO GUIDANCE AS TO WHAT CONSTITUTES A REASONABLE RATE OF RETURN, AND THUS NO CLEAR IDEA AS TO WHETHER THE FRANCHISEE COULD SATISFY HIS SHAREHOLDERS," SAID MR YEUNG.

THE SUCCESSFUL TENDERERS FOR THE TATE'S CAIRN TUNNEL AND EASTERN HARBOUR CROSSING FRANCHISES HAD BEEN LOOKING FOR RETURNS OF BETWEEN 14% AND 16%, ALTHOUGH THEIR FRANCHISES WERE AWARDED AFTER HIGHLY COMPETITIVE TENDERING AND AT A TIME WHEN INVESTORS DID NOT FEEL THE NEED FOR THE DEGREE OF CERTAINTY THEY NOW REQUIRED.

FOR SIMILAR FRANCHISES ELSEWHERE IN THE ASIA PACIFIC REGION, THE RATES OF RETURN CURRENTLY BEING SOUGHT TO BUILD AND OPERATE THIS KIND OF INFRASTRUCTURE PROJECT WERE BETWEEN 20% AND 25%.

MORE PROTECTION FOR INSURANCE POLICY HOLDERS

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A BILL PROPOSING TO GIVE GREATER SECURITY TO INSURANCE POLICY HOLDERS IS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

IT PROPOSES THAT A GENERAL INSURER BE REQUIRED TO MAINTAIN IN HONG KONG, IN ADDITION TO THE STATUTORY SOLVENCY MARGIN, ASSETS EQUAL TO NO LESS THAN 80 PER CENT OF THE LIABILITIES ARISING FROM HIS LOCAL BUSINESS.

MOVING THE SECOND READING OF THE INSURANCE COMPANIES (AMENDMENT) (NO. 2) BILL 1993, THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID LOCAL POLICY HOLDERS WOULD BE MORE CERTAIN THAT THEIR LEGITIMATE CLAIMS WOULD BE MET IN THE EVENT OF AN INSURER'S INSOLVENCY.

"WE PROPOSE THAT INSURERS BE GRANTED A GRACE PERIOD OF ABOUT SIX MONTHS FROM THE ENACTMENT OF THE BILL TO ALLOW THEM ADEQUATE TIME TO COMPLY WITH THE PROPOSED REQUIREMENT," HE SAID.

THE PROPOSED REQUIREMENT WOULD INITIALLY APPLY ONLY TO GENERAL INSURERS.

HOWEVER, THE ADMINISTRATION WILL BE CONSIDERING IN DUE COURSE WHETHER AND, IF SO, HOW TO EXTEND THE REQUIREMENT TO LONG-TERM INSURERS, MR CARTLAND SAID.

AT PRESENT, AN INSURER AUTHORISED TO CARRY ON BUSINESS IN HONG KONG IS NOT REQUIRED TO MAINTAIN ASSETS IN THE TERRITORY TO MATCH HIS HONG KONG LIABILITIES.

ALTHOUGH THE INSURANCE AUTHORITY IS EMPOWERED TO IMPOSE SUCH A REQUIREMENT, HE CAN ONLY DO SO WHEN THE INSURER'S FINANCIAL POSITION IS SUFFICIENTLY PRECARIOUS AS TO WARRANT INTERVENTION.

"ONCE AN AILING INSURER'S ASSETS HAVE BEEN REMOVED OVERSEAS, IT IS OFTEN DIFFICULT OR IMPOSSIBLE TO RECOVER THEM."

"THE AUTHORITY MAY NOT BECOME AWARE OF PROBLEMS AFFECTING AN OVERSEAS INSURER'S WORLDWIDE OPERATIONS UNTIL IT IS TOO LATE TO TAKE EFFECTIVE ACTION," HE SAID.

DEBATE ON THE BILL WAS ADJOURNED.

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PRODUCTIVITY COUNCIL MORE FLEXIBLE ON COMMITTEE STRUCTURE

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THE PRODUCTIVITY COUNCIL IS GIVEN MORE FLEXIBILITY IN DECIDING ITS COMMITTEE STRUCTURE UNDER A BILL INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE HONG KONG PRODUCTIVITY COUNCIL (AMENDMENT) BILL 1993 ALSO SEEKS TO REMOVE THE REQUIREMENT TO ESTABLISH AN EXECUTIVE COMMITTEE.

MOVING THE SECOND READING OF THE BILL, THE SECRETARY FOR TRADE AND INDUSTRY, MR T H CHAU, SAID THE MAXIMUM NUMBER OF MEMBERS REPRESENTING MANAGEMENT, LABOUR AND PROFESSIONAL OR ACADEMIC INTERESTS ON THE COUNCIL WAS ALSO PROPOSED TO INCREASE FROM 16 TO 17.

"AT THE SAME TIME, THE MAXIMUM NUMBER OF PUBLIC OFFICIALS ON THE COUNCIL WILL BE REDUCED FROM SIX TO FIVE," HE SAID.

THESE CHANGES WILL ENABLE THE GOVERNMENT, WITHOUT REDUCING THE EXISTING NUMBER OF NON-OFFICIAL MEMBERS, TO APPOINT TO THE COUNCIL THE EXECUTIVE DIRECTOR OF THE VOCATIONAL TRAINING COUNCIL, WHO IS NOT A PUBLIC OFFICIAL, IN PLACE OF THE DIRECTOR OF TECHNICAL EDUCATION AND INDUSTRIAL TRAINING (DTEIT).

THE DTEIT, AS A PUBLIC OFFICIAL, WAS FORMERLY A MEMBER OF THE COUNCIL. HIS FUNCTIONS HAVE LARGELY BEEN TAKEN OVER BY THE EXECUTIVE DIRECTOR OF THE VOCATIONAL TRAINING COUNCIL.

MR CHAU SAID THE BILL ALSO SOUGHT TO INCORPORATE A CLAUSE GOVERNING CONFLICT OF INTEREST SO THAT THE PUBLIC INTEREST MAY BE BETTER SAFEGUARDED.

DEBATE ON THE BILL WAS ADJOURNED.

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BILL TO PROTECT MARKET INVESTORS

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A BILL THAT SEEKS TO FACILITATE THE FURTHER DEVELOPMENT OF CAPITAL MARKETS WHILE SAFEGUARDING THE PROTECTION OF INVESTORS WAS INTRODUCED INTO THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MOVING THE SECOND READING OF THE PROTECTION OF INVESTORS (AMENDMENT) BILL 1993, THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID THE BILL UPDATED AND CLARIFIED CERTAIN PROVISIONS OF THE ORDINANCE.

THE PROPOSED REVISIONS MAINLY PROVIDE EXEMPTIONS FROM PROHIBITIONS ON THE ISSUE OF ADVERTISEMENTS, INVITATIONS OR DOCUMENTS IN RESPECT OF DEBT MARKET INSTRUMENTS, SUCH AS CERTIFICATES OF DEPOSIT AND COMMERCIAL PAPERS, UNDER CERTAIN CIRCUMSTANCES.

/SUCH EXEMPTIONS .....

SUCH EXEMPTIONS WILL BE EXTENDED TO DEBT MARKET INSTRUMENTS ISSUED BY CORPORATIONS WHICH COMPLY WITH A NET ASSET REQUIREMENT OF \$100 MILLION, IF SUCH INSTRUMENTS ARE GUARANTEED BY AN AUTHORISED INSTITUTION UNDER THE BANKING ORDINANCE, A MULTILATERAL AGENCY OR BY SPECIFIC EXEMPTED BODIES.

EXEMPTIONS WILL ALSO BE EXTENDED TO THOSE INSTRUMENTS ISSUED BY A WHOLLY OWNED SUBSIDIARY OF A LISTED CORPORATION AND GUARANTEED BY THE PARENT COMPANY CONCERNED, IF THE LATTER MEETS THE NET ASSET REQUIREMENT.

THE "NET ASSET" REQUIREMENT IS PROPOSED TO REPLACE "PAID UP SHARE CAPITAL" AS A MORE ACCURATE AND USEFUL MEASURE OF THE NET WORTH OF A CORPORATION.

THE LEVEL OF ASSET REQUIREMENT WILL BE RAISED FROM \$75 MILLION TO \$100 MILLION SO THAT ONLY THE MORE SUBSTANTIAL CORPORATE ISSUERS WILL BE ELIGIBLE FOR THE EXEMPTION.

