



# DAILY INFORMATION BULLETIN

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NEW AIRPORT WELL-PLACED TO MEET CARGO DEMANDS

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THE NEW AIRPORT AT CHEK LAP KOK GIVES AN OPPORTUNITY TO DEVISE A NEW STRATEGY FOR HONG KONG'S ROLE IN THE PROCESSING OF AIR CARGO, THE SECRETARY FOR ECONOMIC SERVICES, MR GORDON SIU, SAID TODAY (FRIDAY).

SPEAKING AT THE "MILLION TONNES CELEBRATION" AT HACTL, MR SIU SAID CHEK LAP KOK, WITH ITS TWO RUNWAYS AND 24-HOUR OPERATION, WOULD BE WELL-PLACED TO TAKE FULL ADVANTAGE OF SERVING INCREASED CARGO DEMANDS.

"ALL THE SPACE, ENVIRONMENTAL AND OTHER CONSTRAINTS MAKING THE OPERATION OF KAI TAK SO DIFFICULT WILL DISAPPEAR," HE SAID.

"THE PROVISIONAL AIRPORT AUTHORITY IS NOW ACTIVELY DISCUSSING ITS PLANS FOR AIR CARGO FACILITIES AT CHEK LAP KOK WITH ALL INTERESTED PARTIES," HE ADDED.

HE SAID HONG KONG WAS ALREADY EXPERIENCING AIR CARGO THROUGHPUT FIGURES THAT AIR TRAFFIC FORECASTERS WERE PREDICTING MIGHT BE REACHED ON THE OPENING OF THE NEW AIRPORT AT CHEK LAP KOK IN 1997.

HE SAID THE PROVISIONAL AIRPORT AUTHORITY WAS NOW CONDUCTING A MAJOR REVIEW OF ALL THE AIR TRAFFIC FORECASTS WHICH HAD BEEN DEVELOPED IN THE AIRPORT MASTER PLAN STUDY, INCLUDING THOSE FOR AIR CARGO.

"THESE NEW FORECASTS WILL CERTAINLY SHOW HIGHER LEVELS OF CARGO THROUGHPUT EXPECTED FOR THE EARLY YEARS OF CHEK LAP KOK.

"THERE IS NO REASON TO BELIEVE THAT THE POWERFUL ENGINE DRIVING ECONOMIC GROWTH IN HONG KONG AND THE EVER MORE CLOSELY ASSOCIATED ECONOMY OF SOUTHERN CHINA, IN PARTICULAR, WILL SLOW DOWN OR FALTER.

"THIS LOCAL ECONOMIC GROWTH AND THAT EXPECTED IN THE SOUTHEAST ASIAN REGION AS A WHOLE ARE BOUND TO CREATE EVER-INCREASING VOLUMES OF AIR CARGO," HE SAID.

MR SIU NOTED THAT MORE THAN A MILLION TONNES OF AIR CARGO WOULD BE PROCESSED THROUGH KAI TAK THIS YEAR, ALMOST ALL OF IT THROUGH HACTL'S FACILITIES.

"IT IS ALSO A CELEBRATION FOR OUR ECONOMY AS A WHOLE, FOR THIS HIGH CARGO THROUGHPUT REPRESENTS ABOUT 30 PER CENT OF OUR TOTAL EXPORT AND 18 PER CENT OF OUR IMPORTS.

"IN OTHER WORDS, A SIGNIFICANT PROPORTION OF THE TRADE SO IMPORTANT FOR OUR PROSPERITY AS A WHOLE IS PASSING THROUGH HACTL'S FACILITIES," HE SAID.

RULE OF LAW ESSENTIAL FOR FUTURE: GOVERNOR

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LIVING AND WORKING TOGETHER BETTER NEEDS MORE THAN JUST BETTER TECHNOLOGY.

A SECURE FRAMEWORK OF LAW, AND A SHARED UNDERSTANDING OF THE NEED TO LIVE UNDER THE LAW, IS ALSO NECESSARY IF SOCIETY IS TO FUNCTION FREELY AND EFFICIENTLY.

