



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
GARDEN ROAD, 5th-8th FLOORS, MURRAY BUILDING,
HONG KONG. TEL.: 2842 8777

Tuesday, October 15, 1996

<u>Contents</u>	<u>Page No.</u>
FS's transcript	1
Tate's Cairn Tunnel toll increase approved	1
Unemployment and underemployment statistics	2
JLG expert group on transitional budget to meet tomorrow	4
Industrial production index for 2nd quarter of 1996	4
Airport bridge project renamed "Lantau Link"	7
DGT to attend APEC meeting in Manila	8
89 convicted pollution cases recorded in September	9
Air quality report for September released	9
No mail delivery for coming public holiday	11
Eight clinics open on Chung Yeung Festival	11
Water Supplies customer centre re-opens after refurbishment	12
199 VMs depart on orderly repatriation flights	12
Monitors' report submitted to CS	13
Hong Kong Monetary Authority tender results	13
Hong Kong Monetary Authority money market operations	14

FS's transcript

* * * * *

The following is the transcript of a media session by the Financial Secretary, Mr Donald Tsang, on his return from an overseas duty visit this (Tuesday) evening:

Question: ... please repeat in English on employment figure and the funding for the provisional legislature.

FS: Quite different questions altogether. Well, I am very very happy about the decline in the unemployment figure. It reflects that the efforts we have made so far, particularly on retraining scheme and on the supply side have begun to bear fruit. This means that we have now reached our traditional high employment level in Hong Kong. I hope it will be sustained. As regards funding for the provisional arrangements or transitional arrangements, you know the Government has pledged full support for the Chief Executive (Designate) and his teams being their work in providing a smooth transition. We have not obtained any specific request for funding, and I am sure this request will be put forward at the expert group on Budget. Our position on the provisional legislature is very clear. I don't want to repeat it here, you know that is a matter that we cannot give in.

End

Tate's Cairn Tunnel toll increase approved

* * * * *

The Governor-in-Council has approved an application for toll increase by the Tate's Cairn Tunnel Company.

The new toll structure, which will have an average increase of about 30 per cent, will take effect from November 1.

A government spokesman said today (Tuesday) that the toll revision was in line with the Company's franchise proposal in 1988, both in terms of timing and level of increase.

"In approving the application, the Administration is guided by the need to ensure that the Company will be able to carry out its obligations and that it will be reasonably but not excessively remunerated.

"The Administration is satisfied that these guidelines have been met," the spokesman said.

The application was supported by the Transport Advisory Committee after two meetings in July and August.

However, the Committee has asked the Company to draw up strategic plans to improve its financial position, to explore avenues to generate more income, to reduce its expenditure and to enhance services, including air quality inside the tunnel.

In the meantime, the Company has appointed a consultant to conduct a study on air quality and to make recommendations.

The new toll compared with existing ones and that of the franchise proposal are as follows:

Vehicles	Existing toll	New toll	Franchise Proposal
private cars, taxis & motorcycles	\$6	\$8	\$8
Light buses and light goods vehicles	\$10	\$13	\$14
Medium & heavy goods vehicle and buses	\$15	\$20	\$16
Extra axle	\$5	\$7	\$10

End

Unemployment and underemployment statistics

* * * * *

The seasonally adjusted unemployment rate for the period June to August 1996 was 2.8%, and the underemployment rate was 1.4%, according to the latest labour force statistics released today (Tuesday) by the Census and Statistics Department.

For the period July to September 1996, the provisional seasonally adjusted unemployment rate fell further to 2.6%, while the provisional underemployment rate remained unchanged, at 1.4%.

Commenting on the latest figures, a government spokesman said labour market conditions continued to improve in recent months. In particular, the seasonally adjusted unemployment rate has edged lower for five months in a row.

For the latest period July to September 1996, decreases in the unemployment rate were observed in most of the major sectors, including manufacturing, transport, restaurants and hotels, wholesale and retail trades, and community, social and personal services.

As to the underemployment rate, decline occurred in the construction sector. The underemployment rate in the other major sectors remained broadly stable.