THE BILL ALSO ALLOWS THE SECURITIES AND FUTURES COMMISSION (SFC) TO TAKE INTO ACCOUNT THE FEATURES OF AN INSTRUMENT TO BE ADVERTISED IN APPROVING AN APPLICATION FOR AUTHORISATION.

THIS WOULD ENABLE THE SFC TO REQUEST THE ISSUER MAKING THE APPLICATION TO MAKE CHANGES TO THE INSTRUMENT BEFORE GRANTING ANY AUTHORISATION.

IN OTHER WORDS, THE SFC WILL BE EMPOWERED TO REFUSE AN APPLICATION IF IT IS SATISFIED THAT IT WOULD NOT BE IN THE INTERESTS OF THE INVESTING PUBLIC.

RELATING TO LISTED SECURITIES, THE BILL ALSO PROPOSES TO ADD A NEW CATEGORY OF EXEMPTION FOR THE ISSUE OF ADVERTISEMENTS, INVITATIONS AND DOCUMENTS, INCLUDING DEBT SECURITIES AND WARRANTS, WHICH ARE LISTED ON THE STOCK EXCHANGE OF HONG KONG LTD.

SUCH ISSUES WOULD ALREADY HAVE COMPLIED WITH THE LISTING RULES OF THE STOCK EXCHANGE AND SHOULD BE EXEMPTED FROM BEING DOUBLY VETTED UNDER THE ORDINANCE.

THE BILL ALSO GRANTS THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT, WHICH HAS INDICATED AN INTEREST TO TAP HONG KONG'S DEBT MARKET, A MULTILATERAL AGENCY STATUS. THIS STATUS WILL ENABLE IT TO ISSUE DEBT INSTRUMENTS IN THE LOCAL MARKET.

SOME OF THE PROPOSED AMENDMENTS WERE SUGGESTED BY MARKET PRACTITIONERS LIKE THE LAW SOCIETY AND THE HONG KONG CAPITAL MARKETS ASSOCIATION IN ORDER TO IMPROVE THE FRAMEWORK FOR THE FURTHER DEVELOPMENT OF CAPITAL MARKET IN HONG KONG.

DEBATE ON THE BILL WAS ADJOURNED.

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SUPPLEMENTARY APPROPRIATION REQUIRED FOR 1992/93

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THE FINANCIAL SECRETARY, THE HON HAMISH MACLEOD, SAID TODAY (WEDNESDAY) THAT THE EXPENDITURE FOR THE FINANCIAL YEAR 1992/93 CHARGED TO 66 HEADS OUT OF A TOTAL OF 78 HEADS WAS IN EXCESS OF THE SUM APPROPRIATED FOR THOSE HEADS BY THE APPROPRIATION ORDINANCE 1992.

THE TOTAL NET SUPPLEMENTARY APPROPRIATION REQUIRED IN RESPECT OF THE 66 HEADS OF EXPENDITURE IS \$7,493.1 MILLION.

MOVING THE SECOND READING OF THE SUPPLEMENTARY APPROPRIATION (1992/93) BILL 1993 IN THE LEGISLATIVE COUNCIL, MR MACLEOD SAID THIS WAS BECAUSE SUFFICIENT OFFSETTING SAVINGS COULD NOT BE FOUND WITHIN THE HEADS CONCERNED.

THIS EXCESS IS LARGELY ATTRIBUTABLE TO THE IMPLEMENTATION OF THE 1992 PAY ADJUSTMENT IN RESPECT OF THE CIVIL SERVICE AND GOVERNMENT SUBVENTED ORGANISATIONS (\$5,377.4 MILLION), HE SAID.

OTHER MAJOR CONTRIBUTING FACTORS INCLUDE ADDITIONAL EXPENDITURE ON PENSION PAYMENT (\$1,219.3 MILLION) AND THE INCREASED EXPENDITURE ON PUBLIC ASSISTANCE AND SPECIAL NEEDS ALLOWANCES (\$566.5 MILLION).

MR MACLEOD SAID THE COST OF THE 1992 PAY ADJUSTMENT AND PENSION INCREASE HAD BEEN ANTICIPATED IN THE 1992/93 ESTIMATES UNDER THE "ADDITIONAL COMMITMENTS" SUBHEAD.

"SAVINGS WERE ALSO MADE IN OTHER SUBHEADS THROUGH CONTINUED TIGHT CONTROL OVER PUBLIC EXPENDITURE, AND I WOULD LIKE TO THANK THE CONTROLLING OFFICERS AND OTHERS WHO HAVE CONTRIBUTED TO RESTRAINT.

"BECAUSE OF THESE SAVINGS AND THE PROVISION MADE FOR ADDITIONAL COMMITMENTS, TOTAL EXPENDITURE FOR THE YEAR IS WITHIN THE SUM APPROPRIATED IN THE APPROPRIATION ORDINANCE 1992," HE SAID.

THE BILL SEEKS TO GIVE FINAL LEGISLATIVE AUTHORITY FOR THE AMOUNT OF SUPPLEMENTARY PROVISION APPROVED IN RESPECT OF PARTICULAR HEADS OF EXPENDITURE BY THE FINANCE COMMITTEE OR UNDER POWERS DELEGATED BY IT.

DEBATE ON THE BILL WAS ADJOURNED.

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AMBIGUITIES IN DRUG TRAFFICKING  
(RECOVERY OF PROCEEDS) ORDINANCE REMOVED

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TECHNICAL AMENDMENTS TO REMOVE AMBIGUITIES IN THE LEGISLATION WHICH MIGHT FRUSTRATE THE GOVERNMENT'S EFFORTS TO DEPRIVE DRUG TRAFFICKERS OF THEIR ILL-GOTTEN PROFITS HAVE BEEN SUBMITTED TO THE LEGISLATIVE COUNCIL.

MOVING A RESOLUTION TO SEEK APPROVAL OF THE DRUG TRAFFICKING (RECOVERY OF PROCEEDS) (DESIGNATED COUNTRIES AND TERRITORIES) (AMENDMENT) ORDER 1993, THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, SAID THE ORDER INTRODUCED TECHNICAL AMENDMENTS TO FACILITATE THE PROPER OPERATION OF THE ORDINANCE IN SO FAR AS EXTERNAL CONFISCATION ORDERS WERE CONCERNED.

THE 1991 ORDER, MADE UNDER SECTION 28 OF THE ORDINANCE, APPLIES THE PROVISIONS OF THE ORDINANCE, WITH CERTAIN MODIFICATIONS, TO ENABLE COURTS IN HONG KONG TO CONFISCATE THE PROCEEDS OF DRUG TRAFFICKING PURSUANT TO EXTERNAL CONFISCATION ORDERS.

"IN THE COURSE OF IMPLEMENTING THE PROVISIONS OF THE 1991 ORDER, SOME AMBIGUITIES HAVE COME TO LIGHT.

"WE PROPOSE TO AMEND THE 1991 ORDER BY CLARIFYING THE DEFINITIONS OF "DEFENDANT" AND "REALISABLE PROPERTIES", AND REMOVING OTHER AMBIGUITIES," SAID MR WOODHOUSE.

THE AMENDED ORDER CLARIFIES THE TYPES OF FOREIGN CONFISCATION ORDERS THAT CAN BE REGISTERED AND ENFORCED IN HONG KONG, WHICH CAN EITHER BE AGAINST A PERSON OR PROPERTY, AND ARE EITHER CRIMINAL OR CIVIL IN NATURE.

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CHANGES TO APPROVED ESTIMATES EXPENDITURE TABLED

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THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, TODAY (WEDNESDAY) TABLED THE SUMMARY OF ALL CHANGES MADE TO THE APPROVED ESTIMATES OF EXPENDITURE FOR THE FINAL QUARTER OF THE FINANCIAL YEAR 1992/93 IN THE LEGISLATIVE COUNCIL.

THOSE CHANGES HAVE BEEN APPROVED EITHER BY THE FINANCE COMMITTEE OR UNDER DELEGATED AUTHORITY.

SUPPLEMENTARY PROVISION OF \$6,647 MILLION WAS ALSO APPROVED.

THIS INCLUDED \$580 MILLION TO MEET INCREASED EXPENDITURE ON PUBLIC ASSISTANCE AND SPECIAL NEEDS ALLOWANCES AND \$5,442 MILLION FOR THE IMPLEMENTATION OF THE 1992 PAY ADJUSTMENT.

/"THE SUPPLEMENTARY .....

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"THE SUPPLEMENTARY PROVISION WAS FULLY OFFSET, EITHER BY SAVINGS UNDER THE SAME OR OTHER HEADS OF EXPENDITURE, OR BY DELETION OF FUNDS UNDER THE ADDITIONAL COMMITMENTS SUBHEADS," MR TSANG SAID.

