



# DAILY INFORMATION BULLETIN

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TUESDAY, MAY 14, 1991

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AUSTRALIAN PM SHOWS REAL INTEREST IN HK AFFAIRS: GOVERNOR

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THE AUSTRALIAN PRIME MINISTER, MR BOB HAWKE, HAS SHOWN A REAL INTEREST IN HONG KONG AFFAIRS, ACCORDING TO THE GOVERNOR, SIR DAVID WILSON.

SPEAKING TO REPORTERS AFTER MEETING THE PRIME MINISTER IN CANBERRA THIS (TUESDAY) MORNING, SIR DAVID SAID HE FELT MR HAWKE HAD SHOWN A GREAT WILLINGNESS TO BE AS SUPPORTIVE AS AUSTRALIA COULD POSSIBLY BE TOWARDS HONG KONG.

"THERE WERE NO RESERVATIONS ABOUT THAT AT ALL," HE SAID.

THE GOVERNOR SPENT ABOUT 20 MINUTES WITH THE PRIME MINISTER DISCUSSING A RANGE OF ISSUES, INCLUDING THE VIETNAMESE MIGRANTS, THE PROSPECTS FOR THE FUTURE OF HONG KONG AND AUSTRALIA'S ATTITUDE TOWARDS THE TERRITORY.

SIR DAVID SAID AUSTRALIA HAD ALWAYS BEEN VERY SUPPORTIVE IN RELATION TO THE QUESTION OF THE VIETNAMESE MIGRANTS.

"THIS HAS BEEN BOTH IN LOOKING AFTER AND SETTLING REFUGEES, AND EQUALLY AS IMPORTANT, LOOKING FOR PRACTICAL AND SENSIBLE WAYS OF RETURNING NON REFUGEES TO THEIR HOMES," HE SAID.

ASKED ABOUT THE POSTPONEMENT OF HIS OFFICIAL VISIT TO NEW ZEALAND FOR THE RESUMPTION OF THE AIRPORT TALKS, THE GOVERNOR SAID HE WANTED TO BE BACK IN HONG KONG FOR THE PREPARATION OF THE MEETING AS WELL AS TALKING TO THE TEAM THAT WOULD BE GOING TO PEKING.

"I WANT TO BE IN HONG KONG WHEN THOSE TALKS ARE GOING ON," HE ADDED.

"ON OUR SIDE WE ARE DETERMINED TO TRY TO MAKE A SUCCESS OF THOSE TALKS AND TO REACH AN AGREEMENT. WE BELIEVE HONG KONG NEEDS A NEW AIRPORT AND NEEDS TO GET ON BUILDING IT AS SOON AS POSSIBLE.

"REALISTICALLY IN THE PRESENT CIRCUMSTANCES, TO GET ON WITH THE PROJECT ON AN ECONOMIC BASIS WITH SIGNIFICANT PRIVATE SECTOR PARTICIPATION, WE NEED THE ACQUIESCENCE OF CHINA, OR A DEGREE OF SUPPORT FROM CHINA, RATHER THAN OPPOSITION.

"WE'RE GOING TO HAVE TO TRY TO REACH AGREEMENT ON MATTERS WHICH ARE OF CONCERN TO EACH SIDE," HE SAID.

THROUGHOUT HIS AUSTRALIAN VISIT, THE GOVERNOR HAS STRESSED THE DYNAMISM OF HONG KONG, THE INVESTMENT OPPORTUNITIES, THE FUTURE BEYOND 1997, AND THE IMPORTANT ROLE THE TERRITORY CAN PLAY IN THE CONTINUING GROWTH OF THE ASIA-PACIFIC REGION.

THIS MESSAGE WAS DELIVERED TO MORE THAN 300 BUSINESS PEOPLE AT A PACKED LUNCHEON IN SYDNEY TODAY WHEN SIR DAVID SPOKE OFF THE CUFF FOR ABOUT 20 MINUTES IN A SPEECH THAT WAS ENTHUSIASTICALLY RECEIVED BY THE BIG AUDIENCE.

/SIR DAVID .....

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SIR DAVID SAID THAT IN HIS DISCUSSION WITH BUSINESSMEN IN AUSTRALIA, THEY HAD SHOWN A GREAT INTEREST IN HONG KONG, NOT SIMPLY IN THE SHORT TERM, BUT WELL BEYOND 1997. THIS WAS PARTICULARLY THE CASE WITH HONG KONG AS A BASE FOR THROUGH TRADE WITH CHINA.

THIS AFTERNOON, THE GOVERNOR AND LADY WILSON VISITED SYDNEY UNIVERSITY, ONE OF THE OLDEST IN AUSTRALIA, WHERE HE MET A NUMBER OF YOUNG HONG KONG PEOPLE WHO ARE STUDYING AT THE CAMPUS.

THE MEETING LASTED FOR NEARLY AN HOUR DURING WHICH TIME HE ASKED QUESTIONS OF THE STUDENTS AND IN TURN ALLOWED THEM TO QUESTION HIM ABOUT A RANGE OF TOPICS DEALING WITH HONG KONG.

SIR DAVID MADE THE POINT THAT HE HOPED THE STUDENTS WOULD RETURN TO HONG KONG ONCE THEY HAD GRADUATED. IN VIRTUALLY ALL CASES THE STUDENTS ANSWERED IN THE AFFIRMATIVE.

THE GOVERNOR WOUND UP HIS PUBLIC ENGAGEMENTS IN SYDNEY TONIGHT (TUESDAY) WITH AN ADDRESS TO THE SYDNEY INSTITUTE ABOUT THE OPPORTUNITIES AND PROSPECTS FOR HONG KONG AND ITS RELATIONS WITH AUSTRALIA.

SIR DAVID AND LADY WILSON WILL RETURN TO HONG KONG TOMORROW (WEDNESDAY).