In the three months ending August 1996, total labour supply grew by 0.7% over a year earlier, while total employment rose relatively faster, by 1.5%. As the growth in total employment continued to outpace that in total labour supply, the overall unemployment rate fell further in recent months.

During the period June to August 1996, the number of unemployed persons with previous jobs was estimated at 74,300. Another 12,100 unemployed persons were first time job seekers. The number of underemployed persons was estimated at 44,700.

The unemployment and underemployment statistics were obtained from a continuous general household survey.

The survey for June to August 1996 covered a quarterly sample of some 23,000 households or 78,300 persons, selected scientifically to represent the land-based civilian non-institutional population in Hong Kong. Data were obtained from the survey by interviewing each member aged 15 or over in the households sampled.

In the survey, the definitions used in measuring unemployment and underemployment follow closely those recommended by the International Labour Organisation.

"Seasonally adjusted" refers to adjustment for seasonal variations in the proportion of first time job seekers in the labour force.

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 September 1996 will be on sale at the Government Publications Centre at ground floor, Low Block, 66 Queensway, Hong Kong, by the end of December.

End

JLG expert group on transitional budget to meet tomorrow

* * * * *

The Sino-British Joint Liaison Group will hold their thirteenth round of expert talks on October 16 and 17 in Hong Kong to discuss the preparation of Hong Kong's transitional Budget and related matters.

The British team will be led by Secretary for the Treasury of the Hong Kong Government, Mr K C Kwong. The Chinese team will be led by the Chinese Representative on the Sino-British Joint Liaison Group, Mr Chen Zuo'er. They will be assisted by experts.

End

Industrial production index for 2nd quarter of 1996

* * * * *

The index of industrial production for the second quarter of 1996 decreased by 3.6% over the same quarter in 1995, according to the results of a survey released today (Tuesday) by the Census and Statistics Department.

Analysed by industry group, the production of the basic metals and fabricated metal products industry recorded a decrease of 9.7%.

Output of the textiles (including knitting) industry and the paper products and printing industry decreased by 7.8% and 4.4% respectively.

A moderate decrease of 3.9% was registered in the industry group of electrical and electronic products, machinery, professional equipment and optical goods.

Within this group, the production of machinery, equipment, apparatus, parts and components increased by 4%, whereas the production of consumer electrical and electronic products decreased by 11.8%.

Moderate decreases were also recorded in the food, beverages and tobacco industry (-3.7%); and the wearing apparel (except footwear) industry (-2.8%).

Production of the chemical, rubber, plastic and non-metallic mineral products industry slightly decreased by 1.5%. Within this group, the production of plastic products decreased by 9.8%.

Compared with the first quarter of 1996, the index of industrial production showed a notable increase of 9.3%. This was consistent with the usual pick-up in manufacturing activities in the second quarter.

The index of industrial production reflects changes of local manufacturing output in real terms. In other words, it measures the volume of local production after discounting the effect of price changes.

More detailed information can be obtained from the Quarterly Index of Industrial Production, 2nd Quarter 1996 report, which is on sale at \$11 a copy at the Government Publications Sales Centre, Low Block, ground floor, Queensway Government Offices, 66 Queensway, Hong Kong.

It is also available at the Census and Statistics Department Publications Unit, 19th floor, Wanchai Tower, 12 Harbour Road, Wan Chai. Regular subscription may also be arranged.

Enquiries about the survey result may be directed to the General Economic Surveys Section of the Census and Statistics Department on 2805 6643.

Indices of industrial production by industry group and
selected component industry
(1986 = 100)

Industry group / Selected component industry	Index for 2nd Qtr. 1996	% change over	
		2nd Qtr. 1995	1st Qtr. 1996
1. Food, beverages and tobacco	152	-3.7	+5.7
2. Wearing apparel (except footwear)	104	-2.8	+10.8
3. Textiles (including knitting)	100	-7.8	+22.0
4. Paper products and printing	275	-4.4	+14.3
5. Chemical, rubber, plastic and non-metallic mineral products	63	-1.5	+9.7
within which : Plastic products	(34)	(-9.8)	(+5.0)
6. Basic metals and fabricated metal products	83	-9.7	+5.4
within which : Fabricated metal products (except machinery and equipment)	(78)	(-13.3)	(+4.0)
7. Electrical and electronic products, machinery, professional equipment and optical goods	162	-3.9	+1.4
within which : Consumer electrical and electronic products	(103)	(-11.8)	(-1.9)
: Machinery, equipment, apparatus, parts and components	(255)	(+4.0)	(+1.3)
8. Miscellaneous manufacturing industries	83	+4.4	+12.7
ALL MANUFACTURING INDUSTRIES	118	-3.6	+9.3

