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Proposed reprovisioning

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Sino-British Land Commission reaches agreement

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The following is issued on behalf of the Sino-British Land Commission:

The thirty-first meeting of the Sino-British Land Commission was held on November 24, 1995. The two sides reached agreement on the following:

(1) the 1995-96 Land Disposal Programme is adjusted to provide, under the special requirements category, 67 hectares of land for the River Trade Terminal at Tuen Mun and five hectares of land for the extension of the Third Industrial Estate at Tseung Kwan O; and

(2) the average cost of land production for 1995-96 is Hong Kong Dollars 5,093 per square metre.

End/Friday, November 24, 1995

Proposed codification of conspiracy and other offences

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A bill seeking to codify the offences of conspiracy, attempt and incitement to commit an offence was gazetted today (Friday).

A Legal Department spokesman said the Crimes (Amendment) Bill 1995, which largely followed the recommendations of the Law Reform Commission (LRC) Report, aimed to reform the preliminary offences of conspiracy, attempt and incitement through codification to address the problems of imprecision and inconsistencies.

The spokesman said that in Hong Kong, the laws governing the preliminary offences of conspiracy, attempt and incitement were based almost entirely on judicial precedents.

They suffered from imprecision and inconsistencies and were not readily available, he said.

The LRC in its report issued in March last year recommended codification of preliminary offences based on English models. These models represented a restatement of the common law position whilst rectifying a number of recognised deficiencies, the spokesman said.

As regards the offence of conspiracy, the spokesman noted that the bill proposed to abolish the two common law offences of conspiracy to corrupt public morals and conspiracy to outrage public decency.

The LRC recommended abolition of the offences on the grounds that they were "of extreme and uncertain width", were "largely subjective" and "could evolve into a means of suppressing unpopular or religious beliefs".

In addition, it was pointed out that the offences served little purpose as they had not been employed in recent years, if at all, and there were in any case existing statutory provisions which adequately dealt with obscene public performances, displays and publications and so on. Related pieces of legislation include the Crimes Ordinance, the Control of Obscene and Indecent Articles Ordinance and the Summary Offences Ordinance.

Other major provisions relating to the offence of conspiracy provide for:

- * a definition of the elements constituting the offence of 'conspiracy', which essentially is an agreement by two or more persons to do an act amounting to or involving an offence;
- * removal of a defence where the agreement was impossible of fulfilment. This provision addresses the situation where the offender has the necessary guilty mind to commit an offence but because of some fact of which he is ignorant or about which he is mistaken, the result he intended was not achievable, or if it could be achieved, would not give rise to the crime he intended to commit;
- * preservation of the common law rules that a person cannot conspire with his or her spouse, a person under the age of criminal responsibility or a person who is the intended victim of the offence;
- * the penalties for various types of conspiracy offences to bring the penalty for conspiracy into line with that for the substantive offence; and
- * that the time limit for instituting prosecution applies to conspiracy as it would apply to the substantive offences.

The spokesman said on the offences of attempt to commit an offence, the bill provided that "attempt" be defined as an act which was more than merely preparatory to the commission of an offence and that the mental element required to constitute the offence of attempt to commit an offence should include recklessness where recklessness suffices for the substantive offence.

The bill also sought to codify the offence of incitement by providing for a definition of the offence and removal of the defence of impossibility as with conspiracy and attempt.

It also proposed to retain the offence of incitement to conspire as recommended by the LRC because of its importance in the context of triad crime, which relates to long term conspiracies such as those involving gambling, prostitution and drugs, the spokesman said.

End/Friday, November 24, 1995

Third Quarter Economic Report published

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In the November update of the economic forecasts for 1995, the gross domestic product (GDP) is forecast to grow by around 5% in real terms this year, unchanged from the GDP forecast in the August update, and in line with the projected trend GDP growth rate at 5% per annum over the medium term.

Underlying this overall forecast is continued robust growth in re-exports, a further pick-up in growth of exports of services and of expenditure on machinery and equipment, and intensive activity on infrastructural construction, but accompanied by continued slack in consumer spending and in private sector building activity, and some deceleration in growth of domestic exports.

On inflation, the forecast rate of increase in the Consumer Price Index (A) for 1995 is kept unchanged at 9.0%, having regard to the actual outturn also of 9.0% in the first ten months of the year and a broadly stable inflation situation expected for the remaining two months.

In the third quarter, re-exports continued to register a double-digit increase. But the growth momentum of domestic exports decelerated somewhat after the upsurge earlier in the year.

It appeared that the boosting effect of the earlier depreciation of the Hong Kong dollar along with the US dollar had largely been absorbed.

Import demand in respect of raw materials and capital goods nevertheless remained strong, supported by the local industrial production and infrastructural construction activities, as well as by the robust fixed asset investment.

Tourism picked up markedly in recent months.

Concurrently, there was a continued upsurge in offshore trading activities, as evidenced by the substantial growth in transshipment flows.

Exports of other trade-related services and of various professional and business services also rose steadily.

However, local consumer spending remained subdued, amidst the prevailing weak consumer sentiment.

The setback was concentrated in higher-value items such as motor vehicles and other durable goods. Spending on ordinary consumer goods and consumer services still showed positive growth.

The visible trade deficit has been improving since May.

