



DAILY INFORMATION BULLETIN

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/General Household



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Transcript of the Governor's media session

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Following is the transcript of the media session by the Governor, the Rt Hon Christopher Patten, after visiting the Tuen Mun District this (Wednesday) afternoon:

Governor: How are you? Nice to be back in Tuen Mun. The last visit I paid was, without anybody knowing, to see one or two things for myself. And it was interesting today to see some of the improvements that have been made, particularly on the wharf. Any questions?

Question: Governor, do you think that there is any conflict of loyalty at Anson Chan going to Beijing to see the Chinese leader with Tung Chee-hwa tomorrow?

Governor: No.

Question: Why not?

Governor: Well, I don't. Why do you?

Question: Governor, will Mrs Law Sun? be allowed to stay in Hong Kong on compassionate grounds?

Governor: Will?

Question: Mrs Law Sun, with the child who just left.

Governor: I am going to make sure that the Immigration Department gives me a full report on that case. I was pleased to have the opportunity of meeting her and her son and we will obviously look at the case very carefully. It raises some quite difficult issues. Clearly, there are a number of medical conditions which could probably get treated better in Hong Kong than on the Mainland. That is not a criticism of the Mainland but it is a recognition of the sophistication of our medical services. So there are other broader issues raised by the case but I will certainly see that it is looked at sympathetically.

Question: Governor, do you expect that Anson Chan will bring any good news from Beijing to Hong Kong to the civil servants?

Governor: I should think that what she will do is have the opportunity as both the present Chief Secretary and the future Administrative Secretary (designate), to tell any senior Chinese leaders that she meets what the situation is like in Hong Kong. And I am sure that when she returns she will confirm what has been said many times, that Chinese leaders value the role played by the civil service in Hong Kong, recognise the importance to a successful transition of maintaining the integrity of the civil service. I would be very surprised indeed if she was not able to confirm that that is the case. I don't think that will surprise anybody but I hope it will help to improve morale.

In fact I must say that given the inevitable challenges of the present period, I think our civil service has coped remarkably well, has kept its cohesion, has kept its competence, has kept its professionalism and has kept up its morale.

Question: Also, is the government going to leave the job of tackling the property speculation for the SAR Government to do?

Governor: No, anymore than we delayed acting in 1994 when, you'll remember, we were criticised for acting but we acted sensibly and effectively, bringing down the top price of properties at a time when obviously they were going ahead much too rapidly. What has happened is the Secretary for Housing had a useful meeting with the developers this morning. He is making an announcement, I think at about 5 o'clock, and he will be announcing measures which will ensure that more flats come on to the market in a sensible and orderly way.

Question: Do you think Leung Chun-ying, as the person who is responsible for tackling the property speculation, do you think he will have a conflict of interest to do his job?

Governor: I think that is for him to explain and for the Chief Executive (designate) to explain, not me. I notice what the newspapers have been saying but I don't think I can be expected to answer that question. I am not responsible for him.

Question: Governor, do you think that Dominic Wong and the government are doing enough to tackle property speculation?

Governor: Well I just attempted, perhaps inadequately, to answer that question which has just been asked as one of a series, so I don't think I really want to add to what I have just said. Dominic Wong will be making a statement at 5 o'clock.

Okay? Thank you very much indeed. I am glad I didn't hit anybody with the golf-ball. You can say that President Ford may have hit people, President Clinton may have hit people, but the Governor of Hong Kong hit the ball down the fairway.

End

Governor welcomes Philippine decision

The Governor, the Rt Hon Christopher Patten, today (Wednesday) warmly welcomed the decision by the Philippine Government to grant visa-free access for SAR passport holders.

"This is very good news coming so soon after the similar decision announced by Canada, and will further strengthen the trade, business and tourism ties between the Philippines and Hong Kong. It is another important vote of confidence in the integrity of our passport issuing system and in the excellent travel records of Hong Kong passport holders.

"I am particularly grateful to President Ramos, who took a great interest in this issue when I first raised it with him during my visit to the Philippines in December 1995. This was reflected by the very positive discussions our Director of Immigration, Mrs Regina Ip, had with Philippine Government officials on two subsequent visits to Manila to press the Hong Kong case.

"The Philippines is now the second ASEAN country along with Singapore to grant visa-free access for SAR passport holders. I very much hope that the Philippine decision will be the precursor to similar decisions by other ASEAN countries."

The Governor noted that he had been informed of the decision by letter today from the Philippine Secretary of Foreign Affairs, Mr Domingo L Siazon Jr., who will be visiting Hong Kong between April 3-5.

"I look forward to thanking Mr Siazon personally when he visits me at Government House on April 4," Mr Patten said.

End

Governor visits Tuen Mun District

The Governor, the Rt Hon Christopher Patten and Mrs Patten, visited Tuen Mun this (Wednesday) afternoon to bring himself up-to-date on the latest developments in the district.

He was accompanied by the Director of Home Affairs, Mrs Shelley Lau, and the Tuen Mun District Officer, Mr Patrick Chan.

His first stop was the Tuen Mun Golf Centre, the first public golf centre open for public use since February 1995.

The party then proceeded to Chan Chun Ha Yee Tsui House in Butterfly area. Opened by the Society for the Rehabilitation of Offenders, it is the only halfway house for the rehabilitation of female ex-prisoners with mental illness. It provides home-like living environment as well as rehabilitative and educational programmes and arranges community involvement activities.

Mr Patten next visited the Public Cargo Working Area (PCWA) at Area 16 which was opened on August 10, 1996 and watched the PCWA operation from the roof of the Administration Building.