Notes : 1. Four selected component industries, which carry relatively large weights and are major components of their relevant industry groups, are also included in the above table. For easy reading, the figures of these selected component industries are shown in brackets.

2. As from the first quarter of 1992, the Hong Kong Standard Industrial Classification (HSIC) is used to form the industry groups and selected component industries presented in the above table. For the exact coverage of the industry groups and component industries in terms of HSIC codes, please refer to the publication 'Quarterly Index of Industrial Production, 2nd Quarter 1996'.

End

Airport bridge project renamed "Lantau Link"

* * * * *

The name of 'Lantau Fixed Crossing' has been shortened to 'Lantau Link', the Director of New Airport Projects Co-ordination Office, Mr Billy Lam, said today (Tuesday).

Speaking at the plenary meeting of the Airport Consultative Committee, Mr Lam said the shorter name was clear, simple and suitable for practical everyday use.

"More importantly, the new name highlights the function of the fixed crossing - linking Lantau Island with the rest of Hong Kong. The shortened Chinese name also carries the same advantage," said Mr Lam.

He explained that 'Lantau Fixed Crossing' was essentially an engineering term to describe the five-kilometre dual three-lane expressway and railway link connecting Tsing Yi with Lantau Island.

The original Chinese name was also too long for practical use, he said.

"We have been considering for some time a shorter and more practical name for the Crossing in preparation for its opening in May 1997.

"Having carefully considered various suggestions, the Government has now decided to adopt the name 'Lantau Link'," said Mr Lam.

He said the Lantau Link would be completed and opened for public use in May next year.

"It will become a major landmark for Hong Kong and will be the first land transport link connecting Lantau Island with the rest of Hong Kong," Mr Lam said.

The Lantau Link, comprising the Tsing Ma Bridge, the Kap Shui Mun Bridge and the Ma Wan Viaduct, is part of the 34 kilometres long highway network of the Airport Core Programme linking the new airport and Tung Chung new town to Kowloon and Hong Kong.

End

DGT to attend APEC meeting in Manila

* * * * *

The Director-General of Trade, Mr Alan Lai, will depart for Manila, the Philippines, tomorrow (Wednesday) to attend the fourth senior officials meeting of the Asia Pacific Economic Co-operation (APEC) scheduled to take place from October 18 to 20.

Mr Lai will lead a delegation comprising officials from the Trade and Industry Branch, the Finance Branch, the Financial Services Branch, the Industry, the Government Supplies, the Customs and Excise and the Trade departments as well as the Hong Kong Economic and Trade Office in Singapore.

A major theme of the meeting is the continuation of the progress review of the implementation of the Osaka Action Agenda (OAA) which is the template for APEC work towards the goal of free and open trade and investment in the APEC region by 2010/2020 for industrialised and developing economies respectively.

OAA also strives to achieve sustainable growth and equitable development within APEC through intensified development co-operation.

At the last senior officials meeting in August, most of the APEC member economies presented their revised individual action plans (IAPs) for implementing part one of OAA. It is expected that further improved versions of IAPs will emerge at the present meeting.

The progress on the collective action plans (CAPs) prepared by lead economies in respect of the programme areas under part one of OAA, and the progress of joint activities on economic and technical co-operation which constitute part two of OAA will also be reviewed.

In addition, the meeting will discuss the preparations for the first World Trade Organisation Ministerial Conference to be held in Singapore in December.

There will be a briefing on the report prepared by the APEC Business Advisory Council which was established in June to provide business input to the APEC process.