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HONG KONG PROSPERITY RESTS WITH GROWTH IN PACIFIC REGION: GOVERNOR

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HONG KONG'S CONFIDENCE IN FUTURE PROSPERITY RESTS VERY MUCH ON STRONG GROWTH IN THE PACIFIC REGION IN WHICH HONG KONG AND AUSTRALIA SHARE A COMMON DESTINY, THE GOVERNOR, SIR DAVID WILSON, SAID IN SYDNEY TODAY (TUESDAY).

ADDRESSING THE SYDNEY INSTITUTE, THE GOVERNOR SAID DESPITE EXCITING DEVELOPMENTS ELSEWHERE IN THE WORLD, THE ASIA PACIFIC REGION REMAINED THE MOST PROMISING FOR THE NINETIES AND BEYOND AND BOTH HONG KONG AND AUSTRALIA STOOD TO SHARE IN THIS GROWTH.

OUTLINING THE STRONG SOCIAL AND ECONOMIC LINKS BETWEEN THE TWO PLACES, THE GOVERNOR POINTED OUT THAT AUSTRALIA WAS NOW A SIGNIFICANT PLAYER IN HONG KONG'S FINANCIAL MARKETS AND HONG KONG WAS INCREASINGLY INVESTING IN SERVICES IN SYDNEY AND IN DARWIN'S EXPORT ZONE.

"AND TOURISM IS FLOURISHING. LAST YEAR A QUARTER OF A MILLION AUSTRALIANS VISITED HONG KONG AND CONTRIBUTED MORE TO OUR ECONOMY PER HEAD THAN ANYONE ELSE ON THIS SIDE OF THE PACIFIC.

"THIS COMMONALITY OF INTEREST IS DRAWING HONG KONG AND AUSTRALIA CLOSER TOGETHER. OUR POSITION IN ORGANISATIONS SUCH AS THE GATT REFLECTS THIS," THE GOVERNOR SAID.

/SIR DAVID .....

SIR DAVID SAID THE LINKS BETWEEN HONG KONG AND AUSTRALIA WENT BEYOND TRADE AND ECONOMICS, CITING THAT MANY HONG KONG PARENTS SENT THEIR CHILDREN TO AUSTRALIA FOR EDUCATION.

"ALMOST INCREDIBLY, 13 PER CENT OF YOUR OVERSEAS STUDENTS COME FROM HONG KONG. THEY ARE AUSTRALIA'S LARGEST SOURCE OF FULL-FEE, FORMAL COURSE STUDENTS," HE ADDED.

THE GOVERNOR EXPLAINED IN DETAILS WHAT THE GOVERNMENT WAS DOING TO ACTIVELY PREPARE HONG KONG TO ENTER THE 21ST CENTURY AS A SEPARATE PART OF CHINA AND A KEY CENTRE OF ECONOMIC ACTIVITY IN THE ASIA PACIFIC.

HE SAID THE SO-CALLED BRAIN DRAIN HAD HIDDEN A MOVEMENT OF ECONOMIC MUSCLE IN THE OTHER DIRECTION.

"DESPITE ALL THE TALK OF PROBLEMS AND FEARS FOR THE FUTURE, THE FOREIGN BUSINESS COMMUNITIES IN HONG KONG HAVE CONTINUED TO GROW. THIS SHOWS WHAT BUSINESS PEOPLE THINK OF THE OPPORTUNITIES," HE SAID.

THE GOVERNOR POINTED OUT THAT THE TRADITIONAL IMAGE OF A COLONY WOULD BE A COMPLETELY INACCURATE PICTURE OF MODERN HONG KONG, ADDING THAT THE TERRITORY WAS NOT JUST AN ECONOMIC MIRACLE, IT WAS SOMETHING OF A SOCIAL MIRACLE.

IN TERMS OF SOCIAL MOBILITY, EQUALITY OF OPPORTUNITY, EQUALITY BEFORE THE LAW AND OTHER KEY ESSENTIALS OF A MODERN, CIVILISED COMMUNITY, HONG KONG HAD FEW RIVALS, THE GOVERNOR SAID.

"MORE THAN HALF OUR UNIVERSITY ENTRANTS COME FROM PUBLIC HOUSING ESTATES. HONG KONG PEOPLE HAVE POSSIBLY MORE FREEDOM TO CHOOSE WHAT TO DO WITH THEIR INCOME THAN ANYWHERE ELSE IN THE WORLD.

"REAL WAGES HAVE GONE UP EIGHT PER CENT A YEAR OVER THE LAST 20 YEARS. MAXIMUM PERSONAL TAX IS ONLY 15 PER CENT AND OUT OF A POPULATION OF 5.78 MILLION ONLY ABOUT 20 PER CENT PAY ANY TAX.

"AND HONG KONG IS NOT JUST AN EXCITING PLACE TO LIVE AND WORK. IT IS - AN UNUSUAL COMBINATION PERHAPS - ALSO ONE OF THE SAFEST PLACES, LIKE AUSTRALIA," SIR DAVID SAID.

ACKNOWLEDGING THAT HONG KONG WAS FACING AN ENORMOUS CHALLENGE AND THERE WERE MANY QUESTIONS THAT COULD NOT BE ANSWERED AT THIS STAGE, THE GOVERNOR SAID THE FUTURE COULD NEVER BE CERTAIN BUT WHAT WAS FOR SURE WAS THAT THE HONG KONG GOVERNMENT WAS DETERMINED TO DO EVERYTHING IT COULD TO PREPARE FOR FUTURE CHANGE AND TO BUILD A SOLID FOUNDATION FOR THE FUTURE OF HONG KONG WELL BEYOND 1997.

"HONG KONG HAS A KEY ROLE TO PLAY AS A REGIONAL COMMERCIAL CENTRE STRATEGICALLY PLACED IN ONE OF THE FASTEST GROWING AREAS OF THE WORLD.

"I HOPE THERE WILL BE PLENTY OF AUSTRALIANS HELPING IT TO PLAY THIS ROLE," THE GOVERNOR SAID.