DURING THE PERIOD, NON-RECURRENT COMMITMENTS WERE INCREASED BY \$3.4 MILLION AND NEW NON-RECURRENT COMMITMENTS OF \$594.8 MILLION WERE APPROVED.

IN THE SAME PERIOD, A NET DECREASE OF 1,025 POSTS WAS APPROVED.

"THIS WAS MAINLY ATTRIBUTABLE TO THE DELETION OF POSTS AS A RESULT OF CIVIL SERVANTS HAVING OPTED FOR SERVICE WITH THE HOSPITAL AUTHORITY," MR TSANG SAID.

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ICAC TO REVIEW FUNCTIONAL CONSTITUENCY ELECTION PROCEDURES

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THE CORRUPTION PREVENTION DEPARTMENT OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION WILL CLOSELY OBSERVE THE REGIONAL COUNCIL FUNCTIONAL CONSTITUENCY BY-ELECTION AND WILL REVIEW FUNCTIONAL CONSTITUENCY ELECTION PROCEDURES GENERALLY.

THIS WAS STATED BY THE ACTING SECRETARY FOR CONSTITUTIONAL AFFAIRS, MR PETER LAI, WHEN HE REPLIED TO A QUESTION BY THE HON EMILY LAU IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

EVIDENCE GIVEN IN THE HIGH COURT IN THE RECENT TRIAL OF MR GILBERT LEUNG IDENTIFIED PROBLEMS OF VOTE BUYING AND UNLAWFUL EXPENDITURE.

"IN CONSULTATION WITH ME, THE COMMISSIONER AGAINST CORRUPTION HAS AGREED THAT THE COMMISSION'S CORRUPTION PREVENTION DEPARTMENT SHOULD EXAMINE THESE MATTERS," HE SAID.

"THAT EXAMINATION IS UNDER WAY," HE ADDED.

MR LAI SAID BASED ON THE FINDINGS OF THE EXAMINATION, THE COMMISSIONER WOULD MAKE RECOMMENDATIONS TO THE GOVERNMENT AS SOON AS POSSIBLE.

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COMMITMENT TO AIRPORT MEMORANDUM OF UNDERSTANDING STRESSED

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THE BRITISH AND THE CHINESE GOVERNMENTS HAVE MADE PLAIN THAT THEY REMAIN COMMITTED TO THE MEMORANDUM OF UNDERSTANDING CONCERNING THE CONSTRUCTION OF THE NEW AIRPORT IN HONG KONG, THE ACTING SECRETARY FOR CONSTITUTIONAL AFFAIRS, MR PETER LAI, SAID TODAY (WEDNESDAY).

IN ACCORDANCE WITH CLAUSE G OF THE MEMORANDUM SIGNED ON SEPTEMBER 3, 1991, THE BRITISH FOREIGN SECRETARY MET THE CHINESE MINISTER OF FOREIGN AFFAIRS IN SEPTEMBER 1991, MARCH 1992 AND SEPTEMBER 1992.

ALSO, THE GOVERNOR MET THE DIRECTOR OF THE HONG KONG AND MACAU AFFAIRS OFFICE UNDER THE STATE COUNCIL IN SEPTEMBER 1991, AND JANUARY, JUNE AND OCTOBER 1992.

REPLYING TO A QUESTION BY THE HON CHIM PUI-CHUNG IN THE LEGISLATIVE COUNCIL, MR LAI SAID: "ARRANGEMENTS FOR ANY SUCH MEETINGS IN FUTURE WILL, AS IN THE PAST, BE MADE KNOWN TO HONG KONG."

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PROVISION OF MATERNITY SERVICE TO NON-HK RESIDENTS QUERIED

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THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT 529 (OR 9.7%) OF THE 5,454 BABIES DELIVERED IN TUEN MUN HOSPITAL AND 1,206 (15.2%) OF THE 7,939 BABIES DELIVERED IN PRINCE OF WALES HOSPITAL LAST YEAR WERE BORN OF WOMEN WHO HAD ENTERED HONG KONG EITHER ON CHINESE TWO-WAY EXIT PERMITS OR ILLEGALLY.

AND FOR THE FIRST FOUR MONTHS OF THIS YEAR, 254 (14.6%) OF THE 1,740 BABIES DELIVERED IN TUEN MUN HOSPITAL AND 459 (18.9%) OF 2,428 BABIES IN PRINCE OF WALES HOSPITAL WERE BORN BY THIS CATEGORY OF WOMEN.

REPLYING TO A QUESTION BY THE HON MICHAEL HO, MRS WONG SAID THE QUALITY OF CARE FOR OTHER PATIENTS AT THESE TWO HOSPITALS WAS NOT AFFECTED AS THE PROVISION OF MATERNITY SERVICE TO THE CHINESE PERMIT HOLDERS AND ILLEGAL IMMIGRANTS HAD BEEN MADE FROM EXISTING RESOURCES THROUGH EFFICIENT DEPLOYMENT OF MANPOWER AND PRODUCTIVITY.

UNDER THE CURRENT POLICY, PATIENTS WHO DO NOT HOLD A HONG KONG IDENTITY CARD OR A BRITISH PASSPORT ARE CLASSIFIED AS NON-ENTITLED PERSONS AND CHARGED THE FULL COSTS OF THEIR MEDICAL TREATMENT.

"HOWEVER, TWO-WAY PERMIT HOLDERS WHOSE SPOUSES ARE HOLDERS OF HONG KONG IDENTITY CARDS AND WHO CAN PRODUCE A MARRIAGE CERTIFICATE ISSUED BY A COMPETENT AUTHORITY ARE TREATED AS ENTITLED PERSONS," MRS WONG SAID.

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"ILLEGAL IMMIGRANTS UNDER POLICE CUSTODY ARE NOT REQUIRED TO PAY ANY CHARGES," SHE ADDED.

MRS WONG ALSO NOTED THAT THE TOTAL NUMBER OF BABIES DELIVERED IN PUBLIC HOSPITALS IN HONG KONG IN 1992 AND IN THE FIRST FOUR MONTHS OF THIS YEAR WERE 46,247 AND 15,062 RESPECTIVELY.

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ASSISTANCE AVAILABLE TO OVERSEAS DOMESTIC WORKERS

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OVERSEAS DOMESTIC WORKERS WITH GENUINE HARDSHIP ARE ABLE TO OBTAIN ACCOMMODATION FROM THE SOCIAL WELFARE DEPARTMENT, THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

REPLYING TO A QUESTION BY THE HON MRS ELSIE TU, MR LEUNG NOTED THAT FOREIGN DOMESTIC HELPERS USUALLY HAD WAYS OF FINDING A TEMPORARY ACCOMMODATION THROUGH THE CONSULATES, CHURCH AND WORKER ORGANISATIONS.

HOWEVER, HE SAID, THE FAMILY SERVICES CENTRES OF THE SOCIAL WELFARE DEPARTMENT COULD ARRANGE ACCOMMODATION IN ONE OF THE TWO SHELTERS FOR BATTERED WOMEN FOR FEMALE FOREIGN DOMESTIC HELPERS WHO WERE GENUINELY ILL-TREATED.

IF FOREIGN DOMESTIC HELPERS WHO ARE TAKING LEGAL ACTION AGAINST THEIR EMPLOYERS FOR ABUSE OR UNREASONABLE TERMINATION OF CONTRACTS DO NOT WANT TO WAIT IN HONG KONG, THEY CAN RETURN TO THE HOME COUNTRY IN THE INTERIM.

"IN MANY CASES SUCH WORKERS CAN ACTUALLY APPLY FOR A NEW CONTRACT WITH A NEW EMPLOYER AND COME BACK TO HONG KONG LATER ON," MR LEUNG SAID.

"IN SERIOUS CASES INVOLVING ALLEGATIONS OF CRIMINAL OFFENCE, THE GOVERNMENT WILL CONSIDER PAYING FOR PASSAGES TO HELP TO BRING THEM BACK TO FACILITATE COURT PROCEEDINGS," HE ADDED.

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WEDNESDAY, JUNE 30, 1993

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EXCO AND LEGCO MEMBERS KEEP IN CONTACT

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THE ACTING SECRETARY FOR CONSTITUTIONAL AFFAIRS, MR PETER LAI, TODAY (WEDNESDAY) REFUTED COMMENTS THAT THERE WAS A LACK OF CO-ORDINATION BETWEEN THE EXECUTIVE AND LEGISLATIVE COUNCILS OR THAT A COMMUNICATION GAP EXISTED.