Before concluding his tour, the Governor met with Tuen Mun District Board members and local community leaders at a tea reception at the Gold Coast Yacht and Country Club.

End

Transcript of the Chief Secretary

* * * * *

Following is the transcript of the media session by the Chief Secretary, Mrs Anson Chan, upon her return from Thailand at the airport this (Wednesday) afternoon:

Question: What ... you think ... that will be an agreement on right of abode?

Chief Secretary: I have not said that there will be an agreement. What I did say in reply to a question was that the details of the package affecting right of abode were almost there. I think we've reached agreement on most of the substantive issues. There are still a number of minor details to be sorted out. And as this is a matter that is of great concern to Hong Kong people and also to businessmen living and working in Hong Kong, I very much hope that it would be possible for both sides to announce agreement on a total package very very soon.

Question: ... of the human rights ... when you go to Beijing tomorrow?

Chief Secretary: I will, of course, be discussing with Chinese leaders a range of transitional issues and I will take this opportunity to reflect to leaders any concerns that Hong Kong people may have.

Question: Which leaders that you will be meeting?

Chief Secretary: As far as I understand I shall be meeting Mr Li Peng and also Mr Lu Ping. I am not really very clear about the details, as you know I have been away for the last two days.

Question: So you will definitely bring up the human rights issues ...?

Chief Secretary: I will be discussing, as I said, a range of transitional issues with Chinese leaders.

End

New measures to boost private residential flat supply

* * * * *

The Secretary for Housing, Mr Dominic Wong, said today (Wednesday) that the Government has considered carefully various suggestions made by developers and the public to increase flat supply in the private sector and has decided to make three adjustments to the conditions of consent for the pre-sale of uncompleted flats.

The adjustments, which will be effective immediately and will apply to new applications for pre-sale consents, are:

- * First, the pre-sale period will be extended from the existing 12 months to 15 months before the estimated date of completion of the development.

"We estimate that about 5,000 flats can be put onto the market earlier. This will provide more choices of flats and benefit home buyers. It will also help to improve property developers' liquidity and reduce the finance charges they bear," Mr Wong said.

In 1996, 31 pre-sale consents, involving 13,115 flats were approved. In the first two and a half months of this year, six consents involving about 5,000 flats have already been granted.

"The measure will enable more flats to come on stream earlier," he said.

- * Second, a new condition will be imposed to require property developers to put all flats for pre-sale onto the market within six months of the date of consent given.

"This will promote greater certainty of flat supply, and is in line with the spirit of giving pre-sale consent to property developers," Mr Wong said.

- * Third, developers will be required to put a reasonable quantity of flats onto the market for each batch of pre-sale, e.g. not less than 20% of flats for each batch.

"The marketing strategy adopted by some property developers to release flats in very small batches tends to create an impression of artificial shortage, reduces choices, increases competition and thus make buyers less able to take informed decisions. The adjustment will ensure that a reasonable number of flats will be put onto the market each time, thus avoiding distorted market information and benefiting home buyers," Mr Wong said.

"The three adjustments announced today represent further steps taken by the Government to boost flat supply," Mr Wong said.

"Similarly, to increase the supply of pre-sale flats in the public sector, we have decided to extend the pre-sale period of subsidised home ownership flats (Home Ownership Scheme/Private Sector Participation Scheme) from the existing limit of 12 - 18 months to 24 months. The extension will enable 13,000 subsidised home ownership flats to be put onto the market earlier, in addition to private flats, thus boosting the overall supply situation," he said.

As regards subsidised home ownership flats, Mr Wong reminded owners, "The sale or lease of such a flat, other than to the Housing Authority, before the elapse of the restriction period of ten years from the date of assignment and the balance of premium has been paid, is a grave offence. The owner will be liable to prosecution, and to a maximum fine of \$500,000 and to imprisonment of up to one year."

In order to reduce opportunities for speculation by confirmors in subsidised home ownership flats, for which the ten-year resale restriction period has expired, Mr Wong said, "We will ask the Housing Authority to speed up the process of premium assessment and to shorten the period for premium repayment."

Mr Wong said: "The ultimate solution to tackle speculation and to soften price escalation lies in the production of more land for housing development. We are determined to do everything we can to meet our announced housing targets of facilitating the production of 195,000 private flats in the six-year planning period from 1995/96 to 2000-01.

"As a result of an increase in land allocation for housing in the past two years, flat supply will increase steadily from 1997 onwards: to about 22,000 units in 1997, about 36,000 units in 1998, and more in the years to follow.

"At the top end of the market, the Government will dispose of surplus staff quarters to ease supply. We expect to sell up to 400 such flats in 1997-98. This represents about 25% of the annual supply of large flats, and is a substantial addition to the market.

"Apart from new flats, there are still some 34,000 vacant private flats in the market at the end of 1996. On average, fewer than 25,000 flats are taken up each year: for example, 20,500 units in 1996. There is sufficient supply to meet demand, especially in the mass market, and there is no cause for panic buying," Mr Wong said.

"In the next five years, we plan to release 587 hectares of land for housing development (327 hectares for public housing and 260 hectares for private housing), which represents an increase of 46% over the past five years. For private housing, the amount even represents 80% increase over the past five years.

"Apart from relying on new land, change in land use and increase in plot ratio are good sources of additional land and flat supply. In this regard, we have decided to convert about 100 hectares of industrial land into residential use in the next two to three years. We will also review the maximum permissible plot ratios on a case by case basis where infrastructure permits," he emphasised.