The fourth senior officials meeting will be preceded by a series of meetings including those of the expert group on mutual recognition arrangements on food products, the Sub-Committee on Customs Procedures, the Sub-Committee on Standards and Conformance, the Economic Committee, and the Committee on Trade and Investment as well as a government procurement seminar to be chaired by Hong Kong.

These various APEC forums will report to the senior officials meeting.

After the fourth senior officials meeting, the APEC ministerial meeting and economic leaders meeting will be held in November.

Member economies of APEC are Australia, Brunei Darussalam, Canada, Chile, the People's Republic of China, Hong Kong, Indonesia, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Chinese Taipei, Thailand and the United States.

End

89 convicted pollution cases recorded in September

* * * * *

A total of 89 convictions were recorded in the courts in September for breaching anti-pollution legislation enforced by the Environmental Protection Department.

Among them, 44 were convictions made under the Water Pollution Control Ordinance, 13 under the Noise Control Ordinance, 16 under the Air Pollution Control Ordinance, 13 under the Waste Disposal Ordinance and three under the Ozone Layer Protection Ordinance.

The fines ranged from \$1,000 to \$100,000. Shui On-China Harbour Joint Venture was fine \$100,000 for discharging polluting matter into the North Western Water Control Zone.

End

Air quality report for September released

* * * * *

The air quality information for September was released today (Tuesday) by the Environmental Protection Department to keep the public informed of the air quality levels in the territory and to explain the measurements.

The announcement contains monitoring results from Mong Kok, Central/Western and Kwai Chung, which represent three important land use types in the territory:

- * locations close to road traffic in built-up urban areas,
- * combined commercial and residential districts, and
- * districts close to industrial areas.

The reported air pollutants include sulphur dioxide (SO₂), nitrogen dioxide (NO₂), total suspended particulates (TSP) which comprise all sizes of dust particles, and the respirable fraction of the dust (RSP). All these pollutants can affect respiratory health in sufficient concentration.

In September, there was no exceedance of the 24-hour Air Quality Objective (AQO) values at any of the three air quality monitoring stations. As usual, Mong Kok station recorded the highest concentrations.

The gases and particles described originated from various sources. SO₂ is mostly produced when fuels that contain sulphur are burned. NO₂ is formed during combustion by the combination of nitrogen and oxygen, and by the atmospheric oxidation of nitric oxide (NO), also a product of combustion.

Vehicle exhaust is an important source of NO and NO₂ in terms of impact on local air quality. It is also a major source of airborne particulate matter, especially the smaller respirable particles.

Diesel-engined vehicles such as taxis, public light buses, passenger coaches, franchised buses and light and heavy goods vehicles are the greatest contributor of particulate matter. Other sources include industry, furnaces and boilers, construction activities, the sea and the soil.

It is worth noting that while the weather and climate always affect the concentrations of pollutants in the air, the only sure way of reducing the levels is to reduce emissions from the man-made sources.

End

No mail delivery for coming public holiday

* * * * *

There would be no mail delivery during the forthcoming public holiday on Monday (October 21) - the day following Chung Yeung Festival, the Postmaster General, Mr Robert Footman, announced today (Tuesday).

All post offices would also be closed. However, one mail collection would be arranged for all street posting boxes except those located on outlying islands and in remote areas. The time of collection is shown on the time-plate of each posting box.

"This arrangement will serve to advance the processing of letters posted on that day and hence improve our quality of letter service to the public," said Mr Footman.

End

Eight clinics open on Chung Yeung Festival

* * * * *

Eight holiday clinics will be open from 9 am to 1 pm on Sunday (October 20), which is the Chung Yeung Festival, the Department of Health announced today (Tuesday).

However, all general out-patient clinics will be closed on the following day, a public holiday after the festival.

The clinics which will be open on Sunday are the Violet Peel Health Centre and Shau Kei Wan Jockey Club Clinic on Hong Kong Island; the Kwun Tong Jockey Club Health Centre, Robert Black Health Centre and Yau Ma Tei Jockey Club Clinic in Kowloon; the Lady Trench Polyclinic, Shek Wu Hui Jockey Club Clinic and Yuen Long Jockey Club Health Centre in the New Territories.