GOVT WELCOMES EC DECISION TO END ANTI-DUMPING PROCEEDING ON TAPES  
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THE TRADE DEPARTMENT SAID TODAY (TUESDAY) IT HAD RECEIVED INFORMATION THAT THE COMMISSION OF THE EUROPEAN COMMUNITIES HAD ANNOUNCED TERMINATION OF THE ANTI-DUMPING PROCEEDING AGAINST IMPORTS INTO THE EUROPEAN ECONOMIC COMMUNITY (EEC) OF AUDIO CASSETTE TAPES ORIGINATING IN HONG KONG.

"WE WELCOME THE COMMISSION'S DECISION," THE DEPUTY DIRECTOR-GENERAL OF TRADE, MR STUART HARBINSON, SAID.

"IT MEANS THAT HONG KONG'S EXPORTS OF AUDIO TAPES TO THE EEC WILL NOT BE SUBJECT TO ANY ANTI-DUMPING DUTIES.

"IN ADDITION, ANY SECURITY WHICH HAS ALREADY BEEN PROVIDED BY OUR COMPANIES TO GUARANTEE PAYMENT OF PROVISIONAL ANTI-DUMPING DUTIES WILL BE RELEASED IMMEDIATELY," HE SAID.

MR HARBINSON SAID THE EEC INITIATED ANTI-DUMPING PROCEEDINGS ON IMPORTS OF AUDIO CASSETTE TAPES ORIGINATING IN JAPAN, SOUTH KOREA AND HONG KONG ON JANUARY 14, 1989.

FIVE HONG KONG COMPANIES PARTICIPATED IN THE INVESTIGATION AND FOUR WERE SUBSEQUENTLY EXONERATED.

THE FIFTH, AS WELL AS OTHER HONG KONG COMPANIES WHICH DID NOT PARTICIPATE, WERE SUBJECT TO A PROVISIONAL ANTI-DUMPING DUTY OF 2.4 PER CENT WHEN THE COMMISSION ANNOUNCED THE PROVISIONAL REGULATIONS ON NOVEMBER 14 LAST YEAR.

"THE TRADE DEPARTMENT WAS NEVER CONVINCED THAT THE PROVISIONAL ANTI-DUMPING DUTIES SHOULD HAVE BEEN IMPOSED ON HONG KONG COMPANIES IN THE FIRST PLACE," MR HARBINSON SAID.

"IMPORTS OF AUDIO CASSETTE TAPES FROM HONG KONG ACCOUNTED FOR ONLY ABOUT 1.5 PER CENT OF THE EEC'S MARKET.

"FURTHERMORE, THE COMMISSION'S OWN INVESTIGATIONS SHOWED THAT FOUR OF THE FIVE COMPANIES INVESTIGATED WERE NOT DUMPING.

"AGAINST THIS BACKGROUND, IT WAS HARD TO BELIEVE THAT IMPORTS FROM HONG KONG COULD HAVE CAUSED ANY SIGNIFICANT INJURY TO THE EEC INDUSTRY," HE SAID.

MR HARBINSON SAID: "WE HAVE CONSISTENTLY PUT THESE POINTS ACROSS TO THE EUROPEAN COMMISSION AND ARE NATURALLY PLEASED THAT, APPARENTLY, OUR ARGUMENTS HAVE EVENTUALLY BEEN ACCEPTED.

"IN FAIRNESS, THE CASE ALSO GOES TO SHOW THAT THE COMMISSION IS NOT IMPERVIOUS TO RATIONAL ARGUMENTS."

UNDER THE GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT) ANTI-DUMPING RULES IT IS NECESSARY TO SHOW BOTH DUMPING AND INJURY CAUSED BY THE DUMPING BEFORE ANTI-DUMPING DUTIES CAN BE LEVIED.

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STATEMENT ON COURT OF APPEAL JUDGEMENT

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IN RESPONSE TO PRESS ENQUIRIES ABOUT THE JUDGEMENT GIVEN TODAY (TUESDAY) BY THE COURT OF APPEAL ON THE VALIDITY OF APPOINTMENT OF A MAGISTRATE, A SPOKESMAN FOR THE ATTORNEY GENERAL'S CHAMBERS ISSUED THE FOLLOWING STATEMENT:

"THIS IS AN IMPORTANT JUDGEMENT ON A MATTER CONCERNING CONSTITUTIONAL LAW. THE JUDGEMENT SPEAKS FOR ITSELF. IT CONFIRMS OUR VIEW THAT THE GOVERNOR'S POWER OF APPOINTMENT CAN BE DELEGATED AND THAT MAGISTRATES HAVE BEEN VALIDLY APPOINTED."

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1991 FIRST QUARTER BUSINESS SURVEY RESULTS RELEASED

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FIRMS IN THE MANUFACTURING SECTOR AS A WHOLE EXPERIENCED A LOWER LEVEL OF BUSINESS IN THE FIRST QUARTER OF 1991 COMPARED WITH THE FOURTH QUARTER OF 1990, ACCORDING TO THE RESULTS OF THE QUARTERLY BUSINESS SURVEY RELEASED TODAY (TUESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

LOOKING AHEAD, FIRMS IN THIS SECTOR GENERALLY EXPECT AN IMPROVEMENT IN BUSINESS IN THE SECOND QUARTER OF 1991 COMPARED WITH THE FIRST QUARTER.

THESE COMPARISONS ARE, HOWEVER, LIKELY TO BE AFFECTED BY SEASONAL FACTORS. AS FAR AS MANUFACTURING ACTIVITY IS CONCERNED, THE FIRST QUARTER OF THE YEAR IS USUALLY A SEASONALLY LOW PERIOD WHILE THE THIRD AND THE FOURTH QUARTERS ARE NORMALLY MORE ACTIVE PERIODS.

FIRMS IN MOST MANUFACTURING INDUSTRIES SURVEYED, PARTICULARLY THOSE IN THE FOOD, BEVERAGE AND TOBACCO, TEXTILES, AND PLASTICS INDUSTRIES, EXPERIENCED A DETERIORATION IN BUSINESS IN THE FIRST QUARTER OF 1991 COMPARED WITH THE FOURTH QUARTER OF 1990.