"The Government will take all necessary steps to identify land for housing and to accelerate housing production by streamlining and speeding up procedures for housing construction. A special task force, led by the Financial Secretary, will be set up shortly to examine these issues," he said.

End

HKMA to raise interest rates by 25 basis points

* * * * *

The Hong Kong Monetary Authority (HKMA) announced this morning (Wednesday) an increase in the key interest rates, the Liquidity Adjustment Facility (LAF) rates, by 25 basis points with immediate effect.

In line with the 25 basis points increase in the US Fed Funds Target Rate announced by the Federal Open Market Committee last night, the HKMA increased the LAF bid and offer rates to 4.25% and 6.25% from 4% and 6% respectively.

The HKMA has changed the reference rate for setting the LAF rates to the US Fed Funds Target Rate from the US Discount Rate since September 1996, with a view to aligning the LAF bid and offer rates more closely in line with the US dollar market interest rates.

The determination of the best lending rate and interests rates on deposits with maturities of seven days or more is a matter for individual banks. The interest rates on retail deposits with maturities of less than seven days will be determined by the Hong Kong Association of Banks, having regard to the action taken this morning by the HKMA.

End

Deposit interest rates

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With effect from March 27, 1997 (Thursday), the maximum interest rates payable for retail deposits in Hong Kong dollars by licensed banks are increased to the following:

Savings	4.00%
24 Hours' Call/Notice	4.00%

The above rates, which represent an increase of 1/4% across the board, were decided upon at today's meeting of the Committee of the Hong Kong Association of Banks in response to developments in interest rates in the United States and firmer interest rates in the local money market.

End

Residential mortgage survey results for February 1997

The pace of new mortgage lending slowed somewhat in February according to the results of the latest monthly survey conducted by the Hong Kong Monetary Authority (HKMA).

Gross new loans made during the month fell by 8.9% to \$18.8 billion. The average size of new loans rose to \$1.83 million compared with \$1.58 million in January.

New loans approved during the month fell sharply, by 23.0% to \$18.0 billion. Loans approved during the month but not yet drawn dropped by 27.3% from the record high of \$15.0 billion in January to \$10.9 billion in February.

Despite the slowdown in new lending, the amount of outstanding loans continued to rise rapidly in February, by 2.7% to \$347.9 billion. This reflected a sharp fall in the amount of repayments made during the month.

The average rate of growth of outstanding loans in the three months to February increased to 34.3% (annualized) from 29.9% in the three months to January. The average change over the last twelve months rose to 22.0% in February.

"The slower pace of new mortgage lending in February coincided with the Lunar New Year Holiday and a sharp fall in the amount of new properties released to the market," said Mr David Carse, Deputy Chief Executive of HKMA. "The pace of lending seems likely to pick up again in March in line with the revival of primary market activity."

Figures recently collected by the HKMA show that lending institutions continue to compete actively on price. Of new loans approved during February, 44% had a margin of 0.25% above best lending rate, compared with 30% in January.

"In current market conditions we continue to stress that institutions should maintain prudent lending criteria," Mr Carse said. "For example, we have recently advised institutions to resist suggestions that they should reduce or waive the charges for early repayment of mortgage loans since that could give encouragement to speculation."

Gross new loans for the purchase of properties in China fell to \$93 million in February from \$132 million in January. The amount of outstanding loans increased by 0.26% to \$6.5 billion.

End

External trade figures for February 1997

* * * * *

In February 1997, the value of Hong Kong's imports showed a notable increase over a year earlier, while that of re-exports registered only a marginal increase. Domestic exports continued to decline on a year-on-year basis.

These are shown in the external trade figures for February 1997 released today (Wednesday) by the Census and Statistics Department.

The value of total exports (comprising re-exports and domestic exports) in February 1997 decreased by 1.5% over a year earlier to \$89.1 billion. Within total exports, the value of re-exports increased marginally by 0.3% to \$76.5 billion, but the value of domestic exports decreased by 11% to \$12.6 billion.

The value of imports increased by 6.6% in February 1997 over a year earlier to \$102.3 billion.

As the value of total exports in February 1997 was smaller than that of total imports, a visible trade deficit of \$13.2 billion, equivalent to 13% of the value of imports, was recorded. This was larger than the corresponding deficit of \$5.6 billion, equivalent to 5.8% of the value of imports, in February 1996.

In the first two months of 1997, the value of total exports dropped by 1.0% over the same period last year. Amongst this, the value of re-exports rose by 0.6%, while that of domestic exports decreased by 10%. The value of imports showed an increase of 3.4%. Over the same period, a visible trade deficit of \$25.6 billion, equivalent to 11% of the value of imports, was recorded. This was larger than the deficit of \$15.6 billion, equivalent to 6.9% of the value of imports, recorded in the first two months of 1996.

Commenting on the latest trade figures, a Government spokesman said that export performance in the first two months of 1997 remained under the influence of the strong US dollar. Also, the earlier dispute with the US on the quota for textiles and clothing exports could have continued to dampen these domestic exports. Meanwhile, reflecting a stronger domestic demand, the value of retained imports showed a marked increase of 8.7% over a year earlier.

The table annexed presents the external trade figures in February 1997.

A more detailed analysis of Hong Kong's external trade for February 1997, by commodity and country, will be released in mid-April 1997.