Apart from reduced intake of imported consumer goods, the improvement in the deficit situation was also helped by a smaller deterioration in the terms of trade, following the rebound in the US dollar and slower increase in world commodity prices.

Trading activity in the residential property market remained generally modest.

Buying remained concentrated in the primary market, though with some early signs of a mild improvement in activity in the secondary market most recently.

Flat prices at the end of September were still around 24% lower than their peak level in April last year.

Rentals also softened as more landlords put out their flats for lease.

The unemployment rate remained relatively high, at 3.5% in the third quarter (3.6% in the three months ending October).

The growth rate of labour supply continued to outstrip that of total employment.

With a greater abundance in the supply of labour resources, employers should have less difficulty in recruitment than before.

But concurrently competition for jobs amongst employees has become more intense.

The co-existence of still a considerable number of vacancies along with the increased unemployment reflects a degree of on-going job mismatch in the labour market.

With the easing in both imported inflation and locally- generated inflationary pressures, consumer price inflation in terms of the Consumer Price Index (A) moderated from 9.5% in the first quarter to 9.2% in the second quarter and 8.6% in the third quarter (8.4% in October).

The external sector

In the third quarter, total exports had a generally robust growth of about 12% in real terms over a year earlier. This was only slightly slower than the 13% growth in the second quarter.

Within total exports, re-exports rose by about 15% in real terms, but domestic exports moderated to an increase of about 1%, after a sharp pick-up in the early part of this year.

Re-exports to China and the United States showed less rapid growth in the third quarter.

But re-exports to the other major markets, such as Japan, Germany, the United Kingdom and Taiwan, all showed accelerated growth.

Domestic exports to the United States, Germany and Singapore declined further, while domestic exports to China decelerated to little growth in the third quarter.

On the other hand, domestic exports to Japan maintained a steady increase.

Domestic exports to the United Kingdom accelerated in growth.

Imports grew by about 13% in real terms in the third quarter over a year earlier, decelerating from the 22% increase in the first quarter, but broadly similar to the 14% increase in the second quarter.

Retained imports sustained a rise of about 11% in real terms in both the second and third quarters, following a sharp rise of 27% in the first quarter.

The visible trade deficit continued to narrow in recent months.

For the entire third quarter, the visible trade deficit totalled \$25.9 billion, equivalent to 6.5% of the value of imports.

This was substantially smaller than the corresponding figures of \$52.5 billion and 13.6% in the second quarter, though still larger than the figures of \$12.1 billion and 3.6% recorded in the same quarter last year.

The improvement in recent months was helped by the rebound in the Hong Kong dollar along with the US dollar, slower increase in world commodity prices, and a further moderation in demand for the various imported consumer items.

The sustained surplus in invisible trade in the third quarter should be able to offset substantially the deficit in visible trade.

Domestic demand

Domestic demand continued to be supported by a strong uptrend in machinery and equipment investment, as can be seen from a further surge in retained imports of capital goods, by about 27% in real terms in the third quarter over a year earlier.

Consumer spending however remained sluggish, with the volume of retail sales falling further by 2% over the same period.

The setback in retail sales was mainly concentrated in motor vehicles and other consumer durables.

Spending on clothing and footwear and on various other consumer non-durables still registered increases.

As the weak consumer sentiment prevailed, retained imports of consumer goods fell considerably, by about 8% in real terms in the third quarter over a year earlier, following increases of 19% in the first quarter and 5% in the second quarter.

As to construction, overall expenditure on building and construction rebounded to an increase of 9% in real terms in the second quarter, having declined by 3% in the first quarter.

Activity was propelled mainly by intensive construction work in the public sector, with output by this sector picking up markedly to a 57% growth in real terms in the second quarter, from an increase of only 1% in the first quarter.

Activity in the private sector however remained subdued.

Apart from the completion or winding down of a number of large projects earlier in the year, the continued decline in building consents also points to a further slackening in private sector building activity.

The labour market

The seasonally adjusted unemployment rate rose further to 3.5% in the third quarter, from 3.1% in the second quarter. The underemployment rate, at 2.5% in the third quarter, was also higher than that of 2.1% in the second quarter.

In the three months ending October, the seasonally adjusted unemployment rate rose to 3.6%, while the underemployment rate edged lower to 2.3%.

Nevertheless, for many of those in employment, manpower utilisation was still intensive, as can be seen from the rise in the proportion of the employed population working longer hours in the third quarter as compared to both the preceding two quarters and the same quarter last year.

Total employment showed quite a notable increase, by 2.5% in the third quarter over a year earlier. But this was outstripped by an even stronger growth in labour supply, by 4.0% over the same period. As a result, the numbers unemployed continued to rise in recent months.

The rise in unemployment since the beginning of the year was concentrated mostly in the manufacturing, wholesale and retail trades, restaurants and hotels, and transport sectors.

To a large extent this was caused by the slow-down in consumer spending, which had not only dampened business in the retail and restaurant sub-sectors, but also affected their ability to absorb workers released from manufacturing.

The unemployment rate in the construction sector also rose markedly.

Much of this was related to slackened demand for renovation and interior decoration.

As to underemployment, the rise was concentrated mainly in the construction sector and to a lesser extent also in the transport sector.