AS REGARDS THE BUSINESS PROSPECTS FOR THE SECOND QUARTER, FIRMS IN ALL MANUFACTURING INDUSTRIES SURVEYED, PARTICULARLY THOSE IN THE PLASTICS INDUSTRY, GENERALLY EXPECT A NOTABLE IMPROVEMENT IN BUSINESS OVER THE FIRST QUARTER.

IN THE CONSTRUCTION SECTOR, THE FIRMS SURVEYED EXPERIENCED A RELATIVELY STABLE BUSINESS IN THE FIRST QUARTER OF 1991 AND EXPECT THEIR BUSINESS TO REMAIN STABLE IN THE SECOND QUARTER AS WELL.

IN THE DISTRIBUTIVE AND CATERING TRADES SECTOR, HOTELS EXPERIENCED A DETERIORATION IN BUSINESS IN THE FIRST QUARTER, WHILE BUSINESS IN THE RESTAURANTS AND THE WHOLESALE, RETAIL AND IMPORT/EXPORT TRADES REMAINED STABLE.

/REGARDING THE .....

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REGARDING THE BUSINESS OUTLOOK FOR THE SECOND QUARTER, RESTAURANTS EXPECT A DETERIORATION IN BUSINESS WHILE HOTELS ANTICIPATE AN IMPROVEMENT. ON THE OTHER HAND, FIRMS IN THE WHOLESALE, RETAIL AND IMPORT/EXPORT TRADES EXPECT THEIR BUSINESS TO REMAIN STABLE IN THE SECOND QUARTER.

IN THE OTHER SERVICES SECTOR, FIRMS IN THE TRANSPORT, STORAGE AND COMMUNICATION SERVICES EXPERIENCED A DETERIORATION IN BUSINESS IN THE FIRST QUARTER, WHILE BANKS AND FIRMS IN THE REAL ESTATE DEVELOPMENT AND RELATED SERVICES REPORTED A STABLE BUSINESS.

REGARDING THE SHORT-TERM BUSINESS PROSPECTS, FIRMS IN THIS SECTOR GENERALLY EXPECT AN IMPROVEMENT IN BUSINESS IN THE SECOND QUARTER.

ABOUT 1,000 FIRMS FROM VARIOUS INDUSTRIES AND TRADES, FORMING A CROSS-SECTION OF THE BUSINESS COMMUNITY, PARTICIPATED IN THE SURVEY. THEY WERE ASKED ABOUT THEIR BUSINESS EXPERIENCES AND EXPECTATIONS AS WELL AS THE BUSINESS PROBLEMS THEY FACED.

IN THE FIRST QUARTER OF 1991, FIRMS IN THE MANUFACTURING SECTOR GENERALLY ENCOUNTERED THE PROBLEMS OF INSUFFICIENT BUSINESS ORDERS OR CONTRACTS, SHORTAGE OF SKILLED LABOUR, HIGH MATERIAL PRICES, AND HIGH WAGE RATES.

THE PROBLEM OF INSUFFICIENT BUSINESS ORDERS OR CONTRACTS IS EXPECTED TO EASE OFF SOMEWHAT IN THE SECOND QUARTER.

IN THE CONSTRUCTION SECTOR, PRICE COMPETITION, SHORTAGE OF SKILLED LABOUR, INSUFFICIENT BUSINESS OR CONTRACTS, AND HIGH WAGE RATES WERE THE MAJOR PROBLEMS IN THE FIRST QUARTER. THESE PROBLEMS ARE EXPECTED TO SUSTAIN IN THE SECOND QUARTER.

IN THE DISTRIBUTIVE AND CATERING TRADES SECTOR AND THE OTHER SERVICES SECTOR, A SIGNIFICANT PROPORTION OF FIRMS CITED PRICE COMPETITION, SHORTAGE OF STAFF GENERALLY, HIGH STAFF COSTS, AND HIGH STAFF TURNOVER AS THEIR MAJOR BUSINESS PROBLEMS IN THE FIRST QUARTER OF 1991.

IN ADDITION, HOTELS AND RESTAURANTS ALSO ENCOUNTERED THE PROBLEM OF INSUFFICIENT BUSINESS. THESE PROBLEMS ARE EXPECTED TO CONTINUE IN THE SECOND QUARTER.

ACCORDING TO THE CENSUS AND STATISTICS DEPARTMENT, RESULTS OF THE QUARTERLY BUSINESS SURVEY, OBTAINED WITH A MINIMUM TIME LAG, ARE INTENDED TO PROVIDE A SOURCE OF REFERENCE FOR MAKING A QUICK ASSESSMENT OF THE CURRENT ECONOMIC SITUATION OF HONG KONG FROM A SHORT-TERM PERSPECTIVE.

IN THE SURVEY, PARTICIPATING FIRMS WERE ASKED TO INDICATE WHETHER, IN THEIR OPINION, THE GENERAL BUSINESS SITUATION AND LEVEL OF CAPACITY UTILISATION HAD "IMPROVED", "REMAINED THE SAME" OR "DETERIORATED" IN THE FIRST QUARTER OF 1991 AS COMPARED WITH THE PRECEDING QUARTER.

/THEY WERE .....

THEY WERE ALSO ASKED TO INDICATE WHETHER THE SITUATION IS EXPECTED TO "IMPROVE", "REMAIN THE SAME" OR "DETERIORATE" IN THE SECOND QUARTER OF 1991.

THE OPINIONS OF RESPONDENTS WERE THEN ANALYSED AND THE SUMMARY FINDINGS PUBLISHED IN THE "REPORT ON QUARTERLY BUSINESS SURVEY, FIRST QUARTER 1991".

MOREOVER, THE SURVEY REPORT CONTAINS A SECTION ON THE BUSINESS PROBLEMS EXPERIENCED AND EXPECTED BY FIRMS IN DIFFERENT ECONOMIC SECTORS, AND A BREAKDOWN OF THE VIEWS OF FIRMS BY EMPLOYMENT SIZE GROUP.

