



DAILY INFORMATION BULLETIN

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

THURSDAY, FEBRUARY 24, 1994

<u>CONTENTS</u>	<u>PAGE NO.</u>
GOVERNOR IN LEGCO	1
WHITE PAPER ON REPRESENTATIVE GOVERNMENT PUBLISHED	17
CS REITERATES HOPE FOR CONTINUED CO-OPERATION	18
CS MEETS MEDIA AFTER LEGCO MEETING	19
EDUCATION KEEPS HK ON LEADING EDGE	20
1994 - A MEMORABLE YEAR FOR SPORTS: CS	21
ANALYSIS OF EXTERNAL TRADE BY MODE OF TRANSPORT IN 1993	22
HK SUPPORTS GLOBAL TROPOSPHERIC EXPERIMENT	31
FIVE MORE HIV INFECTED CASES CONFIRMED	32
EDUCATION AND CAREERS EXHIBITION DRAWS BIG CROWDS	32
DRAFT LAW SENT OUT FOR COMMENTS	33
925 MOST IMPROVED STUDENTS AWARDED	34
RALEIGH HOPEFULS VENTURE TO SUCCEED	34
BOE MEMBERS VISIT CARITAS LOK YI SCHOOL	35
HONG KONG GOVERNMENT EXCHANGE FUND MONEY MARKET OPERATIONS ..	36

THURSDAY, FEBRUARY 24, 1994

- 1 -

GOVERNOR IN LEGCO

* * * * *

THE FOLLOWING IS THE STATEMENT BY THE GOVERNOR THE RT HON CHRISTOPHER PATTEN AT THE LEGISLATIVE COUNCIL TODAY (THURSDAY):

MR PRESIDENT,

I WOULD LIKE TO BEGIN BY REPORTING TO MEMBERS ON MY RECENT VISIT TO AUSTRALIA.

I PAID AN OFFICIAL VISIT TO AUSTRALIA, AT THE INVITATION OF THE AUSTRALIAN GOVERNMENT, FROM 13-19 FEBRUARY. I AM VERY GRATEFUL TO THE AUSTRALIAN GOVERNMENT FOR THE INVITATION AND FOR ARRANGING THE VISIT SO WELL AND SO GENEROUSLY.

AUSTRALIA IS AN IMPORTANT TRADING PARTNER FOR HONG KONG. 300 AUSTRALIAN COMPANIES OPERATE HERE, EMPLOYING 70,000 HONG KONG PEOPLE. TOTAL TRADE BETWEEN US ROSE 12% LAST YEAR. HONG KONG IS AUSTRALIA'S 7TH LARGEST EXPORT MARKET AND 10TH LARGEST TRADING PARTNER OVERALL. THERE ARE GROWING HUMAN CONTACTS BETWEEN OUR COMMUNITIES. ALMOST 10,000 HONG KONG STUDENTS ARE STUDYING IN AUSTRALIA, WITH A LARGE NUMBER OF AUSTRALIANS TEACHING AT OUR OWN UNIVERSITIES. 20,000 AUSTRALIANS LIVE AND WORK IN HONG KONG AND SOME 80,000 PEOPLE FROM HONG KONG NOW LIVE AND WORK IN AUSTRALIA. OVER 300,000 AUSTRALIANS VISITED HONG KONG LAST YEAR; AND OVER 120,000 HONG KONG PEOPLE VISITED AUSTRALIA.

MY VISIT TOOK IN SYDNEY, CANBERRA AND MELBOURNE. I HAD GOOD MEETINGS WITH PRIME MINISTER KEATING IN SYDNEY AND THE MINISTER FOR FOREIGN AFFAIRS, SENATOR EVANS, IN CANBERRA. I ALSO HAD MEETINGS WITH THE GOVERNOR-GENERAL, MR HAYDEN, THE GOVERNORS OF THE STATES OF NEW SOUTH WALES AND VICTORIA, AS WELL AS WITH THE PREMIER OF NEW SOUTH WALES AND THE DEPUTY PREMIER OF VICTORIA. I MADE FOUR PUBLIC SPEECHES AND I VISITED A NUMBER OF COMPANIES DOING CONSIDERABLE BUSINESS WITH US HERE IN HONG KONG. I ENCOURAGED FIRMS NOT ALREADY ACTIVE HERE TO CONSIDER USING HONG KONG AS A REGIONAL BASE. EQUALLY I WAS ABLE TO PROVIDE REASSURANCES TO THOSE FIRMS THAT ARE HERE THAT HONG KONG WOULD CONTINUE TO BE AN EXCELLENT PLACE TO DO BUSINESS. EVERYWHERE I WENT I FOUND ENORMOUS WARMTH AND UNDERSTANDING AMONG AUSTRALIANS - IN GOVERNMENT AND OUTSIDE IT - FOR HONG KONG AND I FOUND AS WELL A GREAT DEAL OF GOODWILL FOR HONG KONG'S FUTURE. AUSTRALIA IS A GOOD FRIEND TO HONG KONG. WE WARMLY APPRECIATE AND VALUE THE TIES OF FRIENDSHIP AND TRADE THAT LINK OUR COMMUNITIES. I HOPE THOSE TIES WILL GROW IN THE MONTHS AND YEARS AHEAD.

/TURNING NOW

TURNING NOW TO DEVELOPMENTS CLOSER TO HOME, I WAS VERY PLEASED TO SEE THAT THIS COUNCIL LAST NIGHT PASSED THE LEGISLATION DEALING WITH THE LESS CONTROVERSIAL ELEMENTS RELATING TO THE ARRANGEMENTS FOR THE ELECTIONS IN 1994 AND 1995. THIS WAS THE SECOND BILL RELATING TO THE 1994 AND 1995 ELECTIONS WHICH THE LEGISLATIVE COUNCIL HAS NOW PASSED. AFTER WE FIRST PUT FORWARD PROPOSALS IN OCTOBER 1992, WE MADE IT CLEAR THAT WE WERE KEEN TO DISCUSS THEM WITH THE CHINESE SIDE. UNFORTUNATELY TALKS DID NOT BEGIN BEFORE WE HAD TO LEGISLATE ON THE BOUNDARY AND ELECTION COMMISSION. THAT BODY IS NOW ESTABLISHED AND DOING VERY GOOD WORK. TALKS DID BEGIN IN APRIL 1993, BUT REGRETTABLY IT WAS NOT POSSIBLE TO REACH AGREEMENT BEFORE TIME PRESSURES MEANT WE HAD TO PRESS ON WITH THE NEXT STAGE OF LEGISLATION, WHICH THE COUNCIL HAS JUST PASSED. THE VOTING AGE AND VOTING METHOD FOR ALL 3 TIERS OF ELECTION ARE NOW AGREED. SO TOO THE ABOLITION OF APPOINTED MEMBERSHIP OF DISTRICT BOARDS AND MUNICIPAL COUNCILS. THIS MEANS THAT WE NOW HAVE A PROPORTION OF THE NECESSARY LEGISLATION IN PLACE, AND ARE READY TO MOVE ON TO THE NEXT STAGE.

THE FACT THAT THIS LEGISLATION - THE LESS CONTROVERSIAL PART - HAS TAKEN SOME TWO AND A HALF MONTHS TO PASS THROUGH THIS COUNCIL UNDERLINES HOW FINE WE HAVE BEEN CUTTING THINGS. WE NOW HAVE ONLY 4 MONTHS LEFT IN WHICH TO PASS THE REMAINING LEGISLATION. WE NEED TO HAVE THAT THROUGH BY THE TIME THIS COUNCIL RISES IN JULY; IT IS OUR FIRM AIM TO DO SO.

WE HAD HOPED THAT IT WOULD BE POSSIBLE FOR THE TALKS WITH CHINA TO RESUME. WE HAVE SINCE LAST NOVEMBER REPEATEDLY ASKED THE CHINESE TO CONTINUE TALKS ON THE OUTSTANDING ISSUES. THERE HAVE BEEN INNUMERABLE SUCH REQUESTS ON DIPLOMATIC CHANNELS; INCLUDING A MESSAGE FROM THE BRITISH PRIME MINISTER TO THE CHINESE PREMIER. AS YOU KNOW, CHINA WAS ONLY WILLING TO DO SO ON CONDITION THAT THE FIRST-STAGE BILL WAS WITHDRAWN. THAT WAS NOT POSSIBLE. TIME IS NOW PRESSING IF WE ARE TO HAVE THE LEGISLATION THROUGH IN TIME TO ENABLE US TO HOLD ELECTIONS IN GOOD ORDER AND ON SCHEDULE.

WE THEREFORE NEED NOW TO PROCEED WITH THE THIRD BILL WITHOUT DELAY. WE INTEND TO GAZETTE THE REMAINING LEGISLATION - THAT DEALING WITH THE ARRANGEMENTS FOR THE ELECTION COMMITTEE AND FUNCTIONAL CONSTITUENCIES - TOMORROW, 25 FEBRUARY, AND TO INTRODUCE IT INTO THIS COUNCIL ON 9 MARCH. THIS DECISION HAS BEEN TAKEN FOLLOWING FULL CONSULTATION WITH THE EXECUTIVE COUNCIL AND WITH MINISTERS, WHO AGREE WITH THIS APPROACH.

THE LEGISLATION WHICH WE WILL PUBLISH TOMORROW WILL CONTAIN IN LEGISLATIVE FORM THE PROPOSALS WHICH I PUT FORWARD IN OCTOBER 1992 FOR THE FUNCTIONAL CONSTITUENCIES AND ELECTION COMMITTEE. IT WILL PROPOSE AN ELECTION COMMITTEE COMPOSED OF MEMBERS OF DISTRICT BOARDS. IT WILL PROPOSE THAT THE 9 NEW FUNCTIONAL CONSTITUENCIES ENVISAGED UNDER THE BASIC LAW SHOULD BE MADE UP OF MEMBERS OF THE ENTIRE WORKFORCE; AND IT WILL PROPOSE THE ABOLITION OF CORPORATE VOTING IN EXISTING FUNCTIONAL CONSTITUENCIES.

/MEMBERS WILL

MEMBERS WILL RECALL THAT I HAVE PROMISED ON MANY OCCASIONS THAT IF IT BECAME NECESSARY FOR US TO PROCEED WITH THE REMAINING LEGISLATION WITHOUT CHINESE AGREEMENT, HONG KONG PEOPLE WOULD BE ENTITLED TO EXPECT AN EXPLANATION OF WHY THAT WAS NECESSARY AND WHY WE BELIEVED IT TO BE IN THE BEST INTERESTS OF HONG KONG. THE BRITISH GOVERNMENT WILL THEREFORE TODAY BE PUBLISHING A WHITE PAPER SETTING OUT THE BACKGROUND TO THE PRESENT POSITION; THE APPROACH WHICH THE BRITISH SIDE TOOK IN THE NEGOTIATIONS WITH CHINA; AND THE MODIFICATIONS WHICH WE WERE PREPARED TO MAKE TO THE HONG KONG GOVERNMENT'S 1992 PROPOSALS AS PART OF AN OVERALL AGREEMENT INCLUDING ON THE THROUGH TRAIN. IT IS A THOROUGH, FACTUAL ACCOUNT. THE WHITE PAPER WILL BE PUBLISHED AT 5 PM THIS AFTERNOON. ITS PUBLICATION IS ESSENTIAL TO INFORM DEBATE IN PARLIAMENT, IN THIS LEGISLATIVE COUNCIL AND IN THE COMMUNITY.

LET ME SAY A WORD ABOUT WHY WE HAVE CHOSEN TO RECOMMEND TO THIS COUNCIL THE GOVERNMENT'S ORIGINAL, 1992, PROPOSALS. WE BELIEVED THEN, AND STILL BELIEVE, THAT THESE PROPOSALS ARE THE BEST ONES ON THE TABLE. THEY HAVE BEEN DEBATED AT LENGTH AND ALREADY ENDORSED, IN GENERAL TERMS, ON THREE OCCASIONS BY THIS COUNCIL. THESE PROPOSALS HAVE ENJOYED WIDESPREAD AND CONSISTENT SUPPORT AMONGST MOST SECTIONS OF THE COMMUNITY. WE CONTINUE TO REGARD THEM AS THE BEST WAY TO SECURE OUR OBJECTIVE OF OPEN AND FAIR ELECTIONS.

WE WERE PREPARED TO OFFER DURING THE NEGOTIATIONS MODIFICATIONS TO OUR 1992 PROPOSALS TO SECURE AN OVERALL AGREEMENT WITH CHINA, INCLUDING ON THE THROUGH TRAIN. ALTHOUGH IT HAS NOT PROVED POSSIBLE TO REACH SUCH AN AGREEMENT WE OBVIOUSLY STAND BY THOSE MODIFIED PROPOSALS AS A WAY TO PRODUCE OPEN AND FAIR ELECTIONS, ALBEIT A LESS ATTRACTIVE WAY IN OUR VIEW THAN OUR ORIGINAL PROPOSALS. PLAINLY THE JUDGEMENT ON THESE MATTERS NOW LIES WITH THE LEGISLATIVE COUNCIL. THAT HAS ALWAYS BEEN THE CONSTITUTIONAL POSITION. FOR OUR PART, WE SHALL ARGUE STRONGLY FOR THE LEGISLATION WE ARE NOW PUTTING FORWARD. THE PROPOSALS IT CONTAINS WERE DELIBERATELY FRAMED TO BE CONSISTENT WITH THE JOINT DECLARATION, THE BASIC LAW AND THE RELEVANT AGREEMENTS AND UNDERSTANDINGS BETWEEN THE TWO SIDES. WE FIRMLY BELIEVE THAT THEY ARE, AND WE ARE SUPPORTED IN THAT VIEW BY THE OVERWHELMING MAJORITY OF INDEPENDENT LEGAL OPINION.

I WANT TO SAY TO THIS COUNCIL AND TO THE COMMUNITY HOW MUCH I REGRET THAT WE HAVE NOT MANAGED TO REACH AGREEMENT WITH CHINA ON THESE VERY DIFFICULT ELECTORAL ISSUES. I FERVENTLY WISH WE COULD HAVE DONE SO. BUT I EQUALLY FERVENTLY BELIEVE THAT IT WOULD HAVE BEEN WRONG TO ABANDON THE PRINCIPLES WE HAVE SET OUT FOR THE SAKE OF AN AGREEMENT WHICH WOULD NOT HAVE BEEN IN THE BEST INTERESTS OF HONG KONG. THE WHITE PAPER SETS OUT CLEARLY THE ISSUES WHICH WERE - AND WHICH ARE - AT STAKE HERE. I REGARD IT AS MY OVERRIDING RESPONSIBILITY FAITHFULLY TO IMPLEMENT THE TERMS OF THE JOINT DECLARATION, ON WHICH THE CONCEPT OF 'ONE COUNTRY, TWO SYSTEMS' IS BASED. THE JOINT DECLARATION PROMISES A LEGISLATURE "CONSTITUTED BY ELECTIONS" TO WHICH THE EXECUTIVE SHALL BE ACCOUNTABLE. I TAKE THAT TO MEAN REAL ELECTIONS, IN WHICH HONG KONG PEOPLE HAVE A GENUINE CHOICE. AS I HAVE EXPLAINED MANY TIMES BEFORE, IT IS UPON A CREDIBLE LEGISLATIVE COUNCIL, OPENLY AND FAIRLY ELECTED, THAT SO MANY OF OUR OTHER FREEDOMS AND INSTITUTIONS DEPEND.

/SO WE

SO WE DIFFER WITH CHINA ON THIS IMPORTANT POINT ABOUT THE ELECTIONS. BUT IT DOES NOT FOLLOW THAT WE HAVE TO ARGUE WITH CHINA ABOUT EVERYTHING. LET US TRY TO DRAW A LINE UNDER THIS DISPUTE, AND COOPERATE TOGETHER IN OTHER AREAS IN THE INTERESTS OF THE PEOPLE OF HONG KONG. WE NOW HAVE LESS THAN THREE AND A HALF YEARS LEFT BEFORE THE TRANSITION AND A GREAT DEAL OF WORK TO DO. FOR OUR PART - FOR BRITAIN'S AND HONG KONG'S - WE STAND WILLING AND ABLE TO WORK TOGETHER WITH CHINA IN HONG KONG'S INTERESTS ON OTHER MATTERS, EVEN IF ON THIS, ADMITTEDLY IMPORTANT ONE, IT HAS UNFORTUNATELY NOT PROVED POSSIBLE TO DO SO.