The underemployment situation in the other sectors remained generally stable.

Average earnings in many of the major sectors showed further increases in money terms and in real terms in the second quarter over a year earlier.

The exceptions were community, social and personal services, and restaurants and hotels, which reported declines in earnings in real terms.

Construction wages showed little change in real terms.

The property market

Trading activity in the residential property market moderated again in the third quarter, following a rebound after the Chinese New Year.

Buyers generally adopted a wait-and-see attitude.

Buying remained concentrated in the primary market, where developers carried out intensive promotion with further price cuts and offer of more flexible payment terms.

At the end of September, flat prices in selected major residential developments were about 24% lower than their peak level in April last year.

As more landlords put out their flats for lease in a slack sales market and as some tenants shifted to smaller flats, rentals for newly-leased large flats softened further.

Rentals for small to medium-sized flats nevertheless held stable during the quarter. Acquisition interest in office space remained subdued. The sales market hence remained quiet. The rental market for office space also softened.

On shopping space, both prices and rentals fell along with the slack retail business.

Many landlords were reported to have cut rentals and offered more lenient lease terms to attract tenants.

On industrial property, acquisition interest in old industrial buildings en bloc as well as industrial sites for redevelopment into modern multi-purpose industrial buildings was dampened by the subdued conditions in the property market. Leasing activity also continued to be sluggish. Thus prices and rentals for both flatted factory space and industrial-cum-office premises remained on a downtrend.

Inflation

Consumer price inflation in terms of the Consumer Price Index (A) eased further, from 9.5% in the first quarter to 9.2% in the second quarter and 8.6% in the third quarter (8.4% in October).

The CPI(B) and Composite CPI were likewise on a moderating trend.

The Hang Seng CPI however recorded a slightly faster increase in the third quarter than in the second quarter, mainly due to more rapid increases in the prices of higher-quality clothing items and in the rentals of large flats, which more than offset the slower increase in food prices.

Analysed by components of the CPI(A), the increases in housing rentals, transport fares and charges for various consumer services continued to moderate in the third quarter from the early part of the year.

Even for clothing and footwear, which had a large import content and hence were affected more than the other items by rising world commodity prices and the earlier depreciation of the US dollar, their prices showed decelerated increase.

To a large extent, these carried the effects of easing in labour market conditions and softening in shop rentals, manifesting reduced domestically-generated inflationary pressures.

The financial sector

The market exchange rate of the Hong Kong dollar against the US dollar remained on the strong side of the link, moving within a narrow range of HK\$7.73-7.75 per US dollar and closed the third quarter at 7.732.

Following concerted intervention in the foreign exchange market by some central banks in late May and announcement of a balanced budget plan by the Clinton Administration in late June, market sentiment soon reversed and the US dollar began to stage a rebound against the Japanese Yen and the major European currencies.

Along with this, the trade-weighted Effective Exchange Rate Index of the Hong Kong dollar also rebounded, by 3.0% during the third quarter. This followed a 4.1% decline during the first half of the year.

On interest rates, the three-month HIBOR moved closely in line with its Euro-dollar counterpart.

At the end of September, it stood at 6.2%, 0.4 of a percentage point higher than the corresponding Euro-dollar deposit rate.

The bid and offer rates under the Liquidity Adjustment Facility of the Hong Kong Monetary Authority were maintained at 4.25% and 6.25% respectively during the third quarter.

Deposit rates administered by the Hong Kong Association of Banks and the best lending rates of the major banks were likewise kept unchanged, at 4.25% and 9.0% respectively during the third quarter.

Hong Kong dollar deposits grew steadily during the third quarter.

The growth in Hong Kong dollar loans however decelerated, caused in part by the weakened demand for home and car financing.

As a result, the Hong Kong dollar loan-to-deposit ratio fell further during the third quarter, by 1.6 percentage points to 105.8% at end-September.

Updated forecasts

The GDP and price forecasts for 1995 have been reviewed by individual components. The updated forecasts are summarised in the table annexed.

In the external sector, total exports of goods are forecast to grow by 13.6% in real terms in 1995, slightly slower than the 13.9% increase forecast earlier.

Within this total, the forecast growth rate of re-exports is kept unchanged at 16% in real terms.

The forecast growth rate of domestic exports is however revised downwards to 3.5% in real terms, from the earlier forecast of 5%.

The moderation in growth of domestic exports since the first quarter was more distinct than earlier expected.

With the recent rebound in the Hong Kong dollar in line with the US dollar thereby affecting the price competitiveness of exports, some further moderation in growth of domestic exports can be expected towards the end of the year.

Meanwhile, manufacturing orders and retained imports of raw materials also showed decelerated increases lately.

The forecast growth rate in real terms of exports of services in 1995 is adjusted upwards to 13%, from the earlier forecast of 11%. This is commensurate with the actual growth of around 13% in the first half of 1995.

In the second half of the year, the growth in exports of services should remain strong, along with the further pick-up in offshore trading, the continued expansion in trade-related services, and the steady uptrend in tourism.

The forecast growth rate in real terms of imports of goods in 1995 is revised upwards from 13.7% to 14.9%.

This has incorporated the actual growth of about 16% in the first nine months of the year, but has also given regard to the decelerating trend in retained imports of consumer goods in face of the weak consumer demand.