THE DEPARTMENT REMINDED THAT, IN A SURVEY OF THIS NATURE, THE RESULTS SHOULD BE INTERPRETED WITH CAUTION AS IT IS DIFFICULT TO ESTABLISH PRECISELY THE EXTENT TO WHICH RESPONDENTS' RECOLLECTION OF THE PAST AND PERCEPTION OF THE FUTURE ACCORDS WITH THE UNDERLYING TRENDS.

MEMBERS OF THE PUBLIC MAY PURCHASE COPIES OF THE SURVEY REPORT FROM THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GPO BUILDING, CONNAUGHT PLACE, CENTRAL OR FROM THE PUBLICATIONS SALES COUNTER OF THE CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER 1, 12 HARBOUR ROAD, WAN CHAI, AT \$8 PER COPY.

FURTHER DETAILS OF THE QUARTERLY BUSINESS SURVEY MAY BE OBTAINED FROM THE INDUSTRIAL RESEARCH SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON TEL. 839 3223.

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#### AUCTION OF SPECIAL CAR NUMBERS

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THE TRANSPORT DEPARTMENT WILL HOLD ANOTHER AUCTION OF SPECIAL VEHICLE REGISTRATION NUMBERS ON SATURDAY (MAY 18) AT 10 AM AT THE CITY HALL RECITAL HALL.

A TOTAL OF 40 SPECIAL CAR NUMBERS WILL BE AVAILABLE FOR BIDDING, THEY ARE:

CG557	AC213	BB3538	ER2328
ER315	BB44	XX63	BB421
EP3337	ER738	ER618	XX510
AA9911	BY9904	BJ3623	EC1
DS3039	1038	DD62	AC698
CE568	AK731	ER6877	ER8384
ER6623	EP1028	AJ786	AB863
AL3223	DM5	ER343	ER707
ES8168	ER827	BM350	ES628
BZ950	EL189	ES113	ER713

/SUCCESSFUL BIDDERS .....

SUCCESSFUL BIDDERS MUST PAY BY CHEQUE IMMEDIATELY AFTER THE BIDDING.

A TRANSPORT DEPARTMENT SPOKESMAN REMINDED BIDDERS THAT THE VEHICLE REGISTRATION NUMBER WOULD BE ASSIGNED ONLY TO A VEHICLE REGISTERED IN THE NAME OF THE SUCCESSFUL BIDDER WITHIN 12 MONTHS OF THE AUCTION.

THE CERTIFICATE OF INCORPORATION MUST BE PRODUCED IMMEDIATELY AFTER THE AUCTION IF THE VEHICLE REGISTRATION MARK IS TO BE REGISTERED UNDER THE NAME OF A BODY CORPORATE.

PROCEEDS OF THE AUCTION WILL AS USUAL GO TO THE GOVERNMENT LOTTERIES FUND.

THE COMING AUCTION WILL BE THE 164TH ORGANISED BY THE TRANSPORT DEPARTMENT SINCE MAY 1973.

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UNEMPLOYMENT AND UNDEREMPLOYMENT STATISTICS FOR JAN - MAR RELEASED  
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BOTH THE UNEMPLOYMENT RATE AND UNDEREMPLOYMENT RATE INCREASED DURING THE PERIOD JANUARY - MARCH 1991, ACCORDING TO THE LATEST LABOUR FORCE STATISTICS RELEASED TODAY (TUESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THUS THERE WAS APPARENTLY A SIGN OF SOME EASING OFF IN LABOUR MARKET CONDITIONS.

THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE FOR JANUARY - MARCH 1991 WAS 1.8%, COMPARED WITH 1.4% FOR THE THREE MONTHS ENDING DECEMBER 1990 AND 1.7% FOR THE CORRESPONDING PERIOD A YEAR EARLIER.

THE INCREASE OF 0.4 OF A PERCENTAGE POINT OVER THE PRECEDING THREE-MONTH PERIOD IS STATISTICALLY SIGNIFICANT WHILE THE INCREASE OF 0.1 OF A PERCENTAGE POINT OVER THE CORRESPONDING PERIOD A YEAR EARLIER IS STATISTICALLY NOT SIGNIFICANT.

THE NUMBER OF UNEMPLOYED PERSONS IN JANUARY - MARCH 1991 WAS ESTIMATED AT 49,900, COMPARED WITH 38,100 IN THE THREE MONTHS ENDING DECEMBER 1990 AND 46,300 IN THE CORRESPONDING PERIOD A YEAR EARLIER.

THE UNDEREMPLOYMENT RATE FOR JANUARY - MARCH 1991 WAS 1.5%, COMPARED WITH 0.8% FOR OCTOBER - DECEMBER 1990 AND 0.7% FOR THE CORRESPONDING PERIOD A YEAR EARLIER.

THE INCREASES OF 0.7 OF A PERCENTAGE POINT OVER THE PRECEDING THREE-MONTH PERIOD AND 0.8 OF A PERCENTAGE POINT OVER THE CORRESPONDING PERIOD A YEAR EARLIER ARE BOTH STATISTICALLY SIGNIFICANT.

/THE ESTIMATED .....

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THE ESTIMATED NUMBER OF UNDEREMPLOYED PERSONS IN JANUARY - MARCH 1991 WAS 43,600, COMPARED WITH 21,700 IN THE THREE MONTHS ENDING DECEMBER 1990 AND 18,300 IN THE CORRESPONDING PERIOD A YEAR EARLIER.

CONSISTENT WITH THE CURRENT RECOMMENDATIONS OF THE INTERNATIONAL LABOUR ORGANISATION (ILO), PERSONS WHO WORKED LESS THAN 35 HOURS A WEEK DUE TO ECONOMIC REASONS (SUCH AS SLACK WORK, MATERIAL SHORTAGE, MECHANICAL BREAKDOWN AND INABILITY TO FIND FULL-TIME WORK) WERE REGARDED AS UNDEREMPLOYED ONLY IF THEY WERE EITHER SEEKING OR AVAILABLE FOR MORE WORK.

