



# DAILY INFORMATION BULLETIN

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## Funds sought for West Kowloon Reclamation works

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The Finance Committee will be asked to approve \$1,112 million (in money of the day) for the construction of roads and drains for the West Kowloon Reclamation.

A Government spokesman said today (Wednesday) that work on the reclamation project, one of the 10 projects under the Airport Core Programme (ACP), had progressed very considerably with 90 per cent of the land already formed.

Apart from providing land for buildings, the reclamation will also provide the landfall and toll plaza area for the Western Harbour Crossing (WHC) as well as the transport corridor for the West Kowloon Expressway (WKE) and the Airport Railway.

The spokesman said: "Work has to start in April this year on the construction of roads and drains to serve the building developments proposed for the reclamation, and to enable the complementary road network and supporting utilities for the WHC and the WKE to be completed by 1997 as scheduled.

"The road works with associated drainage, landscaping, footbridge and subway, and sewerage systems, for which funds are now being sought, are considered to be the minimum necessary for these projects."

A paper outlining details of the proposed funding was issued today to members of the Public Works Sub-committee of the Legislative Council Finance Committee.

The government's funding request will be discussed at a meeting of the Public Works Sub-committee on February 15, prior to consideration by the Finance Committee.

Of the \$1,112 million being sought, \$580 million will be used for works connected with the ACP and \$532 million will be for non-ACP works. These will include:

- \* the construction of 14,200 metres of roads and associated drainage systems, landscaping and noise mitigation measures;
- \* the construction of a new subway, the extension of an existing subway and the construction of a footbridge to provide for pedestrian access to the Airport Railway Kowloon Station as well as future developments and public open space in the vicinity;

- \* the construction of a sewerage system; and
- \* landscaping required for reprovisioning of public open space.

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Proposed sale of CMB bus depot site in Wong Chuk Hang

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In response to press enquiries with regard to the sale of a China Motor Bus (CMB) depot site, a Government spokesman clarified the purpose of Government's proposed amendments to the Public Bus Services Ordinance is to enable the Government to maintain public bus services in exceptional circumstances (for example, if a bus franchise is terminated) by taking temporary possession of the property used or kept by a franchised bus operator.

Under the existing legislation, the Government may take temporary possession of any property of a franchised bus company in the case of an emergency or revocation of a franchise, and the franchisee shall be entitled to compensation.

The Government's proposals, which have been endorsed by the Transport Advisory Committee, provide that:

- (a) In the event that a franchise is revoked, the provision in the existing legislation will apply except that the period of temporary possession may be extended up to four years;
- (b) In the event a franchise is not renewed, the Government may lease land and buildings used or kept by a franchised bus company for a maximum of four years at a fair market rent. In addition the Government may purchase other bus-related assets such as buses and spare parts at a fair and reasonable price.

"The proposed amendments, if enacted, would apply to all franchised bus operators in exceptional circumstances specified and should not be taken as implying an intention by the Government to take over CMB's operations. In fact the Government is considering offering a new franchise to the company subject to new terms and conditions."

"There is no intention to change the present policy of encouraging private operators to provide franchised bus services. This policy has served Hong Kong well," the spokesman said.

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\$27,014m grant to UGC-funded institutions for 1995-98

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The Governor-in-Council has approved the distribution and level of student numbers at the seven institutions funded by the University Grants Committee (UGC) for 1995-98, and approval of a recurrent funding of \$27,014 million recommended by the UGC for them for the triennium will be sought from the Finance Committee of the Legislative Council soon.

The seven institutions are the University of Hong Kong, Chinese University of Hong Kong, University of Science and Technology, Hong Kong Polytechnic University, City University of Hong Kong, Hong Kong Baptist University and Lingnan College.

A Government spokesman said today (Wednesday) that in assessing the recurrent funding requirements, the UGC had adjusted the distribution of student numbers as set out in its Interim Report on the Development of Higher Education for the period 1991-2001 to make provision for a "central pool" of research post-graduate student numbers.

"These places will be allocated to the institutions by the Research Grants Council on a competitive basis, having regard to such factors as the institutions' research training capacity, research performance, quality of research post-graduate education programmes," the spokesman said.

"Apart from the research post-graduate student numbers, the sub-degree student numbers have also been revised to accommodate 146 full-time equivalent sub-degree students who were enrolled by the Lingnan College in 1993-94 and who will not graduate until the end of the 1995-96 academic year," he added.