Also, the growth in retained imports of raw materials can be expected to slow down somewhat, against the substantial build-up of inventories so far.

Having regard to the continued growth in demand for various services related to imports of goods as well as for outbound travel, imports of services are forecast to grow by 9% in real terms in 1995, same as the earlier forecast.

In the domestic sector, the forecast growth rate in real terms of private consumption expenditure in 1995 is adjusted further downwards, from 3.5% to 1.5%.

This is mainly in recognition of the weak spending particularly on higher-value items such as motor vehicles and other consumer durables, which offset considerably the increase in spending on non-durable goods and service items.

Amidst the prevailing subdued consumer sentiment, the growth rate of private consumption expenditure this year is likely to be significantly slower than that of GDP.

Taking into account the level of spending so far this year, the forecast growth rate in real terms of government consumption expenditure in 1995 is revised slightly downwards, from 4.5% to 4%.

On investment spending, for all components combined, gross domestic fixed capital formation is forecast to grow by 11.0% in real terms in 1995, marginally higher than the earlier forecast of 10.9%.

Analysed by main component, the forecast of private sector expenditure on building and construction is lowered further, from a 1.5% increase to a 5% decline in real terms.

This has incorporated the marked slow-down in private sector building and civil engineering works in the second quarter.

Moreover, building consents are down after a temporary pick-up earlier in the year.

On the other hand, the forecast of public sector expenditure on building and construction is kept unchanged, at a growth rate of 20% in real terms.

Work continues to be propelled by implementation of the Airport Core Programme and the on-going public housing development programme.

Taking the private and the public sectors together, the forecast growth rate in real terms of total expenditure on building and construction in 1995 is lowered from 8.9% to 5.0%.

The forecast growth rate in real terms of expenditure on machinery and equipment in 1995 is revised further upwards to 24%, from the earlier forecast of 18%.

This is mainly bolstered by the faster-than-expected growth in retained imports of capital goods in the first nine months of the year.

Overall, the downward adjustments in the forecast growth rates of private consumption expenditure, private sector building and construction, and domestic exports are compensated by the upward adjustments in the forecast growth rates of expenditure on machinery and equipment, and exports of services.

The forecast growth rate in real terms of GDP in 1995 is hence maintained at 5%.

In the first three quarters of the year, the GDP growth rate averaged at also about 5% in real terms.

Consumer price inflation, in terms of the CPI(A), is forecast to increase by an average of 9.0% in 1995, same as the earlier forecast.

The average increase recorded in the first ten months of the year was also 9.0%.

With the prices of fresh foodstuffs settling after the temporary upsurge during the third quarter, consumer price inflation should show less volatility in the remaining months of the year.

Lately, there are signs that the increase in import prices has been moderating, along with the recent rebound in the US dollar and slower increases in world commodity and product prices.

Inflationary pressures from domestic sources have also been generally easing, in the light of a relatively more abundant labour supply and the softening in property rentals.

These are conducive to stability and possibly improvement in the inflation situation in the months ahead.

Copies of the Third Quarter Economic Report 1995, at \$48 each, are now on sale at the Government Publications Centre on ground floor, Lower Block, Queensway Government Offices, 66 Queensway, Hong Kong.

	Forecast for 1995 as released on 25.8.95 ----- (%)	Current update as released on 24.11.95 ----- (%)
Growth rate in real terms: -----		
Private Consumption Expenditure	3.5	1.5
Government Consumption Expenditure	4.5	4
Gross Domestic Fixed Capital Formation	10.9	11.0
Transfer costs of land and buildings	-15	-30
Building and construction	8.9	5.0
Private sector	1.5	-5
Public sector	20	20
Real estate developers' margin	1.5	-2
Machinery and equipment	18.1	23.8
Private sector	16	22
Public sector	80	80
Total Exports of Goods	13.9	13.6
Domestic exports	5	3.5
Re-exports	16	16
Imports of Goods	13.7	14.9
Exports of Services	11	13
Imports of Services	9	9

Gross Domestic Product (GDP)	5.0	5.0
Per Capita GDP	3.0	2.8

Growth rate in money terms:

GDP	12	11
Per Capita GDP	10	9

Rate of increase in:

GDP Deflator	7.0	5.7
Domestic Demand Deflator	8.1	7.5
Consumer Price Index (A)	9.0	9.0

End/Friday, November 24, 1995

Amount of foreign currency assets announced

The Hong Kong Monetary Authority (HKMA) announced today (Friday) that the amount of foreign currency assets held by the Exchange Fund, excluding forward transactions which had not yet been settled, amounted to US\$51.8 billion at the end of September.

Including forward transactions to be settled, the Exchange Fund's foreign currency assets at the end of September amounted to US\$54.6 billion.

The forward transactions arose as a result of temporarily swapping US dollars back into Hong Kong dollars during the third quarter to meet seasonal drawdowns of fiscal reserves deposited with the Exchange Fund.

Compared with the end of June, the amount of foreign currency assets in the Exchange Fund, including forward transactions, increased by 1.9% or US\$1 billion.

Excluding forward transactions, the amount of foreign currency assets in the Exchange Fund fell by 3.5% or US\$1.9 billion (HK\$14.6 billion) over the three months. The fall largely reflects the effect of drawdowns of fiscal reserves over the period totalling HK\$25.2 billion.