COMMENTING ON THESE FIGURES, THE COMMISSIONER FOR CENSUS AND STATISTICS SAID THAT BECAUSE THE PROPORTION OF FIRST-TIME JOB-SEEKERS (FOR EXAMPLE PEOPLE WHO HAVE JUST LEFT SCHOOL) VARIES FROM MONTH TO MONTH, UNEMPLOYMENT RATES THAT HAD BEEN SEASONALLY ADJUSTED TO TAKE ACCOUNT OF THE VARIATIONS IN THE NUMBER OF FIRST-TIME JOB-SEEKERS SHOULD BE USED IN MAKING COMPARISONS OVER TIME.

THE COMMISSIONER ADDED THAT, BASED ON A SYSTEM OF PROVISIONAL COUNTS, THE UNEMPLOYMENT AND UNDEREMPLOYMENT RATES COVERING THE LATEST THREE-MONTH PERIOD COULD BE MADE AVAILABLE WITHIN TWO WEEKS AFTER THE SURVEY.

THESE PROVIDE AN EARLY INDICATION OF THE LATEST UNEMPLOYMENT AND UNDEREMPLOYMENT SITUATION.

THE PROVISIONAL SEASONALLY ADJUSTED UNEMPLOYMENT RATE AND THE PROVISIONAL UNDEREMPLOYMENT RATE FOR FEBRUARY - APRIL 1991 WERE BOTH 2.1% .

THE UNEMPLOYMENT AND UNDEREMPLOYMENT STATISTICS WERE OBTAINED FROM A CONTINUOUS GENERAL HOUSEHOLD SURVEY CONDUCTED BY THE CENSUS AND STATISTICS DEPARTMENT.

THE SURVEY FOR JANUARY - MARCH 1991 COVERED A QUARTERLY SAMPLE OF SOME 11,100 HOUSEHOLDS OR 39,000 PERSONS, SELECTED SCIENTIFICALLY TO REPRESENT THE LAND-BASED CIVILIAN NON-INSTITUTIONAL POPULATION IN HONG KONG.

PERSONAL AND LABOUR FORCE DATA WERE OBTAINED IN THE SURVEY BY INTERVIEWING EACH INDIVIDUAL MEMBER AGED 15 AND ABOVE IN THE HOUSEHOLDS SAMPLED. IN THE SURVEY, THE DEFINITIONS USED IN MEASURING UNEMPLOYMENT AND UNDEREMPLOYMENT FOLLOW CLOSELY THOSE RECOMMENDED BY THE ILO.

DETAILED ANALYSIS OF LABOUR FORCE CHARACTERISTICS IS GIVEN IN THE REPORT ON THE GENERAL HOUSEHOLD SURVEY WHICH IS PUBLISHED FOUR TIMES A YEAR.

THE NEXT REPORT COVERING THE QUARTER ENDING MARCH 1991 WILL BE AVAILABLE FROM THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GPO BUILDING, CONNAUGHT PLACE, CENTRAL AROUND JUNE 20 AT \$13.50 PER COPY.

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HONG KONG GOVERNMENT EXCHANGE FUND

HKEG

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EXCHANGE FUND BILLS TENDER RESULTS --- TUESDAY 14 MAY 1991

ISSUE NUMBER	Q120	H164
AMOUNT APPLIED	HKD 1,330 MN	HKD 848 MN
AMOUNT ALLOTTED	HKD 400 MN	HKD 200 MN
AVERAGE ACCEPTED YIELD	5.85 PCT	5.92 PCT
HIGHEST ACCEPTED YIELD	5.88 PCT	5.96 PCT
PRO RATA RATIO	ABOUT 49 PCT	ABOUT 65 PCT

AVERAGE DAILY TRANSFER FOR WEEK ENDING 10.5.91 WAS 3,882 MN

HONG KONG GOVERNMENT EXCHANGE FUND

HKEH

NEXT TENDER OF EXCHANGE FUND BILLS --- TUESDAY 21 MAY 1991

ISSUE NUMBER	Q121	Y190
ISSUE DATE	22 MAY 91	22 MAY 91
MATURITY DATE	21 AUG 91	20 MAY 92
TENOR	91 DAYS	364 DAYS
AMOUNT ON OFFER	HKD 400 + 80 MN	HKD 200 + 60 MN

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS

HKEF

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	DATE	\$ MILLION
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CLOSING BALANCE IN THE ACCOUNT ON	13.5.91	480
EFFECT OF FORWARDS TO BE SETTLED ON	14.5.91	+129
EFFECT OF OPERATIONS THIS MORNING		-129
EFFECT OF OPERATIONS THIS AFTERNOON		NEUTRAL
TRADE WEIGHTED INDEX 112.4 *-0.1* 14.5.91		

/HONG KONG .....

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HONG KONG GOVERNMENT EXCHANGE FUND  
91-DAY EXCHANGE FUND BILLS

HKEI

ISSUE NUMBER	MATURING ON	OUTSTANDING \$ MILLION	
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Q115	10.7.91	350	+130
Q116	17.7.91	350	+130
Q117	24.7.91	378.5	+101.5
Q118	31.7.91	440	+40
Q119	7.8.91	420	+60
Q107	15.5.91	411	+69
Q108	22.5.91	480	+0
Q109	29.5.91	600	-120
Q110	5.6.91	350	+130
Q111	12.6.91	404	+76
Q112	19.6.91	620	-140
Q113	26.6.91	480	+0
Q114	3.7.91	480	+0