MR ANDREW WONG (THROUGH INTERPRETATION): MR PRESIDENT, ALTHOUGH YESTERDAY I VOTED AGAINST THE MOTION MOVED BY MRS ELSIE TU TO DELAY OUR CONSIDERATION OF THE FIRST PART OF THE ELECTORAL ARRANGEMENTS BILL IT DOESN'T MEAN THAT I DO NOT AGREE WITH HER, THE RATIONALE BEHIND HER MOVE. I FIRMLY BELIEVE THAT BOTH CHINA AND BRITAIN SHOULD BE SINCERE AND OPEN TO REACH AN AGREEMENT THROUGH TALKS. FOR THIS REASON I HOPE THAT YOU, MR GOVERNOR, CAN RESPOND TO SEVERAL QUESTIONS. FIRST PERHAPS THAT WAS ANSWERED IN YOUR STATEMENT, THAT IS THE BRITISH SIDE AND THE HONG KONG SIDE ARE STILL WILLING TO TALK WITH THE CHINESE SIDE. NOW I WOULD NOT LIKE TO MENTION MY OWN PROPOSAL, BUT I BELIEVE THAT UNDER THE EXISTING CIRCUMSTANCES THERE WOULD NOT BE ANY FRUITFUL OUTCOME SINCE BOTH SIDES ARE SO INSISTENT ON THEIR OWN STANCE. NOW EVEN IF WE HAVE THE ORIGINAL PROPOSAL IN 92 AND WATER IT DOWN IN 93 IT MAY NOT BE ACCEPTED, SO I HOPE THAT MR GOVERNOR YOU WILL CONSIDER ANOTHER CHANNEL TO TALK WITH THE CHINESE SIDE ON ANOTHER METHOD, NOT YOUR ORIGINAL PROPOSAL AND NOT THE PROPOSAL THEY HAVE IN MIND CAN YOU START FROM A THIRD BASIS? MR. GOVERNOR, I HOPE THAT YOU WILL ALSO RESPOND TO ONE POINT, IF THE TALKS GIVE US SUCCESS THEN PLEASE TRY FOR THIS. THE HONG KONG ADMINISTRATION AND YOU, MR GOVERNOR, IF THERE IS A CHANCE OF REACHING SUCCESS WILL YOU BE WILLING TO WITHDRAW THE REMAINING PART OF THE LEGISLATION AND TO START FROM ANOTHER BASIS AND DISCUSS THAT OTHER PROPOSAL. WELL TECHNICALLY THIS MAY BE POSSIBLE. NOW IF SOME PORTIONS MAY BE DIFFERENT FROM THE ORIGINAL PROPOSAL THEN I THINK SOME MODIFICATIONS CAN BE MADE. MOREOVER, WITHIN THE LEGISLATION THAT WE PASSED YESTERDAY, THERE ARE SOME PARTS WHICH ARE AGREED BY BOTH PARTIES THEN THOSE PARTS CAN ALSO BE PUT INTO THE NEW BILL. WELL I AM BEING VERY FRANK. IF THE LEGISLATIVE COUNCIL AND THE FUTURE LEGISLATURE CAN HAVE MOST SEATS RETURNED BY ELECTION AND ABIDE BY PRINCIPLE OF BEING FAIR AND OPEN THEN CAN YOU NOT CONSIDER ADOPTING PROPORTIONAL REPRESENTATIVE VOTING SYSTEM? THANK YOU.

GOVERNOR: THE HONOURABLE MEMBER RAISED A NUMBER OF ISSUES, SOME OF THEM ARE A LITTLE COMPLICATED, BUT LET ME TRY TO RESPOND AS CLEARLY AS POSSIBLE. FIRST ON WILLINGNESS TO TALK. IN, I HOPE, AS FACTUAL AND UNPROVOCATIVE A WAY AS POSSIBLE LET ME REMIND THE COUNCIL THAT WE PROPOSED TALKS IN OCTOBER 1992 THAT WE WENT ON SAYING THAT WE WANTED TO TALK FOR THE NEXT SIX OR SEVEN MONTHS WHILE WE WEREN'T FRANKLY GETTING A VERY WARM RESPONSE FROM CHINESE OFFICIALS. WE WERE PLEASED WHEN TALKS EVENTUALLY GOT UNDERWAY IN APRIL 1993, ONLY SORRY THAT THEY HAD TAKEN SO LONG TO GET UNDERWAY. WE WOULD HAVE LIKED TO GO ON TALKING EVEN AFTER TIME HAD PRESSED US TO PUT IN THE SECOND OF THE THREE BILLS WHICH THE LEGISLATIVE COUNCIL IS GOING TO HAVE TO CONSIDER, BUT ALAS CHINESE OFFICIALS INSISTED THAT WE WITHDRAW THE SECOND BILL, THE PARTIAL LEGISLATION THAT WAS PASSED YESTERDAY, BEFORE THEY WERE PREPARED TO COME BACK TO THE TABLE.

OUR DOOR IS NEVER CLOSED, AND WE WANT TO TALK ON A WHOLE RANGE OF ISSUES, AND TALK CONSTRUCTIVELY AND CREATIVELY. WE WOULD LIKE TO SEE MORE CONSTRUCTIVE AND CREATIVE TALKS IN THE JOINT LIAISON GROUP. WE WOULD LIKE TO SEE AN EARLY MEETING OF THE AIRPORT COMMITTEE TO RESOLVE AN ISSUE WHICH I THINK, THE WHOLE COMMUNITY THINKS HAS DRAGGED ON FOR TOO LONG. SO AS FAR AS WE'RE CONCERNED CO-OPERATION REMAINS SOMETHING ON WHICH WE ARE PARTICULARLY KEEN.

BUT I DO HAVE TO POINT OUT THAT WE HAD SEVENTEEN ROUNDS OF TALKS AND I THINK WHEN HONOURABLE MEMBERS, INCLUDING THE DISTINGUISHED HONOURABLE MEMBER WHO HAS JUST SPOKEN, SEE THE ACCOUNT OF THOSE SEVENTEEN ROUNDS OF TALKS IN THE WHITE PAPER THEY WILL BE SURPRISED AT HOW MUCH TIME WAS SPENT DISCUSSING SO LITTLE AGREEMENT. UNFORTUNATELY, THE ONLY THING WE REALLY AGREED ON WAS THE FIRST OF ALL LOWERING THE VOTING AGE WHICH SHOULDN'T BE TOO BIG A PROBLEM BECAUSE THE VOTING AGE IS 18 IN CHINA AND 18 IN THE UNITED KINGDOM AND SECOND THE "SINGLE SEAT, SINGLE VOTE" VOTING METHOD FOR DISTRICT BOARDS AND MUNICIPAL COUNCILS. BUT SINCE MOST SEATS IN DISTRICT BOARDS AND MUNICIPAL COUNCILS ARE ALREADY ELECTED IN THAT WAY, THAT DIDN'T REPRESENT A HUGE BREAKTHROUGH EITHER. SO IF WE WERE TO LOOK FOR YET ANOTHER BASIS FOR AGREEMENT I AM NOT SURE WHAT IT WOULD BE THAT WE HAVEN'T ALREADY MANAGED TO DISCOVER IN SEVENTEEN ROUNDS OF TALKS. IF THERE WAS AN EASY SOLUTION TO THESE MATTERS I'D LIKE TO KNOW WHAT IT IS AND I GUESS THAT TO BE FAIR TO THEM CHINESE OFFICIALS WOULD LIKE TO KNOW WHAT IT WAS AS WELL. BUT I THINK THE HONOURABLE MEMBER WILL SEE FROM THE WHITE PAPER HOW FAR WE WERE PREPARED TO GO AND I THINK HE WILL ALSO SEE THAT, ALAS, OUR EFFORTS WEREN'T RECIPROCATED.

THE COUNCIL HAS VOTED PRETTY DECISIVELY. NOW ON AT LEAST A COUPLE OF OCCASIONS, ON THE QUESTION OF THE VOTING METHOD FOR GEOGRAPHICAL CONSTITUENCIES AND I THINK THE ARGUMENTS FOR PROPORTIONALITY, IF I MAY SAY SO, ARE SOMEWHAT LESSENERED WHEN YOU SEEK TO ACHIEVE PROPORTIONALITY OR YOU SEEK TO ACHIEVE BALANCE BY HAVING THREE DIFFERENT SORTS OF ELECTORAL PROCESS. IF EVERY MEMBER OF THIS LEGISLATIVE COUNCIL WAS TO BE ELECTED DIRECTLY AS SOME HONOURABLE MEMBERS WOULD LIKE AND AS I AM SURE SOME HONOURABLE MEMBERS WILL PRESS FOR DURING THE DEBATES THAT LIE AHEAD, IF EVERY MEMBER WAS DIRECTLY ELECTED THEN I THINK THE ARGUMENT FOR A PROPORTIONAL VOTING SYSTEM WOULD BE THAT MUCH STRONGER. BUT SINCE WE TRY TO ACHIEVE BALANCE THROUGH THE FUNCTIONAL CONSTITUENCIES, THROUGH THE ELECTION COMMITTEE, THINK THE ARGUMENTS FOR PR ARE MUCH LESS CONSIDERABLE AND SO I NOTICE DOES THE LEGISLATIVE COUNCIL. IF THE HONOURABLE MEMBER WAS ABLE WITH HIS POWERS OF ELOQUENCE TO PERSUADE HIS COLLEAGUES DIFFERENTLY THEN IT WOULD REQUIRE OF COURSE OVERTURNING SEVERAL VOTES WHICH THE LEGISLATIVE COUNCIL HAVE ALREADY TAKEN. I HOPE I HAVE RESPONDED IN SOME DETAIL TO THE HONOURABLE MEMBER'S QUESTION.

MR TIMOTHY HA (THROUGH INTERPRETATION): THANK YOU MR PRESIDENT. MR GOVERNOR, NOW, AFTER THE RELEASE OF THE WHITE PAPER, IF WE READ THE WHITE PAPER AND FEEL THAT THE BRITISH SIDE SHOULD SCORE A HIGHER MARK, WELL IT DOESN'T HELP US TO SOLVE THE QUESTION AND THAT IS: IN 1995 THERE MAY BE A NEW LEGISLATIVE COUNCIL BUT BY 1997 ALL THE LEGISLATIVE COUNCILLORS RETURNED IN 1995 MAY HAVE TO CLIMB DOWN (FROM) THE TRAIN. MR GOVERNOR, CAN YOU SOLVE THIS PROBLEM FOR US?

/GOVERNOR:

GOVERNOR: I CAN'T SOLVE, UNILATERALLY, THE QUESTION OF HOW WE SECURE A THROUGH-TRAIN. I THINK THAT THE COUNCIL WILL SEE FROM THE WHITE PAPER THAT UNFORTUNATELY, WE WERE NOT ABLE TO SECURE CHINESE AGREEMENT TO A THROUGH-TRAIN DURING 17 ROUNDS OF TALKS, THOUGH WE TRIED, I THINK IMAGINATIVELY AND SENSIBLY, TO DO SO WITH THE PROPOSALS WE PUT ABOUT OATHS AND ABOUT OTHER MATTERS. BUT LET ME JUST DEAL BRIEFLY WITH THE QUESTION OF WHAT HAPPENS IN 1997. I CHOOSE MY WORDS CAREFULLY; THEY DON'T IN ANY WAY REFLECT ON CHINESE SOVEREIGNTY, THEY DON'T IN ANY WAY CHANGE THE HISTORIC FACT OF THE 30TH JUNE AND 1ST JULY 1997, BUT I DON'T BELIEVE THERE IS ANY 'REASON' - I STRESS THAT WORD - I DON'T BELIEVE THERE IS ANY 'REASON' WHY CHINA SHOULD SEEK TO OVERTURN ARRANGEMENTS IN 1997 WHICH ARE ENTIRELY IN COMPLIANCE WITH THE JOINT DECLARATION AND THE BASIC LAW. THE ASSERTION THAT THEY ARE NOT, HAS BEEN MADE ON A NUMBER OF OCCASIONS BUT THE ASSERTION HAS BEEN MADE MORE FREQUENTLY THAN ANY EVIDENCE HAS EVER BEEN ADDUCED. IT GOES ON BEING SAID BUT NOBODY EVER DEMONSTRATES HOW IT HAPPENS TO BE THE CASE.

AND I SAY ONE OTHER THING AS WELL, USING - SINCE I NOTICED THAT METAPHORS WERE FROM THE BEGINNING OF DEBATE YESTERDAY, IN MUCH EVIDENCE IN THE CHAMBER - USING A METAPHOR TO MAKE THE POINT. IF MY NEXT DOOR NEIGHBOUR SAYS THAT IN THREE-AND-A-HALF YEARS HE IS GOING TO COME ROUND TO MY HOUSE AND BREAK ALL THE WINDOWS, THAT DOESN'T SEEM TO ME TO BE A VERY PERSUASIVE ARGUMENT FOR ME BREAKING ALL THE WINDOWS THIS AFTERNOON.

MRS ELSIE TU: MR PRESIDENT MAY I ASK THE GOVERNOR THROUGH YOU SOMETHING THAT HAS BEEN PUZZLING ME FOR A LONG TIME THE PROPOSED POLITICAL PACKAGE IS ALWAYS REFERRED TO AS BEING DEMOCRATIC CAN THE GOVERNOR EXPLAIN TO ME HOW IT IS DEMOCRATIC TO GIVE TWO VOTES TO EVERY PERSON WHO WORKS IN THE WORKPLACE BUT ONLY ONE VOTE TO THOSE WHO WORK IN OTHER PLACES SUCH AS HOUSEWIVES OR ELDERLY PERSONS RETIRED AND STUDENTS, ADULT STUDENTS, I FIND IT VERY DIFFICULT TO UNDERSTAND HOW IT IS DEMOCRATIC IT MEANS THAT THE ONES WHO ARE NOT WORKING IN A WORKPLACE ARE ONLY HALF A PERSON.

THE GOVERNOR: WELL I AM SURE THE HONOURABLE LADY WHOSE VIGOROUS ELOQUENCE I SALUTE AS THE LEGISLATIVE COUNCIL HAS I AM SURE THAT THE HONOURABLE LADY WOULDN'T WANT ME TO TAKE THAT ARGUMENT TO ITS CONCLUSION, BECAUSE THE CONCLUSION OF THE ARGUMENT IS THE PROPOSALS THAT ARE BEING PUT FORWARD IN THE BILL THAT WILL BE PUBLISHED TOMORROW ARE A GREAT DEAL MORE DEMOCRATIC THAN THE PRESENT SYSTEM, UNDER THE PRESENT SYSTEM AND PERHAPS THE HONOURABLE LADY WISHES TO ARGUE THE CASE AGAINST FUNCTIONAL CONSTITUENCIES PERHAPS THAT IS HER ARGUMENT UNDER THE PRESENT SYSTEM ONLY A FEW PEOPLE HAVE TWO VOTES BECAUSE OF FUNCTIONAL CONSTITUENCIES AND GEOGRAPHICAL CONSTITUENCIES OF COURSE SOME HAVE A LOT MORE THAN TWO VOTES, SOME BECAUSE OF CORPORATE VOTING IN CONSTITUENCIES HAVE OH VOTES INTO DOUBLE FIGURES, AND THAT IS A SITUATION WE ARE ANXIOUS TO ELIMINATE WITH THE INTRODUCTION OF INDIVIDUAL RATHER THAN CORPORATE VOTING. IT'S PERFECTLY TRUE THAT BECAUSE NOT EVERYBODY IS AT WORK THE EXTENSION OF VOTES AS WE HAVE PROPOSED IN THE NINE NEW FUNCTIONAL CONSTITUENCIES DOESN'T MEAN THAT EVERYBODY IN THE COMMUNITY HAS TWO VOTES, BUT THAT IS BECAUSE OF THE NATURE OF FUNCTIONAL CONSTITUENCIES AND I WOULD NOT WANT TO CHALLENGE THE BASIC LAW IN HAVING THE NUMBER OF FUNCTIONAL CONSTITUENCIES OF 30 WHICH ARE PROPOSED FOR 95 THROUGH TO 99.

MRS ELSIE TU: MR CHAIRMAN, IS IT POSSIBLE TO CLARIFY SOMETHING....

THE PRESIDENT: YES MRS TU

MRS ELSIE TU: I THINK THE PRESENT SYSTEM IS QUITE RIGHT, THE PRESENT SYSTEM DOES GIVE TWO VOTES TO SOME PEOPLE AND I DISAGREE WITH THAT I THINK PEOPLE SHOULD HAVE A CHOICE, BUT TO MAKE IT WORSE DOESN'T SEEM ANY MORE DEMOCRATIC, ISN'T IS LESS DEMOCRATIC TO GIVE MORE PEOPLE TWO VOTES.

THE GOVERNOR: I THINK THAT IT'S AN ARGUMENT THAT FEW WOULD ACCEPT THAT EXTENDING THE ABILITY TO VOTE IS LESS DEMOCRATIC THAN LIMITING THE ABILITY TO VOTE. I REALLY CAN'T FOLLOW THE ARGUMENT THAT BY ENSURING THAT MORE PEOPLE ARE ABLE TO VOTE IN FUNCTIONAL CONSTITUENCIES ONE IS GOING DOWN A LESS DEMOCRATIC PATH, THAT SEEM TO ME TO BE A CONSIDERABLE CONTRADICTION IN TERMS. BUT, IF THE HONOURABLE LADY IS ARGUING THE CASE IN PRINCIPLE AGAINST FUNCTIONAL CONSTITUENCIES, WHICH SHE MAY WELL BE, ALL I CAN SAY IS THAT WE ARE COMMITTED TO TRYING TO INTRODUCE ARRANGEMENTS WHICH ARE IN COMPLIANCE WITH THE BASIC LAW, AND THE BASIC LAW PROPOSES 30 FUNCTIONAL CONSTITUENCIES.