THIS WAS STATED BY THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AT THE OPENING CEREMONY OF EXPO 2001 ORGANISED BY THE UNIVERSITY OF HONG KONG TODAY (FRIDAY).

EXPO 2001 IS ONE OF THE PROGRAMMES OF THE UNIVERSITY'S YEAR-LONG CELEBRATION OF ITS 80TH ANNIVERSARY WITH THE THEME "LIVING IN HONG KONG IN 2001".

"IT IS GOOD, IF I MAY SAY SO, TYPICAL THAT YOU SHOULD BE LOOKING FORWARD, BEYOND THE PRESSING PROBLEMS OF THE PRESENT DAY, TO WHAT IT WILL MEAN TO BE LIVING IN THE 21ST CENTURY -- THE NEW MILLENNIUM," THE GOVERNOR SAID.

MR PATTEN SAID FROM THE DISPLAYS IT WAS CLEAR THAT THE MEGALOPOLIS WOULD BE A MORE COMPLEX PLACE IN FUTURE.

"MORE COMPLEX BOTH PHYSICALLY AND IN THE INSTITUTIONS NEEDED TO ENSURE THAT IT FUNCTIONS PROPERLY TO GIVE US A BETTER LIVING ENVIRONMENT AND A BETTER WORKING ENVIRONMENT," HE ADDED.

THE GOVERNOR SAID HE WAS DELIGHTED THAT THE UNIVERSITY HAD DONE SO MUCH TO LIVE UP TO ITS AIM OF BRINGING TOGETHER EASTERN AND WESTERN SCHOLARSHIP AND LEARNING.

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ECONOMIC SITUATION IN THIRD QUARTER  
AND UPDATED FORECASTS OF GDP AND PRICES FOR 1993

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THE HONG KONG ECONOMY MAINTAINED STEADY GROWTH IN OVERALL TERMS IN THE THIRD QUARTER OF 1993.

LOCALLY, CONSUMER SPENDING SHOULD HAVE REMAINED ROBUST. BUILDING AND CONSTRUCTION ACTIVITY ACCELERATED FURTHER, MAINLY PROPELLED BY PUBLIC SECTOR ACTIVITY ON INFRASTRUCTURAL PROJECTS.

BUT INVESTMENT IN MACHINERY AND EQUIPMENT SLACKENED.

EXTERNALLY, TOTAL EXPORTS CONTINUED TO REGISTER A NOTABLE INCREASE, THOUGH AT A LESS RAPID RATE THAN IN THE EARLY PART OF THIS YEAR.

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THE GROWTH IN GROSS DOMESTIC PRODUCT (GDP) IN THE THIRD QUARTER OF 1993 SHOULD HAVE BEEN SLIGHTLY HIGHER THAN 5%.

MEANWHILE, BASED ON THE LATEST INFORMATION CONCERNING CHANGES IN STOCKS, THE GDP GROWTH RATE FOR THE FIRST HALF OF THIS YEAR WOULD VERY LIKELY HAVE TO BE REVISED UPWARDS FROM THE EARLIER ESTIMATE OF 5.3% TO AROUND 5.5%.

CONSUMER PRICE INFLATION REMAINED GENERALLY STABLE DURING THE THIRD QUARTER OF 1993, WHILE THE LABOUR MARKET TIGHTENED UP SOMEWHAT WITH BOTH THE UNEMPLOYMENT AND UNDEREMPLOYMENT RATES EDGING DOWNWARDS.

THE RECENT DEVELOPMENTS ARE DESCRIBED IN THE THIRD QUARTER ECONOMIC REPORT 1993 RELEASED TODAY (FRIDAY).

THE GOVERNMENT ECONOMIST, MR K Y TANG, SAID FOLLOWING AN ON-GOING PRACTICE, THE ECONOMIC FORECASTS FOR THE CURRENT YEAR HAD BEEN REVIEWED AND UPDATED IN PARALLEL WITH THE PREPARATION OF THE ECONOMIC REPORT.