HONG KONG GOVERNMENT EXCHANGE FUND  
182-DAY EXCHANGE FUND BILLS

HKEJ

ISSUE NUMBER	MATURING ON	OUTSTANDING \$ MILLION	
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H002	15.5.91	227.5	+32.5
H003	29.5.91	210	+50
H004	12.6.91	250	+10
H005	26.6.91	230	+30
H101	10.7.91	143	+117
H156	24.7.91	150	+110
H157	7.8.91	189.5	+70.5
H158	21.8.91	150	+110
H159	4.9.91	150	+110
H160	18.9.91	140	+120
H161	2.10.91	90	+170
H162	17.10.91	64	+196
H163	30.10.91	160	+100

HONG KONG GOVERNMENT EXCHANGE FUND  
364-DAY EXCHANGE FUND BILLS

HKEK

ISSUE NUMBER	MATURING ON	OUTSTANDING \$ MILLION	
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Y187	26.2.92	230	+30
Y188	25.3.92	180	+80
Y189	22.4.92	190	+70

AVERAGE DAILY TRANSFER FOR WEEK ENDING 10.5.91 WAS 3,882 MN

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TUESDAY, MAY 14, 1991

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EDUCATION DEPT TO PROVIDE KEY SUPPORT FOR SMI SCHOOLS

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A SCHOOL MANAGEMENT INITIATIVE (SMI) ADVISORY COMMITTEE WILL BE FORMED TO DRAW ON A WIDE RANGE OF EDUCATION AND MANAGEMENT EXPERTISE AND TO PROVIDE A CHANNEL FOR DEVELOPING AND DISSEMINATING IDEAS.

THE ASSISTANT DIRECTOR OF EDUCATION (PUBLIC SECTOR REFORM), MR S.M. TSUI, SAID THIS TODAY (TUESDAY) IN INVITING AIDED SECONDARY SCHOOLS TO TAKE PART IN THE FIRST PHASE OF THE SMI.

"THE EDUCATION DEPARTMENT IS NOW IN THE PROCESS OF ENGAGING CONSULTANTS TO DEFINE THE INFORMATION NEEDS OF THE SCHOOLS EDUCATION PROGRAMME AND DEVELOP APPROPRIATE MANAGEMENT INFORMATION SYSTEMS," MR TSUI SAID.

HE EXPLAINED THAT THE SMI WILL GIVE SCHOOLS MORE FLEXIBILITY TO USE RESOURCES TO MEET THEIR OWN DEFINED NEEDS AND CLARIFY THE FUNCTIONS AND RESPONSIBILITIES OF THOSE INVOLVED IN THE DELIVERY OF EDUCATION.

THE FIRST PHASE WHICH WILL BEGIN IN SEPTEMBER THIS YEAR CAN ACCOMMODATE UP TO 50 SCHOOLS.

PARTICIPATING SCHOOLS WILL BE FUNDED UNDER NEW ARRANGEMENTS: BUT THE MAIN CHANGE WILL BE SINGLE BLOCK GRANT WHICH WILL REPLACE THE PRESENT ADMINISTRATION GRANT, SCHOOL AND CLASS GRANT, AND FURNITURE AND EQUIPMENT GRANT.

"SCHOOLS WILL HAVE MORE DISCRETION TO DECIDE FOR THEMSELVES HOW THEY WILL SPEND THIS GRANT," MR TSUI SAID.

BUT BEFORE THE NEW FUNDING ARRANGEMENTS CAN BE INTRODUCED, HE ADDED THAT SCHOOLS WILL NEED TO MODIFY THEIR MANAGEMENT PROCEDURES TO ENSURE THAT RESPONSIBILITIES FOR PLANNING AND IMPLEMENTING SCHOOL ACTIVITIES WERE PROPERLY DEFINED, AND ALSO TO ENSURE THAT THE SCHOOL WAS ABLE TO EVALUATE THOSE ACTIVITIES.

DURING THE 1991-92 SCHOOL YEAR, PARTICIPATING SCHOOLS WILL BE HELPED TO MODIFY THEIR PRESENT MANAGEMENT SYSTEMS AND PROCEDURES TO BRING THEM IN LINE WITH THE NEW FRAMEWORK AND TO PREPARE FOR THE NEW FUNDING ARRANGEMENTS IN THE FOLLOWING SCHOOL YEAR.

KEY SCHOOL ACTIVITIES WILL BE:

- \* THE PREPARATION AND ADOPTION OF A FORMAL CONSTITUTION FOR THE SCHOOL MANAGEMENT COMMITTEE;
- \* THE INTRODUCTION OF FORMAL PROCEDURES FOR PLANNING THE SCHOOL'S ACTIVITIES AND BUDGET DURING THE FOLLOWING YEAR, LEADING TO A FIRST ATTEMPT AT PRODUCING AN "ANNUAL SCHOOL PLAN (IT WILL PROBABLY TAKE A FEW YEARS FOR A SCHOOL TO FULLY DEVELOP ITS SCHOOL PLAN. DURING YEAR 1, THE FOCUS WILL BE ON THE INTRODUCTION OF FORMAL PLANNING PROCEDURES IN THE SCHOOL, AND THE DEVELOPMENT OF A SCHOOL BUDGET FOR 1992-93)";

- \* THE DEVELOPMENT OF FORMAL PROCEDURES FOR STAFF REPORTING IN THE SCHOOL; AND
- \* THE INTRODUCTION OF FORMAL PROCEDURES FOR DEVELOPING SCHOOL POLICIES AND EXPLAINING THEM TO STAFF, STUDENTS AND PARENTS.

IN THE MEANTIME, THE DEPARTMENT WILL PROVIDE KEY SUPPORTING ACTIVITIES WHICH WILL INCLUDE:

- \* PROVIDING SUPPORT AND ADVICE TO SCHOOLS IN THE FIRST PHASE, WITH CLOSE LIAISON THROUGHOUT THE YEAR ON ALL ASPECTS OF THE SMI;
- \* SETTING UP AN ADVISORY COMMITTEE ON THE SMI;
- \* PROVIDING SCHOOLS WITH ADMINISTRATIVE MICRO-COMPUTERS, AND DEVELOPING STANDARD SOFTWARE FOR ADMINISTRATION AND ACCOUNTS;
- \* DEVELOPING A PRINCIPAL'S MANUAL;
- \* CONDUCTING SEMINARS FOR PRINCIPALS, SENIOR TEACHERS AND SUPERVISORS TO HELP THEM ADJUST TO THE NEW FRAMEWORK; AND
- \* DEFINING, IN CONSULTATION WITH SCHOOLS, THE KINDS OF DATA TO BE INCLUDED IN A "SCHOOL PROFILE".