THE QUESTION IS WHETHER THOSE FUNCTIONAL CONSTITUENCIES FOR EXAMPLE IN LINE WITH THE 1988 WHITE PAPER REPRESENT ECONOMIC AND PROFESSIONAL SECTORS OF SUBSTANTIAL IMPORTANCE AND THE QUESTION SECONDLY IS WHETHER FOLLOWING I THINK IS BASIC LAW 68 AND PURSUE MATTERS IN AN ORDERLY WAY WHETHER WE TRY TO DEAL WITH SOME OF THE REAL PROBLEMS WHICH HAVE ARISEN IN FUNCTIONAL CONSTITUENCIES IN THE LAST FEW YEARS. HONOURABLE MEMBERS ARE WELL AWARE OF SOME OF THE PROBLEMS THAT HAVE ARISEN IN THOSE FUNCTIONAL CONSTITUENCIES THEY MAY DISAGREE WITH THE PROPOSALS THAT WE HAVE BROUGHT FORWARD FOR TRYING TO DEAL WITH THEM IN WHICH CASE THEY WILL BE ABLE TO DEBATE IT IN THIS LEGISLATIVE COUNCIL. IT IS VERY VERY DIFFICULT TO DEVISE NINE NEW FUNCTIONAL CONSTITUENCIES AND I THINK THAT SOME OF THE INHERENT DIFFICULTIES WILL BE DEMONSTRATED TO ALL THOSE HONOURABLE MEMBERS WHO READY THE WHITE PAPER AND THE ACCOUNT OF OUR NEGOTIATIONS WITH OUR CHINESE COLLEAGUES ON THIS POINT.

REV FUNG (THROUGH INTERPRETATION): MR PRESIDENT, YESTERDAY THE FIRST PART OF THE BILL WAS PASSED BY THE LEGISLATIVE COUNCIL SMOOTHLY AND BEFORE IT DIDN'T SEEM TO HAVE ANY LOBBYING EFFORT BY THE GOVERNOR, PROBABLY HE EXPECTED THE CHANCES OF ITS GOING THROUGH ARE VERY HIGH. THE NEXT PART WILL NOT BE SO PLAINSAILING. WILL THE GOVERNOR LOBBY THE COUNCILLORS TO ACCEPT YOUR PROPOSAL TO MAKE SURE THAT IT WILL GO THROUGH SMOOTHLY, WHAT WOULD YOU DO?

/THE GOVERNOR:

THE GOVERNOR: WE'D DO WHAT WE DID IN THE RUN-UP TO YESTERDAY'S DEBATE, ARGUE OUR CASE WITH ALL THAT GENTLE ELOQUENCE FOR WHICH MEMBERS OF THE HONG KONG GOVERNMENT ARE RENOWNED. WE DON'T HAVE ANY OF THE INSTRUMENTS WHICH ARE PERHAPS AVAILABLE ELSEWHERE IN OTHER COMMUNITIES. WE RECOGNISE THAT THIS COUNCIL HAS TO MAKE DECISIONS AND THAT THIS COUNCIL HAS SIXTY INDEPENDENT-MINDED MEMBERS WHO AREN'T GOING TO BE PUSHED AROUND BY A GOVERNMENT AND I HOPE AREN'T GOING TO BE PUSHED AROUND BY ANYBODY ELSE IN HONG KONG OR OUTSIDE HONG KONG. SO, WE WILL ARGUE OUR CASE. BUT IF BY LOBBYING YOU MEAN MAKING THREATS, IF BY LOBBYING THE HONOURABLE MEMBER MEANS SEEKING OF COURSE METAPHORICALLY TO BREAK ARMS AND LEGS THAT IS NOT OUR WAY. BUT WE PUT THESE PROPOSALS FORWARD IN GOOD FAITH. WE'LL ARGUE THE CASE FOR THEM AND HOPE THAT THEY PROVIDE AN ACCEPTABLE BASIS FOR THE ELECTORAL ARRANGEMENTS IN HONG KONG. I HAVE TO SAY IF I LOOK BACK TO YESTERDAY WE WERE TOLD AT THE BEGINNING OF THE WEEK THAT WE WOULD JUST SCRAPE THROUGH WITH OUR BILL YESTERDAY. WELL IT PROVED TO BE, I AM PLEASED TO SAY RATHER BETTER THAN THAT, AND I'D LIKE TO ADD ONE POINT ABOUT IT. I THINK IT WAS AN EXTREMELY IMPORTANT DAY FOR HONG KONG. I THINK IT WAS AN EXTREMELY IMPORTANT MATURE MOMENT IN HONG KONG'S HISTORY. NOBODY CAN WIPE IT OUT NOBODY CAN PRETEND IT DIDN'T HAPPEN; NOBODY CAN TURN THE CLOCK BACK ON WHAT HAPPENED. NOT JUST THE PARTICULAR DECISIONS ABOUT ELECTORAL ARRANGEMENTS THAT WERE MADE, BUT THE WHOLE PROCESS. WHAT WAS ACTUALLY HAPPENING IN THIS CHAMBER AND HAPPENING WITH CONSIDERABLE MATURITY, WITH OF COURSE A LOT OF POLITE VIGOUR, BUT HAPPENING I AM SURE IN THE CASE OF ANY, EVERY HONOURABLE MEMBER, HAPPENING IN A WAY IN WHICH HONOURABLE MEMBERS HOPED WOULD SECURE THE BEST INTERESTS OF THE PEOPLE OF HONG KONG, AND IT IS ENTIRELY RIGHT THAT THIS LEGISLATIVE COUNCIL SHOULD BE INVOLVED IN THE PROCESS IN THE WAY IT WAS YESTERDAY.

MR ERIC LI: THANK YOU, PRESIDENT. GOVERNOR, I THINK YOU DID SAY THAT YOU ARE GOING TO STAND BY THE 1993 MODIFIED PROPOSALS AS FAIR, OPEN AND ACCEPTABLE, AND THAT IT IS YOUR FIRM AIM PERHAPS TO PUSH THIS COUNCIL TO REACH A CONCLUSION BY JULY, IN FOUR MONTHS TIME. MAY I THEN ASSUME THAT THE ADMINISTRATION IS TO FULLY CO-OPERATE WITH THIS COUNCIL AND IN PARTICULAR, IN VIEW OF THE FACT THAT WE HAVE LIMITED INFORMATION ON SOME OF THE WAYS TO CHOOSE FUNCTIONAL CONSTITUENCIES, FOR EXAMPLE LEGAL DRAFTING. AND IT IS MY VIEW THAT I THINK YOU SHOULD HELP THIS COUNCIL, FIRST OF ALL, TO PROVIDE THE 1993 MODIFIED PROPOSALS IN FULL LEGISLATIVE TERMS, IN VIEW OF THE INTEREST THAT I THINK IS LIKELY TO COME. AND SECONDLY, TO ALLOW US TO HAVE A GENUINE CHOICE BETWEEN THE TWO PROPOSALS. IN THAT SENSE, WOULD YOU BE DIRECTING YOUR THREE OFFICIAL MEMBERS TO VOTE IN FAVOUR OF THE 1993 MODIFIED PROPOSALS? AND IF THE PUBLIC OPINION OR IF THIS COUNCIL'S OPINION IS EVIDENTLY DIVIDED, THEN YOU WOULD AT LEAST DIRECT THEM TO ABSTAIN.

GOVERNOR: WELL, I HAVE SAID BEFORE - IN RESPONSE TO QUESTIONS FROM THE HONOURABLE MEMBER MR ARCULLI - I HAVE SAID BEFORE THAT I THINK WE GET INTO THE GREATEST DIFFICULTIES IF WE START MAKING DISTINCTIONS BETWEEN DIFFERENT MEMBERS OF THIS COUNCIL. AM I TO MAKE DISTINCTIONS BETWEEN THOSE WHO ARE ELECTED AND THOSE WHO ARE APPOINTED? AM I TO MAKE DISTINCTIONS BETWEEN THOSE WHO ARE APPOINTED BECAUSE THEY ARE OFFICIALS, MEMBERS OF THE GOVERNMENT, AND THOSE WHO ARE APPOINTED IN SOME OTHER WAY? I THINK THAT IS AN EXTREMELY DANGEROUS ROAD TO GO DOWN AND I THINK THAT ANY PROPOSALS WHICH THE GOVERNMENT PUTS TO THE COUNCIL, THE GOVERNMENT HAS TO STAND BY AND ARGUE FOR AND VOTE FOR.

I WOULD, THOUGH, LIKE TO COME TO THE HONOURABLE MEMBER'S IMPORTANT QUESTIONS AND DO SO IN A WAY WHICH I HOPE - THOUGH IT MAY BE A TRIUMPH OF HOPE OVER EXPERIENCE EVEN TO EXPRESS THE ASPIRATION - WHICH I HOPE WILL PREVENT ANY ALLEGATIONS OF BEHIND-THE-CURTAIN DEALS OVER THE NEXT FEW MONTHS.

WE HAVE PUT FORWARD, OR WE WILL PUT FORWARD IN LEGISLATIVE FORM TOMORROW, THE 1992 PROPOSALS BECAUSE WE THINK THEY ARE THE BEST AVAILABLE. WE WENT THROUGH 17 ROUNDS OF TALKS AND DURING THE WHOLE OF THAT PERIOD CHINESE OFFICIALS CERTAINLY DIDN'T PUT FORWARD WHAT WE THOUGHT WERE BETTER PROPOSALS. WE WENT THROUGH THE COMPENDIUM OF PROPOSALS PUT BY MEMBERS OF THE COMMUNITY AND WE ARE NOT PERSUADED THAT ANY ALTERNATIVES ARE BETTER THAN THOSE THAT WE PUT FORWARD. THE PROPOSALS ARE FAMILIAR TO THE LEGISLATIVE COUNCIL, NOT ONLY BECAUSE IT HAS VOTED ON THEM A NUMBER OF TIMES BUT BECAUSE SOME OF THOSE PROPOSALS ACTUALLY COME FROM MEMBERS OF THE LEGISLATIVE COUNCIL. THEY WEREN'T IMPOSED ON THE COUNCIL BY THE EXECUTIVE, MANY OF THEM WERE HOME-GROWN IN THIS CHAMBER. WE ARE GOING TO ARGUE THE CASE FOR THE 1992 PROPOSALS. BUT IT IS TRUE THAT DURING THE NEGOTIATIONS, THE 1993 PROPOSALS SEEMED TO US TO BE ACCEPTABLE, THOUGH ACCEPTABLE PRINCIPALLY, IF WE COULD SECURE AN OVERALL AGREEMENT WITH CHINA. WE DIDN'T THINK THEY WERE AS GOOD AS THE 1992 PROPOSALS. I SAID, WHEN I SPOKE TO THE LEGISLATIVE COUNCIL IN OCTOBER LAST YEAR, THEY ARE PROPOSALS THAT WE WOULD BE PREPARED TO RECOMMEND TO THIS COUNCIL IF - I SAID 'IF' - THEY FORMED PART OF A SATISFACTORY OVERALL AGREEMENT WHICH MUST OF COURSE INCLUDE ACCEPTABLE ARRANGEMENTS FOR THE THROUGH-TRAIN. NEVERTHELESS, WE DON'T THINK THEY ARE AT ALL BAD PROPOSALS AND WE THINK THAT THEY WOULD PRODUCE CLEAN ELECTION ARRANGEMENTS.

NOW, IF DURING THE PROCESS OF LEGISLATION, IF DURING THE DEBATES THAT ARE GOING TO TAKE PLACE IN THE COMING MONTHS, THE COUNCIL WISHES MORE HELP FROM THE ADMINISTRATION IN CONSIDERING BOTH THE PROPOSALS WE PUT TO THE COUNCIL, AND ALTERNATIVES, IT IS INCUMBENT UPON US TO PROVIDE THAT ASSISTANCE. THAT I HOPE WE WOULD DO WHATEVER WAS HAPPENING. I WOULD LIKE TO THINK THAT WE COULD SEE AT THE END OF THE DAY AS BROAD A BODY OF SUPPORT IN THIS COUNCIL FOR THE ARRANGEMENTS PUT IN PLACE, AS POSSIBLE. I THINK THE COMMUNITY WOULD LIKE TO SEE THAT, I THINK IT WOULD BE GOOD FOR THE FUTURE OF THE ELECTORAL PROCESS IN HONG KONG. NONE OF THAT IS TO RESILE FROM THE ARGUMENT THAT I HAVE ALREADY PUT, THAT I THINK 1992 IS BETTER THAN 1993, BUT IT IS TO SAY THAT WE WILL HELP THE COUNCIL AS BEST WE CAN, COME TO THE MOST SENSIBLE CONCLUSIONS OVER THE NEXT THREE OR FOUR MONTHS. AND I REPEAT THAT IF THAT MEANS PROVIDING MORE INFORMATION, IF THAT MEANS HELP WITH LEGAL DRAFTING, WE WILL PROVIDE IT, WHETHER IT IS ABOUT THE ELECTION COMMITTEE OR CORPORATE AND INDIVIDUAL VOTING, OR WHETHER IT IS ABOUT THE NINE NEW FUNCTIONAL CONSTITUENCIES.

I WOULD ONLY ADD THIS. FIRST OF ALL, WE ARE NOT MAKING UP THE JULY DEADLINE. NOBODY, IN ALL CONSCIENCE, SHOULD WISH TO COME TO CRUNCHES BEFORE IT IS ABSOLUTELY NECESSARY. THE JULY DEADLINE IS REAL AND IF ONE LOOKS AT THE AMOUNT OF SUBORDINATE LEGISLATION THAT NEEDS TO BE DEALT WITH, AT THE ARRANGEMENTS LIKE THE PREPARATIONS FOR VOTER REGISTRATION, ALL THAT IS GOING TO TAKE TIME, SO WE REALLY CAN'T GO BEYOND JULY. MARCH WILL BE TAKEN UP, MUCH OF THE TIME, BY THE FINANCIAL SECRETARY'S DOUBTLESS EXCELLENT BUDGET, WHICH I AM LOOKING FORWARD TO HEARING ABOUT JUST AS THE COUNCIL IS. WE DON'T HAVE VERY MUCH TIME AFTER THAT.

SECONDLY, AND IT IS A POINT ON WHICH I AM SURE THE COUNCIL WILL COME TO APPROPRIATE CONCLUSIONS, WE ALL OF US, I ASSUME, WANT THE ARRANGEMENTS WHICH ARE AGREED TO BE FAIR AND OPEN AND I THINK IF THEY ARE ACCEPTABLE TO THIS COUNCIL THEY WILL BE ACCEPTABLE TO THE COMMUNITY.

DR CONRAD LAM (THROUGH INTERPRETATION): MR PRESIDENT, LAST NIGHT IN THE DEBATE MANY MEMBERS SPOKE AND THEY SHOWED THAT THEY THEMSELVES AND THE PEOPLE OF HONG KONG ARE VERY CONCERNED ABOUT THESE SO MANY ROUNDS OF TALKS AND NEGOTIATIONS, WHY THEY FAILED TO REACH AN AGREEMENT. THEY ARE ALSO CONCERNED ABOUT THE REASONS WHY THE TALKS ENDED IN A BREAKDOWN. WE KNOW THAT THE BRITISH HONG KONG GOVERNMENT WILL VERY SOON ANNOUNCE THE DETAILS OF THE TALKS AND WHY THEY ENDED IN FAILURE. WE ALSO HEARD THAT CHINA WOULD ALSO TAKE CORRESPONDING ACTION. NOW THE QUESTION REMAINS THAT IF BRITAIN HAS ANNOUNCED THE DETAILS OF THE TALKS WHICH ARE NOT IN LINE WITH WHAT THE CHINESE SIDE SAYS, IF THERE IS DISCREPANCY, THEN HOW CAN HONG KONG PEOPLE DECIDE WHICH IS CORRECT AND WHICH IS NOT CORRECT? UNDER THESE CIRCUMSTANCES I HAVE GOT TWO QUESTIONS FOR YOU, SIR.

FIRST, WHAT WILL THE GOVERNOR DO TO MAKE SURE THAT THE MEMBERS OF THE PUBLIC WOULD BE ABLE TO UNDERSTAND WHO SHOULD BE HELD RESPONSIBLE FOR THE BREAKDOWN OF THE TALKS?

AND SECOND, I HAVE ASKED A SECRETARY IN THIS COUNCIL SOME TIME AGO, AND UNDER THESE CIRCUMSTANCES WILL THE GOVERNOR BE WILLING TO OPENLY ANSWER QUESTIONS PUT TO HIM BY MEMBERS OF THE PUBLIC IN CONJUNCTION WITH SOME CHINESE OFFICIALS TO SHOW WHO IS RIGHT AND WHO IS WRONG? IF CHINESE REPRESENTATIVES SAY THAT THEY ARE NOT PREPARED TO, OR IF THEY ARE NOT COURAGEOUS ENOUGH TO TAKE UP THE OFFER, WILL YOU GO ON THE RADIO TO TAKE UP QUESTIONS FROM THE PUBLIC?

GOVERNOR: FIRST OF ALL, IT IS OF COURSE THE CASE THAT CHINESE OFFICIALS HAVE ALREADY PUBLISHED THEIR VERSION OF EVENTS, A VERY LONG ARTICLE IN 'THE PEOPLE'S DAILY' ON THE 7TH JANUARY 1994, WHICH SETS OUT WHAT CHINESE OFFICIALS SAY HAPPENED IN THE TALKS. SO PERHAPS THE COUNCIL MAY THINK THAT WE ARE A LITTLE SLOW IN PUTTING OUT OUR VIEW AS OBJECTIVELY AS POSSIBLE, OF WHAT HAPPENED, BUT I AM, AS THE COUNCIL WILL KNOW, RESPONDING TO - I THINK THE WORD WAS A 'CHALLENGE' BY CHINESE OFFICIALS ON THIS SUBJECT.