Commenting on the figures, the Chief Executive of HKMA, Mr Joseph Yam, said: "In accordance with a recent decision of the Financial Secretary, we are publishing quarterly figures on the foreign currency assets of the Exchange Fund for the first time.

"This brings us closer to international practice and underscores our commitment to greater transparency."

Quarterly figures from December 1993 were also published at the same time.

To assist in the proper interpretation of the quarterly figures, which would inevitably show greater fluctuations, HKMA has taken the opportunity also to disclose forward transactions that have not yet been settled.

As in previous years, said Mr Yam, the third quarter included three "dry" months for the general revenue in which there were the normal large drawdowns of fiscal reserves from the Exchange Fund to meet seasonal deficits.

After allowing for the amount withdrawn, at HK\$25.2 billion, which was larger than the fall in the foreign currency assets of the Exchange Fund, HKMA had in the third quarter continued to achieve a positive return on the Fund.

Mr Yam had earlier indicated that HKMA would adopt a conservative strategy for the second half of the year with the aim of protecting the substantial gains that had been achieved during the first half.

EXCHANGE FUND FOREIGN CURRENCY ASSETS

	<u>Excluding forward transactions</u>		<u>Net forward transactions</u>		<u>Including forward transactions</u>	
	(HK\$ mn equivalent)	(US\$ mn equivalent)	(HK\$ mn equivalent)	(US\$ mn equivalent)	(HK\$ mn equivalent)	(US\$ mn equivalent)
December 93	335,499	43,013	14,067	1,803	349,566	44,816
March 94	361,961	46,405	(2,010)	(257)	359,951	46,148
June 94	367,543	47,121	(2,066)	(265)	365,477	46,856
September 94	368,740	47,274	16,313	2,092	385,053	49,366
December 94	384,359	49,277	13,995	1,793	398,354	51,070
March 95	408,863	52,418	(1,569)	(201)	407,294	52,217
June 95	418,334	53,633	(383)	(50)	417,951	53,583
September 95	403,742	51,762	22,328	2,862	426,070	54,624

Noise control on motor vehicles intended to be registered

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The Governor-in-Council has approved that legislation, which seeks to control noise emission from motor vehicles including motorcycles intended to be registered under the Road Traffic Ordinance, be introduced into the Legislative Council.

A government spokesman today (Friday) said the legislation aimed to prevent motor vehicles with inferior noise performance from being imported into Hong Kong as part of the Government's effort to reduce traffic noise.

All motor vehicles, including motor cycles, will be required to comply with the stringent international standards on first registration. It is intended that the control be effective from March 31, 1996.

The spokesman noted that road traffic in Hong Kong is among the busiest in the world but current control on vehicle noise is limited.

He said that the European and Japanese noise emission standards which are among the most stringent in the world will be adopted in the new legislation.

"Under these standards, the noise level from a private car and a large truck during acceleration cannot exceed 77 dB(A) and 84 dB(A) respectively measured at 7.5 metres away."

"There will not be any problem for most importers of new vehicles to comply with the required standards since a great proportion of the vehicle fleet in Hong Kong are Japanese and European made models," he added.

The new legislation, if enacted, will bring about a reduction in the overall traffic noise in a few years when the existing fleet is largely replaced by new vehicles which comply with the stringent noise standards.

The proposed control will not apply to special purpose vehicles, motor tricycles, village vehicles and vehicles which cannot travel above 50 kilometres per hour on the road.

The relevant legislation, namely the Noise Control (Amendment) Bill 1995 and the Road Traffic (Amendment)(No. 2) Bill 1995, were published in the Gazette today. They will be introduced into the Legislative Council on December 6 this year.

End/Friday, November 24, 1995

Consultants invited for survey of buildings

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The Buildings Department is inviting firms of consultants to register their interest to undertake a consultancy study on buildings in the territory completed between 1959 and 1980.

A notice of invitations for registration of interest was gazetted today (Friday).

The consultancy study, covering some 25,000 buildings throughout the territory, will focus on the steel corrosion and material deterioration of the buildings, with particular emphasis on their cantilevered structures. The scope of work will include:

- * surveys and inspections of buildings within the age group;
- * selection of a representative sample of buildings from the population for further investigation;
- * detailed testing of sampled buildings and assigned cantilevered slab canopies;
- * assessment of the structural conditions of the building population and the structural adequacy of the cantilevered slab canopies; and
- * reporting and giving recommendations on future inspection and investigation strategy.

A spokesman for the Buildings Department said the study would start in the middle of next year and be completed in about two years' time.

Firms and consortia wishing to register with the Buildings Department should write by registered post on or before December 20, 1995 to the Director of Buildings (Attn: Chief Structural Engineer/Dangerous Buildings 1), 12th floor, Murray Building, Garden Road, Hong Kong.

End/Friday, November 24, 1995

Port Development Board welcomes Land Commission agreement

The Port Development Board has welcomed the Sino-British Land Commission's agreement to provide land for the River Trade Terminal at Tuen Mun.

At its meeting today (Friday) the Land Commission adjusted the 1995-96 Land Disposal Programme to provide 67 hectares of land to build the territory's first dedicated River Trade Terminal (RTT).