Census and Statistics Department
Hong Kong
香港政府統計處

External Trade Figures for February 1997

一九九七年二月份對外貿易數字

(HK\$ Million)
百萬港元

MERCHANDISE TRADE VALUES for February 1997		一九九七年二月份商品貿易貨值		Change 變動	
	Domestic Exports		港產品出口		12,594
	Re-exports		轉口		76,465
	Total Exports		整體出口		89,059
	Imports		進口		102,273
	Trade balance		貿易差額		-13,214
<hr/>					
Current month compared with same month last year	本月與去年同期相比	February 1997 一九九七年二月	February 1996 一九九六年二月	Value 貨值	% 百分率
Domestic Exports (% of Total Exports)	港產品出口 (佔整體出口百分比)	12,594 (14.1%)	14,192 (15.7%)	-1,598	-11.3
Re-exports	轉口	76,465	76,227	+238	+0.3
Total Exports	整體出口	89,059	90,419	-1,360	-1.5
Imports	進口	102,273	95,974	+6,299	+6.6
Trade balance	貿易差額	-13,214	-5,555	-7,659	
Current month compared with last month	本月與上月相比	February 1997 一九九七年二月	January 1997 一九九七年一月		
Domestic Exports (% of Total Exports)	港產品出口 (佔整體出口百分比)	12,594 (14.1%)	17,274 (14.5%)	-4,681	-27.1
Re-exports	轉口	76,465	102,100	-25,634	-25.1
Total Exports	整體出口	89,059	119,374	-30,315	-25.4
Imports	進口	102,273	131,765	-29,493	-22.4
Trade balance	貿易差額	-13,214	-12,392	-823	
Latest 3 months compared with same period 12 months earlier	最近三個月與早十二個月同期相比	Dec 96 to Feb 97 九六年十二月至九七年二月	Dec 95 to Feb 96 九五年十二月至九六年二月		
Domestic Exports (% of Total Exports)	港產品出口 (佔整體出口百分比)	48,085 (14.8%)	53,343 (16.4%)	-5,258	-9.9
Re-exports	轉口	277,002	272,572	+4,430	+1.6
Total Exports	整體出口	325,087	325,915	-828	-0.3
Imports	進口	365,403	353,896	+11,507	+3.3
Trade balance	貿易差額	-40,316	-27,981	-12,335	
Calendar year- to-date compared with same period last year	本年首兩個月與去年同期相比	Jan-Feb 1997 九七年一月至二月	Jan-Feb 1996 九六年一月至二月		
Domestic Exports (% of Total Exports)	港產品出口 (佔整體出口百分比)	29,868 (14.3%)	33,185 (15.8%)	-3,317	-10.0
Re-exports	轉口	178,565	177,419	+1,146	+0.6
Total Exports	整體出口	208,433	210,604	-2,171	-1.0
Imports	進口	234,038	226,252	+7,786	+3.4
Trade balance	貿易差額	-25,606	-15,648	-9,957	
Last 12 months compared with same period 12 months earlier	最近十二個月與早十二個月同期相比	Mar 96 to Feb 97 九六年三月至九七年二月	Mar 95 to Feb 96 九五年三月至九六年二月		
Domestic Exports (% of Total Exports)	港產品出口 (佔整體出口百分比)	208,842 (15.0%)	231,900 (16.9%)	-23,058	-9.9
Re-exports	轉口	1,186,904	1,136,729	+50,175	+4.4
Total Exports	整體出口	1,395,746	1,368,630	+27,116	+2.0
Imports	進口	1,543,368	1,512,724	+30,644	+2.0
Trade balance	貿易差額	-147,622	-144,094	-3,528	

Note: Value of domestic exports and value of re-exports may not add up to the value of total exports due to rounding.

This sheet can be obtained free of charge from:
Trade Statistics Dissemination Section
Census and Statistics Department
Address: 19/F., Wanchai Tower, 12 Harbour Road, Wan Chai, H.K.
Tel: 2582 4915 Fax: 2802 1101

註: 由於進位關係, 港產品出口貨值加上轉口貨值, 可能會與整體出口貨值略有出入。

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External investments in HK's non-manufacturing sectors

* * * * *

At the end of 1995, the stock of inward direct investments in the non-manufacturing sectors of Hong Kong totalled \$487.3 billion, 6% higher than the amount at the end of 1994, according to the results of the latest round of a survey on external investments in non-manufacturing sectors released today (Wednesday) by the Census and Statistics Department.

Analysed by individual investor country/territory, the United Kingdom was the largest investor country, accounting for 29% (\$143.1 billion) of the total at the end of 1995. This was followed by China and Japan, which accounted for 21% (\$104.6 billion) and 14% (\$69.9 billion) of the total respectively. The United States of America was the fourth largest investor country and accounted for 12% (\$58.8 billion) of the total. Taken together, these four investor countries accounted for around 77% of the total value of the stock of inward direct investments in the non-manufacturing sectors of Hong Kong.

On the conceptual aspects, a spokesman for the Census and Statistics Department explained, "Inward direct investments refer to investments in a Hong Kong enterprise by a non-Hong Kong resident investor who has a lasting interest in and an influence over the management of the enterprise. The stock of inward direct investments is a measure of the cumulative amount of funds (including equity capital, reinvested earnings and loan capital, if any) provided by external direct investors."

Analysed by business sector, banks and deposit-taking companies attracted the largest share (40% or \$193.6 billion) of the total value of the stock of inward direct investments in the non-manufacturing sectors at the end of 1995.

Inward direct investments through holding companies was another salient feature and these accounted for 22% (\$107.4 billion) of the total.

The spokesman cautioned, "The top company of an enterprise is taken as the reporting unit in the survey. Since detailed data on the subsidiaries are not available, the statistics on inward direct investments at sectoral level can only be based on the business activity of the top company. Thus, the present statistics do not necessarily reflect the sectoral distribution of inward direct investments."