SECONDLY, I THINK THAT WE CAN ALL REST ON THE OPINION AND JUDGMENT OF THE PEOPLE OF HONG KONG. I THINK THAT JUDGMENT AND OPINION SHOULD BE AS WELL INFORMED AS POSSIBLE, SO WE ARE PRODUCING 200,000 COPIES OF THE WHITE PAPER, PUBLISHED AND AVAILABLE AT 5.00 PM TODAY. TODAY, THERE WILL BE 10,000 CHINESE COPIES AND 10,000 ENGLISH COPIES AVAILABLE AT THE GOVERNMENT PUBLICATIONS CENTRE AT THE GPO BUILDING IN CONNAUGHT PLACE FROM 5.00 PM UNTIL 9.00 PM, AND THEY WILL ALSO BE AVAILABLE FROM A SPECIAL DESK SET UP IN THE LOBBY OF THE GOVERNMENT INFORMATION SERVICES AT BEACONSFIELD HOUSE, QUEEN'S ROAD CENTRAL. FROM TOMORROW MORNING, COPIES WILL BE AVAILABLE FROM CNTA ENQUIRY CENTRES, FROM POST OFFICES, FROM HOUSING ESTATE OFFICES, AS WELL AS THE GOVERNMENT PUBLICATIONS CENTRE. SO WE ARE DOING OUR BEST TO INFORM DEBATE AS WIDELY AS POSSIBLE. I REPEAT, 200,000 COPIES - 140,000 IN CHINESE AND 60,000 IN ENGLISH.

SECONDLY, THE HONOURABLE MEMBER WILL HAVE NOTICED THAT IT'S SOMETIMES TAKEN AS A CRITICISM OF ME THAT I HAVEN'T BEEN SHY ABOUT ANSWERING QUESTIONS FROM THE PUBLIC. I HAVE HELD, AFTER BOTH OF MY LEGISLATIVE COUNCIL SPEECHES, OPEN MEETINGS AROUND THE TERRITORY, SOMETIMES DESCRIBED BY CRITICS AS 'A SHOW', IN MY VIEW AN IMPORTANT PART OF ACCOUNTABLE GOVERNMENT, AND AS AN ACCOUNTABLE GOVERNOR, I AM HAPPY TO TAKE PART IN ANY SIMILAR SUCH DISCUSSIONS. I HAVE ACTUALLY TAKEN PART, I RECALL, IN A DISCUSSION WITH THE DISTINGUISHED EDITOR OF 'WEN WEI PO' ON THE TELEVISION. I HAVE TAKEN PART IN DISCUSSIONS ON TELEVISION WITH ONE OR TWO MEMBERS OF THE PWC AND I HOPE THAT THOSE OCCASIONS, THOUGH LATE AT NIGHT, HAVE INFORMED ALL THOSE INSOMNIACS WHO WATCHED THEM.

MR HOWARD YOUNG: GOVERNOR, THE GAZETTING AND TABLING OF THE 1992 VERSION OF THE SECOND STAGE REFORMS, AS YOU'VE DESCRIBED, IS BROUGHT ABOUT WITHOUT AN AGREEMENT WITH CHINA. HOWEVER, ON THE OTHER HAND THE BRITISH GOVERNMENT SAYS THAT IT IS WILLING TO CONTINUE NEGOTIATIONS. ALTHOUGH SOON AS THEY ARE, THE CHANCES OF SUCH HAPPENING, HAS IT GONE BEYOND THE STAGE YET WHERE DURING THE LEGISLATIVE PROCESS, SHOULD THERE BE AGREEMENT REACHED IN ONE FORM OR ANOTHER WITH CHINA - NOT NECESSARILY IN NEGOTIATIONS, AGREEMENTS CAN EVEN BE REACHED BY DIPLOMATIC LETTERS OR EXCHANGES - IF DURING THAT PROCESS, NOW HAS IT GONE BEYOND THE STAGE WHERE THE GOVERNMENT MIGHT EVEN BRING UP AMENDMENTS TO WHAT IS BEING GAZETTED TOMORROW TO CONFORM WITH ANY SUCH AGREEMENT THAT COULD BE REACHED BEFORE THE LEGISLATIVE PROCESS HAS ENDED?

GOVERNOR: I REPEAT, IN A WAY, WHAT I SAID EARLIER, THAT OUR DOOR HAS NEVER BEEN CLOSED AND WILL NEVER BE CLOSED. AND IF IN THE COURSE OF THE NEXT FEW MONTHS WE THOUGHT THERE WAS THE CHANCE OF AN AGREED WAY FORWARD WITH CHINA WHICH WAS ALSO ACCEPTABLE AND WHICH SECURED THE OBJECTIVES WHICH I THINK THE COMMUNITY HAS, THEN WE WOULD OF COURSE HAVE TO PRESENT THAT TO THE COUNCIL, EVEN IF IT MEANT AMENDING WHAT WAS ALREADY BEING CONSIDERED BY THE COUNCIL. THAT IS, I HOPE, AN EARNEST OF OUR SINCERITY. BUT AGAIN I SAY THAT TIME DOES CLOSE IN, IT'S NOT BECAUSE WE WISH IT WOULD THAT WAY, IT'S PART OF THE INELUCTABLE MOVEMENT OF THE CALENDAR. AND THE ELECTIONS THAT WE'VE GOT ARE, FOR REASONS WHICH THE WHOLE COUNCIL KNOWS, EXTREMELY COMPLICATED AND DO INVOLVE COMPLICATED ARRANGEMENTS. BUT I REPEAT, IT HAS NEVER BEEN OUR POSITION THAT WE WOULD DECLINE TO HAVE TALKS.

MISS CHRISTINE LOH: THANK YOU, MR PRESIDENT. I WELCOME THE RELEASE OF THE 17 ROUNDS OF TALKS BY BOTH THE BRITISH AND THE CHINESE GOVERNMENTS, IT WILL AT LEAST GIVE THE PEOPLE OF HONG KONG A CHANCE TO PROTEST AGAINST COMPROMISES MADE IN THEIR NAMES. WHAT I WOULD LIKE TO ASK IS, TRADITIONALLY THE BRITISH GOVERNMENT'S POSITION HAS ALWAYS BEEN THAT THESE ARE DIPLOMATIC ISSUES AND THEY SHOULD BE KEPT CONFIDENTIAL, BUT NOW THAT SINCE BOTH GOVERNMENTS ARE GOING TO RELEASE THE INFORMATION, IS THAT REALLY NOT A SIGNAL OF THE END OF SINO-BRITISH NEGOTIATIONS OVER ELECTORAL REFORM?

AND ALSO, MY SECOND QUESTION IS, IF WE WERE TO PASS THIS LEGISLATION - AND I CERTAINLY HOPE THAT WE WILL PASS THEM BEFORE JULY - THAT THERE IS NO OPPORTUNITY, REALLY, TO EVER RETURN TO DISCUSS THESE ISSUES WITH CHINA, IS THAT CORRECT?

GOVERNOR: WELL, IT IS PERFECTLY CORRECT THAT WE WOULD NOT HAVE TAKEN THIS STEP, WHICH AS THE HONOURABLE MEMBER SAYS HAS ALREADY BEEN TAKEN, IN A WAY, BY CHINESE OFFICIALS, IF WE THOUGHT THERE WAS A ROSY PROSPECT OF KEEPING NEGOTIATIONS GOING. BUT I AM AN EXPERIENCED ENOUGH POLITICIAN NEVER TO SAY NEVER, AND THERE MAY BE A PROSPECT DOWN THE ROAD OF REVIVING, SOME SORT OF WITHIN TIME, SOME SORT OF DIALOGUE ON ELECTORAL MATTERS. THE WHOLE COMMUNITY, I'M SURE, HOPES THAT THAT IS POSSIBLE. AT THE SAME TIME, MY READING OF THE COMMUNITY IS, THEY WOULD LIKE TO GET THIS DEBATE OVER AND DONE WITH AND OUT OF THE WAY AND GET ON WITH OTHER MATTERS. I HAPPEN TO BELIEVE THAT THAT IS RATHER A SENSIBLE POINT OF VIEW. IT'S CERTAINLY A POINT OF VIEW WHICH I SHARE MYSELF.

ONCE THE LEGISLATION IS PASSED BY THE COUNCIL, ONCE THE ARRANGEMENTS START TO BE PUT IN PLACE, IT IS OBVIOUSLY EXTREMELY DIFFICULT TO IMAGINE CIRCUMSTANCES IN WHICH ANYBODY WOULD WANT TO DISRUPT THAT PROCESS. MAYBE IF ONE HASN'T HAD EXPERIENCE OF THE SORT OF ELECTIONS WE ARE TALKING ABOUT, IT IS EASY TO MISUNDERSTAND OR SIMPLY NOT TO COMPREHEND THE COMPLEXITY OF WHAT NEEDS TO BE DONE. BUT RUNNING AN ELECTION IN HONG KONG, PARTICULARLY AS COMPLICATED A ONE AS WE ARE GOING TO HAVE, IS NOT A VERY STRAIGHTFORWARD BUSINESS AND INVOLVES A GOOD DEAL OF LEGISLATION AND ADMINISTRATION IF IT IS TO BE FAIR.

MR TAM YIU CHUNG (THROUGH INTERPRETATION): THANK YOU, MR PRESIDENT. NOW, MR GOVERNOR HAS SAID TIME AND AGAIN THAT THE DOOR WILL NEVER BE SHUT ON THE BRITISH SIDE BUT NOW IT SEEMS THAT ALTHOUGH THE DOOR MAY NOT HAVE BEEN SHUT, THE NEGOTIATING TABLE WAS OVERTURNED AND ALL THE CHAIRS AROUND THE TABLE WERE REMOVED. UNDER SUCH CIRCUMSTANCES, WILL PEOPLE FEEL THAT YOU ARE BEING HYPOCRITICAL WHEN YOU STILL TALK ABOUT NOT SHUTTING THE DOOR?

GOVERNOR: I HOPE NOT, THOUGH I DARESAY THERE ARE ONE OR TWO AGENCIES IN HONG HONG WHICH MAY MAKE THAT CHARGE FROM TIME TO TIME. I THINK THERE WILL BE - TO FOLLOW THE HONOURABLE MEMBER'S METAPHOR - A GOOD DEAL OF SPECULATION ABOUT WHO OVERTURNED THE TABLE AND WHO MADE OFF WITH THE FURNITURE. AND THAT WILL OBVIOUSLY BE A QUESTION ON WHICH THERE WILL BE MORE THAN ONE VIEW IN THE COMMUNITY BUT I HOPE THE COMMUNITY WILL BE HELPED TO COME TO A SENSIBLE DECISION ON THAT MATTER BY THE PUBLICATION OF THE FACTS. I BELIEVE, MYSELF, IN SEEKING TRUTH FROM FACTS AND SO WE ARE PUBLISHING THE FACTS.

MR JIMMY MCGREGOR: GOVERNOR, IT IS MY IMPRESSION THAT THE TWO PROPOSALS YET TO COME BEFORE US IN THE FORM OF LEGISLATION, ARE THE TWO CRITICAL PROPOSALS IN YOUR PACKAGE OF SEVEN OR EIGHT PROPOSALS WHICH YOU STARTED WITH. IT IS ALSO MY IMPRESSION THAT ONE OF THESE PROPOSALS MAY UNDERGO VERY CONSIDERABLE CHANGE IN DISCUSSION IN THIS COUNCIL. IF THAT PROVES TO BE THE CASE - AND REMEMBERING THAT THE BRITISH GOVERNMENT HAS ALREADY COMPROMISED BOTH OF THESE PROPOSALS TO SOME EXTENT BY ENTERING INTO NEGOTIATIONS AND MODIFYING THE PROPOSALS TO BECOME SOMEWHAT LESS DEMOCRATIC, AS FAR AS WE CAN MAKE OUT - WILL YOU BE ABLE TO ACCEPT, IN GOOD FAITH, THE MODIFICATION OF AT LEAST ONE OF THESE TWO MAJOR PROPOSALS AND THE POSSIBLE MODIFICATION OF THE OTHER TO SOME EXTENT, AND ACCEPT THAT IN GOOD FAITH THIS COUNCIL WILL REACH THAT CONCLUSION AND THAT YOU WILL BE ABLE TO BRING LEGISLATION IN TO GIVE EFFECT TO THESE CHANGES WHICH THIS COUNCIL, IN ITS WISDOM, REQUESTS?

/GOVERNOR:

GOVERNOR: LET ME, ONCE AGAIN, PREFACE AN ANSWER TO THAT PERFECTLY FAIR QUESTION BY SAYING THAT WE ARE NOT PUTTING THESE PROPOSALS FORWARD HOPING IN DOING SO THAT THE COUNCIL IS GOING TO THROW THEM OUT OR SUBSTANTIALLY CHANGE THEM. THAT WOULD BE AN ECCENTRIC WAY OF BEHAVING AND A DISHONOURABLE WAY OF BEHAVING AND THAT IS NOT WHAT WE ARE ABOUT. WE PUT THESE PROPOSALS FORWARD BECAUSE WE THINK THEY ARE THE BEST PROPOSALS AND THEY ARE THE BEST WAY, IN OUR JUDGMENT, OF DEALING WITH AN EXTREMELY DIFFICULT ISSUE. DEVISING NINE NEW FUNCTIONAL CONSTITUENCIES, AS HONOURABLE MEMBERS WILL SEE WHEN THEY LOOK AT THE WHITE PAPER, IS NOT A VERY EASY BUSINESS. THOUGH WE TRIED TO DEVISE A NEW SET OF NINE FUNCTIONAL CONSTITUENCIES DURING THE NEGOTIATIONS, TAKING AT FACE VALUE THE CHINESE ARGUMENT THAT THEIR OBJECTION TO OUR ORIGINAL PROPOSALS WAS THAT THE FUNCTIONAL CONSTITUENCIES WEREN'T ORGANISATION BASED. WE THEN TRIED TO DEVISE NINE ORGANISATION BASED FUNCTIONAL CONSTITUENCIES BUT THAT STILL DIDN'T, ALAS, SATISFY CHINESE OFFICIALS. SO I PREFACE MY REMARKS BY MAKING THAT POINT THAT WE ARE NOT SIMPLY GOING TO COME DOWN TO THE LEGISLATIVE COUNCIL, PUT THE BILL ON THE TABLE AND THEN SCARPER. THAT IS NOT OUR INTENTION AND IT WOULD NOT BE HONOURABLE FOR US TO BEHAVE IN THAT WAY.

BUT THE LEGISLATIVE COUNCIL HAS AN IMPORTANT FUNCTION. THE LEGISLATIVE COUNCIL HAS TO CONSIDER LEGISLATION AND IF NECESSARY, THE LEGISLATIVE COUNCIL HAS THE POWER TO AMEND LEGISLATION. THAT IS TRUE TODAY AND IT WILL BE TRUE, ACCORDING TO THE BASIC LAW, AFTER 1997. SO IF THE LEGISLATIVE COUNCIL CHANGE THE PROPOSALS WHICH ARE PUT TO THEM, THEN AT THE END OF THE DAY THAT IS A REALITY WHICH WE HAVE TO ACCEPT.

I JUST ADD THIS ONE POINT, THAT I WOULD BE PUT IN A DIFFICULT POSITION, THE GOVERNMENT WOULD BE PUT IN A DIFFICULT POSITION, THE BRITISH GOVERNMENT WOULD BE PUT IN A DIFFICULT POSITION, IF THE LEGISLATIVE COUNCIL APPEARED TO HAVE AGREED ARRANGEMENTS WHICH WERE NOT FAIR AND WHICH WERE NOT OPEN AND WHICH DIDN'T SEEM TO BE ACCEPTABLE TO THE COMMUNITY, BUT I DON'T THINK THAT THAT IS A REMOTELY LIKELY POSSIBILITY, SINCE I THINK THE COMMUNITY'S VIEWS ARE EXTREMELY WELL REPRESENTED IN THIS COUNCIL. SO IN GOOD FAITH, IF THE LEGISLATIVE COUNCIL CHANGE THE PROPOSALS, THE GOVERNMENT WOULD ACCEPT THEM.

MR JIMMY MCGREGOR: CAN I ASK A MATTER OF ELUCIDATION: IN REGARD TO THE 21 MODIFIED FUNCTIONAL CONSTITUENCIES WHICH YOU HAVE ACTUALLY PROPOSED IN YOUR PACKAGE, DO YOU CONSIDER THAT THE CONSTRUCTION AND CHARACTERISTICS OF THESE FUNCTIONAL CONSTITUENCIES ARE ACCEPTABLE IN TERMS OF THE BROAD INTENTION TO INCREASINGLY DEMOCRATISE HONG KONG SYSTEM? IN OTHER WORDS WHAT I AM REALLY GETTING AT IS THAT THE NINE FUNCTIONAL CONSTITUENCIES, IF THEY MET THE SAME CHARACTERISTICS, WOULD NOT BE UNACCEPTABLE IF THIS COUNCIL CAME TO THAT CONCLUSION?