FROM SEPTEMBER NEXT YEAR, THE START OF THE SECOND YEAR, THOSE SCHOOLS WHICH HAVE ADOPTED A FORMAL CONSTITUTION FOR THE MANAGEMENT COMMITTEE AND WHICH HAVE INTRODUCED FORMAL PROCEDURES FOR PLANNING, BUDGETING AND EVALUATING THEIR ACTIVITIES WILL BE FUNDED THROUGH A SINGLE BLOCK GRANT.

THE NEW ARRANGEMENTS WILL ALSO INCLUDE FREEING EXISTING SURPLUSES UNDER THE ADMINISTRATION GRANT FOR USE FOR ANY PURPOSE COVERED BY THE NEW BLOCK GRANT AND THAT GREATER DISCRETION WILL BE GIVEN TO SCHOOLS TO BUY EQUIPMENT, SUPPLIES OR SERVICES ACCORDING TO THEIR DEFINED NEEDS.

MR TSUI SAID THE EXISTING ARRANGEMENTS FOR TEACHER SALARIES, MAJOR REPAIRS AND OTHER GRANTS WILL CONTINUE.

HE POINTED OUT THAT ONE RECOMMENDATION OF THE SMI STATED THAT SERIOUS CONSIDERATION SHOULD BE GIVEN TO THE MERGING OF SALARY AND NON-SALARY GRANTS.

"IT IS EMPHASISED THAT THERE ARE NO PLANS YET FOR IMPLEMENTING THIS RECOMMENDATION AND ANY CHANGES WOULD ONLY TAKE PLACE UNDER EXTENSIVE CONSULTATION," HE SAID.

MR TSUI POINTED OUT A RECOMMENDATION TO PERMIT SCHOOLS TO CHARGE A REASONABLE AMOUNT OF TONG FAI TO GIVE FLEXIBILITY IN PROVIDING ABOVE-STANDARD ITEMS WOULD DEPEND ON APPROVAL BY THE GOVERNOR IN COUNCIL.

DETAILED IMPLICATIONS WERE BEING EXAMINED ON ANOTHER RECOMMENDATION WHICH WOULD GIVE SCHOOLS DISCRETION ON THE USE OF SAVINGS FROM UP TO FIVE PER CENT STAFF VACANCIES FOR ANY PURPOSE, HE SAID.

BUILDING DECLARED LIABLE TO BECOME DANGEROUS  
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THE BUILDING AUTHORITY HAS DECLARED A PRE-WAR BUILDING AT 391-393 SHANGHAI STREET IN YAU MA TEI LIABLE TO BECOME DANGEROUS.

IN A STATEMENT ISSUED TODAY (TUESDAY), THE PRINCIPAL GOVERNMENT BUILDING SURVEYOR (PGBS) SAID THE STRUCTURE WAS A THREE-STOREY BUILDING CONSTRUCTED OF LOADBEARING BRICK AND MASONRY WALLS WITH CONCRETE FLOORS, BEAMS AND ROOF AND WITH VERANDAHS ON THE UPPER FLOORS.

THE BUILDING HAD BEEN UNDER SURVEILLANCE BY THE BUILDINGS ORDINANCE OFFICE SINCE 1983.

IT WAS NOTED THAT IN 1986 SOME MOVEMENT OF THE STRUCTURE HAD TAKEN PLACE.

HE SAID AN INSPECTION IN MARCH THIS YEAR SHOWED THAT FURTHER MOVEMENT HAD OCCURRED AT VARIOUS LOCATIONS AND CONDITIONS IN THE CONCRETE BEAMS AND FLOOR SLABS HAD FURTHER DETERIORATED AND THE VERANDAH PIERS ON THE FOOTPATH WERE ALSO VERY POOR.

THE BUILDING WAS THEREFORE CONSIDERED TO BE BEYOND VIABLE REPAIR.

IN ORDER TO PROTECT LIVES AND PUBLIC SAFETY, THE BUILDING SHOULD BE CLOSED AND DEMOLISHED AS IT WAS LIABLE TO BECOME DANGEROUS.

NOTICE OF INTENTION TO APPLY FOR CLOSURE ORDER UNDER THE BUILDINGS ORDINANCE FROM THE HONG KONG DISTRICT COURT ON JULY 16 WAS POSTED ON THE PREMISES TODAY.

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SALT WATER SUPPLY SUSPENSION  
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SUPPLY OF SALT WATER TO CERTAIN PREMISES IN SHEUNG KWAI CHUNG, NEW TERRITORIES, WILL BE SUSPENDED FROM 9 AM TO 6 PM ON THURSDAY (MAY 16) DUE TO SUSPENSION OF ELECTRICITY SUPPLY TO A PUMPING STATION IN THE DISTRICT.

THE SUSPENSION WILL AFFECT LEI MUK SHUE ESTATE, SHEK YAM ESTATE, SHEK LEI ESTATE AND WO YI HOP ROAD.

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TUESDAY, MAY 14, 1991

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GOVERNOR COMMUTES DEATH SENTENCE ON LO  
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THE GOVERNOR, SIR DAVID WILSON, AFTER TAKING INTO CONSIDERATION THE ADVICE OF THE EXECUTIVE COUNCIL, HAS DECIDED THAT THE DEATH SENTENCE PASSED ON LO CHI-KEUNG ON APRIL 24, 1987 SHOULD BE COMMUTED TO A SENTENCE OF LIFE IMPRISONMENT.

LO WAS FOUND GUILTY OF THE MURDER OF A YOUNG GIRL, LAM SO-YEE.

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