The Industry Department has been conducting a similar survey in respect of the manufacturing sector. Based on the findings of these two complementary surveys, the overall total of the stock of inward direct investments in the manufacturing and non-manufacturing sectors taken together amounted to \$532.6 billion at the end of 1995, 7% higher than the amount at the end of 1994. The share of the manufacturing sector in the overall total was around 9%.

In terms of the overall total of the stock of inward direct investments in the manufacturing and non-manufacturing sectors taken together, the United Kingdom (\$145.4 billion or 27%), China (\$107.5 billion or 20%), Japan (\$87.6 billion or 16%) and the United States of America (\$71.7 billion or 13%) remained to be the four largest investor countries, accounting for some 77% of the overall total at the end of 1995.

To facilitate economic analyses for different purposes, an alternative measure in terms of net assets attributable to inward direct investments is also compiled. The main difference between "stock of inward direct investments" and "net assets attributable to inward direct investments" is that the latter includes third-party loans (notably bank loans) which are not provided by the external direct investor. Both sets of statistics have their own technical basis and analytical purposes.

The total value of net assets attributable to inward direct investments in the non-manufacturing sectors of Hong Kong amounted to \$729.5 billion at the end of 1995, an increase of 11% over the amount at the end of 1994.

In terms of the total value of net assets attributable to inward direct investments in the non-manufacturing sectors, the largest contributors were Japan (24% of the total or \$172.7 billion), the United Kingdom (22% or \$163.4 billion), China (20% or \$145.7 billion), and the United States of America (11% or \$80.2 billion). When compared with the analysis based on the stock of inward direct investments in the non-manufacturing sectors, the share of Japan was slightly higher than those of the United Kingdom and China, reflecting the higher gearing ratio of enterprises of Japanese interest.

Putting together findings of the two complementary surveys on the manufacturing and non-manufacturing sectors, the overall total value of net assets attributable to inward direct investments in Hong Kong amounted to \$777.8 billion at the end of 1995, an increase of 11% over the amount at the end of 1994.

As regards the investment environment of Hong Kong, firms in the non-manufacturing sectors ranked the following factors as the most important considerations for making investments in Hong Kong: banking and financial facilities, infrastructure, and government economic policy. In sum, over four-fifths of the firms considered the overall investment environment of Hong Kong favourable.

Table 1 shows the total value of the stock of inward direct investments in Hong Kong's non-manufacturing sectors in the years 1994 and 1995, with breakdowns by major investor country/territory. An overall picture of the stock of inward direct investments in the manufacturing and non-manufacturing sectors taken together is presented in Table 2.

Details of the survey results will be published in a full report available for sale around early May 1997.

Enquiries about the survey results may be directed to the General Economic Surveys Section of the Census and Statistics Department on 2805 6437.

Table 1

Stock of inward direct investments in Hong Kong's non-manufacturing sectors

Major investor country	1994 (HK\$ Bn)	1995 (HK\$ Bn)	1995/1994 (% change)
Total	459.9	487.3	+ 6 %
United Kingdom	140.7	143.1	+ 2 %
China	92.4	104.6	+13 %
Japan	73.6	69.9	- 5 %
United States of America	53.1	58.8	+11 %
Others	100.1	110.9	+11 %

Table 2

Overall total (manufacturing and non-manufacturing sectors taken together) of the stock of inward direct investments

Major investor country	1994 (HK\$ Bn)	1995 (HK\$ Bn)	1995/1994 (% change)
Total	499.6	532.6	+ 7 %
United Kingdom	143.4	145.4	+ 1 %
China	96.0	107.5	+12 %
Japan	86.9	87.6	+ 1 %
United States of America	64.5	71.7	+11 %
Others	108.8	120.4	+11 %

End

Provisional statistics of restaurant receipts & purchases

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The value of total receipts for the restaurants sector in the year of 1996, estimated at \$55.3 billion, increased by 5% when compared with 1995. The value of total purchases of restaurants, estimated at \$20 billion, also increased by 6%.

These are the provisional figures on restaurant receipts and purchases released today (Wednesday) by the Census and Statistics Department.

After discounting the effect of price changes over the period, total restaurant receipts increased by 2% in volume terms. This reflected a notable improvement from the decline of 2% in volume in 1995.

The largest growth in total receipts in 1996 was recorded for non-Chinese restaurants and fast food shops, by 11% and 10% respectively in value, and by 7% and 4% respectively in volume.

Concurrently, the total receipts of miscellaneous eating and drinking places also increased by 6% in value and 1% in volume.

Meanwhile, the total receipts of Chinese restaurants and bars increased slightly by 2% and 3% respectively in value but decreased by 1% and 2% respectively in volume.

For the fourth quarter of 1996, total receipts for the restaurants sector estimated at \$14.6 billion, increased by 9% when compared with the same quarter in 1995. In volume terms, the receipts increased by 6%. This was the second consecutive quarter since the first quarter of 1994 when positive year-on-year growth in volume terms was registered. Besides, the value of total purchases of restaurants increased by 10% to \$5.3 billion.

Compared with a year ago, total receipts of all types of restaurants registered increases in both value and volume terms. Among them, Chinese restaurants and fast food shops had the most rapid growth, both showing an upsurge of 10% in value terms. In volume terms, their total receipts rose by 7% and 4% respectively.

Likewise, the total receipts of non-Chinese restaurants and bars recorded the same increase in value terms, both by 9%. In volume terms, they grew by 5% and 3% respectively.

Besides, the total receipts of miscellaneous eating and drinking places also went up, by 5% in value and 0.1% in volume.