GOVERNOR: WELL, IT IS ALWAYS RATHER DANGEROUS - AND WE'RE STARTING TO STRAY IN THAT DIRECTION - TO ACCEPT IN PRINCIPLE, OUTCOMES, WITHOUT ACTUALLY KNOWING WHAT THE DETAIL OF THEM IS. BUT LET ME MAKE THE POINT ABOUT FUNCTIONAL CONSTITUENCIES AS CLEAR AS I CAN. OUR LEGISLATION HAS TWO PURPOSES. THE FIRST IS TO CHANGE THE SYSTEM IN SOME, THOUGH NOT ALL, OF THE EXISTING FUNCTIONAL CONSTITUENCIES SO THAT IN ALL FUNCTIONAL CONSTITUENCIES THERE IS INDIVIDUAL RATHER THAN CORPORATE VOTING. AND WE ARE TRYING TO DO THAT BECAUSE WE THINK THAT THE EXISTING SYSTEM IS A GOOD DEAL LESS THAN DESIRABLE, FOR REASONS WHICH MANY HONOURABLE MEMBERS HAVE THEMSELVES PUT. SO THAT IS THE FIRST PRINCIPLE, THAT WE THINK THE EXISTING 21 SHOULD HAVE INDIVIDUAL VOTING.

THURSDAY, FEBRUARY 24, 1994

- 14 -

THE SECOND THING WE HAVE TRIED TO DO IS TO DEVISE NINE NEW FUNCTIONAL CONSTITUENCIES WHICH MEET THE REQUIREMENTS WHICH WERE, FOR EXAMPLE, REFERRED TO IN THE 1988 WHITE PAPER, WHICH REPRESENT SUBSTANTIAL SECTORS OF THE ECONOMIC AND PROFESSIONAL LIFE OF THE COMMUNITY AND WHICH ENSURE CLEAN ELECTIONS. AND I WOULD GUESS THAT THERE WILL BE ARGUMENT ON BOTH THOSE POINTS AND IT WOULD BE POSSIBLE TO CONCLUDE THAT THE GOVERNMENT IN ONE'S JUDGMENT WAS RIGHT ABOUT THE FIRST BUT HADN'T GOT THE SECOND ENTIRELY CORRECT.

BUT I SAY AGAIN, FIRST OF ALL, THAT HAVING PUT THESE PROPOSALS TO THE LEGISLATIVE COUNCIL THE GOVERNMENT INTENDS TO ARGUE FOR THEM AND ARGUE FOR THEM VIGOROUSLY - BUT NO BROKEN LEGS. SECONDLY, IF THE COUNCIL, IN ITS WISDOM, AMENDS THOSE PROPOSALS IN A WAY WHICH PLAINLY DOESN'T SPIT AGAINST THE REASONABLE OBJECTIVES THAT I THINK WE HAVE ALL SHARED AND WHICH THE COUNCIL HAS BROADLY ENDORSED ON THREE OCCASIONS, THEN THERE WOULD BE NO QUESTION THAT THE GOVERNMENT WOULD HAVE TO ACCEPT THE OUTCOME OF THE COUNCIL'S OPINION.

THIS IS A POINT WE HAVE DISCUSSED AGAIN AND AGAIN IN RELATION TO THE COUNCIL'S VIEWS. IT'S THE TENSION BETWEEN AN EXECUTIVE AND A LEGISLATURE. BUT I MUST SAY THAT I ACCEPT THAT THIS COUNCIL IS UNLIKELY TO DO THINGS WHICH ARE AGAINST THE INTERESTS OF HONG KONG.

MR FRED LI (THROUGH INTERPRETATION): MR GOVERNOR, FIRST OF ALL, I WELCOME THE ORIGINAL PROPOSALS TO BE PRESENTED TO THE LEGISLATIVE COUNCIL BECAUSE THIS IS SOMETHING THE MEETING POINT HAS BEEN ASPIRING FOR. CONCERNING THE WHITE PAPER TO BE RELEASED AT 5.00 PM, I HOPE THAT THERE WON'T BE TWO DIFFERENT VERSIONS AND I DON'T WANT TO SEE ACCUSATIONS BY THE CHINESE GOVERNMENT SAYING THAT THIS IS A VERSION THAT HAS BEEN GLOSSED OVER. I HOPE THAT THE GOVERNMENT WOULD BE PREPARED TO LET US KNOW ABOUT THE RECORDS OF THE 17 ROUNDS OF NEGOTIATIONS. MAYBE FOR THE FIRST 14 ROUNDS WE DON'T HAVE MUCH TO SEE, THERE IS NOTHING MUCH TO OFFER, BUT I THINK THE GOVERNMENT SHOULD LAY BARE EVERY SINGLE DETAIL RATHER THAN AN ABRIDGED VERSION.

GOVERNOR: JUST BEFORE COMING TO THE HONOURABLE GENTLEMAN'S QUESTION, CAN I ADD A MANUSCRIPT FOOTNOTE TO THE REPLY I WAS GIVING TO THE HONOURABLE MEMBER MR MCGREGOR A MOMENT OR TWO AGO. IT HAS BEEN A CONSISTENT ARGUMENT, INDEED IT IS, I THINK, BOTH THE MORAL AND THE POLITICAL BASIS OF THE APPROACH THAT WE HAVE TAKEN, THAT WE NEITHER WISH TO GO FURTHER THAN PEOPLE IN HONG KONG WANT TO GO, NOR DO WE WISH TO GO LESS FAR THAN PEOPLE IN HONG KONG WISH TO GO. AND THOUGH I KNOW THAT THERE ARE SOME HONOURABLE MEMBERS WHO THINK THAT IT IS INSUFFICIENT FOR THAT JUDGMENT TO BE MADE BY THE LEGISLATIVE COUNCIL, MY OWN VIEW IS IT IS ONLY THE LEGISLATIVE COUNCIL WHICH CAN ACTUALLY REFLECT THAT PRINCIPLE IN LEGISLATIVE REALITY.

/TURNING TO

TURNING TO THE HONOURABLE MEMBER'S QUESTION. I DO THINK ONE NEEDS TO, IF I MAY SAY SO, STRIKE A BALANCE. I THINK THERE IS A DIFFERENCE BETWEEN, ON THE ONE HAND MAKING AVAILABLE EVERY SINGLE DOCUMENT THAT'S BEEN THE BASIS FOR CONFIDENTIAL DIPLOMATIC EXCHANGES, AND ON THE OTHER HAND TRYING TO GIVE AS CLEAR AND ACCURATE AN ACCOUNT OF WHAT HAS HAPPENED AS POSSIBLE. I DON'T THINK THE FIRST WOULD MAKE VERY MUCH SENSE. I DO THINK THAT THE SECOND IS WHOLLY DESIRABLE. AS FOR THE MOMENT AT WHICH, IN THE HONOURABLE MEMBER'S OPINION, THE TALKS SUDDENLY HOTTED UP AND GOT INTERESTING, I THINK HE WILL FIND THAT THE FIRST 14 ROUNDS WERE QUITE INTERESTING, NOT LEAST THOSE ROUNDS AT WHICH NOTHING MUCH WENT ROUND AT ALL. THAT GIVES ONE SOME IDEA OF WHAT WAS HAPPENING. AS TO THE 15TH, 16TH AND 17TH ROUNDS, I REPEAT AGAIN, AND IT IS A POINT WHICH IS SPELLED OUT IN DETAIL IN THE WHITE PAPER, WHEN I WENT BACK TO LONDON FOR A CABINET COMMITTEE MEETING LAST OCTOBER AFTER THE 15TH ROUND, I ADVISED THE CABINET THAT IN MY VIEW A FIRST STAGE DEAL WAS PROBABLE AND I ADVISED THEM THAT THE TERMS OF IT WOULD BE ACCEPTABLE. I WAS THEREFORE AS DISAPPOINTED AS OTHERS WHEN AT THE 16TH ROUND CHINESE OFFICIALS MOVED AWAY FROM THINGS THAT HAD BEEN SAID IN THE 15TH ROUND, AND I THINK THAT DISAPPOINTMENT WAS SHARED MORE WIDELY AS WELL.

MR MARTIN BARROW: GOVERNOR YOU MENTIONED EARLIER OTHER ISSUES ON THE AGENDA FOR DISCUSSION WITH CHINA, COULD YOU COMMENT ON THE GOVERNMENT STRATEGY FOR DISCUSSING ECONOMIC ISSUES SUCH AS THE AIRPORT.

THE GOVERNOR: YES, OUR STRATEGY IS TO PRESS AS COURTEOUSLY AND CONSTRUCTIVELY FOR A DIALOGUE ON THOSE MATTERS AS POSSIBLE. THERE ARE DISCUSSIONS GOING ON THIS WEEK AS I THINK THE COUNCIL KNOWS ON THE DIFFICULT BUT IMPORTANT ISSUE OF THE FUTURE OF DEFENCE LANDS. THAT HAS AN ECONOMIC ASPECT AS WELL AS OTHER ASPECTS AS WELL. WE WOULD LIKE TO HAVE THE OPPORTUNITY OF DISCUSSING WITH CHINESE OFFICIALS SOONER RATHER THAN LATER THE PROPOSALS THAT WE'VE PUT THE FOURTH SET OF PROPOSALS THAT WE'VE PUT ON FINANCING THE AIRPORT. THERE ARE A LOT OF OTHER PROPOSALS TOUCHING ON HONG KONG'S ECONOMIC WELLBEING THAT WE WOULD LIKE TO CARRY FORWARD. I WAS ENCOURAGED BY WHAT THE CHINESE PRIME MINISTER SAID LAST DECEMBER ABOUT CHINESE OFFICIALS BEING DETERMINED NOT TO LET ANY POLITICAL ARGUMENT AFFECT THE LIVELIHOOD OF HONG KONG AND TO CONTINUE TO WORK FOR THE INTERESTS OF HONG KONG. SO I HOPE THAT WE CAN SEE THAT, SEE A DIALOGUE DEVELOP RATHER MORE CONSTRUCTIVELY THAN PERHAPS HAS HAPPENED, NOT JUST FOR THE LAST EIGHTEEN MONTHS BUT FOR THE LAST THREE YEARS. IN THE MEANTIME, WE CONTINUE WITH THE SUPPORT FROM TIME TO TIME WHEN EXPENDITURE DECISIONS IS NECESSARY; WE CONTINUE TO DO WHAT WE BELIEVE IS IN THE LONG TERM INTERESTS OF HONG KONG. THAT HAS BEEN, SO FAR I AM PLEASED TO SAY, A BENEFICIAL PROCESS AND THE LATEST ROUND OF THOSE BENEFITS WILL BE MADE PUBLIC WHEN THE FINANCIAL SECRETARY ANNOUNCES HIS BUDGET NEXT WEEK.

/MS EMILY

THURSDAY, FEBRUARY 24, 1994

- 16 -

MS EMILY LAU: MR PRESIDENT, I WANT TO ASK THE GOVERNOR A QUESTION ABOUT ELECTORAL ARRANGEMENTS WHICH MAY BE IN BREACH OF THE BASIC LAW, BECAUSE EARLIER THIS AFTERNOON HE KEPT TALKING ABOUT PUTTING IN PLACE ARRANGEMENTS WHICH ARE IN LINE WITH THE BASIC LAW. BUT OF COURSE WHEN WE SAW THE FOREIGN SECRETARY LAST YEAR, HE SAID THE IMPORTANCE IS THAT THEY ARE IN LINE WITH BRITAIN'S INTERNATIONAL OBLIGATIONS. AS THE GOVERNOR RIGHTLY POINTED OUT JUST THEN THAT CERTAIN PEOPLE, INCLUDING MYSELF WOULD BE MOVING AN AMENDMENT FOR 60 SEATS IN THE COUNCIL TO BE DIRECTLY ELECTED IN 1995 AND THAT I GUESS THE GOVERNOR WOULD SAY IS NOT IN LINE WITH THE PROVISIONS OF THE BASIC LAW. MR PRESIDENT, I WANT TO ASK THE GOVERNOR WHAT WILL HE AND THE BRITISH GOVERNMENT DO THEN IF IT IS BLATANTLY IN BREACH OF THE BASIC LAW, WOULD THE BRITISH ADMINISTRATION MOVE TO BLOCK IT OR WOULD YOU STILL SAY THAT IT IS IN LINE WITH THE JOINT DECLARATION, ALSO IN LINE WITH BRITAIN'S INTERNATIONAL OBLIGATIONS SO YOU WILL SUPPORT IT. THANK YOU.

THE GOVERNOR: WELL, I'M OF COURSE UNQUALIFIED, AND UNABASHED ADMIRER OF THE HONOURABLE LADY'S POLITICAL AND RHETORICAL TALENTS, BUT I THINK I WOULD LIKE TO SEE A MAJORITY BEFORE I ANSWER THE QUESTION. I KNOW THAT THE HONOURABLE LADY HAS AN UNSHAKABLE AND WHOLLY HONOURABLE COMMITMENT TO A TOTALLY DEMOCRATIC SYSTEM IN HONG KONG, WELL BEFORE 2007 AND PREFERABLY NEXT WEEK, AND I RESPECT THE HONOURABLE LADY'S COURAGE IN ARGUING FOR THAT AND CONSISTENCY IN ARGUING FOR THAT, BUT I DON'T HONESTLY THINK THAT THE HONOURABLE LADY IS GOING TO BE, SHE MAY PROVE ME WRONG, SHE'S PROVED BRITISH POLITICIANS WRONG ON OCCASIONS IN THE PAST, AND ASKED DIFFICULT QUESTIONS OF BRITISH POLITICIANS. I DON'T THINK THE HONOURABLE LADY IS LIKELY TO SECURE THE OUTCOME IN THE NEXT FEW MONTHS WHICH SHE UNDERSTANDABLY AND HONOURABLE HAS SET. IF SHE DOES I'LL ANSWER THE QUESTION.

MS EMILY LAU: THE GOVERNOR HAS NOT ANSWERED MY QUESTION. MY QUESTION IS WHETHER HE WILL BLOCK IT, IF HE BLOCKS IT THEN IT CAN'T EVEN BE INTRODUCED. IF IT IS GIVEN A CHANCE MAYBE IT WILL BE DEFEATED BY MY COLLEAGUES, MAYBE IT WILL BE CARRIED, IF IT IS NOT EVEN ALLOWED TO BE INTRODUCED, SO HOW CAN I PROVE TO YOU.

/THE GOVERNOR:

THE GOVERNOR: NOBODY, NOBODY, I'LL KEEP MY DECIBEL COUNT DOWN. NOBODY IS ACTUALLY SAYING THE HONOURABLE LADY CAN'T INTRODUCE HER ARGUMENT AND HER IDEAS IT WOULD BE AN EXTREMELY BRAVE WOMAN AND EVEN BRAVER MAN WHOEVER TRIED TO STOP THE HONOURABLE LADY, DEVELOPING A POLITICAL ARGUMENT, THE POLITICAL ARGUMENT SHE'S GOT IS A, IS ONE WHICH MANY PEOPLE IN THIS COMMUNITY AND OUTSIDE THE COMMUNITY WOULD REGARD AS WHOLLY REASONABLE, BUT I DON'T THINK THAT IT IS EVER SENSIBLE TO ANSWER VERY HYPOTHETICAL QUESTIONS IN THE WAY THAT THE HONOURABLE LADY IS INVITING ME TO. I ANSWER SOMETIMES, PARTIALLY HYPOTHETICAL QUESTIONS. BUT THE MORE HYPOTHETICAL THEY ARE THE LESS SENSIBLE I THINKS IT IS TO ANSWER THEM. JUST TO ADD ONE POINT, I THINK THAT IT IS A STRENGTH OF OUR PROPOSALS, THE GOVERNMENT'S PROPOSALS THAT THEY ARE NOT ONLY IN LINE WITH THE JOINT DECLARATION, BUT ALSO WHOLLY IN LINE WITH THE BASIC LAW, AND I THINK THAT IT IS A MATTER OF STRENGTH AS WELL THAT DESPITE THE RAIN FORESTS THAT HAVE BEEN CUT DOWN OVER THE LAST YEAR AND A HALF TO TRY TO DEMONSTRATE THAT WE'VE VIOLATED THE BASIC LAW AND THE JOINT DECLARATION, NO EVIDENCE WHICH CONVINCES ANYBODY HAS EVER BEEN ADDUCED FOR THAT. I DON'T THINK THAT WE WOULD BE IN A STRONGER POSITION IF WE HAD PUT FORWARD PROPOSALS SUCH AS THE HONOURABLE LADY ADVANCES WHICH GO AGAINST THE BASIC LAW. WHAT WE'RE TRYING TO DO IS TO BUILD AS BROAD A BASE OF SUPPORT IN THE COMMUNITY AS POSSIBLE, BUT SOMEBODY WITH MY BACKGROUND COULDN'T HELP BUT ADMIRE THE OBJECTIVES WHICH THE HONOURABLE LADY HAS SET HERSELF, AND FOR WHICH SHE HAS ARGUED WITH AS I SAID SUCH CONSISTENCY AND PASSION OFTEN TO THE EMBARRASSMENT OF POLITICIANS FROM BRITAIN AND FROM ELSEWHERE.

THE PRESIDENT: IN ACCORDANCE WITH STANDING ORDERS, I KNOW ADJOURN THE SITTING UNTIL WEDNESDAY. 2ND MARCH 1994.

- - - - 0 - - - -

WHITE PAPER ON REPRESENTATIVE GOVERNMENT PUBLISHED

* * * * *

THE GOVERNMENT TODAY (THURSDAY) PUBLISHED A WHITE PAPER ON REPRESENTATIVE GOVERNMENT IN HONG KONG.