The Secretary of the Port Development Board, Mr Tony Clark, said: "This is good news for the port of Hong Kong."

River traffic is the fastest growing component of Hong Kong's port throughput. In 1994, it grew by 30 per cent compared with 17 per cent for ocean cargo. It also accounted for 21 per cent of the total cargo tonnage passing through the port."

While general river trade increased by 30 per cent in 1994, the number of containers moving between Hong Kong and the Pearl River ports increased by 52.8 per cent to total nearly one million TEUs (20-foot equivalent units).

Figures for the first seven months of this year showed a further 35 per cent increase in containers moving by river.

Mr Clark said: "The RTT will help to cope with continued growth and will reduce the number of small vessels using the busy Ma Wan Channel. It should also encourage more shippers to use the Pearl River to transport goods thus easing pressure on the road system."

He added that it was important to understand that the RTT would not handle either inter-continental or intra-Asia traffic; rather it would act as a consolidation and feeder facility for the existing container port.

Located at Area 38 in Tuen Mun, the RTT will be built by private enterprise. The Government plans to dispose of the right to build and operate the facility early in 1996.

The first phase, with 800 metres of quayface, is planned for completion in 1999. Eventually the RTT will have a total of 3,000 metres of quayface, all dedicated to serving river craft.

End/Friday, November 25, 1995

Contractors warned against breaching importing labour rules

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The Secretary for Education and Manpower, Mr Joseph W P Wong, today (Friday) issued a stern warning to contractors hiring imported workers that the Government will take swift and firm action, including prosecution, against anyone who have breached the conditions for importing labours.

At a media session to state the Government's position on the recent labour disputes incidents occurred at new airport related projects construction sites, Mr Wong stressed that the Administration was very concerned about the issue and he cautioned against any retribution of workers involved in the industrial action.

Mr Wong, however, noted that the contractors had given a written undertaking that they would not dismiss imported workers for their involvement in the disputes.

"The Government has responded quickly to the situation and provided on-the-spot assistance to the workers. As a result, the disputes had been resolved but we will continue to monitor the situation closely," he said.

Mr Wong pointed out that the Labour Department had been in contact with NCNA to discuss how to co-ordinate efforts to protect the interest of workers working in Hong Kong.

"I shall hold a meeting with the top management of the Provisional Airport Authorities and the MTRC next week to discuss how to ensure that project contractors will not abuse the special scheme.

"Government has already put in place a number of measures to protect the rights of the imported workers under Hong Kong's labour legislation, and we shall do more in this direction," Mr Wong said.

He said a number of improvement measures had been introduced since this month to give better protection to workers.

Under the new arrangements, contractors are obliged to give briefings to workers within eight weeks on their arrival.

Arrangements have also be made for the workers who arrived in Hong Kong earlier to receive similar briefings within the next few weeks.

"Contractors are also required to make available copies of the employment contract and monthly wage record, bank statements to workers. They are also advised not to keep passports and bank books of the imported workers," Mr Wong said.

On top of stepping up inspections by officers of the Labour Department, the Government has asked contractors to make available a notice board at easily accessible locations at work-sites for the Labour and Immigration departments and the New Airport Projects Co-ordination Office to display posters, pamphlets and other information for the imported workers.

To help imported workers understand their rights and to obtain other information, starting from next Wednesday (November 29), the Labour Department will introduce a four-language (Cantonese, Putonghua, English and Thai) interactive voice phone system.

End/Friday, November 24, 1995

JLG expert talks on transitional Budget

The Sino-British Joint Liaison Group will hold their fifth round of expert talks on November 28 and 29 in Peking 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 Chinese Representative on the Sino-British Joint Liaison Group, Mr Chen Zuo'er. They will be assisted by experts.

End/Friday, November 24, 1995

Comprehensive traffic review for East Kowloon

The Assistant Commissioner for Transport, Mr Lee Shu-chee, today (Friday) signed a consultancy agreement with Ove Arup & Partners to conduct a comprehensive traffic review for East Kowloon.

"The study will examine the short-term and long-term traffic conditions in East Kowloon and recommend measures to improve the traffic circulation in the area," Mr Lee said.

The consultants will assess the traffic impacts of the existing and future developments in East Kowloon as well as recommend improvement proposals for serving these developments.

"The study also includes a traffic impact assessment for the proposed housing estate in Lei Yue Mun and the proposed redevelopment of the existing estates in Yau Tong and Ko Chiu Road," he added.

The study will commence on Monday (November 27) for completion in early 1997.

End/Friday, November 24, 1995

Gurkhas "shoot hoops" for radio charity

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To celebrate the 50th anniversary of the British Forces Broadcasting Service's (BFBS) involvement with the UK charity Wireless for the Blind, men from the Queen's Own Gurkha Transport Regiment, of the Hong Kong Logistic Support Regiment, are taking part in a sponsored 24-hour basketball marathon.

At 9 am tomorrow (Saturday), they will join personnel from the Hong Kong Military Service Corps and start "shooting hoops" in the gymnasium at the Prince of Wales Barracks, Central. They hope to have raised a substantial sum for charity by 9 am the following day.