Comparing with the preceding quarter, and bearing in mind that such comparison is affected by seasonal factors, total receipts for the restaurants sector in the fourth quarter of 1996 increased by 4% in both value and volume.

Restaurant receipts in volume terms are derived from receipts in value terms after adjusting for price changes. The relevant components of the Consumer Price Index are used for this deflating purpose.

Table 1 presents the revised figures for the total receipts and total purchases of the restaurants sector for the third quarter of 1996 and the provisional figures for the fourth quarter of 1996.

TABLE 1 : TOTAL RESTAURANT RECEIPTS AND PURCHASES

		3rd Qtr 1996 (Revised figures)	4th Qtr 1996 (Provisional figures)
Total restaurant receipts	(HK\$ million)	14,044.3	14,644.8
Total purchases by restaurants	(HK\$ million)	5,021.9	5,343.4

TABLE 2 : VALUE AND VOLUME INDICES OF RESTAURANT RECEIPTS FOR 4TH QUARTER 1995, 3RD QUARTER AND 4TH QUARTER 1996

(Quarterly average of October 1994 - September 1995 = 100)

Type of Restaurants	Type of Index	Index Number			% Change		
		4th Quarter 1995 (Revised figures)	3rd Quarter 1996 (Revised figures)	4th Quarter 1996 (Provisional figures)	4th Qtr 1996 compared with 3rd Qtr 1996	4th Qtr 1996 compared with 4th Qtr 1995	1st-4th Qtr 1996 compared with 1st-4th Qtr 1995
		(Point)	(Point)	(Point)	(%)	(%)	(%)
(A) <u>FOR ALL RESTAURANT TYPES</u>	Value	103.6	108.6	<u>113.3</u>	+4.3	+9.4	+5.5
	Volume	100.4	102.7	<u>106.5</u>	+3.8	+6.1	+1.6
(B) <u>BY TYPE OF RESTAURANTS</u>							
Chinese restaurants	Value	101.9	104.0	<u>111.6</u>	+7.3	+9.5	+2.4
	Volume	99.1	99.5	<u>106.0</u>	+6.6	+7.0	-0.6
Non-Chinese restaurants	Value	105.9	114.2	<u>115.3</u>	+0.9	+8.9	+10.9
	Volume	102.7	107.3	<u>108.0</u>	+0.6	+5.2	+6.7
Fast food shops	Value	107.1	119.0	<u>117.8</u>	-1.0	+10.0	+10.4
	Volume	103.1	109.2	<u>107.7</u>	-1.4	+4.4	+4.1
Bars	Value	103.1	109.4	<u>111.9</u>	+2.3	+8.6	+3.4
	Volume	99.1	101.1	<u>102.6</u>	+1.4	+3.5	-2.5
Other eating and drinking places	Value	101.3	105.7	<u>106.8</u>	+1.0	+5.3	+5.8
	Volume	98.6	99.4	<u>98.7</u>	-0.7	+0.1	+1.2

NOTE : The underlined figures were rounded up to 5.

End

General Household Survey quarterly report now on sale

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The report on the General Household Survey for October - December 1996 in bilingual form is now available for sale.

The report contains statistics on employment, unemployment and underemployment for the fourth quarter of 1996. It also contains detailed analyses of the characteristics of members of the labour force, including their age, sex, educational attainment, activity status, occupation, industry, hours worked per week and monthly employment earnings. Data on reasons for unemployment and duration of unemployment for the unemployed are also presented.

Copies of the report at \$53 each can be obtained from the Government Publications Centre, Queensway Government Offices, Low Block, ground floor, 66 Queensway, Hong Kong.

Meanwhile, the Census and Statistics Department will continue to conduct the General Household Survey during the quarter from April to June 1997.

The Survey, conducted on a continuous basis, aims to collect information on the labour force, unemployment and underemployment.

An official letter will be sent to the sampled households prior to each survey month to explain the purpose of the Survey and to seek their voluntary co-operation.

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

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

End

HKMA signs repurchase agreement with RBNZ

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The Hong Kong Monetary Authority (HKMA) and the Reserve Bank of New Zealand (RBNZ) today (Wednesday) jointly announced that a bilateral repurchase (repo) agreement between the two institutions has been signed.

The repo agreement was signed today between Mr Joseph Yam, HKMA's Chief Executive and the Governor of the RBNZ, Dr Don Brash.

The agreement provides for either party to sell to the other US Government securities in exchange for cash, while simultaneously agreeing to repurchase those same securities at a specified later date for an agreed amount. In essence, the arrangement allows each organisation to enhance the liquidity of its foreign reserves portfolio with minimal additional risks.

Bilateral repurchase agreements of this sort have become a common feature of the growing ties between the central banks of the Asian region. This is the first such agreement signed by the RBNZ. The HKMA has already signed nine similar agreements with the central banking institutions in the region including Australia, China, Indonesia, Japan, Malaysia, the Philippines, Singapore, Thailand and Korea.

Dr Brash commented, "Seven of New Zealand's top ten export markets are in the Asian region. Central banking organisations provide a vital linkage between nations, and it is important that the RBNZ develops relationships with its Asian counterparts that are reflective of, and supportive of those growing trading, business and financial links."

Mr Yam said, "With the signing of the repo agreement with the RBNZ, the HKMA has entered into similar agreements with all the members of the EMEAP (Executives' Meeting of East Asia and Pacific Central Banks). These agreements help strengthen ties amongst central banks in the region and their ability to maintain currency stability."

End

Localising bill on transfer of sentenced persons

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The Governor in Council has endorsed a Bill which seeks to localise the present legislation on the arrangements for the transfer of sentenced persons between Hong Kong and other countries.