A GOVERNMENT SPOKESMAN SAID THE PUBLICATION REPRODUCED THE TEXT OF THE WHITE PAPER PRESENTED AT THE SAME TIME (9 AM LONDON TIME) TODAY TO PARLIAMENT BY THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS.

IT GAVE A FULL ACCOUNT OF WHAT THE TALKS ON ARRANGEMENTS FOR 1994/95 ELECTIONS WITH CHINA HAD BEEN ABOUT, WHY AGREEMENT HAD NOT BEEN POSSIBLE, AND HOW THE GOVERNMENT INTENDED TO PROCEED.

THE SPOKESMAN SAID THE WHITE PAPER WAS INTENDED TO INFORM DEBATE IN PARLIAMENT, IN THE LEGISLATIVE COUNCIL AND IN THE COMMUNITY.

COPIES OF THE PAPER WILL BE SENT TO MEMBERS OF THE EXECUTIVE COUNCIL, THE LEGISLATIVE COUNCIL, THE MUNICIPAL COUNCILS AND THE DISTRICT BOARDS.

/COPIES WILL

THURSDAY, FEBRUARY 24, 1994

- 18 -

COPIES WILL ALSO BE AVAILABLE TO THE PUBLIC TODAY FROM 5 PM TO 9 PM FROM THE GOVERNMENT PUBLICATIONS CENTRE AT CONNAUGHT PLACE, CENTRAL AND INFORMATION SERVICES DEPARTMENT AT BEACONSFIELD HOUSE, GROUND FLOOR, QUEEN'S ROAD CENTRAL.

STARTING FROM TOMORROW, COPIES WILL BE AVAILABLE FROM THE PUBLICATIONS SALES CENTRE, CNTA PUBLIC ENQUIRY COUNTERS, PUBLIC HOUSING ESTATE OFFICES, AND POST OFFICES.

- - - - 0 - - - -

CS REITERATES HOPE FOR CONTINUED CO-OPERATION

* * * * *

THE CHIEF SECRETARY, MRS ANSON CHAN, THIS (THURSDAY) EVENING SAID SHE HOPED THAT THE DISAGREEMENTS OVER POLITICAL ISSUES WOULD NOT AFFECT BRITAIN'S AND HONG KONG'S CO-OPERATION WITH CHINA OVER A NUMBER OF OTHER ISSUES.

RESPONDING TO MEDIA QUESTIONS AFTER OFFICIATING AT THE COCA-COLA HONG KONG SPORTS STARS AWARDS PRESENTATION CEREMONY, MRS CHAN SAID: "WE ARE SINCERE TO CONTINUE CO-OPERATION WITH CHINA OVER THE NEXT THREE YEARS' TRANSITIONAL PERIOD.

"WE WANT TO CO-OPERATE WITH THE CHINESE SIDE OVER A NUMBER OF OTHER ISSUES.

"HONG KONG PEOPLE ALSO HOPE THAT CHINA COULD CONTINUE TO CO-OPERATE WITH THE BRITISH AND HONG KONG GOVERNMENTS, FOR EXAMPLE, OVER ISSUES CONCERNING PEOPLE'S LIVELIHOOD, THE CONSTRUCTION OF THE AIRPORT AND THE CONTAINER TERMINAL."

ASKED ABOUT THE WHITE PAPER ON THE REPRESENTATIVE GOVERNMENT IN HONG KONG PUBLISHED THIS AFTERNOON, MRS CHAN SAID THE WHOLE WHITE PAPER WAS FACT, NO MORE, NO LESS.

"I HAVE SAID SEVERAL TIMES THAT WE REGRET THAT WE CANNOT REACH AN AGREEMENT WITH CHINA OVER POLITICAL REFORM.

"WE HAVE TRIED OUR BEST. BUT BECAUSE OF THE TIGHT SCHEDULE, WE HAVE NO CHOICE BUT TO IMPLEMENT THE FIRST PART OF THE POLITICAL PACKAGE," MRS CHAN ADDED.

- - - - 0 - - - -

/19

CS MEETS MEDIA AFTER LEGCO MEETING

* * * * *

THE FOLLOWING IS THE FULL TRANSCRIPT OF THE CHIEF SECRETARY, MRS ANSON CHAN, SPEAKING TO REPORTERS AFTER THE LEGCO MEETING TODAY:

CHIEF SECRETARY: GOOD MORNING EVERYONE, THIS HAS BEEN A VERY LONG DAY FOR ALL OF US SO I WON'T DETAIN YOU FOR TOO LONG. AS YOU ALL KNOW THE FIRST STAGE BILL HAS PASSED WITH THE CLEAR MAJORITY AND THE PASSAGE OF THIS BILL CLEARS THE WAY FOR THE SECOND PART OF THE CONSTITUTIONAL REFORM PACKAGE TO BE PUT BEFORE THE LEGISLATIVE COUNCIL. WHEN THE GOVERNOR APPEARS IN THE LEGISLATIVE COUNCIL LATER TODAY TO ANSWER MEMBERS' QUESTIONS, HE WILL COMMENT ON THE CONTENTS OF THE SECOND STAGE BILL AND THE TIMING FOR THE INTRODUCTION OF THIS BILL. WE ARE OF COURSE VERY PLEASED WITH THE OUTCOME OF THE VOTING TODAY. IT IS QUITE CLEAR THAT THE LEGISLATURE REFLECTING THE WIDER VIEW IN THE COMMUNITY WHICH IS TO PRESS AHEAD WITH THE PREPARATION AND ENACTMENT OF LEGISLATION IN ORDER THAT WE CAN MAKE ALL THE ARRANGEMENTS FOR THE 1994/95 ELECTIONS. IT IS ALSO QUITE CLEAR FROM THE DEBATE THAT WE JUST HAD THAT THE MEMBERS OF THE LEGISLATURE ARE QUITE CAPABLE OF MAKING MATURE JUDGMENTS IN THE BEST INTEREST OF HONG KONG. OF COURSE WE REGRET HAVING TO MAKE THESE DECISIONS IN THE ABSENCE OF AN AGREEMENT WITH THE CHINESE. WE HAVE AS YOU KNOW TRIED VERY HARD OVER THE PAST 18 MONTHS TO REACH AGREEMENT WITH THE CHINESE ON CONSTITUTIONAL REFORMS BUT UNFORTUNATELY WE HAVE NOT SUCCEEDED. BUT I HOPE VERY MUCH THAT THE CHINESE WILL APPRECIATE THAT THE TIME CONSTRAINTS MEAN THAT WE HAVE TO PRESS AHEAD WITH THE ENACTMENT OF LEGISLATION. I HOPE FURTHER THAT THE CHINESE WILL APPRECIATE THAT WE HAVE THE WIDER INTEREST OF HONG KONG AT HEART. THE FACTS THAT WE HAVE NOT BEEN ABLE TO REACH AGREEMENT WITH THE CHINESE ON CONSTITUTIONAL REFORMS DOES NOT I HOPE MEAN THAT WE CANNOT CO-OPERATE WITH THE CHINESE IN A WHOLE SERIES OF ISSUES WHICH CONCERN HONG KONG PEOPLE. THERE ARE MANY OF THESE AREAS. WE WILL DO OUR VERY BEST TO SEEK CO-OPERATION WITH THE CHINESE IN THE MONTHS AND YEARS AHEAD SO THAT WE CAN ENSURE THE LONG TERM PROSPERITY AND STABILITY OF HONG KONG.

QUESTION: HOW DO YOU THINK THAT THE DECISION MAY BE SHORT-LIVED AND THE CHINESE SIDE WILL SCRAP IT TILL AT 1997?

CHIEF SECRETARY: THE LEGISLATURE REFLECTING THE VIEWS IN THE COMMUNITY HAVE CLEARLY ENDORSED THE PASSAGE OF THIS BILL. WE BELIEVE THAT THIS BILL TO BE FOLLOWED BY THE SECOND PART BILL PROVIDED FOR FAIR OPEN ELECTIONS ACCEPTABLE TO THE PEOPLE OF HONG KONG. WE ALSO FIRMLY BELIEVE THAT THE ELECTIONS WILL BE CONDUCTED IN A FAIR MANNER AND WILL BE SEEN TO BE A SUCCESS. ON THAT BASIS WE VERY MUCH HOPE THAT THE CHINESE WILL NOT SEE ANY NEED TO UPSET THESE ARRANGEMENTS COME JULY 1, 1997.

QUESTION (IN CHINESE): TO PASS THE SECOND PART OF THE BILL WILL BE MORE DIFFICULT. WILL THE OUTCOME OF TODAY'S VOTING GIVE YOU MORE CONFIDENCE TO PASS THE GOVERNOR'S ORIGINAL REFORM PACKAGE?

CHIEF SECRETARY (IN CHINESE): ABOUT THE CONTENT OF THE SECOND PART OF THE BILL, I HAVE JUST MENTIONED BEFORE THAT THE GOVERNOR WILL MAKE AN ANNOUNCEMENT LATER TODAY.

THURSDAY, FEBRUARY 24, 1994

- 20 -

EDUCATION KEEPS HK ON LEADING EDGE

* * * * *

IT IS BY EDUCATION, BOTH ACADEMIC AND IN TECHNICAL, ARTISTIC, MANAGERIAL AND PROFESSIONAL SKILLS, THAT HONG KONG CAN BE KEPT ON THE LEADING EDGE OF THE RAPIDLY CHANGING WORLD, THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID TODAY (THURSDAY).

SPEAKING AT THE OPENING CEREMONY OF THE 4TH EDUCATION AND CAREERS EXPO AND BRITISH EDUCATION EXHIBITION '94, MR PATTEN SAID THE MEN AND WOMEN OF HONG KONG HAD ALWAYS BEEN EAGER FOR OPPORTUNITY TO IMPROVE THEIR OWN EDUCATION AND THAT OF THEIR CHILDREN.

"HONG KONG STUDENTS HAVE ACQUIRED A WORLDWIDE REPUTATION FOR HARDWORK, FOR DETERMINATION AND FOR RESOURCEFULNESS," HE SAID.

OVER 20 PER CENT OF THE GOVERNMENT'S ANNUAL RECURRENT EXPENDITURE GOES ON EDUCATION, TECHNICAL TRAINING, SKILLS UPGRADING AND RETRAINING.

THE GOVERNOR NOTED THAT THE VALUE OF THIS INVESTMENT IN PEOPLE HAD BEEN SHOWN DRAMATICALLY IN THE LAST 10 YEARS.

THE TERRITORY'S MANUFACTURING SECTOR HAS LOST A HUGE NUMBER OF ASSEMBLY JOBS AS THESE MOVED INTO SOUTH CHINA. BUT AT NO TIME WAS THERE SERIOUS UNEMPLOYMENT.

"THANKS TO OUR WELL EDUCATED AND ADAPTABLE PEOPLE, A HUGE RANGE OF NEW JOBS HAVE BEEN CREATED.

"THE ADVANCED SKILLS THAT HONG KONG'S PEOPLE POSSESS IN MANAGEMENT, IN DESIGN, IN MARKETING AND IN PRODUCTION TECHNOLOGY HAVE MADE THIS A REGIONAL CENTRE FOR DEVELOPMENT OF MANUFACTURING INDUSTRY," HE SAID.

"FINANCIAL AND INVESTMENT SERVICES INDUSTRIES HAVE BEEN ABLE TO EXPAND RAPIDLY TO SUPPORT REGIONAL DEVELOPMENT," HE ADDED.

THE EXHIBITION LINES UP MORE THAN 200 OF HONG KONG'S EDUCATION AND TRAINING INSTITUTIONS, TRADING AND MANUFACTURING FIRMS, PROFESSIONAL ORGANISATIONS AND SERVICE COMPANIES AS WELL AS NEARLY 200 BRITISH EDUCATIONAL ORGANISATIONS.

- - - - 0 - - - -

THURSDAY, FEBRUARY 24, 1994

- 21 -

1994 - A MEMORABLE YEAR FOR SPORTS: CS

* * * * *

THE CHIEF SECRETARY, MRS ANSON CHAN, SAID TONIGHT (THURSDAY) SHE WAS LOOKING FORWARD TO SEEING A MEMORABLE YEAR FOR SPORTS IN 1994.

THIS YEAR, HONG KONG WILL BE REPRESENTED AT THE ASIAN GAMES, THE COMMONWEALTH GAMES AND THE FAR EAST AND SOUTH PACIFIC GAMES FOR THE DISABLED.

"WITH CONTINUED HARD WORK AND DEDICATION, I AM CONFIDENT THAT OUR ATHLETES WILL SCALE NEW HEIGHTS. WE ALL LOOK FORWARD TO SEEING MORE MEDALS BEING WON AT THESE GAMES," MRS CHAN SAID.

SHE WAS SPEAKING AT THE ANNUAL AWARDS PRESENTATION DINNER OF THE HONG KONG SPORTS DEVELOPMENT BOARD (HKSDB).

THE CHIEF SECRETARY SAID HONG KONG HAD MADE MUCH PROGRESS IN SPORTS IN RECENT YEARS.

LOCAL ATHLETES HAVE DONE PARTICULARLY WELL LAST YEAR, SHE ADDED.

SHE SAID SPORTS WAS AN AREA WHERE A CONSTRUCTIVE PARTNERSHIP EXISTED BETWEEN THE GOVERNMENT, THE PRIVATE SECTOR AND INTERESTED ORGANISATIONS.

WITH THE COMBINATION OF THE HKSDB AND THE HONG KONG SPORTS INSTITUTE IN APRIL, THE RESOURCES PUT INTO SPORT WILL BE USED IN THE BEST POSSIBLE WAY, SHE SAID.

LAST MAY, THE GOVERNMENT PROVIDED AN ADDITIONAL GRANT OF \$100 MILLION TO PREPARE ATHLETES WITH POTENTIAL FOR THE MAJOR INTERNATIONAL GAMES IN THE COMING THREE YEARS.

THE GOVERNMENT WILL BE SUBVENTING THE HKSDB TO THE TUNE OF \$65 MILLION IN 1994/95.

"THESE INCREASED RESOURCES HAVE BEEN MATCHED BY A SIMILAR INCREASE IN INTEREST AND SUPPORT FROM THE PRIVATE SECTOR," MRS CHAN SAID.

- - - - 0 - - - -

/22

ANALYSIS OF EXTERNAL TRADE BY MODE OF TRANSPORT IN 1993

* * * * *

THE VALUE OF HONG KONG'S EXTERNAL TRADE BY OCEAN ACCOUNTED FOR 51% OF HONG KONG'S EXTERNAL TRADE LAST YEAR, ACCORDING TO THE STATISTICS RELEASED BY THE CENSUS AND STATISTICS DEPARTMENT TODAY (THURSDAY).

ANOTHER 26% WAS TRANSPORTED BY LAND AND A FURTHER 18% BY AIR. THE REST 4.6% INCLUDED SHIPMENT BY RIVER, POSTAL PARCELS, AND ACCOMPANIED GOODS OF PASSENGERS TRAVELLING ON VARIOUS MEANS OF TRANSPORT.

SHIPMENT BY OCEAN AMOUNTED TO \$1,074 BILLION IN 1993, WITH AN INCREASE OF 8.7% OVER THAT IN 1992. HONG KONG'S EXTERNAL TRADE BY LAND WENT UP BY 17% TO \$557 BILLION WHILE THAT BY AIR ALSO WENT UP BY 17% TO \$390 BILLION IN 1993.

TABLE 1 SHOWS THE CHANGES IN THE VALUE OF HONG KONG'S EXTERNAL TRADE ANALYSED BY MODE OF TRANSPORT IN 1993 COMPARED WITH 1992.

THE UNITED STATES REMAINED THE LARGEST DESTINATION FOR HONG KONG'S TOTAL EXPORTS (INCLUDING DOMESTIC EXPORTS AND RE-EXPORTS) BY OCEAN, ACCOUNTING FOR A SHARE OF 32% IN VALUE TERMS IN 1993. THE VALUE OF TOTAL EXPORTS BY OCEAN TO THE UNITED STATES WENT UP BY 11% IN 1993.

THE VALUE OF TOTAL EXPORTS BY OCEAN TO CHINA INCREASED BY 40% IN 1993 OVER 1992. INCREASES WERE ALSO RECORDED IN SEABORNE TOTAL EXPORTS TO THE OTHER MAJOR DESTINATIONS: GERMANY (+15%), JAPAN (+9.1%) AND THE UNITED KINGDOM (+8.7%).

JAPAN WAS THE LARGEST SUPPLIER OF HONG KONG'S IMPORTS BY OCEAN, ACCOUNTING FOR A SHARE OF 27% IN VALUE IN 1993. THE VALUE OF IMPORTS BY OCEAN FROM JAPAN WENT UP BY 4.9% IN 1993 OVER 1992. INCREASES WERE ALSO RECORDED IN SEABORNE IMPORTS FROM TAIWAN (+5.4%), THE UNITED STATES (+6.8%) AND THE REPUBLIC OF KOREA (+4.9%). HOWEVER, THE VALUE OF SEABORNE IMPORTS FROM CHINA DECREASED BY 0.7%.

TABLE 2 SHOWS THE CHANGES IN VALUE OF EXTERNAL TRADE BY OCEAN WITH MAJOR TRADING PARTNERS IN 1993 COMPARED WITH 1992.