Commanding Officer of the Logistic Support Regiment, Royal Logistic Corps, Lieutenant Colonel Nigel Lloyd, will start them off on their marathon effort. Also present will be BFBS Programme Director, Rory Higgins.

BFBS has been raising fund for Wireless for the Blind for 50 years during which time the total amount amassed exceeds \$10 million, money which has paid for radios and radio cassettes to all UK registered blind people, over eight years of age, who cannot afford a set of their own.

Last year BFBS's Hong Kong audience raised over a quarter of a million dollars and this year when the appeal gets under way at 10 am on Sunday, the organisers hope their listeners will donate even more money.

Auction items up for grabs include return flights to UK, a Hong Kong Rugby Sevens 95 ball signed by the England team, and a motorbike ridden by BFBS broadcaster Clive James McNeil at this year's Macau Grand Prix.

End/Friday, November 24, 1995

Food surveillance results announced

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The Department of Health today (Friday) announced the results of its regular food surveillance programme for the third quarter of 1995.

A total of 9,006 samples were collected for chemical, bacteriological and radioactivity tests during the period.

The programme is conducted by the department's Hygiene Division to monitor that food supplied to the community is wholesome, unadulterated and properly labelled.

Of the 4,901 samples for chemical analyses, 4,847 were found satisfactory while 54 tests (1.1%) yielded unsatisfactory results.

The unsatisfactory samples were mainly due to food containing non-permitted or excessive preservatives. There were also seven other cases in which residues of prohibited pesticides were found in vegetable samples.

Following the sending of advisory letters to the food trade earlier this year, the number of samples with non-permitted colouring matter had shown a downward trend.

As for the 2,773 samples for bacteriological examinations, 142 samples (5.1%) gave unsatisfactory results.

The majority of unsatisfactory samples were mainly frozen confections, shellfish and fish giving excessive bacterial/coliform counts.

All the 157 samples for radioactivity measurement were found to be within acceptable level.

Commenting on the surveillance results, Assistant Director of Health (Hygiene), Dr Leung Pak-yin, said: "The overall trends for the third quarter were similar to previous quarters and were within acceptable levels.

"On the chemical side, the number of unsatisfactory samples remained on the low side.

"As for bacteriological examination, samples of shellfish and fish continued to show high unsatisfactory rates.

"In this connection, the public are reminded to observe proper food hygiene when having hotpots in winter to minimise the risk of contracting food-borne diseases such as food poisoning and hepatitis A.

"Wholesome raw materials, proper washing and handling, and thorough cooking are the best measures against gastro-intestinal disease," Dr Leung added.

End/Friday, November 24, 1995

Tenders invited for works in correctional institution

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The Architectural Services Department is inviting tenders for the construction of an annex to Tung Tau Correctional Institution in Stanley.

Work involves the construction of a four-storey annex which covers a total gross floor area of over 4,000 square metres, together with associated drainage and external works.

Forms of tender and further particulars may be obtained from the Architectural Services Department, 34th floor, Queensway Government Offices, 66 Queensway, Hong Kong.

Tenders must be clearly marked and addressed to the Chairman of the Central Tender Board. It must be placed in the Government Secretariat tender box at the lift lobby, lower ground floor, Central Government Offices (East Wing), Lower Albert Road, Hong Kong, before noon on Friday, December 29.

Late tenders will not be accepted.

Only contractors on the Approved Contractors for Public Works List I in Group B or C for building works will be permitted to tender.

End/Friday, November 24, 1995

Tenders for impact absorbing surfaces for playgrounds

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The Architectural Services Department is inviting tenders for the design, supply and installation of impact absorbing surfaces to 22 playgrounds throughout Hong Kong and Kowloon.

The total area covered is about 3,000 square metres.

Forms of tender and further particulars may be obtained from the Property Services Branch, Architectural Services Department, fifth floor, Main Block, 9 Sung Ping Street, Hung Hom, Kowloon.

Tenders must be clearly marked and addressed to the Chairman of the Public Works Tender Board. It must be placed in the Public Works Tender Box on 34th floor, Queensway Government Offices, 66 Queensway, Hong Kong before noon on Friday, December 15, 1995.

Late tenders will not be accepted.

Only contractors with experience in the installation of impact absorbing surfaces are invited to tender.

End/Friday, November 24, 1995

Proposed reprovisioning of border road

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The Drainage Services Department has proposed the reprovisioning of a section of border road and border fence in connection with drainage improvement works for the Shenzhen River.

The section of the road to be reprovisioned is from Ha Wan Tsuen to Tam Kon Chau.

Some existing footpaths and tracks and a section of the existing border road will have to be closed and demolished during the construction. However, pedestrian and vehicular accesses will be maintained.

A notice about the proposed road works was gazetted today (Friday).

The plans of the proposed works can be seen at the Public Enquiry Service Centre of the Central and Western District Office; the Yuen Long District Lands Office and the Yuen Long District Office.

Any person wishing to object to the proposal should write to the Secretary for Transport, Central Government Offices, East Wing, second floor, Lower Albert Road, Central no later than January 23, 1996, describing his interest and the manner in which he will be affected.

End/Friday, November 24, 1995

Tenders invited for works on Stonecutters Island

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The New Territories West Development Office of the Territory Development Department is inviting tenders for carrying out works on Stonecutters Island as part of the continuing development of the back-up area and infrastructure for Container Terminal number eight.