OVERALL, THE FORECAST GROWTH RATE IN REAL TERMS OF THE GDP FOR 1993 IS KEPT UNCHANGED, AT 5.5%.

WHILE THERE WAS A SLOW-DOWN MOST RECENTLY IN THE GROWTH OF EXPORTS AS WELL AS IN SOME OF THE DOMESTIC DEMAND INDICATORS, THIS SHOULD HAVE BEEN ADEQUATELY OFFSET BY A CORRESPONDING REDUCED GROWTH IN IMPORTS.

THE FINAL OUTTURN FOR THE YEAR WILL DEPEND ON THE BALANCE BETWEEN THESE GDP DEMAND COMPONENTS AND THE IMPORT ABSORPTION FACTOR.

ON INFLATION, THE FORECAST RATES OF INCREASE IN BOTH THE CONSUMER PRICE INDEX (A) AND THE GDP DEFLATOR ARE REVISED DOWNWARDS, FROM 9% TO 8.5% AND FROM 9.5% TO 9% RESPECTIVELY, IN THE LIGHT OF THE FIGURES RECORDED SO FAR.

IN THE EXTERNAL SECTOR, TOTAL EXPORTS ROSE BY ABOUT 15% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER.

RE-EXPORTS STILL SHOWED A SIGNIFICANT INCREASE, BY ABOUT 21% IN REAL TERMS IN THE THIRD QUARTER.

BY CONTRAST, DOMESTIC EXPORTS REMAINED WEAK, WITH A DECLINE OF ABOUT 5% IN REAL TERMS.

WITH THESE DIFFERENTIAL GROWTH RATES, THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS INCREASED FURTHER, TO 79% IN THE THIRD QUARTER OF 1993 FROM 75% IN THE SAME QUARTER IN 1992.

RE-EXPORTS TO MOST OF THE MAJOR MARKETS REMAINED GENERALLY ROBUST IN THE THIRD QUARTER OF 1993.

HOWEVER, TOWARDS THE END OF THE QUARTER, THERE WERE SIGNS OF SLOWING DOWN IN THE GROWTH OF RE-EXPORTS TO THE MAJOR OVERSEAS MARKETS IN NORTH AMERICA AND CONTINENTAL EUROPE.

THE GROWTH RATE OF RE-EXPORTS TO CHINA, THOUGH STILL SIGNIFICANT, ALSO MODERATED SOMEWHAT.

AS TO DOMESTIC EXPORTS, PERFORMANCE CONTINUED TO BE AFFECTED BY THE ON-GOING STRUCTURAL SHIFT IN THE COMPOSITION OF HONG KONG'S EXPORTS FROM DOMESTIC EXPORTS TO RE-EXPORTS.

ADDITIONALLY, THE STRENGTHENING OF THE HONG KONG DOLLAR ALONG WITH THE U.S. DOLLAR EARLIER ON COULD HAVE WEAKENED THE PRICE COMPETITIVENESS OF HONG KONG'S PRODUCTS IN THE OVERSEAS MARKETS.

IN PARALLEL WITH TOTAL EXPORTS, IMPORTS ROSE BY ABOUT 16% IN REAL TERMS IN THE THIRD QUARTER OF 1993 OVER A YEAR EARLIER.

THE INCREASE WAS LIKEWISE LESS RAPID THAN IN THE EARLY PART OF THIS YEAR. IT ENCOMPASSED THE STILL SIGNIFICANT RISE IN RE-EXPORTS, BUT A MORE MODERATE GROWTH IN RETAINED IMPORTS, BY ABOUT 7% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER.

A VISIBLE TRADE SURPLUS OF \$1.3 BILLION, EQUIVALENT TO 0.5% OF THE VALUE OF IMPORTS, WAS RECORDED IN THE THIRD QUARTER OF THIS YEAR.