AS LONG AS THE COUNCILS ARE TWO SEPARATE BODIES AND PLAY DIFFERENT ROLES, IT IS NOT SURPRISING THAT THERE WOULD BE OCCASIONS ON WHICH THERE ARE DIFFERENCES OF VIEWS BETWEEN THEM, HE SAID.

REPLYING TO A QUESTION BY THE HON LEE WING-TAT IN THE LEGISLATIVE COUNCIL, MR LAI SAID MEMBERS OF THE EXECUTIVE COUNCIL HAD NOT LOST TOUCH WITH THEIR COLLEAGUES IN THE LEGISLATIVE COUNCIL.

"INDEED, AS IT IS ALWAYS THE CASE, THE OPINIONS OF THE LEGISLATIVE COUNCIL ARE WIDELY KNOWN AND WELL EXPRESSED THROUGH THE MEDIA," HE SAID.

MEMBERS OF THE TWO COUNCILS ALSO MAINTAIN CONTACTS THROUGH VARIOUS INFORMAL CHANNELS AND IN INFORMAL MEETINGS ORGANISED BETWEEN MEMBERS INDIVIDUALLY OR COLLECTIVELY.

"THERE IS NOW ALSO THE GOVERNOR'S QUESTION TIME, WHICH UNDOUBTEDLY HAS BROUGHT EVEN GREATER ACCOUNTABILITY AND OPENNESS OF THE WORK OF THE EXECUTIVE COUNCIL AND THE EXECUTIVE TO THE LEGISLATIVE COUNCIL AND THE COMMUNITY," HE SAID.

IN HIS POLICY ADDRESS, THE GOVERNOR PROPOSED THE SETTING UP OF A GOVERNMENT-LEGCO COMMITTEE TO PROVIDE A FORUM OF COMMUNICATION BETWEEN THE TWO COUNCILS.

"WE WOULD BE HAPPY TO PURSUE THE PROPOSAL FURTHER SHOULD MEMBERS FEEL THAT IT WOULD SERVE AS AN ADDITIONAL, USEFUL CHANNEL OF COMMUNICATION," MR LAI SAID.

"WE WOULD ALSO BE HAPPY TO CONSIDER ANY CONSTRUCTIVE PROPOSALS FROM MEMBERS OF THE LEGISLATIVE COUNCIL," HE ADDED.

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POLICE REVIEWING ITS FIRST-AID TRAINING  
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THE GOVERNMENT IS CONSIDERING THE EFFECTIVENESS OF FIRST-AID AND HAEMOSTASIS TRAINING FOR POLICE OFFICERS IN THE LIGHT OF THE RECOMMENDATIONS MADE BY MR JUSTICE BOKHARY IN HIS FINAL REPORT ON THE LAN KWAI FONG INCIDENT.

THIS WAS STATED BY THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, IN A WRITTEN REPLY TO A QUESTION BY DR THE HON LAM KUI-CHUN TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

MR WOODHOUSE SAID THE POLICE WERE REVIEWING THEIR FIRST-AID TRAINING FOR SERVING POLICE OFFICERS IN CONJUNCTION WITH THE AUXILIARY MEDICAL SERVICES.

POLICE OFFICERS ARE GIVEN TRAINING IN BASIC HAEMOSTASIS WHEN THEY JOIN THE FORCE.

REFRESHER IN-SERVICE TRAINING COURSES ARE ALSO PROVIDED TO OFFICERS EVERY THREE YEARS DURING THEIR CAREER.

HE SAID POLICE OFFICERS WERE TRAINED NOT ONLY IN HAEMOSTASIS, BUT IN THE WIDER ASPECTS OF FIRST-AID AND EMERGENCY TREATMENT.

THEY ARE ALSO TRAINED IN SPECIFIC SKILLS, SUCH AS WOUND DRESSING AND BANDAGING, CARDIOPULMONARY RESUSCITATION AND THE TREATMENT OF BONE FRACTURES AND HEAT STROKE, MR WOODHOUSE SAID.

CONCERNING THE FORMAL CURRICULUM IN SCHOOLS, MR WOODHOUSE SAID HAEMOSTASIS WAS COVERED UNDER FIRST-AID IN SEVERAL SUBJECTS SUCH AS HEALTH EDUCATION AT THE PRIMARY LEVEL AND PHYSICAL EDUCATION, HUMAN BIOLOGY AND SOCIAL STUDIES AT THE SECONDARY LEVEL.

"THE MAIN OBJECTIVE OF INCLUDING FIRST-AID TOPICS IN THE FORMAL CURRICULUM FOR SCHOOL CHILDREN IS TO PROMOTE A GENERAL AWARENESS OF FIRST-AID AMONG STUDENTS; THE INTENTION IS NOT TO PROVIDE SPECIALISED TRAINING," HE SAID.

HE NOTED THAT THE EDUCATION DEPARTMENT CONSIDERED THE CONTENT OF THE SCHOOL CURRICULUM ON FIRST-AID TO BE EFFECTIVE.

THE CURRICULUM DEVELOPMENT COUNCIL ALSO REVIEWED THESE MATTERS ON AN ON-GOING BASIS AND WOULD REVISE THE RELEVANT SYLLABUSES WHENEVER NECESSARY.

STUDENTS ARE ALSO ENCOURAGED TO TAKE PART IN EXTRA-CURRICULAR ACTIVITIES PROVIDED BY THE BOY SCOUTS, THE GIRL GUIDES, THE ST JOHN'S AMBULANCE BRIGADE AND THE HONG KONG RED CROSS SOCIETY WHERE THEY WILL HAVE THE OPPORTUNITY TO RECEIVE PRACTICAL FIRST-AID TRAINING, HE SAID.

ENVIRONMENTAL EDUCATION FUNDING ARRANGEMENTS UNDER REVIEW

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THE GOVERNMENT IS NOW REVIEWING THE EXISTING FUNDING ARRANGEMENTS TO ESTABLISH A BETTER BASIS OF FUNDING SUPPORT FOR VARIOUS KINDS OF ENVIRONMENTAL EDUCATION ACTIVITIES INITIATED BOTH BY THE GOVERNMENT AND NON-GOVERNMENT BODIES.

THIS WAS STATED BY THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, IN A WRITTEN REPLY TO A QUESTION BY THE HON ERIC LI IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

"WE REALISE THAT WE CAN ALWAYS DO MORE IN THE FIELD OF ENVIRONMENTAL EDUCATION AND THAT A RELATIVELY RELIABLE SOURCE OF FUNDING SUPPORT IS NECESSARY FOR NON-GOVERNMENT ORGANISATIONS INVOLVED IN ENVIRONMENTAL EDUCATION ACTIVITIES, IN PARTICULAR THE ACTIVITIES OF THE ENVIRONMENTAL CAMPAIGN COMMITTEE (ECC)," MR MAK SAID.

THE GOVERNMENT HAS ALLOCATED \$1.7 MILLION FOR ENVIRONMENTAL PUBLICITY CAMPAIGNS AND \$0.5 MILLION FOR THE ENERGY EFFICIENCY PUBLICITY CAMPAIGN IN 1993/94.

MR MAK SAID THE FUNDING ALLOCATIONS FOR 1994/95 HAD NOT YET BEEN DECIDED BUT THE EXISTING SCALE OF BOTH THESE PUBLICITY CAMPAIGNS WAS EXPECTED TO BE MAINTAINED.

"IN ADDITION, \$3.37 MILLION HAS BEEN ALLOCATED IN 1993/94 FOR THE FIRST ENVIRONMENTAL RESOURCE CENTRE AT THE OLD WAN CHAI POST OFFICE," MR MAK SAID.

THIS CENTRE IS EXPECTED TO OPEN TOWARDS THE END OF 1993 AND WILL BE AN IMPORTANT FOCUS FOR PUBLIC EDUCATION ON ENVIRONMENTAL ISSUES.

THE EDUCATION DEPARTMENT (ED) PROVIDED \$752,500 FOR 350 SCHOOL VISITS TO THE MAI PO NATURE RESERVE IN 1993/94 AND A SIMILAR SUM IS EARMARKED FOR 1994/95.

THE DEPARTMENT PROVIDED \$1.7 MILLION IN 1993/94 FOR THE SAI KUNG FIELD STUDIES CENTRE TO ORGANISE RESIDENTIAL AND NON-RESIDENTIAL COURSE ON ECOLOGY, POLLUTION AND CONSERVATION FOR SIXTH FORM STUDENTS AND SECONDARY SCHOOL TEACHERS. A SIMILAR ALLOCATION WAS EXPECTED IN 1994/95.