The works will involve reclaiming about seven hectares of land and constructing about 390 metres of seawall for midstream operations at the southwest of Stonecutters Island.

It will also include the construction of roads to extend the existing Container Port Road South to the future public cargo working area, building of drainage and sewerage systems, and laying of watermains and utility services.

Works are scheduled to begin in February 1996 for completion in 20 months.

A notice of the tender invitations was gazetted today (Friday).

Tender forms and further particulars may be obtained from the office of the Consulting Engineers, Messrs Mott Connell Limited, 12th floor, Sun Hung Kai Centre, 30 Harbour Road, Wan Chai.

The tender closing date is noon on December 22.

End/Friday, November 24, 1995

Two lots of land up for auction

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Two lots of government land on Hong Kong Island will be offered for sale at a public auction on December 19 (Tuesday), it was notified in the Gazette today (Friday).

The auction will start at 2.30 pm in the Concert Hall of the Hong Kong Cultural Centre, Tsim Sha Tsui.

The first lot, located in Stubbs Road, has an area of 3,045 square metres for private residential use.

The developer has to complete a gross floor area of not less than 9,135 square metres on or before December 31, 1999.

Located in 44 Jardine's Crescent, Causeway Bay, the second lot has an area of 550 square metres for non-industrial use, excluding godown.

The developer has to complete a gross floor area of not less than 4,950 square metres on or before December 31, 1999.

Full particulars and conditions of sale may be obtained from the Lands Department, 14th floor, Murray Building, Garden Road; and the District Lands Offices, Kowloon, Yau Ma Tei Car Park Building, 10th floor, 250 Shanghai Street, Kowloon.

Conditions of sale will also be available at the District Land Offices of Sha Tin, Tuen Mun, Yuen Long, Tsuen Wan, Sai Kung, Kwai Tsing, Tai Po, North and the Islands.

End/Friday, November 24, 1995

Long and meritorious service certificates for HAB staff

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The Secretary for Home Affairs, Mr Michael Suen, today (Friday) paid tribute to six members of his staff who together accumulated more than a century of service in the Government.

Speaking at a ceremony to present Long and Meritorious Service Certificates, Mr Suen commended their dedication and enthusiasm at work, adding that their positive working attitudes served as good examples for others who followed in their footsteps.

Receiving the 30-year Long and Meritorious Service Certificate was chauffeur Mr Tam Chu-fong. The other five officers who were presented 20-year service certificates were Senior Executive Officer, Mr Au Sai-hung; Confidential Assistant, Mrs Chan Lo Chak-yan; Senior Clerical Officer, Mr Huen Wing-kin; Clerical Officer I, Mr Yuen Ming-kwai, and Office Assistant, Mr Leung Wan-ping.

Mr Tam joined the Government in 1965 and has worked in the Branch as chauffeur for the past four years. He also received a gold pin today as his retirement gift.

Mr Au provides secretarial support to the Committee on the Promotion of Civic Education. He joined the Government in 1974.

Mrs Chan works in the Confidential Registry, assisting in the filing work and Mr Huen helps in the preparation of estimates and other resource management matters. While Mr Yuen assists in the operation of the Central Personality Index, Mr Leung helps in receipt and despatch duties of the Branch.

End/Friday, November 24, 1995

Fresh water cut in Western and Yuen Long

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Fresh water supply to some premises in Western and Yuen Long will be temporarily suspended from 11 pm on Monday (November 27) to 6 am the following day to facilitate water works.

In Western, the suspension will affect Chung King Road, Chung Kong Road, Western Fire Services Street, 3-87 Connaught Road West, On Tai Street, Tung Loi Lane, Tung Hing Lane, New Market Street, 322-323 Des Voeux Road Central, all even number premises along 28-32 and odd number premises along 25-27 Queen Street, all even number premises along 114-216 and odd number premises along 163-247 Wing Lok Street, all even number premises along 2-16 and odd number premises along 1-71 Des Voeux Road West, 135 Bonham Strand, all even number premises along 32-46 and odd number premises along 1-85 Bonham Strand West.

In Yuen Long, the affected area will include the Ping Shan section of Castle Peak Road, Tong Yan San Tsuen Road, Ma Fung Ling Road, Ping Shan Lane and Tong Yan San Tsuen.

End/Friday, November 24, 1995

Hong Kong Monetary Authority money market operations

	\$ million	Time (hours)	Cumulative change (\$million)
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Opening balance in the account	1,272	0930	NIL
Closing balance in the account	2,324	1000	NIL
Change attributable to :		1100	NIL
Money market activity	-2	1200	-2
LAF today	+1,054	1500	-2
		1600	-2

LAF rate 4.25% bid/6.25% offer TWI 122.1 *+0.0* 24.11.95

Hong Kong Monetary Authority

EF bills		EF notes				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	5.50	2 years	2711	5.60	99.92	5.72
1 month	5.49	3 years	3810	6.15	100.59	6.01
3 months	5.52	5 years	5009	6.95	101.85	6.60
6 months	5.53	5 years	M502	7.30	101.04	7.17
12 months	5.56					

Total turnover of EF bills and notes - \$7,354 million

Closed November 24, 1995

End/Friday, November 24, 1995