IN 1993, THE UNITED STATES ACCOUNTED FOR 31% OF THE VALUE OF HONG KONG'S TOTAL EXPORTS BY AIR. THE VALUE OF TOTAL EXPORTS BY AIR TO THE UNITED STATES INCREASED BY 20% OVER 1992.

THE VALUE OF TOTAL EXPORTS BY AIR TO MOST OTHER MAJOR DESTINATIONS ALSO WENT UP.

AIRBORNE IMPORTS FROM ALL MAJOR SUPPLIERS INCREASED CONSIDERABLY IN 1993. THE PERCENTAGE INCREASES IN VALUE IN 1993 OVER 1992 WERE: JAPAN (+16%), THE UNITED STATES (+20%), SINGAPORE (+44%), TAIWAN (+27%) AND SWITZERLAND (+9.2%).

TABLE 3 SHOWS THE CHANGES IN THE VALUE OF EXTERNAL TRADE BY AIR WITH MAJOR TRADING PARTNERS IN 1993 COMPARED WITH 1992.

MORE DETAILED FIGURES ON CHANGES IN THE VALUE OF EXTERNAL TRADE BY OCEAN BETWEEN 1993 AND 1992 ANALYSED BY MAJOR COMMODITY DIVISION ARE SHOWN IN TABLE 4.

SIGNIFICANT INCREASES WERE RECORDED IN THE VALUE OF RE-EXPORTS BY OCEAN FOR FOOTWEAR (BY \$11,238 MILLION OR 34%); TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$10,214 MILLION OR 24%); AND MISCELLANEOUS MANUFACTURED ARTICLES CONSISTING OF MAINLY BABY CARRIAGES, TOYS, GAMES AND SPORTING GOODS (BY \$9,671 MILLION OR 11%).

LARGE INCREASES WERE ALSO RECORDED IN THE VALUE OF IMPORTS BY OCEAN FOR ROAD VEHICLES (BY \$15,899 MILLION OR 52%); AND TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$3,166 MILLION OR 8.8%).

HOWEVER, CONSIDERABLE DECREASES WERE RECORDED IN THE VALUE OF DOMESTIC EXPORTS BY OCEAN FOR CLOTHING (BY \$3,446 MILLION OR 6.6%); AND MISCELLANEOUS MANUFACTURED ARTICLES CONSISTING OF MAINLY PRINTED MATTER (BY \$1,422 MILLION OR 14%).

CHANGES IN VALUE OF EXTERNAL TRADE BY AIR BETWEEN 1993 AND 1992 ANALYSED BY MAJOR COMMODITY DIVISION ARE SHOWN IN TABLE 5.

COMPARING 1993 WITH 1992, SIGNIFICANT INCREASES WERE RECORDED IN THE VALUE OF IMPORTS BY AIR FOR ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF (BY \$14,378 MILLION OR 30%); AND TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$7,596 MILLION OR 78%).

AS REGARDS EXPORTS BY AIR, INCREASES WERE RECORDED FOR RE-EXPORTS OF ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF (BY \$5,858 MILLION OR 34%); CLOTHING (BY \$4,682 MILLION OR 27%); PHOTOGRAPHIC APPARATUS, EQUIPMENT AND SUPPLIES, OPTICAL GOODS, WATCHES AND CLOCKS (BY \$3,264 MILLION OR 24%); AND DOMESTIC EXPORTS OF ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF (BY \$2,852 MILLION OR 26%).

HOWEVER, SIGNIFICANT DECREASES WERE RECORDED IN THE VALUE OF DOMESTIC EXPORTS BY AIR FOR CLOTHING (BY \$2,273 MILLION OR 10%); AND PHOTOGRAPHIC APPARATUS, EQUIPMENT AND SUPPLIES, OPTICAL GOODS, WATCHES AND CLOCKS (BY \$1,776 MILLION OR 15%).

CHANGES IN VALUE OF EXTERNAL TRADE BY LAND BETWEEN 1993 AND 1992 ANALYSED BY MAJOR COMMODITY DIVISION ARE SHOWN IN TABLE 6.

COMPARING 1993 WITH 1992, SIGNIFICANT INCREASES WERE RECORDED IN THE VALUE OF IMPORTS BY LAND FOR CLOTHING (BY \$9,696 MILLION OR 16%); FOOTWEAR (BY \$8,946 MILLION OR 40%); MISCELLANEOUS MANUFACTURED ARTICLES CONSISTING OF MAINLY BABY CARRIAGES, TOYS, GAMES AND SPORTING GOODS (BY \$7,240 MILLION OR 17%); AND TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$7,023 MILLION OR 24%).

/AS REGARDS

AS REGARDS EXPORTS BY LAND, INCREASES WERE RECORDED FOR RE-EXPORTS OF ROAD VEHICLES (BY \$4,827 MILLION OR 77%); TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$4,305 MILLION OR 75%); AND ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF (BY \$2,785 MILLION OR 30%); AND DOMESTIC EXPORTS OF TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT (BY \$1,104 MILLION OR 14%).

DETAILED STATISTICS OF HONG KONG'S EXTERNAL TRADE ANALYSED BY MODE OF TRANSPORT ARE PUBLISHED IN THE DECEMBER 1993 ISSUE OF THE "HONG KONG EXTERNAL TRADE" REPORT WHICH IS NOW AVAILABLE FOR SALE AT \$68.50 A COPY.

THE REPORT CAN BE BOUGHT AT THE GOVERNMENT PUBLICATIONS CENTRE ON THE GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL, OR THE PUBLICATIONS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON THE 19TH FLOOR, WANCHAI TOWER, 12 HARBOUR ROAD, WAN CHAI.

ENQUIRIES REGARDING REGULAR SUBSCRIPTION TO THE REPORT MAY BE DIRECTED TO THE INFORMATION SERVICES DEPARTMENT AT FRENCH MISSION BUILDING, 1 BATTERY PATH, HONG KONG (TEL 842 8802) AND ENQUIRIES ON TRADE STATISTICS TO THE CENSUS AND STATISTICS DEPARTMENT (TEL 582 4915).

/TABLE 1 :

TABLE 1 : EXTERNAL TRADE BY MODE OF TRANSPORT

MODE OF TRANSPORT/ TYPE OF TRADE	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993 HKD Mn.	1992 HKD Mn.	HKD Mn.	%
OCEAN				
DOMESTIC EXPORTS	93,178	102,913	- 9,735	- 9.5
RE-EXPORTS	481,143	417,865	+ 63,278	+ 15.1
TOTAL EXPORTS	574,321	520,778	+ 53,543	+ 10.3
IMPORTS	499,762	467,720	+ 32,042	+ 6.9
TOTAL BY OCEAN	1,074,083	988,497	+ 85,586	+ 8.7
AIR				
DOMESTIC EXPORTS	67,944	70,173	- 2,229	- 3.2
RE-EXPORTS	113,466	91,795	+ 21,671	+ 23.6
TOTAL EXPORTS	181,410	161,969	+ 19,441	+ 12.0
IMPORTS	208,686	170,686	+ 38,001	+ 22.3
TOTAL BY AIR	390,096	332,654	+ 57,442	+ 17.3
LAND				
DOMESTIC EXPORTS	53,605	52,741	+ 864	+ 1.6
RE-EXPORTS	175,777	141,028	+ 34,749	+ 24.6
TOTAL EXPORTS	229,381	193,769	+ 35,612	+ 18.4
IMPORTS	327,209	280,286	+ 46,922	+ 16.7
TOTAL BY LAND	556,590	474,055	+ 82,535	+ 17.4
OTHERS				
DOMESTIC EXPORTS	8,300	8,297	+ 3	*
RE-EXPORTS	52,838	40,141	+ 12,697	+ 31.6
TOTAL EXPORTS	61,138	48,438	+ 12,701	+ 26.2
IMPORTS	36,941	36,604	+ 337	+ 0.9
TOTAL BY OTHERS	98,079	85,041	+ 13,038	+ 15.3
ALL MODES OF TRANSPORT				
DOMESTIC EXPORTS	223,027	234,123	- 11,097	- 4.7
RE-EXPORTS	823,224	690,829	+ 132,394	+ 19.2
TOTAL EXPORTS	1,046,250	924,953	+ 121,298	+ 13.1
IMPORTS	1,072,597	955,295	+ 117,302	+ 12.3
TOTAL TRADE	2,118,848	1,880,248	+ 238,600	+ 12.7

* denotes less than 0.05%

/TABLE 2 :

TABLE 2 : EXTERNAL TRADE BY OCEAN BY MAJOR TRADING PARTNER

TRADING PARTNER	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993 HKD Mn.	1992 HKD Mn.	HKD Mn.	%
DOMESTIC EXPORTS (DESTINATION)				
UNITED STATES	34,322	38,494	- 4,172	- 10.8
GERMANY	8,831	9,716	- 885	- 9.1
UNITED KINGDOM	7,772	9,132	- 1,360	- 14.9
JAPAN	3,868	4,555	- 687	- 15.1
CANADA	3,276	3,468	- 191	- 5.5
ALL COUNTRIES	93,178	102,913	- 9,735	- 9.5
RE-EXPORTS (DESTINATION)				
UNITED STATES	150,055	127,544	+ 22,510	+ 17.6
CHINA	48,197	33,857	+ 14,340	+ 42.4
GERMANY	33,323	26,920	+ 6,403	+ 23.8
JAPAN	31,372	27,750	+ 3,622	+ 13.1
UNITED KINGDOM	20,708	17,057	+ 3,650	+ 21.4
ALL COUNTRIES	481,143	417,865	+ 63,278	+ 15.1
TOTAL EXPORTS (DESTINATION)				
UNITED STATES	184,377	166,038	+ 18,339	+ 11.0
CHINA	51,440	36,803	+ 14,638	+ 39.8
GERMANY	42,154	36,637	+ 5,517	+ 15.1
JAPAN	35,240	32,305	+ 2,934	+ 9.1
UNITED KINGDOM	28,480	26,190	+ 2,290	+ 8.7
ALL COUNTRIES	574,321	520,778	+ 53,543	+ 10.3
IMPORTS (SOURCE)				
JAPAN	136,829	130,475	+ 6,354	+ 4.9
TAIWAN	80,635	76,498	+ 4,137	+ 5.4
UNITED STATES	42,255	39,560	+ 2,695	+ 6.8
REPUBLIC OF KOREA	40,190	38,307	+ 1,882	+ 4.9
CHINA	36,988	37,260	- 272	- 0.7
ALL COUNTRIES	499,762	467,720	+ 32,042	+ 6.9

TABLE 3 : EXTERNAL TRADE BY AIR BY MAJOR TRADING PARTNER

TRADING PARTNER	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993	1992	HKD Mn.	%
	HKD Mn.	HKD Mn.		
DOMESTIC EXPORTS				
(DESTINATION)				
UNITED STATES	25,945	26,061	- 116	- 0.4
SINGAPORE	8,446	7,826	+ 620	+ 7.9
JAPAN	5,751	6,380	- 629	- 9.9
GERMANY	5,103	6,199	- 1,096	- 17.7
TAIWAN	3,608	2,908	+ 699	+ 24.0
ALL COUNTRIES	67,944	70,173	- 2,229	- 3.2
RE-EXPORTS				
(DESTINATION)				
UNITED STATES	30,256	20,933	+ 9,323	+ 44.5
JAPAN	12,646	9,643	+ 3,002	+ 31.1
TAIWAN	9,832	9,244	+ 588	+ 6.4
CHINA	7,640	5,776	+ 1,864	+ 32.3
GERMANY	7,448	6,152	+ 1,296	+ 21.1
ALL COUNTRIES	113,466	91,795	+ 21,671	+ 23.6
TOTAL EXPORTS				
(DESTINATION)				
UNITED STATES	56,201	46,994	+ 9,207	+ 19.6
JAPAN	18,397	16,024	+ 2,373	+ 14.8
SINGAPORE	13,691	12,511	+ 1,180	+ 9.4
TAIWAN	13,440	12,152	+ 1,287	+ 10.6
GERMANY	12,551	12,351	+ 201	+ 1.6
ALL COUNTRIES	181,410	161,969	+ 19,441	+ 12.0
IMPORTS				
(SOURCE)				
JAPAN	40,872	35,380	+ 5,492	+ 15.5
UNITED STATES	37,048	30,849	+ 6,199	+ 20.1
SINGAPORE	17,398	12,062	+ 5,335	+ 44.2
TAIWAN	13,296	10,500	+ 2,796	+ 26.6
SWITZERLAND	10,493	9,613	+ 880	+ 9.2
ALL COUNTRIES	208,686	170,686	+ 38,001	+ 22.3

/TABLE 4 :

TABLE 4 : EXTERNAL TRADE BY OCEAN BY MAJOR COMMODITY DIVISION

COMMODITY DIVISION	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993 HKD Mn.	1992 HKD Mn.	HKD Mn.	%
DOMESTIC EXPORTS				
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	48,551	51,996	- 3,446	- 6.6
TEXTILE YARN, FABRICS, MADE-UP ARTICLES AND RELATED PRODUCTS	8,670	9,007	- 337	- 3.7
MISCELLANEOUS MANUFACTURED ARTICLES (MAINLY PRINTED MATTER)	8,654	10,076	- 1,422	- 14.1
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	3,970	4,578	- 608	- 13.3
OFFICE MACHINES AND AUTOMATIC DATA PROCESSING MACHINES	3,273	4,294	- 1,021	- 23.8
RE-EXPORTS				
MISCELLANEOUS MANUFACTURED ARTICLES (MAINLY BABY CARRIAGES, TOYS, GAMES AND SPORTING GOODS)	94,867	85,196	+ 9,671	+ 11.4
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	66,765	59,091	+ 7,674	+ 13.0
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	53,432	43,218	+ 10,214	+ 23.6
FOOTWEAR	44,319	33,081	+ 11,238	+ 34.0
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	29,746	24,369	+ 5,377	+ 22.1
IMPORTS				
TEXTILE YARN, FABRICS, MADE-UP ARTICLES AND RELATED PRODUCTS	64,006	66,753	- 2,747	- 4.1
ROAD VEHICLES	46,280	30,382	+ 15,899	+ 52.3
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	39,081	35,915	+ 3,166	+ 8.8
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	30,389	28,533	+ 1,856	+ 6.5
GENERAL INDUSTRIAL MACHINERY AND EQUIPMENT, AND MACHINE PARTS	24,761	22,285	+ 2,477	+ 11.1

/TABLE 5 :

TABLE 5 : EXTERNAL TRADE BY AIR BY MAJOR COMMODITY DIVISION

COMMODITY DIVISION	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993 HKD Mn.	1992 HKD Mn.	HKD Mn.	%
DOMESTIC EXPORTS				
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	19,606	21,879	- 2,273	- 10.4
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	13,871	11,019	+ 2,852	+ 25.9
OFFICE MACHINES AND AUTOMATIC DATA PROCESSING MACHINES	12,007	13,760	- 1,753	- 12.7
PHOTOGRAPHIC APPARATUS, EQUIPMENT AND SUPPLIES, OPTICAL GOODS, WATCHES AND CLOCKS	10,293	12,069	- 1,776	- 14.7
MISCELLANEOUS MANUFACTURED ARTICLES (MAINLY JEWELLERY, GOLDSMITHS' AND SILVERSMITHS' WARES)	6,284	5,846	+ 439	+ 7.5
RE-EXPORTS				
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	23,258	17,400	+ 5,858	+ 33.7
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	21,779	17,097	+ 4,682	+ 27.4
PHOTOGRAPHIC APPARATUS, EQUIPMENT AND SUPPLIES, OPTICAL GOODS, WATCHES AND CLOCKS	17,115	13,851	+ 3,264	+ 23.6
OFFICE MACHINES AND AUTOMATIC DATA PROCESSING MACHINES	10,256	7,893	+ 2,363	+ 29.9
NON-METALLIC MINERAL MANUFACTURES	8,447	7,819	+ 628	+ 8.0
IMPORTS				
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	61,809	47,430	+ 14,378	+ 30.3
PHOTOGRAPHIC APPARATUS, EQUIPMENT AND SUPPLIES, OPTICAL GOODS, WATCHES AND CLOCKS	22,692	22,405	+ 287	+ 1.3
NON-METALLIC MINERAL MANUFACTURES	21,722	18,558	+ 3,164	+ 17.0
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	17,395	9,798	+ 7,596	+ 77.5
OFFICE MACHINES AND AUTOMATIC DATA PROCESSING MACHINES	16,835	15,214	+ 1,621	+ 10.7

TABLE 6 : EXTERNAL TRADE BY LAND BY MAJOR COMMODITY DIVISION

COMMODITY DIVISION	JAN-DEC	JAN-DEC	YEAR-ON-YEAR CHANGE	
	1993 HKD Mn.	1992 HKD Mn.	HKD Mn.	%
DOMESTIC EXPORTS				
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	9,081	7,977	+ 1,104	+ 13.8
TEXTILE YARN, FABRICS, MADE-UP ARTICLES AND RELATED PRODUCTS	6,306	6,802	- 496	- 7.3
MISCELLANEOUS MANUFACTURED ARTICLES (MAINLY BABY CARRIAGES, TOYS, GAMES AND SPORTING GOODS)	4,957	5,416	- 460	- 8.5
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	4,468	4,250	+ 218	+ 5.1
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	3,589	3,140	+ 449	+ 14.3
RE-EXPORTS				
TEXTILE YARN, FABRICS, MADE-UP ARTICLES AND RELATED PRODUCTS	41,031	38,300	+ 2,731	+ 7.1
ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES, AND ELECTRICAL PARTS THEREOF	12,156	9,372	+ 2,785	+ 29.7
PLASTICS IN PRIMARY FORMS	12,063	10,218	+ 1,846	+ 18.1
ROAD VEHICLES	11,108	6,281	+ 4,827	+ 76.9
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	10,007	5,702	+ 4,305	+ 75.5
IMPORTS				
ARTICLES OF APPAREL AND CLOTHING ACCESSORIES	71,729	62,033	+ 9,696	+ 15.6
MISCELLANEOUS MANUFACTURED ARTICLES (MAINLY BABY CARRIAGES, TOYS, GAMES AND SPORTING GOODS)	49,067	41,827	+ 7,240	+ 17.3
TELECOMMUNICATIONS AND SOUND RECORDING AND REPRODUCING APPARATUS AND EQUIPMENT	36,106	29,083	+ 7,023	+ 24.1
FOOTWEAR	31,582	22,636	+ 8,946	+ 39.5
TEXTILE YARN, FABRICS, MADE-UP ARTICLES AND RELATED PRODUCTS	25,769	26,006	- 237	- 0.9

HK SUPPORTS GLOBAL TROPOSPHERIC EXPERIMENT

* * * * *

HONG KONG IS SUPPORTING A GLOBAL TROPOSPHERIC EXPERIMENT THAT WILL DEVELOP A BASIS FOR THE UNDERSTANDING OF THE ATMOSPHERE AND GLOBAL EFFECTS SUCH AS CLIMATE CHANGE.