THIS COMPARES WITH A SURPLUS OF \$2.1 BILLION, EQUIVALENT TO 0.9% OF THE VALUE OF IMPORTS, RECORDED IN THE SAME QUARTER LAST YEAR.

DOMESTIC DEMAND CONTINUED TO BE UNDERPINNED MAINLY BY THE STEADY INCREASE IN CONSUMER SPENDING.

THE VOLUME OF RETAIL SALES ROSE BY ABOUT 6% IN THE THREE MONTHS ENDING AUGUST 1993 OVER A YEAR EARLIER. THE GROWTH RATE IN REAL TERMS OF PRIVATE CONSUMPTION EXPENDITURE SHOULD HAVE BEEN HIGHER THAN THIS IN THE THIRD QUARTER.

THIS WAS APPARENT FROM THE FACT THAT RETAINED IMPORTS OF CONSUMER GOODS GREW BY ABOUT 19% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER, ALTHOUGH THERE COULD HAVE BEEN SOME BUILDING UP OF STOCKS DURING THAT PERIOD.

FIXED CAPITAL INVESTMENT CONTINUED TO SHOW A STEADY GROWTH IN OVERALL TERMS.

ALTHOUGH PRIVATE SECTOR BUILDING ACTIVITY REMAINED SLACK IN THE THIRD QUARTER, THERE WAS AN UPSURGE IN PUBLIC SECTOR BUILDING AND CONSTRUCTION ACTIVITY SUPPORTED BY THE ACCELERATED WORK ON A NUMBER OF MAJOR INFRASTRUCTURAL PROJECTS.

AS A RESULT, THE MARKED INCREASE IN OVERALL BUILDING AND CONSTRUCTION ACTIVITY SHOULD HAVE ADEQUATELY OFFSET THE CONSOLIDATION IN INVESTMENT IN MACHINERY AND EQUIPMENT.

THERE WAS A DECLINE IN RETAINED IMPORTS OF CAPITAL GOODS, BY ABOUT 2% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER, FOLLOWING THE LARGE INCREASES FOR 12 CONSECUTIVE QUARTERS.

IN PARTICULAR, THE SLACK PERFORMANCE OF DOMESTIC EXPORTS MIGHT HAVE DAMPENED THE DEMAND FOR INDUSTRIAL MACHINERY AND EQUIPMENT.

THUS RETAINED IMPORTS OF MACHINERY FOR INDUSTRIAL USE ALSO FELL, BY ABOUT 2% IN REAL TERMS IN THE THIRD QUARTER, HAVING ALREADY DECREASED BY 6% IN THE SECOND QUARTER.

RETAINED IMPORTS OF CONSTRUCTION MACHINERY DECLINED BY ABOUT 18% IN REAL TERMS IN THE THIRD QUARTER, AFTER THE SHARP UPSURGE IN RECENT QUARTERS.

THE LABOUR MARKET TIGHTENED UP SOMEWHAT IN THE THIRD QUARTER, HAVING REMAINED RELATIVELY STABLE EARLIER IN THE YEAR.

THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE IN THE THIRD QUARTER, AT 2%, WAS 0.2 OF A PERCENTAGE POINT LOWER THAN IN THE PRECEDING QUARTER, THOUGH 0.1 OF A PERCENTAGE POINT HIGHER THAN IN THE SAME QUARTER LAST YEAR.

THE UNDEREMPLOYMENT RATE, AT 1.3% IN THE THIRD QUARTER, WAS 0.7 AND 0.6 OF A PERCENTAGE POINT RESPECTIVELY LOWER THAN IN THE PRECEDING QUARTER AND IN THE SAME QUARTER LAST YEAR.

LABOUR MARKET CONDITIONS IN THE SERVICE SECTORS REMAINED GENERALLY TIGHTER THAN IN THE MANUFACTURING AND CONSTRUCTION SECTORS.

REFLECTING THE ON-GOING SHIFT IN LABOUR RESOURCES TOWARDS SERVICES, EMPLOYMENT IN MOST OF THE MAJOR SERVICE SECTORS ROSE FURTHER IN THE TWELVE MONTHS ENDING JUNE 1993, WHILE THAT IN MANUFACTURING CONTINUED TO FALL.