The Transfer of Sentenced Persons Bill, to be gazetted on April 4, aims to replace the existing legislation derived from the United Kingdom, which will cease to apply to Hong Kong from July 1 this year, a Government spokesman said today (Wednesday).

"The Bill, when enacted, will make it possible for arrangements to be made for the transfer of sentenced persons to and from Hong Kong after June 30," he said.

The Bill, broadly following the UK Repatriation of Prisoners Act 1984 currently extended to Hong Kong, comprised the following key features :

- * both the receiving and the sending jurisdiction as well as the sentenced person must consent to the transfer;
- * the conduct in respect of which the sentenced person is imprisoned must be criminal in both jurisdictions; and
- * any adjustment to the sentence by the sending jurisdiction (by way of pardon, reduction of sentence, and so on) must be given effect to by the receiving jurisdiction.

Under the proposed legislation, there are procedures for the Government responsible for Hong Kong's foreign affairs to be notified of requests for transfer.

The spokesman explained that although that Government could issue instructions to the Hong Kong authorities, these instructions could only relate to the issue of warrants under the Bill and the circumstances under which such warrants could issue were clearly defined.

"Moreover, the right of the sovereign state to instruct the Hong Kong authorities would only be exercised in cases where matters relating to sovereignty, security or public order were significantly affected," he said.

It was agreed through the Sino-British Joint Liaison Group in February 1996 that the Hong Kong Government could proceed to negotiate with five countries on bilateral agreements on the transfer of sentenced persons.

"So far, good progress has been made in the talks with the five countries --- Thailand, the United States, the Philippines, Singapore and Austria," the spokesman said.

"We aim to reach as many new agreements as possible before the handover. If necessary, negotiations will continue after the change of sovereignty, and new agreements applicable to the Hong Kong Special Administrative Region can still be concluded then," he said.

The spokesman said that the purpose of transferring sentenced persons to their own countries to serve their sentences was to facilitate their rehabilitation, by returning them to an environment free of language and cultural barriers and where their friends and relatives could visit them on a regular basis.

At present, Hong Kong has transfer arrangements with 23 countries, pursuant to the Council of Europe Convention on the Transfer of Sentenced Persons, which has been extended to the territory by the United Kingdom.

It also has transfer arrangements with Thailand, pursuant to the United Kingdom-Thailand Agreement on the Transfer of Offenders and on Cooperation in the Enforcement of Penal Sentences, which has also been extended to Hong Kong by the United Kingdom.

The Bill is expected to be introduced into the Legislative Council on April 9, 1997.

End

Bill on retirement and resignation of judges

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The Administration of Justice (Miscellaneous Provisions) (No.2) Bill 1997, which aims mainly to make provisions in local legislation for the retirement and resignation of Supreme Court judges and District Judges, will be gazetted tomorrow (Thursday).

A Government spokesman explained today (Wednesday) that at present, provisions for the retirement and resignation of Supreme Court judges and District Judges are contained in Article XVIA(1), (2) and (3) of the Letters Patent.

The Bill amends the Supreme Court Ordinance and the District Court Ordinance to incorporate the provisions currently in the Letters Patent.

The opportunity is also taken to make a number of technical amendments relating to the administration of oaths of office, the spokesman said.

Section 7 of the Judicial Service Commission Ordinance states that members of the Commission shall on first appointment take an oath of office administered by a judge.

"The Bill amends Section 7 of the Ordinance to enable a commissioner for oaths, in addition to a judge, to administer the oath," he said.

Besides, Section 17 of the Oaths and Declarations Ordinance provides that all judges and judicial officers specified in the Third Schedule shall take the Oath of Allegiance and the Judicial Oath as soon as possible after their appointment.

"There is, however, no statutory provision for a Justice of Appeal to take such oaths after his appointment.

"As Justices of Appeal should also be required by law to take the relevant oaths following their appointment, the opportunity is taken to amend Part 1 of the Third Schedule to provide that a Justice of Appeal should take the oaths after his appointment," the spokesman said.

End

Public welcome to sit in on BA's meeting

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The Codes of Practice Committee of the Broadcasting Authority will hold its fourth meeting next Wednesday (April 2).

The Committee has been set up to review the codes of practice relating to programme, advertising and technical standards for broadcasting services and to make recommendations to the Broadcasting Authority regarding amendments to the codes.

The meeting, to be chaired by Mr Clement Tao Kwok-lau, will discuss the codes of practice on programme and advertising standards for programme services which are expected to be licensed later this year.

Members of the public are welcome to observe the proceedings of the meeting which will start at 9.30 am in the Conference Room of the Television and Entertainment Licensing Authority, 39th Floor, Revenue Tower, 5 Gloucester Road, Wan Chai. Please call 2594 5707 to reserve a seat as seating capacity is limited.

End

Pacific Economic Co-operation Hong Kong Committee meeting

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The 19th meeting of the Hong Kong Committee for Pacific Economic Co-operation (HKCPEC) to be held on April 2 (Wednesday) will be open to members of the public.

The Chairman of the HKCPEC and Group Managing Director of Li & Fung Limited, Mr William Fung, will chair the meeting which will be held at 2 pm in Conference Rooms 5 and 6, G/F, Hong Kong Industrial Technology Centre, 72 Tat Chee Avenue, Kowloon Tong, Kowloon.

Members of the public are welcome to attend the meeting. However, in view of limited seating capacity in the meeting venue, admission to the meeting is on a first-come-first-served basis.