APART FROM GOVERNMENT FUNDING, VARIOUS NON-GOVERNMENT ORGANISATIONS SUPPORT ENVIRONMENTAL EDUCATION ACTIVITIES.

THE ECC, WHICH RAISES FUNDS FROM PRIVATE DONATIONS AND THE JOCKEY CLUB, HOPES TO RAISE \$2 MILLION IN 1993/94 AND \$2.2 MILLION IN 1994/95.

ENVIRONMENTAL PROJECTS BY COMMUNITY AND ENVIRONMENTAL ORGANISATIONS ALSO RECEIVED A DEGREE OF GOVERNMENT FUNDING THROUGH THE DISTRICT BOARDS' COMMUNITY INVOLVEMENT ACTIVITIES FUNDING SCHEME, THOUGH THE PRECISE SUM DEVOTED TO THESE ACTIVITIES COULD NOT BE QUANTIFIED, MR MAK ADDED.

GOVT'S VIGILANCE OVER SAFE OPERATION OF LIFTS CONTINUES

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THE GOVERNMENT WOULD CONTINUE TO BE VIGILANT OVER THE SAFE OPERATION OF LIFTS.

THIS WAS STATED BY THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, IN A WRITTEN REPLY TO A QUESTION BY THE HON MRS MIRIAM LAU IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE SAID UNDER THE NEW PROVISIONS OF THE RECENTLY AMENDED LIFTS AND ESCALATORS (SAFETY) ORDINANCE, INSPECTION AND CHECKING OF LIFTS WAS REQUIRED TO BE CARRIED OUT BY COMPETENT PERSONS, AND THE SUB-CONTRACTING OR ASSIGNMENT OF LIFT WORKS TO NON-REGISTERED CONTRACTORS WAS ALSO REGULATED.

MR MAK SAID IN A RECENT SURVEY BY THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT, 1,578 LIFTS, OR ABOUT 5.4 PER CENT, OF THE 35,700 PASSENGER LIFTS IN THE TERRITORY WERE FOUND NOT EQUIPPED WITH OVERLOADING WARNING DEVICES.

THESE LIFTS WERE INSTALLED BEFORE MAY 1969 WHEN THE REQUIREMENT FOR THE PROVISION OF OVERLOADING WARNING DEVICES WERE INCLUDED IN THE RELEVANT LEGISLATION.

"ALTHOUGH THESE LIFTS DO NOT HAVE AN OVERLOADING WARNING SYSTEM, THEY USUALLY HAVE OTHER SAFETY DEVICES SUCH AS FAIL-SAFE BRAKING SYSTEM, OVERSPEED GOVERNOR, ARRESTER GEAR AND BUFFERS.

"IT IS THEREFORE CONSIDERED MORE APPROPRIATE TO ALLOW THE PHASING OUT OF SUCH LIFTS BY NATURAL WASTAGE.

"THE ADMINISTRATION WILL OF COURSE CONTINUE TO ADVISE REGISTERED LIFT CONTRACTORS TO ENCOURAGE OWNERS OF PRE-1969 BUILDINGS TO INSTALL OVERLOADING WARNING DEVICES IN LIFTS WHENEVER POSSIBLE," MR MAK SAID.

OVER THE PAST THREE YEARS, THERE HAD BEEN FOUR FATAL AND 22 NON-FATAL ACCIDENTS INVOLVING PASSENGER LIFTS.

TWO OF THESE ACCIDENTS INVOLVED LIFTS WITHOUT OVERLOADING WARNING DEVICES AND TWO PEOPLE WERE INJURED BUT NEITHER OF THESE TWO CASES WAS CAUSED BY OVERLOADING.

WEDNESDAY, JUNE 30, 1993

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WATER SUPPLY TO SQUATTER AREAS EXPLAINED

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IT IS THE GOVERNMENT'S POLICY TO PROVIDE METERED WATER SUPPLY TO SQUATTER AREAS WHEN APPLICATIONS ARE RECEIVED IF IT IS TECHNICALLY FEASIBLE AND WHEN THERE IS NO IMMINENT PLAN OF CLEARANCE BY THE HOUSING DEPARTMENT.

THIS WAS STATED BY THE SECRETARY FOR WORKS, MR JAMES BLAKE, IN A WRITTEN REPLY TO A QUESTION BY THE HON ALBERT CHAN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THERE ARE 17 SQUATTER AREAS WITH A TOTAL POPULATION OF 958 IN THE URBAN AREAS AND 726 SQUATTER AREAS WITH A POPULATION OF 2,717 PERSONS IN THE RURAL AREAS WHICH ARE WITHOUT MAINS WATER SUPPLY OR METERED WATER SUPPLY.

MR BLAKE SAID AS IT WAS ENVISAGED THAT ALL URBAN SQUATTERS ON GOVERNMENT LAND WOULD BE CLEARED BY 1996, THERE WAS THUS NO PLAN TO SUPPLY WATER TO URBAN SQUATTER AREAS WHICH WERE CURRENTLY WITHOUT WATER SUPPLY.

OVER 500 VILLAGES WERE PROVIDED WITH METERED WATER SUPPLY IN 1987 AND FOR THE REMAINING 175 VILLAGES WHICH WERE LOCATED FAR AWAY FROM THE WATER DISTRIBUTION NETWORKS, IT WAS CONSIDERED THAT 114 VILLAGES COULD BE PROVIDED WITH METERED WATER SUPPLY AT A REASONABLE COST.

A PUBLIC WORKS PROGRAMME ITEM "WATER SUPPLY TO REMOTE VILLAGES IN THE NEW TERRITORIES" WAS CREATED TO IMPLEMENT THE WORKS FOR 85 OF THESE VILLAGES.

THE WORKS ARE WELL UNDER WAY AND THAT FOR THE FINAL VILLAGE IS EXPECTED TO COMPLETE BEFORE THE END OF 1995.

WATER SUPPLY TO THE REMAINING 29 VILLAGES HAVE BEEN PROVIDED BY EXTENSION OF THE EXISTING OR NEWLY COMPLETED WATER SUPPLY NETWORKS UNDER RECURRENT PROVISION.

UP TILL NOW, A TOTAL OF 624 VILLAGES HAVE BEEN PROVIDED WITH METERED WATER SUPPLY.

MR BLAKE SAID THERE WERE STILL SOME 63 VILLAGES WITH A TOTAL POPULATION OF AROUND 4,040 FOR WHICH THE WORKS WERE NOT ON THE PUBLIC WORKS PROGRAMME, BUT THEIR NEED FOR MAINS WATER SUPPLY WAS KEPT UNDER CONSTANT REVIEW.

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USES OF RESUMED LAND  
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LAND IS RESUMED FOR A PUBLIC PURPOSE WHICH MAY INCLUDE A NUMBER OF USES SUCH AS ROADS, SEWAGE TREATMENT PLANTS, PUBLIC HOUSING, PUBLIC HOSPITALS AND SCHOOLS.

THIS WAS STATED BY THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, IN A WRITTEN REPLY TO A QUESTION BY THE HON LAU WONG-FAT IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR MAK SAID LAND FORMATION AND SERVICING WAS NECESSARY IN MOST CASES BEFORE IT COULD BE USED FOR THE INTENDED PURPOSE.

A SITE RESUMED MAY BE AMALGAMATED WITH EITHER RESUMED SITES OR GOVERNMENT LAND BEFORE BEING ALLOCATED OR DISPOSED OF.

IT MAY BE CARVED UP WITH DIFFERENT PARTS BEING USED FOR DIFFERENT PURPOSES.

"IT WOULD THEREFORE BE ALMOST IMPOSSIBLE AND DEFINITELY VERY RESOURCE INTENSIVE AND TIME-CONSUMING TO IDENTIFY THAT PART OF THE LAND RESUMED WHICH HAS SUBSEQUENTLY BEEN SOLD AND THE PRICE AT WHICH THAT PARTICULAR PART HAS BEEN SOLD," MR MAK SAID.

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NO FOREIGN EXCHANGE CONTROL IN HK  
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HONG KONG DOES NOT HAVE FOREIGN EXCHANGE CONTROL OF ANY FORM, AND THERE IS NO STATUTE WHICH SEEKS TO REGULATE THE EXCHANGE OF FOREIGN CURRENCY, THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

IN A WRITTEN REPLY TO A QUESTION BY DR THE HON TANG SIU-TONG, MR CARTLAND SAID THERE WAS NO PROHIBITION ON THE USE OF FOREIGN CURRENCIES IN CASH PAYMENTS IN THE TERRITORY.