EMPLOYMENT ON BUILDING AND CONSTRUCTION SITES ALSO RECORDED A DECLINE.

CONCURRENTLY, VACANCIES IN THE MANUFACTURING SECTOR CONTINUED TO DECREASE, WHILE THOSE IN FINANCE, INSURANCE, REAL ESTATE AND BUSINESS SERVICES INCREASED MARKEDLY. VACANCIES ON BUILDING AND CONSTRUCTION SITES SHOWED VIRTUALLY NO CHANGE.

BENEFITED FROM WHAT WAS IN EFFECT A FULL EMPLOYMENT SITUATION, AVERAGE EARNINGS IN ALL MAJOR SECTORS CONTINUED TO RISE SIGNIFICANTLY IN MONEY TERMS BETWEEN JUNE 1992 AND JUNE 1993.

AFTER ADJUSTING FOR INFLATION, THERE WERE STILL REAL GAINS OF VARIOUS MAGNITUDES IN ALL THESE SECTORS.

THE RESIDENTIAL PROPERTY MARKET REMAINED GENERALLY ACTIVE IN JULY AND AUGUST, BUT SHOWED CLEAR SIGNS OF MODERATION IN SEPTEMBER.

NOTWITHSTANDING A SUSTAINED LOW MORTGAGE RATE, THE REDUCED AFFORDABILITY OF FLATS FOLLOWING THE RECENT PRICE UPSURGE, COUPLED WITH THE FURTHER TIGHTENING OF MORTGAGE LENDING BY THE MAJOR BANKS DURING THE THIRD QUARTER, HAD SET IN TO DAMPEN ACTIVITY.

TRADING IN THE SECONDARY MARKET QUIETENED DOWN CONSIDERABLY TOWARDS THE END OF THE QUARTER.

RESPONSE TO THE PRE-COMPLETION SALES OF FLATS IN THE PRIMARY MARKET ALSO TURNED LESS ENTHUSIASTIC. THE PRICES OF FLATS SOFTENED LATELY, ALTHOUGH RENTALS CONTINUED TO SHOW A STEADY INCREASE.

ON OFFICE SPACE, DEMAND WAS STILL FIRM IN THE THIRD QUARTER.

THE SALES MARKET REMAINED FAIRLY ACTIVE, ALTHOUGH PRICES HAD TENDED TO STABILISE. RENTALS NEVERTHELESS CONTINUED TO RISE.

ON SHOPPING SPACE, PRICES AND RENTALS SHOWED FURTHER INCREASES IN THE THIRD QUARTER AS DEMAND REMAINED STRONG AMIDST THE STEADY GROWTH IN TOURIST AND LOCAL CONSUMER SPENDING.

ON INDUSTRIAL PROPERTY, OVERALL DEMAND CONTINUED TO BE DAMPENED BY THE ON-GOING RELOCATION OF MANUFACTURING PROCESSES ACROSS THE BORDER.

PRICES AND RENTALS REMAINED SOFT IN THE THIRD QUARTER, EXCEPT FOR THOSE OF MODERN MULTI-PURPOSE INDUSTRIAL BUILDINGS WHERE INTEREST WAS CONCENTRATED MORE IN OFFICE USE.

IN THE FINANCIAL SECTOR, THE FOLLOWING DEVELOPMENTS WERE OBSERVED DURING THE THIRD QUARTER OF 1993.

FIRST, THE MARKET EXCHANGE RATE OF THE HONG KONG DOLLAR AGAINST THE U.S. DOLLAR REMAINED GENERALLY STABLE UNDER THE LINKED EXCHANGE RATE SYSTEM, MOVING BETWEEN HK\$7.731 AND HK\$7.761 TO U.S.\$1.

AT THE END OF THE THIRD QUARTER, THE MARKET EXCHANGE RATE STOOD AT HK\$7.737 TO U.S.\$1.