The spokesman said the Government supported the revised distribution of student numbers proposed by the UGC and reaffirmed the objective of providing 18 per cent of the relevant age group of the population with first-year, first-degree places, which will be maintained at the 1994-95 level, that is 14,500 places throughout the triennium.

He also said there would be a modest growth in the numbers of taught post-graduate and research post-graduate places to meet demand for highly qualified manpower and home-grown academic staff in Hong Kong.

The UGC has adopted a new methodology to assess more rigorously and precisely each institution's requirements for resources in the 1995-98 triennium to meet its teaching and research targets.

For the first time, funding is specifically related to the recent performance of an institution in research although a greater part of its recurrent grants is still associated with its teaching function.

"The Government supports the adoption of the new funding methodology as it is more related to an institution's performance and output," the spokesman said.

"We will closely monitor the operation of the methodology and encourage the UGC to develop it during the 1995-98 triennium," he said.

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#### Volume and price movements of external trade in November 1994

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The volume of re-exports in the first 11 months of 1994 increased by 14% over the same period the year before, while the volume of domestic exports decreased by 2.0%, according to statistics released today (Wednesday) by the Census and Statistics Department.

Taking re-exports and domestic exports together, the volume of total exports increased by 11%. Meanwhile, imports increased by 14% in volume.

The growth in the volume of trade is derived from the growth in trade values with the effect of price changes being discounted.

As regards price changes over the same period of comparison, the prices of re-exports and domestic exports increased by 1.3% and 1.5% respectively. Import prices increased by 2.5%. Price changes are reflected by changes in unit value indices, which are compiled based on average unit values or, for certain commodities, based on specific price data.

The terms of trade index, defined as the ratio of total export price index to import price index, decreased by 1.2% in the first 11 months of 1994 over the same period the year before.

Comparing November 1994 with November 1993, the volume of re-exports continued to increase markedly, by 17%, while that of domestic exports also recorded a moderate increase of 4.3%. Taken together, the volume of total exports increased by 14%. Meanwhile, the volume of imports grew by 21%.

Over the same period of comparison, the prices of re-exports and domestic exports increased by 2.9% and 2.1% respectively. Import prices increased by 4.6%.

The changes in the value, unit value and volume of re-exports by end-use category are shown in Table 1.

Comparing November 1994 with November 1993, the volume of re-exports of all end-use categories recorded increases of various magnitudes: foodstuffs (+39%), raw materials and semi-manufactures (+28%), capital goods (+19%), fuels (+12%) and consumer goods (+9.7%).

Over the same period of comparison, increases in the prices of re-exports were noted of raw materials and semi-manufactures (+4.6%), foodstuffs (+2.8%), consumer goods (+2.6%) and capital goods (+2.1%). The prices of re-exports of fuels however decreased by 3.4%.

The changes in the value, unit value and volume of domestic exports by principal commodity group are shown in Table 2.

Comparing November 1994 with November 1993, commodity groups which recorded increases in volume of domestic exports included textile made-ups and related articles (+34%); electronic components (+21%); and watches and clocks (+20%). On the other hand, the volume of domestic exports of radios of all kinds and footwear decreased by 68% and 44% respectively.

Commodity groups which recorded increases in domestic export prices included textile made-ups and related articles (+15%); and textile yarn and thread (+8.1%).

On the other hand, the domestic export price of footwear decreased by 5.2%.

The changes in the value, unit value and volume of imports by end-use category are shown in Table 3.

The import volume of foodstuffs increased by 27% in November 1994 compared with November 1993.

Significant increases were recorded in the import volume of soya bean oil, peanut oil, vegetable oil and lard; and sugar. However, there was a decrease in the import volume of animals of the bovine species.

Over the same period of comparison, the import volume of consumer goods increased by 12%.

Commodity items with considerable increases in import volume included passenger motor car and watches. On the other hand, decreases in the import volume were noted of tobacco manufactures and clothing.

The import volume of raw materials and semi-manufactures increased by 27% in November 1994 compared with November 1993.

Significant increases in import volume were noted of man-made fibres and raw cotton. However, there was a decrease in import volume of woven cotton fabrics.

Imports of fuels increased markedly by 50% in volume in November 1994 compared with November 1993.