"SHOPS IN HONG KONG CAN ACCEPT PAYMENTS IN RENMINBI, OR ANY OTHER FOREIGN CURRENCIES, IF THEY WISH TO AND ARE HAPPY WITH THE EXCHANGE RISKS THAT ARE INCURRED."

"WE DO NOT BELIEVE THAT THE ACCEPTANCE OF CASH PAYMENTS IN RENMINBI BY SOME SHOPS WOULD BECOME WIDESPREAD ENOUGH TO HAVE ANY SIGNIFICANT EFFECT ON THE MONETARY SYSTEM OF HONG KONG," HE ADDED.

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UNHCR CONSTANTLY REMINDED TO PAY DEBT

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THE BRITISH AND THE HONG KONG GOVERNMENTS WILL CONTINUE TO REMIND THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES (UNHCR) AND THE INTERNATIONAL COMMUNITY OF THE BURDEN IMPOSED ON THE TERRITORY AND TO PRESS FOR REPAYMENT OF THE OUTSTANDING DEBT.

THIS WAS STATED BY THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE IN A WRITTEN REPLY TO A QUESTION BY THE HON HENRY TANG TODAY (WEDNESDAY) IN THE LEGISLATIVE COUNCIL.

MR WOODHOUSE SAID: "BOTH HER MAJESTY'S GOVERNMENT AND THE HONG KONG GOVERNMENT CONSTANTLY REMIND THE UNHCR OF ITS OUTSTANDING DEBT TO THE TERRITORY."

"THIS IS DONE LARGELY THROUGH THE REGULAR CONTACTS WHICH TAKE PLACE BETWEEN OFFICIALS OF THE TWO GOVERNMENTS AND THE OFFICE OF THE UNHCR."

HOWEVER, THE ABILITY OF THE UNHCR TO REPAY THE MONIES OWED IS DEPENDANT ON DONOR COUNTRIES, HE ADDED.

EARLIER THIS YEAR, FOLLOWING A DISCUSSION OF THIS MATTER IN THE LEGCO'S PUBLIC ACCOUNTS COMMITTEE, THE BRITISH GOVERNMENT WAS INSTRUMENTAL IN HAVING THE DEBT HIGHLIGHTED IN THE UNHCR 1993 COMPREHENSIVE PLAN OF ACTION (CPA) APPEAL.

MR WOODHOUSE SAID BRITISH DIPLOMATIC MISSIONS IN MAJOR DONOR CAPITALS WERE ALSO INSTRUCTED TO ASK THEIR HOST GOVERNMENTS WHETHER THEY WOULD CONSIDER AUGMENTING THEIR 1993 CONTRIBUTIONS TO THE CPA TO ENABLE THE UNHCR TO DISCHARGE ITS DEBT TO HONG KONG.

THE FINAL OUTCOME OF THIS DEMARCHE IS NOW AWAITED.

"IT WOULD NOT BE APPROPRIATE FOR THE HONG KONG GOVERNMENT, AS A THIRD PARTY, TO RELEASE COPIES OF CORRESPONDENCE BETWEEN HER MAJESTY'S GOVERNMENT AND THE UNHCR," HE ADDED.

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PROMOTION OF SAFETY AT WORK FOR SUMMER JOB-SEEKERS

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ELEVEN SECONDARY SCHOOL STUDENTS WERE INJURED WHILE ENGAGING IN SUMMER JOBS LAST YEAR.

THIS COMPARED WITH 35 IN 1988, 29 IN 1989, 18 IN 1990 AND SEVEN IN 1991.

THE MAJORITY OF THESE CASES INVOLVED ONLY MINOR INJURIES AND NO FATAL CASES HAD BEEN RECORDED, THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, SAID IN A WRITTEN REPLY TO A QUESTION BY THE HON CHEUNG MAN-KWONG IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

HE TOLD THE COUNCIL THAT THE LABOUR AND THE EDUCATION DEPARTMENTS HAD TAKEN VARIOUS MEASURES EVERY YEAR TO PROMOTE THE AWARENESS OF SAFETY AT WORK AMONG SECONDARY SCHOOL STUDENTS.

"LEAFLETS ARE DISTRIBUTED TO ALL SCHOOLS ADVISING STUDENTS NOT TO TAKE UP HAZARDOUS SUMMER JOBS SUCH AS WORKING AT CONSTRUCTION SITES, OPERATING HEAVY MACHINERY AND LIFTING APPLIANCES, WORKING AT HEIGHT, USING CHEMICALS OR DOING WORK INVOLVING HEAT TREATMENT OR USE OF FIRE," MR LEUNG SAID.

"THE LEAFLET ALSO ADVISES STUDENTS TO BE CAREFUL WITH THE USE OF FOOD-MAKING MACHINES, STOVES, KNIVES AND CHEMICAL-CLEANING AGENTS, IF THEY WORK IN THE CATERING INDUSTRY."

IN ADDITION, A POSTER DESIGN COMPETITION ON SAFETY AT WORK WAS HELD IN MARCH WHILE TALKS AND VIDEO SHOWS ON INDUSTRIAL SAFETY HAVE BEEN GIVEN TO SECONDARY STUDENTS AT THEIR SCHOOLS BY FACTORY INSPECTORS SINCE MAY.

THE LOCAL EMPLOYMENT SERVICE OF THE LABOUR DEPARTMENT ALSO GIVES REGULAR GUIDANCE TO STUDENTS SEEKING SUMMER JOBS AND ADVISES THEM IN PARTICULAR NOT TO ACCEPT HAZARDOUS JOBS IF OFFERED.

TO FURTHER REMIND SECONDARY STUDENTS NOT TO TAKE UP HAZARDOUS JOBS DURING THE SUMMER VACATION, THE EDUCATION DEPARTMENT HAS RECENTLY ISSUED A CIRCULAR TO ALL SECONDARY SCHOOL HEADS AND TEACHERS, ESPECIALLY CAREERS TEACHERS, TO REMIND THEM TO IMPRESS ON THEIR STUDENTS THE SAFETY MESSAGES.

THE DEPARTMENT WILL ALSO ORGANISE ANNUAL SEMINARS ON SAFETY AT WORK FOR CAREER TEACHERS, STARTING FROM THE NEXT SCHOOL YEAR.

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#### OVER 100 SUMMONSES ISSUED AGAINST EMPLOYERS OF FOREIGN WORKERS

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THE LABOUR DEPARTMENT HANDLED 55 LABOUR DISPUTES AND CLAIMS INVOLVING 176 FOREIGN WORKERS UNDER THE GENERAL LABOUR IMPORTATION SCHEME LAST YEAR, THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, TOLD THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

DURING THE SAME PERIOD, HE SAID, 103 SUMMONSES WERE TAKEN OUT AGAINST EMPLOYERS OF IMPORTED WORKERS, AND 406 VERBAL OR WRITTEN WARNINGS WERE ISSUED IN RESPECT OF OFFENCES UNDER THE LAW.

IN A WRITTEN REPLY TO A QUESTION BY THE HON LAU CHIN-SHEK, MR LEUNG NOTED THAT OF THE TOTAL SUMMONSES ISSUED, 70 WERE HEARD WITH 51 CONVICTIONS.

EIGHTEEN OF THE CONVICTIONS RELATED TO DEDUCTION OF WAGES, 17 CONCERNED FAILURE TO GRANT STATUTORY HOLIDAYS, 10 INVOLVED PAYMENT IN LIEU OF GRANTING STATUTORY HOLIDAY AND SIX WERE DUE TO FAILURE TO TAKE OUT INSURANCE POLICY.

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DURING THE YEAR, SIX IMPORTED WORKERS WERE GRANTED APPROVAL TO CHANGE EMPLOYER - FIVE WERE SUCCESSFULLY PLACED IN EMPLOYMENT AND THE OTHER LEFT HONG KONG WITHOUT GIVING REASONS.

MR LEUNG ALSO NOTED THAT 1,180 FOREIGN WORKERS LEFT THEIR JOBS IN 1991 BEFORE THE EXPIRY OF THEIR CONTRACTS. THE NUMBER FOR 1992 STOOD AT 1,771 AND THAT FOR THE FIRST FIVE MONTHS OF THIS YEAR WAS 1,365.

SINCE THE IMPLEMENTATION OF THE GENERAL LABOUR IMPORTATION SCHEME, 1,924 VISAS WERE APPROVED IN 1989; 12,847 IN 1990; AND 11,434 IN 1992.