SECONDLY, REFLECTING THE MOVEMENTS OF THE U.S. DOLLAR AGAINST OTHER MAJOR CURRENCIES, THE EFFECTIVE EXCHANGE RATE INDEX OF THE HONG KONG DOLLAR MOVED WITHIN A NARROW RANGE OF 112 - 113 DURING THE THIRD QUARTER.

APART FROM THE IMPACT OF AD HOC EVENTS SUCH AS THE SEVERAL NEW SHARE ISSUES, LOCAL MONEY MARKET INTEREST RATES GENERALLY MOVED CLOSELY IN LINE WITH THE CORRESPONDING U.S. DOLLAR INTEREST RATES.

DEPOSIT RATES ADMINISTERED BY THE HONG KONG ASSOCIATION OF BANKS REMAINED UNCHANGED DURING THE THIRD QUARTER.

THIRDLY, HONG KONG DOLLAR DEPOSITS RECORDED SOLID GROWTH DURING THE THIRD QUARTER, FOLLOWING ONLY A MARGINAL INCREASE DURING THE SECOND QUARTER.

GROWTH IN THE BROADER DEFINITIONS OF THE HONG KONG DOLLAR MONEY SUPPLY, HK\$M2 AND HK\$M3, AT 16.5% AND 15.3% RESPECTIVELY IN SEPTEMBER 1993 OVER A YEAR EARLIER, REMAINED BROADLY IN LINE WITH THE GROWTH IN NOMINAL GDP.

MEANWHILE, LOANS AND ADVANCES FOR USE IN HONG KONG CONTINUED TO SHOW A STEADY INCREASE IN OVERALL TERMS DURING THE THIRD QUARTER.

FOURTHLY, THE LOCAL STOCK MARKET HAD OUTPERFORMED THE MAJOR STOCK MARKETS OVERSEAS IN TERMS OF PRICE GAIN SO FAR IN THE YEAR.

HAVING UNDERGONE SOME CONSOLIDATION IN JUNE, THE HANG SENG INDEX RESUMED AN UPWARD MOMENTUM IN JULY FOLLOWING FLOTATION OF THE SHARES OF THE FIRST OF THE NINE CHINA STATE-OWNED ENTERPRISES.

THE INDEX RALLIED TO A HIGH OF 7,605 ON AUGUST 19 ON THE ANNOUNCEMENT OF FAVOURABLE CORPORATE RESULTS.

IT THEN SETTLED SOMEWHAT, BEFORE REBOUNDED TO A NEW RECORD HIGH OF 7,676 ON SEPTEMBER 30. THIS WAS UP BY 8.1% OVER THE END OF JUNE 1993, AND BY 39.3% OVER THE END OF DECEMBER 1992.

CONSUMER PRICE INFLATION REMAINED GENERALLY STABLE DURING THE THIRD QUARTER OF 1993.

THE YEAR-ON-YEAR RATE OF INCREASE IN THE CONSUMER PRICE INDEX (A) DECELERATED FROM 8.8% IN THE FIRST QUARTER TO 8.2% IN THE SECOND QUARTER, AND STAYED AT 8.2% IN THE THIRD QUARTER.

FOR THE FIRST NINE MONTHS OF 1993 AS A WHOLE, THE CPI(A) INCREASED BY 8.4% OVER THE SAME PERIOD IN 1992.

THE CORRESPONDING INCREASES IN THE CPI(B), HANG SENG CPI AND COMPOSITE CPI WERE 8.8%, 9.4% AND 8.8%.

MEASURING INFLATION ON A BROADER BASIS, THE GDP DEFLATOR ROSE BY 9.4% IN THE SECOND QUARTER OVER A YEAR EARLIER, SLIGHTLY LOWER THAN THE 9.5% RISE RECORDED IN THE FIRST QUARTER.

THE RELATIVELY RAPID INCREASE IN THE GDP DEFLATOR WAS MAINLY A RESULT OF IMPROVEMENT IN THE TERMS OF TRADE.