As regards capital goods, the import volume increased by 27% in November 1994 over November 1993.

Notable increases were recorded in the import volume of transport equipment; office machines; and scientific, medical, optical, measuring and controlling instruments and apparatus. The import volume of textile machinery however declined.

Comparing November 1994 with November 1993, the import prices of most end-use categories increased: raw materials and semi-manufactures (+6.0%), consumer goods (+4.8%), foodstuffs (+4.1%) and capital goods (+3.2%). The import prices of fuels however decreased by 7.9%.

Details of the above statistics are published in the November 1994 issue of the "Hong Kong Trade Index Numbers".

The report will be available on sale around February 10 at \$9 a copy at the Government Publications Centre on the ground floor, Low Block, Queensway Government Offices, 66 Queensway; or at the Publications Section of the Census and Statistics Department on the 19th floor, Wanchai Tower, 12 Harbour Road, Wan Chai.

Enquiries about regular subscription to the report may be directed to the Information Services Department at French Mission Building, 1 Battery Path, Hong Kong (telephone 2842 8802) and enquiries on trade indices to the Census and Statistics Department (telephone: 2582 4918).

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Table 1 : Changes in re-exports by end-use category

End-use category	Comparing NOV 1994 with NOV 1993			Comparing JAN-NOV 1994 with JAN-NOV 1993		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	40.6	2.8	38.6	22.0	2.1	20.1
Consumer goods	12.7	2.6	9.7	11.9	1.4	10.3
Raw materials and semi-manufactures	33.6	4.6	27.7	23.1	0.7	22.1
Fuels	10.1	-3.4	12.1	5.1	-9.7	13.9
Capital goods	19.2	2.1	18.7	15.2	2.0	14.0
ALL COMMODITIES	19.9	2.9	16.9	15.5	1.3	14.4

Table 2 : Changes in domestic exports by principal commodity group

Commodity group	Comparing NOV 1994 with NOV 1993			Comparing JAN-NOV 1994 with JAN-NOV 1993		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Clothing	3.5	3.3	-0.4	1.8	2.1	*
Textile fabrics	-3.4	2.9	-5.8	-8.3	-1.4	-7.0
Textile yarn and thread	5.9	8.1	-2.0	-0.1	1.4	-0.7
Textile made-ups and related articles	61.4	15.4	33.6	17.8	5.9	9.2
Radios of all kinds	-70.9	0.8	-68.1	-58.6	0.8	-57.4
Electronic components	22.7	0.7	21.1	7.4	3.1	3.7
Footwear	-46.9	-5.2	-44.2	-22.4	-4.2	-22.4
Metal manufactures	-4.0	2.5	-4.0	-0.7	2.2	-0.6
Metal ores and scrap	22.5	4.1	15.4	1.3	0.8	-1.8
Watches and clocks	24.8	2.3	20.3	-1.8	1.9	-3.0
Travel goods, handbags and similar articles	-0.5	1.5	-1.0	-3.9	3.1	-6.3
Domestic electrical appliances	-7.4	1.2	-8.0	-12.5	1.7	-16.3
ALL COMMODITIES	6.8	2.1	4.3	-0.3	1.5	-2.0

\* less than 0.05%

Table 3 : Changes in imports by end-use category

End-use category	Comparing NOV 1994 with NOV 1993			Comparing JAN-NOV 1994 with JAN-NOV 1993		
	% changes			% changes		
	Value	Unit Value	Volume	Value	Unit Value	Volume
Foodstuffs	31.9	4.1	26.9	18.4	1.4	17.1
Consumer goods	17.2	4.8	12.5	13.2	2.8	11.3
Raw materials and semi-manufactures	35.2	6.0	27.1	21.2	3.2	16.9
Fuels	38.7	-7.9	50.0	24.8	-13.6	42.6
Capital goods	30.3	3.2	27.0	15.1	2.1	12.8
ALL COMMODITIES	26.6	4.6	21.4	16.6	2.5	14.4

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Kwai Tsing District Board by-election scheduled

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A by-election of a district board member for the Lai Wah constituency in Kwai Tsing District will be held on April 2 (Sunday).

Nomination of candidates will start tomorrow (Thursday) and last until February 22.

A gazette notice of the by-election will be issued by the Chief Electoral Officer tomorrow.