OF THE 14,132 QUOTAS ALLOCATED UNDER THE 1993 SCHEME, 1,523 VISAS HAVE SO FAR BEEN ISSUED.

IN ADDITION, 1,418 VISAS HAVE BEEN APPROVED UNDER THE SCHEME FOR THE NEW AIRPORT.

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#### WAITING TIME FOR SMALL PUBLIC HOUSING FLATS

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THE ONLY WAY TO SHORTEN THE WAITING TIME FOR SINGLE PERSONS OR TWO-PERSON FAMILIES TO MOVE INTO PUBLIC HOUSING FLATS IS TO INCREASE THE SUPPLY OF SMALL FLATS.

THIS WAS STATED BY THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, IN A WRITTEN REPLY TO A QUESTION BY THE HON TIK CHI-YUEN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

MR MAK SAID WHILE FLAT SUPPLY FOR TWO-PERSON HOUSEHOLDS WAS EXPECTED TO BE ADEQUATE, THE SHORTFALL OF ONE-PERSON FLATS REMAIN A CONCERN.

"THE HOUSING AUTHORITY HAS IN RESPONSE IDENTIFIED A NUMBER OF POSSIBLE OPTIONS TO INCREASE SUPPLY, INCLUDING THE CONSTRUCTION OF ADDITIONAL ANNEX BLOCKS AND HOSTEL-TYPE ACCOMMODATION, PROVISION OF MORE SHELTERED HOUSING UNITS FOR THE ELDERLY, CREATION OF PLANNED VACANCIES THROUGH TRANSFER EXERCISES, A DIFFERENT FLAT MIX, RELAXATION OF ALLOCATION STANDARD AS WELL AS PROGRAMME ADJUSTMENTS, " MR MAK SAID.

HE SAID AN EXTRA 6,300 ONE-PERSON UNITS COULD BE GENERATED THROUGH THESE OPTIONS OVER THE NEXT FIVE YEARS, OF WHICH ABOUT 750 TO 1,000 COULD BE ALLOCATED EACH YEAR TO THE WAITING LIST.

MR MAK SAID NO CLEARANCE INVOLVING REHOUSING OF ALL ELIGIBLE HOUSEHOLDS IN THE AREA TO BE CLEARED HAD BEEN DEFERRED AFTER FORMAL NOTIFICATION DUE TO INADEQUATE FLAT SUPPLY.

AN ACCELERATED CLEARANCE PROGRAMME OF TEMPORARY HOUSING AREAS (THA) HAS RECENTLY BEEN DRAWN UP WITH A VIEW TO CLEARING OVER 80 PER CENT OF THE EXISTING POPULATION BY 1996/97.

/"THIS MEANS .....

"THIS MEANS THEIR REHOUSING DATES HAVE BEEN BROUGHT FORWARD RATHER THAN DEFERRED," MR MAK SAID.

AS REGARDS THE LOCATION OF RECEPTION ESTATES, ELIGIBLE THA CLEAREES LIVING ON THE HONG KONG ISLAND ARE NORMALLY REHOUSED ON THE HONG KONG SIDE.

THOSE IN KOWLOON ARE OFFERED NEW FLATS IN THE EXTENDED URBAN AREA OR THE NEW TERRITORIES, BUT CAN BE REHOUSED IN URBAN KOWLOON IF THEY ARE PREPARED TO ACCEPT CASUAL VACANCIES.

"IT IS VERY UNLIKELY THAT ONE PERSON HOUSEHOLDS AFFECTED BY A THA CLEARANCE WILL BE ASKED TO SHARE NON-SELF-CONTAINED UNITS IN FUTURE," MR MAK ADDED.

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#### ELECTRONIC DEVICES USERS UNDER PROTECTION

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THE GOVERNMENT IS PREPARED TO EXAMINE WHETHER SPECIFIC MEASURES MIGHT BE REQUIRED TO DEAL WITH PROBLEMS IN CONNECTION WITH THE USE OF ELECTRONIC DEVICES TO CONDUCT FINANCIAL TRANSACTIONS.

THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY) THAT EXPERIENCE IN OTHER COUNTRIES WOULD BE DRAWN WHERE APPROPRIATE.

IN GENERAL, MR CARTLAND STATED IN A WRITTEN REPLY TO A QUESTION BY DR THE HON HUANG CHEN-YA, CUSTOMERS OF FINANCIAL INSTITUTIONS WHO USE ELECTRONIC DEVICES ARE SUBJECT TO THE PROTECTION AFFORDED BY THE LAW OF CONTRACT AS ARE THOSE WHO USE PAPER SYSTEMS.

ALSO, GIVEN THE DIVERSITY OF FINANCIAL ACTIVITIES AND THE PACE WITH WHICH TECHNOLOGY DEVELOPS, IT IS DIFFICULT TO GENERALISE ON THE SPECIFIC MEASURES THAT WOULD BE REQUIRED FOR PROTECTING INDIVIDUAL GROUPS OF USERS.

HE SAID AN EXAMPLE OF MOVES IN THIS DIRECTION WAS THE RECENTLY INTRODUCED COMPUTER CRIMES ORDINANCE WHICH MADE NEW CRIMINAL OFFENCES IN RESPECT OF UNAUTHORISED ACCESS TO COMPUTERS.

ON THE QUESTION OF PRIVACY, A SUB-COMMITTEE OF THE LAW REFORM COMMISSION IS CURRENTLY EXAMINING EXISTING LAWS IN HONG KONG IN THE AREA.

THE SECRETARY SAID ONE OF THE MATTERS TO BE CONSIDERED IN THIS EXERCISE WAS THE REMEDIES THAT SHOULD BE MADE AVAILABLE IN RESPECT OF UNDUE INTERFERENCE WITH THE PRIVACY OF THE INDIVIDUAL, INCLUDING INTRUSION (BY ELECTRONIC OR OTHER MEANS) INTO PRIVATE PREMISES AND THE INTERCEPTION OF COMMUNICATIONS, WHETHER ORAL OR RECORDED.

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WEDNESDAY, JUNE 30, 1993

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OVERSEAS TEACHERS HELP RAISE STUDENTS' ENGLISH STANDARD  
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THE EDUCATION DEPARTMENT IS REVIEWING THE ADMINISTRATIVE AND RECRUITMENT PROCEDURES FOR EMPLOYING BOTH "OVERSEAS" TEACHERS UNDER THE CODE OF AID, AND "EXPATRIATE" TEACHERS UNDER THE EXPATRIATE ENGLISH LANGUAGE TEACHER (EELT) SCHEME BY SECONDARY SCHOOLS.

A SCHOOL CIRCULAR ANNOUNCING THE REVISED ARRANGEMENTS IS EXPECTED TO BE ISSUED IN THE COMING SCHOOL YEAR.

IN A WRITTEN REPLY TO A QUESTION BY THE HON TIMOTHY HA WING-HO IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), THE SECRETARY FOR EDUCATION AND MANPOWER, MR MICHAEL LEUNG, EXPLAINED THAT THE REVIEW FOLLOWED THE LOW UTILISATION OF THE QUOTA FOR "OVERSEAS" TEACHERS, AND OF SUGGESTIONS FOR IMPROVEMENTS FROM SCHOOLS IN THE EELT SCHEME.

UNDER THE PROVISIONS OF THE CODE OF AID, AIDED SECONDARY SCHOOLS OF 12 TO 23 CLASSES MAY EMPLOY TWO TEACHERS OF ENGLISH LANGUAGE ON "OVERSEAS" TERMS; WHILE SCHOOLS OF 24 OR MORE CLASSES MAY EMPLOY THREE SUCH TEACHERS.

APPROVAL HAS ALSO BEEN GIVEN FOR SOME SCHOOLS TO EMPLOY NO MORE THAN TWO TEACHERS UNDER THE EELT SCHEME ON "EXPATRIATE" TERMS WITHIN A QUOTA WHICH IS ADJUSTED ANNUALLY TO MATCH THE AVAILABILITY OF FUNDS.

HOWEVER, STATISTICS SHOW THAT ONLY 27 SECONDARY SCHOOLS, OR SIX PER CENT OF THE TOTAL NUMBER OF SECONDARY SCHOOLS IN HONG KONG, EMPLOYED 11 "OVERSEAS" TEACHERS AND 33 "EXPATRIATE" TEACHERS IN 1990/91, REPRESENTING 0.27% AND 0.81% OF THE TOTAL NUMBER OF ENGLISH LANGUAGE TEACHERS IN ALL SECONDARY SCHOOLS IN HONG KONG RESPECTIVELY.