Those interested in attending the meeting are requested to enrol with HKCPEC Secretariat by April 1 (Tuesday) at the latest.

The meeting's agenda and papers, unless classified as restricted or confidential, will be provided on request.

For reservations and enquiries, please contact the HKCPEC Secretariat at 2398 5693.

The HKCPEC was established in March 1990 to co-ordinate Hong Kong's participation in the Pacific Economic Co-operation Council (PECC).

The Committee, in line with the nature of the PECC, is tripartite, comprising members from academic, business and government sectors. Currently, it has 24 members, eight from each of the three sectors.

The PECC was founded in 1980 to promote regional economic co-operation.

At present, the PECC has a membership of 22 member committees representing the economies of Australia, Brunei Darussalam, Canada, Chile, China, Colombia, Hong Kong, Indonesia, Japan, Korea, Malaysia, Mexico, New Zealand, Peru, the Philippines, Russia, Singapore, Chinese Taipei, Thailand, the United States, Vietnam, and the Pacific Island Nations.

End

Practise safer sex to prevent AIDS

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Starting yesterday (March 25) all China-bound passengers crossing the border at Lo Wu will be able to view Government television commercials publicising the importance of safe sex.

The AIDS Awareness TV APIs (Announcements in Public Interest) currently being shown on the nine TV screens at Lo Wu Train Station, feature famous artists in the broadcasting circle and AIDS Awareness Ambassadors. They include Do Do Cheng, radio programme hosts Li Pik-sum, Hung Chiu-fung and Gary Ngan.

"While the artists are seen to be addressing very different target audiences, their appeal is the same - everyone has a fair chance of contracting HIV virus. We must take the necessary precaution to protect ourselves against AIDS," said Mr C K Cheung, Convenor, Task Force on Media and Publicity, Committee on Education and Publicity on AIDS (CEPAIDS) who masterminded the production of the TV APIs.

"We hope that the TV APIs can remind travellers that safe sex is the only clue to protect themselves. Always wear condoms during sexual behaviour."

According to the statistics from AIDS Unit, Department of Health, there is an increasing trend that AIDS is contracted through heterosexual intercourse. In many cases AIDS patients contracted HIV virus from commercial sex workers or irregular sex partners and passed on the virus to their spouses.

The TV APIs will be shown to all out-going passengers at the Kowloon-Canton Railway (KCR) Station in Lo Wu during the Easter holidays, a peak season for travel when more than 180,000 members of the public are expected to cross the border every day for fun and relaxation in China.

To supplement the publicity messages of the TV APIs, CEPAIDS had conducted a small scale publicity operation on March 21 where leaflets and giveaways on AIDS were distributed to out-going passengers at the departure hall of Lo Wu KCR Station.

End

Philatelic collection set for migratory birds

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The Agriculture and Fisheries Department (AFD) and the World Wide Fund For Nature Hong Kong (WWF HK) today (Wednesday) announced the launching of a philatelic collection set for migratory birds, which make yearly stops at the Mai Po Marshes.

The set comprises of one Normal Cover, one set of Postcards and one Souvenir Pack for limited distribution.

The Special First Day Covers and Postcards feature four different migratory birds with information about each bird species, making them both educational and collectable.

The production of the items is to tie with the new special stamps of migratory birds to be issued by the Post Office on April 27. It is also timed for WWF HK's annual fund raising event, the "Big Bird Race", to be held on April 11 and 12, which helps raise funds for the protection of local bird species and habitats.

WWF HK's Executive Director, Mr David Melville, said: "The Mai Po Marshes is a vital staging ground for hundreds of thousands of migrant birds moving from places as far away as north Siberia and south Australia.

"The Great Knot, Falcated Teal, Yellow-breast Bunting and Black-faced Spoonbill, as migratory birds which are regularly found in Mai Po, were chosen for the design of the collection.

"There are only some 450 individuals of the Black-faced Spoonbill in the whole world, and this is already regarded as critically endangered. A quarter of the world's population is found at Mai Po in winter."

AFD's Assistant Director (Conservation), Mr Frank Lau, paid tribute to WWF HK for producing these items.

"Like WWF HK, we are concerned about the environment. It is essential to protect the environment and to conserve the wildlife."

Purchasing these philatelic products is a valuable support to WWF HK's conservation and education work, he added.

Normal covers and postcards are available in both advance order and will be on sale from April 14 to 16 at Tsim Sha Tsui Middle Road Post Office and the General Post Office, Central. Souvenir packs are only available in advance order.

Enquiries on the collection set can be directed to Mr Tony Tam of WWF HK Fund Raising Department on 2526 1016 or by fax 2845 2764.

End

RAF fly in Easter bunny to Hong Kong school

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Although rabbits do not normally fly in helicopters, the Easter bunny is taking a special trip tomorrow (Thursday) to help brighten up the last day of term for the children of the Australian International School at Kowloon Tong.

A Wessex helicopter, from the Royal Air Force's 28 (AC) Squadron, based at Kai Tak, will deliver the Easter bunny and her eggs in time for the children's egg hunt at 10 am tomorrow.

The school, which is housed in part of the old British military school, St George's, has 210 pupils from both the Hong Kong Chinese and international communities. The children, aged between four and 14, benefit from an academic, cultural and physical programme presented through aspects of life in Hong Kong and Australia.

28 (AC) Squadron were pleased to help out with the request to fly in to take part in the Easter party and the children are looking forward to the day enormously.

"The children, especially the young ones, are very excited at the arrival of the helicopter with the Easter bunny," said Mrs Chris Neilsen, the school's Principal, "and the school is very grateful to the RAF for their co-operation."

End