A vacancy was declared on January 27 by the Chairman of Kwai Tsing District Board following the successful election petition by Mr Lau San-ching.

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Government and community to develop closer ties

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The Governor, the Rt Hon Christopher Patten, expressed the hope for continued co-operation between the Government and the community in the Year of the Pig, which symbolised productivity and prosperity.

Joining in a spring reception held by the Secretary for Home Affairs Mr Michael Suen today (Wednesday), Mr Patten said Hong Kong was made prosperous through productivity and hard work as well as good neighbourliness.

"Friendship between families, co-operation between Government and the community have helped to promote and preserve prosperity," he said.

"This year we will see important new developments in the maturing relationship between the community and Government with the first full direct elections to the Municipal Councils on March 5 and the elections to the Legislative Council in September.

"The large turnout of candidates for the Municipal Councils elections is good evidence of the community's interest in and commitment to the quality of life of this city," he said.

This interest and commitment deserve to be matched with a high turnout in the elections themselves, he added.

More than 1,000 District Board members and community leaders attended the spring reception at the Regent Hotel.

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Dedicated education service recognised

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The Director of Education, Mr W K Lam, today (Wednesday) presented Long and Meritorious Service Certificates and retirement souvenirs to 31 members of the Technical Education and Industrial Training Department in recognition of their long service.

The recipients -- in ranks from workman II to principal of technical institute -- had contributed a total of 675 years of service.

Fourteen of them received Long and Meritorious Service Certificates and 17 retirement souvenirs.

Among those who received the certificates, two had been in government service for 30 years and 12 for 20 years.

Speaking at the presentation ceremony, Mr Lam paid tribute to the recipients for their work and enthusiasm contributed to the Government.

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#### Fourth CSD half-way house for released inmates opens

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The fourth half-way house of the Correctional Services Department (CSD), the Pelican House, which provides residential and aftercare services to released adult prisoners, was officially opened today (Wednesday) by the Commissioner of Correctional Services, Mr Eric McCosh.

Located on the 19th floor in block F of the Pamela Youde Nethersole Eastern Hospital Senior Staff Quarters, Chai Wan, the house occupies an area of 226 square metres with self-contained facilities, including three bedrooms, two toilets, a sitting room, a laundry and a kitchen.

The Pelican House can accommodate a maximum of 24 male adult prisoners who have been released under the Pre-release Employment Scheme.

These residents are subject to statutory supervision and to work outside during daytime and return to the half-way house at night.

A spokesman for CSD said the programme in the house was in fact an extension of rehabilitation efforts carried out within prisons. The aim is to facilitate the residents to make transitional adjustments on their return to the community after a period of imprisonment.

"These residents will be helped to cultivate a sense of self-discipline and positive work habit within a loosely structured but supportive way," he said.

Today's opening ceremony also marked the operation of the department's Care and Supervision Unit and the removal of the Bauhinia House from Central District to its present premises on the 16th floor of the same building. "The Care and Supervision Unit provides the aftercare services to discharged inmates and young prisoners who are subjected to statutory supervision.

"The unit facilitates those supervisees and their family members who are in a crisis situation and who are in need of urgent help to seek timely assistance and guidance from the aftercare officers," the spokesman added.

Together with the Pelican House, there are four half-way houses under CSD's management. They include the Bauhinia House, for female ex-inmates; the Phoenix House, for male ex-inmates of detention and training centres; and the New Life House, for male inmates discharged from drug addiction treatment centres.

Hong Kong Monetary Authority money market operations

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	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,292	0930	-369
Closing balance in the account	2,296	1000	-139
Change attributable to :		1100	+41
Money market activity	+34	1200	+41
LAF today	-30	1500	+41
		1600	+34

LAF rate 4.25% bid/6.25% offer TWI 121.4 \*+0.1\* 8.2.95

Hong Kong Monetary Authority

EF bills

EF notes/Hong Kong Government bonds

Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.94	16 months	2605	6.35	99.30	7.04
1 month	6.00	22 months	2611	6.90	99.51	7.32
3 months	6.24	30 months	3707	6.95	98.85	7.61
6 months	6.51	36 months	3801	8.00	101.01	7.76
12 months	6.90	59 months	5912	8.15	100.45	8.19

Total turnover of bills and bonds - \$18,189 million

Closed February 8, 1995

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