AN INTERNATIONAL TEAM OF MORE THAN 70 SCIENTISTS AND A SPECIALLY EQUIPPED DC-8 AIRCRAFT FROM THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA) OF USA ARE TAKING PART IN THE WORK.

SINCE MONDAY (FEBRUARY 21), THE AIRCRAFT HAS BEEN USING HONG KONG AS THE BASE, FLYING OVER THE SOUTH CHINA SEA AND THE WESTERN PACIFIC TO TAKE ATMOSPHERIC MEASUREMENTS.

THIS FOLLOWS MEASUREMENTS MADE FROM GUAM EARLY THIS MONTH. THE PACIFIC EXPLORATORY MISSION WILL MOVE ON TO JAPAN AND ALASKA NEXT MONTH BEFORE RETURNING TO CALIFORNIA.

A GOVERNMENT SPOKESMAN SAID THE ROYAL OBSERVATORY WOULD PROVIDE METEOROLOGICAL SUPPORT FOR THE PLANNING AND OPERATION OF THE FLIGHTS DURING THE WEEK-LONG EXPERIMENT.

"IT WILL MAKE INTENSIVE OZONE SOUNDINGS ON SCHEDULED DAYS," HE SAID.

THE CIVIL AVIATION DEPARTMENT WILL FACILITATE THE OPERATION OF THE AIRCRAFT IN AND OUT OF THE TERRITORY.

THE SPOKESMAN SAID DATA COLLECTED BY THE AIRCRAFT COULD BE MADE AVAILABLE TO LOCAL SCIENTISTS IN GOVERNMENT AND TERTIARY INSTITUTES FOR RESEARCH AND STUDIES IN THE FIELD OF ATMOSPHERIC SCIENCES.

AS A FOLLOW-UP TO THE EXPERIMENT, THE HONG KONG POLYTECHNIC WILL CONDUCT CHEMICAL ANALYSES UNDER A SPECIAL RESEARCH PROGRAMME ON A CONTINUING BASIS FOR THE NEXT FOUR YEARS.

THE EXPERIMENT FOLLOWS THE FIRST FIELD EXPERIMENT OVER THE WESTERN PACIFIC REGION IN 1991.

ITS MAIN OBJECTIVE IS TO INVESTIGATE THE ATMOSPHERIC CHEMISTRY OF OZONE AND ITS PRECURSORS OVER THE WESTERN PACIFIC AND TO EXAMINE THE NATURAL BUDGETS OF THESE SPECIES AND THE IMPACT OF ANTHROPOGENIC SOURCES.

- - - - 0 - - - -

THURSDAY, FEBRUARY 24, 1994

- 32 -

FIVE MORE HIV INFECTED CASES CONFIRMED

* * * * *

FIVE MEN WERE FOUND TO BE POSITIVE FOR THE HIV ANTIBODY TEST LAST MONTH, THE DEPARTMENT OF HEALTH ANNOUNCED TODAY (THURSDAY).

THIS BRINGS THE NUMBER OF HIV INFECTED PERSONS IN HONG KONG TO 421.

THREE NEW AIDS CASES WERE REPORTED DURING JANUARY.

THE TOTAL NUMBER OF CONFIRMED AIDS CASES IS 95 WITH 65 DEATHS REPORTED.

OF THE 421 HIV INFECTED, 309 ACQUIRED THE INFECTION SEXUALLY, NINE WERE INJECTING DRUG USERS, AND 65 ACQUIRED THE INFECTION THROUGH CONTAMINATED BLOOD OR BLOOD PRODUCTS BEFORE 1985 WHEN HIV ANTIBODY TEST AND SAFE HEAT TREATED CLOTTING CONCENTRATES WERE NOT AVAILABLE.

FOR THE REMAINING 38, THE INFORMATION AVAILABLE WAS INADEQUATE FOR CLASSIFICATION.

UNDER THE HIV SURVEILLANCE PROGRAMME WHICH STARTED IN 1985, A TOTAL OF 313,027 BLOOD SPECIMENS HAVE BEEN TESTED FOR THE HIV ANTIBODY.

THE HONG KONG RED CROSS BLOOD TRANSFUSION SERVICE HAS ALSO SCREENED ALL BLOOD DONORS FOR AIDS.

UP TO LAST MONTH, 1,363,383 UNITS OF BLOOD HAD BEEN TESTED AND 29 DONORS WERE FOUND POSITIVE.

- - - - 0 - - - -

EDUCATION AND CAREERS EXHIBITION DRAWS BIG CROWDS

* * * * *

TENS OF THOUSANDS OF STUDENTS, YOUNG PEOPLE AND WORKING ADULTS VISITED THE 4TH EDUCATION AND CAREERS EXPO TODAY (THURSDAY) TO SEE FOR THEMSELVES THE LATEST INFORMATION ON OPPORTUNITIES FOR FURTHER STUDY AND CAREER CHOICES.

IT IS ESTIMATED THAT THE FOUR-DAY EXHIBITION WOULD ATTRACT ABOUT 180,000 VISITORS.

DURING THE VISIT, THEY ARE ABLE TO OBTAIN DETAILS OF TRAINING COURSES AND JOBS FROM MORE THAN 200 EDUCATION AND CAREERS BOOTHS.

THIS YEAR'S EXPO, ORGANISED JOINTLY BY THE HONG KONG TRADE DEVELOPMENT COUNCIL (TDC) AND THE LABOUR DEPARTMENT, WAS OFFICIALLY OPENED THIS MORNING BY THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN.

/OTHER OFFICIATING

OTHER OFFICIATING GUESTS INCLUDED THE TDC CHAIRMAN, DR VICTOR FUNG, THE COMMISSIONER FOR LABOUR, MRS KATHERINE FOK AND THE DIRECTOR OF THE BRITISH COUNCIL, MR TOM BUCHANAN.

AFTER THE OPENING CEREMONY, MR PATTEN, ACCOMPANIED BY DR FUNG, MRS FOK AND MR BUCHANAN, VISITED SOME OF THE EXHIBITION BOOTHS AND CHATTED TO EXHIBITORS.

A SERIES OF CAREERS VIDEO SHOWS, INTRODUCING A WIDE RANGE OF CAREERS AND THE WORK OF PROFESSIONAL BODIES AND PUBLIC UTILITIES, WILL BE PRESENTED THROUGHOUT THE EXHIBITION TO FURTHER ENHANCE VISITORS' UNDERSTANDING OF THE WORLD OF WORK.

TO ENCOURAGE SECONDARY SCHOOL STUDENTS TO VISIT THE EXPOSITION AND COLLECT CAREERS INFORMATION ACTIVELY, THE LABOUR DEPARTMENT'S CAREERS ADVISORY SERVICE HAS ARRANGED A SERIES OF GROUP VISITS FOR MORE THAN 10,000 STUDENTS FROM 97 SCHOOLS.

A TOTAL OF 60 SEMINARS TO BE CONDUCTED BY EXPERTS IN VARIOUS FIELDS HAVE RECEIVED OVERWHELMING RESPONSE.

THE EXPO, FEATURING SOME 170 EXHIBITORS FROM A WIDE RANGE OF TRADES, GOVERNMENT DEPARTMENTS, PROFESSIONAL ASSOCIATIONS, LOCAL AND OVERSEAS EDUCATIONAL AND TRAINING INSTITUTES, IS OPEN TO THE PUBLIC UNTIL SUNDAY (FEBRUARY 27) ON LEVEL 5 OF THE HONG KONG CONVENTION AND EXHIBITION CENTRE IN WAN CHAI. ADMISSION IS FREE.

THE OPENING HOURS ARE:

FEBRUARY 24 (THURSDAY) 10.30 AM - 7 PM
 FEBRUARY 25 (FRIDAY) 10 AM - 7 PM
 FEBRUARY 26 (SATURDAY) 10 AM - 7 PM
 FEBRUARY 27 (SUNDAY) 10 AM - 6 PM

- - - - 0 - - - -

DRAFT LAW SENT OUT FOR COMMENTS
 * * * * *

THE HONG KONG ARTS DEVELOPMENT COUNCIL WORKING GROUP HAS ORGANISED A SERIES OF FIVE PUBLIC FORUMS IN JANUARY AND FEBRUARY THIS YEAR, THE LAST WAS HELD LAST SATURDAY (FEBRUARY 19).

AT THE FORUMS, SOME PARTICIPANTS RAISED THEIR WISH TO COMMENT ON THE DRAFT ORDINANCE FOR THE HONG KONG ARTS DEVELOPMENT COUNCIL PREPARED BY THE WORKING GROUP, FOR THE CONSIDERATION OF THE ADMINISTRATION WHEN IT DRAFTS THE LEGISLATION TO ESTABLISH THE HONG KONG ARTS DEVELOPMENT COUNCIL AS A STATUTORY BODY.

THE WORKING GROUP HAS NOW SENT COPIES OF THE DRAFT ORDINANCE TO ARTS ORGANISATIONS FOR COMMENT, BEFORE MARCH 13.

THE WORKING GROUP WILL CONSIDER THE VIEWS RECEIVED BEFORE COMING UP WITH ITS RECOMMENDATIONS TO THE ADMINISTRATION.

- - - - 0 - - - -

THURSDAY, FEBRUARY 24, 1994

- 34 -

925 MOST IMPROVED STUDENTS AWARDED

* * * * *

THE DIRECTOR OF EDUCATION, MR DOMINIC S W WONG, WILL PRESENT AWARDS TO 925 PRIMARY STUDENTS AT THE FIRST MOST IMPROVED PRIMARY PUPILS AWARD SCHEME PRESENTATION CEREMONY ON SATURDAY (FEBRUARY 26).

THE PRIMARY 4 TO 6 STUDENTS FROM 540 SCHOOLS WILL EACH RECEIVE \$400 IN CASH, A CERTIFICATE AND A MEDAL.

THE SCHEME IS ORGANISED BY THE EDUCATION DEPARTMENT, THE TUNG WAH GROUP OF HOSPITALS, PO LEUNG KUK, YAN CHAI HOSPITAL AND THE SUBSIDISED PRIMARY SCHOOLS COUNCIL.

IT IS AIMED AT ENCOURAGING PRIMARY SCHOOL STUDENTS TO DEVELOP FULLY THEIR INDIVIDUAL POTENTIAL BY GIVING DUE RECOGNITION TO THOSE WHO HAVE ACHIEVED THE BEST ALL-ROUND IMPROVEMENT OVER A PERIOD OF TIME.

- - - - -

ATTENTION NEWS EDITORS:

YOU ARE INVITED TO COVER THE PRESENTATION CEREMONY TO BE HELD AT THE QUEEN ELIZABETH STADIUM, 18 OI KWAN ROAD, WAN CHAI, AT 11.15 AM ON SATURDAY.

- - - - 0 - - - -

RALEIGH HOPEFULS VENTURE TO SUCCEED

* * * * *

THIRTY CANDIDATES WILL BE VYING FOR PLACES AS "VENTURERS" ON RALEIGH INTERNATIONAL EXPEDITIONS AT A SELECTION WEEKEND TO BE HELD AT THE CIVIL AID SERVICES CAMP, YUEN TUN FROM FEBRUARY 25 TO 27.

THE WEEKEND WILL BE RUN JOINTLY BY THE COMMITTEE OF RALEIGH INTERNATIONAL (HONG KONG) AND 67 SQUADRON, THE QUEEN'S GURKHA ENGINEERS.

THE SUCCESSFUL VENTURERS WILL TAKE PART IN FUTURE RALEIGH INTERNATIONAL TASKS SUCH AS HELPING IN PROJECTS IN REMOTE AREAS OR IN COUNTRIES WITH POOR INFRASTRUCTURE. PROJECTS ARE PLANNED FOR SIBERIA, CHILE AND MALAYSIA.

THE ACTIVITIES DURING THE WEEKEND ARE DESIGNED TO PRESENT INDIVIDUAL AND GROUP PROBLEMS TO THE CANDIDATES AND WILL INCLUDE THE NEGOTIATION OF ASSAULT COURSES, COMMAND TASKS AND CONSTRUCTION ACTIVITIES.

/THE TESTS

THE TESTS WILL SHOW WHETHER A CANDIDATE HAS THE DETERMINATION AND PERSONALITY TO COPE WITH THE PHYSICAL AND MENTAL DEMANDS OF AN EXPEDITION.

- - - - -

NOTES:

THE QUEEN'S GURKHA ENGINEERS ARE PROVIDING ALL THE ADMINISTRATIVE SUPPORT FOR THE WEEKEND, INCLUDING THE DIRECTING STAFF AND PHYSICAL TRAINING STAFF.

THE PRESIDENT OF RALEIGH INTERNATIONAL (HONG KONG) IS THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN.

YOU ARE INVITED TO SEND A REPORTER AND A PHOTOGRAPHER TO COVER THE SELECTION WEEKEND. FURTHER DETAILS MAY BE OBTAINED FROM THE EXERCISE CO-ORDINATOR, LT R WARDLAW (TEL 450 5440), THE UNIT PRESS OFFICER, CAPT PATRICK COXEN (TEL 450 5115) OR LT GOPAL GURUNG (TEL 450 5385).

- - - - - 0 - - - - -

BOE MEMBERS VISIT CARITAS LOK YI SCHOOL

* * * * *

FIVE BOARD OF EDUCATION (BOE) MEMBERS VISITED THE CARITAS LOK YI SCHOOL IN LEI KING WAN, SAI WAN HO TODAY (THURSDAY).

THE MEMBERS WERE MISS BOW SUI-MAY, MS SANSAN CHING TEH-CHI, MR MICHAEL HONG MAN-HOI, MRS GRACE HUI WONG KING-MAN AND MR PETER LEE SHUNG-TAK.

THEY WERE ACCOMPANIED ON THE TOUR BY THE ASSISTANT DIRECTOR OF EDUCATION (SERVICES), MR CLEMENT WONG CHI-KEUNG AND PRINCIPAL INSPECTOR (SPECIAL EDUCATION INSPECTORATE), MRS JANE CHEUNG.

THE SCHOOL MANAGER, REV FRANCIS LERDA, THE SUPERVISOR, MS PHYLLIS WONG YEE-SEUNG AND THE PRINCIPAL, MRS SZE WONG SHUI-HAR BRIEFED THE GROUP ON THE OPERATION OF THE SCHOOL.

THE MEMBERS WERE TOLD THAT THE PURPOSE-BUILT SPECIAL SCHOOL FOR SEVERELY MENTALLY HANDICAPPED CHILDREN STARTED OPERATION LAST YEAR.

THE SCHOOL HAS 38 STUDENTS AND 24 BOARDERS.

- - - - - 0 - - - - -

THURSDAY, FEBRUARY 24, 1994

- 36 -

HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS

* * * * *

	\$ MILLION

OPENING BALANCE IN THE ACCOUNT	1,830
REVERSAL OF LAF	+1,170
BALANCE AFTER REVERSAL OF LAF	3,000
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	-473
CLOSING BALANCE IN THE ACCOUNT	2,527
LAF RATE 2.00 BID/4.00 OFFER	TWI 126.0 *+0.2* 24.2.94

HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.05	18 MONTHS	2508	4.625	100.35	4.43
1 MONTH	3.13	21 MONTHS	2511	4.15	99.31	4.62
3 MONTHS	3.37	24 MONTHS	2602	4.40	99.33	4.82
6 MONTHS	3.58	32 MONTHS	3610	4.20	97.85	5.13
12 MONTHS	4.05	35 MONTHS	3701	4.60	98.51	5.22

TOTAL TURNOVER OF BILLS AND BONDS - 16,933 MN

CLOSED 24 FEBRUARY 1994

----- 0 -----