Information on which private clinics and out-patient departments of private hospitals are open on the holiday can be obtain by calling the Hong Kong Medical Association hotline 90000-22-2322.

End

Water Supplies customer centre re-opens after refurbishment

* * * * *

The Water Supplies Department (WSD) has expanded and refurbished its Customer Enquiry Centre in Mong Kok as part of its continuing effort to further improve services to consumers.

Officiating at today's (Tuesday) ceremony to mark the re-opening of the centre were the Director of Water Supplies, Mr Hu Man-shiu; the Chairman of the Yau Tsim Mong District Board, Mr Chow Chun-fai and the Yau Tsim Mong District Officer, Mr Barton Ireland.

Located on the ground floor of 128 Sai Yee Street, the newly re-decorated centre provides more waiting area and a more comfortable environment for customers.

It is the biggest and busiest among the eight customer enquiry centres operated by WSD and has been installed with an electronic display queuing system to serve customers in a fairer and more efficient manner.

Other centres are situated at convenient locations in Wan Chai, Shau Kei Wan, Kwun Tong, Tai Po, Sha Tin, Tsuen Wan and Tuen Mun.

All the centres are equipped with on-line computer terminals to facilitate on-the-spot answers to enquiries relating to individual water accounts, applications for water supply, change of consumership, termination of accounts and refund of water deposits.

Members of the public can also obtain application forms and information leaflets on water supplies at the centres.

End

199 VMs depart on orderly repatriation flights

* * * * *

Two groups totalling 199 Vietnamese migrants (VMs) returned by air to Hanoi, Vietnam, today (Tuesday) on the 63rd and 64th flights under the Orderly Repatriation Programme (ORP).

All except one of the returnees, comprising 102 men, 46 women, 30 boys and 21 girls, are from North Vietnam.

The majority of them arrived in Hong Kong in 1989, with the remaining in 1988, 1990, 1991 and 1996.

The two groups brought the total number repatriated on ORP flights to 6,125 since November 1991.

End

Monitors' report submitted to CS

* * * * *

The monitors appointed to observe the Orderly Repatriation Programme operation this (Tuesday) morning have submitted their report to the Chief Secretary.

The two monitors comprised a non-official Justice of the Peace, Professor Chen Char-nie; and representative from a non-government organisation, Ms Gilla Nemayechi of Medecins Sans Frontieres.

End

Hong Kong Monetary Authority tender results

* * * * *

Tender date	15 Oct 1996
Paper on offer	EF bills
Issue number	Q642
Issue date	16 Oct 1996
Maturity date	15 Jan 1997
Coupon	-
Amount applied	HK\$11,430 MN
Amount allotted	HK\$1,500 MN
Average yield accepted	5.09 PCT
Highest yield accepted	5.10 PCT
Pro rata ratio	About 3 PCT
Average tender yield	5.11 PCT

Hong Kong Monetary Authority

Tenders to be held in the week beginning 22 Oct 1996

Tender date	22 Oct 1996	22 Oct 1996
Paper on offer	EF bills	EF bills
Issue number	Q643	H676
Issue date	23 Oct 1996	23 Oct 1996
Maturity date	22 Jan 1997	23 Apr 1997
Tenor	91 days	182 days
Amount on offer	HK\$1,500+300MN	HK\$800+160MN

End

Hong Kong Monetary Authority money market operations

* * * * *

	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,058	0930	+200
Closing balance in the account	2,055	1000	+200
Change attributable to:		1100	+200
Money market activity	+197	1200	+200
LAF today	-200	1500	+200
	1600	+197	

LAF rate 4.00% bid/6.00% offer TWI 124.8 *+0.0* 15.10.96

Hong Kong Monetary Authority

EF bills		EF notes/MTRC				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	4.82	2 years	2808	6.00	100.15	6.00
1 month	4.92	3 years	3910	6.80	99.80	6.46
3 months	5.11	5 years	5109	7.32	101.75	7.01
6 months	5.19	7 years	7308	7.24	100.05	7.36
12 months	5.44	5 years	M503	7.35	100.71	7.30

Total turnover of EF bills and notes - \$14,776 million

Closed October 15, 1996

End