THIRTY-SIX SCHOOLS (8.2%) EMPLOYED 13 "OVERSEAS" (0.32%) AND 41 "EXPATRIATE" (1.01%) TEACHERS IN 1991/92; AND 40 SCHOOLS (8.8%) EMPLOYED 15 "OVERSEAS" (0.37%) AND 44 "EXPATRIATE" (1.08%) TEACHERS IN 1992/93.

MR LEUNG ALSO TOLD THE COUNCIL THAT THE BOARD OF EDUCATION HAD RECENTLY CONFIRMED ITS SUPPORT FOR THE EELT SCHEME AND DESCRIBED IT AS A POSITIVE CONTRIBUTION TO RAISING STUDENTS' STANDARD OF ENGLISH.

FEEDBACK FROM HEADS OF SCHOOLS EMPLOYING "OVERSEAS" TEACHERS WAS LIKEWISE POSITIVE, HE ADDED.

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## SCHOOL MEDICAL SERVICE SCHEME TO BE REPLACED

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THE SCHOOL MEDICAL SERVICE SCHEME WHICH PROVIDES ECONOMICAL MEDICAL CARE TO STUDENTS THROUGH THE PARTICIPATION OF PRIVATE MEDICAL PRACTITIONERS, WILL SOON BE ABOLISHED AND BE REPLACED BY THE STUDENT HEALTH SERVICE, THE SECRETARY FOR HEALTH AND WELFARE, MRS ELIZABETH WONG, SAID.

IN A WRITTEN REPLY TO A QUESTION BY THE HON ZACHARY WONG WAI-YIN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY), MRS WONG EXPLAINED THAT THIS FOLLOWED THE ABUSE OF THE SCHEME AND THE CHANGE WAS RECOMMENDED BY THE WORKING PARTY ON PRIMARY HEALTH CARE.

ON HEALTH CARE SERVICES FOR THE ELDERLY, THE SECRETARY SAID THERE WAS LITTLE JUSTIFICATION TO REPLACE THE EXISTING SYSTEM BY A BODY SIMILAR TO THE SCHOOL MEDICAL SERVICE.

"THE PRESENT SYSTEM PROVIDES FLEXIBILITY TO MEET LOCAL CONDITIONS," SHE SAID.

"IT ALLOWS PATIENTS A WIDE VARIETY OF CHOICE AND WORKS WELL."

MRS WONG ALSO SAID SERVICES FOR THE ELDERLY AT PUBLIC HOSPITALS AND CLINICS WERE HIGHLY SUBSIDISED.

IN ADDITION, VARIOUS CONCESSIONARY MEDICAL SCHEMES HAVE BEEN INITIATED AT THE GRASSROOTS LEVEL BY DIFFERENT CHARITABLE ORGANISATIONS TO MEET LOCAL NEEDS AND SUCH SCHEMES HAVE OPERATED VERY SMOOTHLY.

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## FALSE SHOP ALARMS EFFECTIVELY TACKLED

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THERE HAS BEEN A GENERAL DECREASE IN THE NUMBER OF COMPLAINTS ABOUT NUISANCE FROM ALARM SYSTEMS IN SHOPS SINCE THE ENACTMENT OF A PROVISION IN THE SUMMARY OFFENCES ORDINANCE TO TACKLE FALSE ALARMS FROM SHOPS.

THIS WAS STATED BY THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE IN A WRITTEN REPLY TO A QUESTION BY DR THE HON CONRAD LAM KUI-CHUN IN THE LEGISLATIVE COUNCIL TODAY (WEDNESDAY).

THE PROVISION PROVIDES THAT ANY PERSON WHO HAS CONTROL OF AN INTRUDER ALARM SYSTEM IN ANY PREMISES SHOULD PROVIDE AN EFFICIENT AUTOMATIC DEVICE TO CAUSE ALL AUDIBLE ALARM SIGNALS TO CEASE SOUNDING WITHIN 15 MINUTES OF ITS ACTIVATION.

"ALARM OWNERS ARE GENERALLY CO-OPERATIVE AND WILLING TO FIT SUCH AUTOMATIC DEVICES," MR WOODHOUSE SAID.

ANY PERSON WHO CONTRAVENES THIS SECTION WILL BE LIABLE TO A FINE OF \$5,000 AND IMPRISONMENT FOR THREE MONTHS.

TURNING TO FALSE VEHICLE ALARMS, HE SAID THERE WERE NO SPECIFIC LEGISLATIVE CONTROLS AGAINST THEM.

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"THIS IS NOT A WIDESPREAD PROBLEM IN HONG KONG," HE SAID. "POLICE EXPERIENCE SUGGESTS THAT, IN RESIDENTIAL AREAS, CAR OWNERS USUALLY ARRIVE AT THE SCENE QUICKLY TO TURN OFF THE ALARM."

IT HAS BEEN SUGGESTED THAT A TIME-LIMIT, SIMILAR TO THAT FOR ALARMS IN SHOPS, SHOULD BE IMPOSED ON VEHICLE ALARMS.

HOWEVER, THE POLICE DO NOT CONSIDER IT APPROPRIATE TO IMPOSE ANY RESTRICTION ON THE USE OF AUDIBLE VEHICLE ALARMS BECAUSE THEY REPRESENT ONE OF THE EFFECTIVE MEANS OF PREVENTING CAR THEFTS, WHICH REMAINS A CAUSE FOR CONCERN, MR WOODHOUSE SAID.

THE ENVIRONMENTAL PROTECTION DEPARTMENT HAS RECEIVED ONLY TWO COMPLAINT CASES OF NOISE NUISANCE CAUSED AFTER 11 PM IN THE PAST THREE YEARS. THE POLICE DO NOT KEEP STATISTICS ON THE NUMBER OF COMPLAINTS OF NOISE NUISANCE BY TIME OF DAY.

MR WOODHOUSE SAID THE POLICE RESPONDED TO ALL COMPLAINTS EXPEDITIOUSLY.

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#### MOTION ON LICENSING OF REAL ESTATE AGENTS PASSED

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A MOTION MOVED BY THE HON ALBERT CHAN URGING THE GOVERNMENT TO INTRODUCE LEGISLATION TO REGULATE THE OPERATION OF REAL ESTATE AGENTS THROUGH A LICENSING SYSTEM WAS PASSED AFTER A ONE-AND-A-HALF HOUR DEBATE IN THE LEGISLATIVE COUNCIL TONIGHT.

A TOTAL OF 13 MEMBERS SPOKE. THE ACTING SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR CANICE MAK, REPLIED FOR THE GOVERNMENT.

EIGHT MEMBERS SPOKE IN AN ADJOURNMENT DEBATE MOVED BY THE HON ERIC LI ON THE SALE OF CONFISCATED CIGARETTES. THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, SPOKE ON BEHALF OF THE GOVERNMENT.

THREE MOTIONS MOVED BY THE ATTORNEY GENERAL, THE HON JEREMY MATHEWS, UNDER THE OFFICIAL LANGUAGES ORDINANCE AND ANOTHER MOTION MOVED BY THE ACTING SECRETARY FOR SECURITY, MR KEN WOODHOUSE, UNDER THE DRUG TRAFFICKING (RECOVERY OF PROCEEDS) ORDINANCE WERE PASSED.

TWO OTHER MOTIONS MOVED RESPECTIVELY BY MR MAK AND THE SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, UNDER THE TRADING FUNDS ORDINANCE WERE ALSO PASSED.

A TOTAL OF NINE BILLS WERE PASSED, THREE WITH AMENDMENTS.

THE THREE BILLS WITH AMENDMENTS WERE LANDLORD AND TENANT (CONSOLIDATION) (AMENDMENT) BILL 1992; TRAVEL AGENTS (AMENDMENT) BILL 1992 AND INLAND REVENUE (AMENDMENT) (NO.2) BILL 1993.

THE OTHER BILLS WERE: JUDICIAL OFFICERS (TENURE OF OFFICE) BILL; ROAD TUNNELS (GOVERNMENT) (AMENDMENT) BILL 1993; CROSS-HARBOUR TUNNEL (PASSAGE TAX) (AMENDMENT) (NO. 2) BILL 1993; CROSS-HARBOUR TUNNEL (AMENDMENT) BILL 1993; EASTERN HARBOUR CROSSING (AMENDMENT) BILL 1993 AND TATE'S CAIRN TUNNEL (AMENDMENT) BILL 1993.

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