IN FACT, FOR MOST GDP COMPONENTS, THE INCREASES IN THEIR PRICE DEFLATORS WERE MORE MODERATE THAN IN THE CPI(A).

SPECIFICALLY, THE DOMESTIC DEMAND DEFLATOR ROSE BY ONLY 6% IN THE SECOND QUARTER OVER A YEAR EARLIER.

THE GOVERNMENT ECONOMIST SAID THE GDP AND PRICE FORECASTS FOR 1993 WERE REVIEWED BY INDIVIDUAL COMPONENTS HAVING REGARD TO THESE RECENT DEVELOPMENTS AND THE IMMINENT OUTLOOK. THE UPDATED FORECASTS ARE SUMMARISED IN THE FOLLOWING TABLE.

IN THE EXTERNAL SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF RE-EXPORTS IN 1993 IS REVISED DOWNWARDS FROM 22% TO 20%, MAINLY TO TAKE INTO ACCOUNT THE LATEST SLOW-DOWN IN RE-EXPORTS TO THE MAJOR OVERSEAS MARKETS IN NORTH AMERICA AND CONTINENTAL EUROPE.

A MORE MODERATE GROWTH IN RE-EXPORTS TO CHINA IS ALSO EXPECTED. CONCEIVABLY, THIS IS PARTLY DUE TO THE DAMPENING EFFECT OF THE WEAKER DEMAND OVERSEAS ON OUTWARD PROCESSING ACTIVITIES ACROSS THE BORDER, AND PARTLY DUE TO CHINA'S RESTRAINT MEASURES WHICH COULD HAVE SOME EFFECT ON IMPORTS FOR ITS OWN CONSUMPTION.

ON THE PERFORMANCE OF DOMESTIC EXPORTS, IT WILL CONTINUE TO BE AFFECTED BY THE SLACK DEMAND IN THE MAJOR OVERSEAS MARKETS, THE SHIFT IN THE COMPOSITION OF HONG KONG'S EXPORTS TOWARDS MORE RE-EXPORTS, AND THE RELEVANT EXCHANGE RATE MOVEMENTS.

DOMESTIC EXPORTS TO CHINA FOR OUTWARD PROCESSING ARE ALSO EXPECTED TO SHOW SLOWER GROWTH.

AS A RESULT, THE FORECAST RATE OF DECLINE IN REAL TERMS IN DOMESTIC EXPORTS IN 1993 IS ADJUSTED FURTHER DOWNWARDS, FROM 1.5% TO 5%.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE FORECAST GROWTH RATE IN REAL TERMS OF TOTAL EXPORTS IN 1993 IS ACCORDINGLY LOWERED, FROM 15.6% TO 13.2%.

THE FORECAST GROWTH RATE IN REAL TERMS OF RETAINED IMPORTS IN 1993 IS REDUCED FROM 9% TO 5%, HAVING REGARD TO THE ACTUAL OUTURN IN THE FIRST THREE QUARTERS AS WELL AS THE LIKELY PERFORMANCE AGAINST A RELATIVELY HIGH BASE IN THE FOURTH QUARTER OF LAST YEAR.

RETAINED IMPORTS OF MACHINERY AND EQUIPMENT WILL PROBABLY CONTINUE TO BE SUBDUED, WHILE RETAINED IMPORTS OF CONSUMER GOODS CAN BE EXPECTED TO INCREASE FURTHER IN LINE WITH THE GROWTH IN CONSUMER SPENDING.

TAKING RE-EXPORTS AND RETAINED IMPORTS TOGETHER, TOTAL IMPORTS ARE FORECAST TO GROW BY 13.6% IN REAL TERMS IN 1993, AS COMPARED TO THE EARLIER FORECAST OF 16%.

THE FORECAST GROWTH RATES IN REAL TERMS OF EXPORTS AND IMPORTS OF SERVICES IN 1993 ARE BOTH KEPT UNCHANGED, AT 10% AND 8.5%.

IN THE DOMESTIC SECTOR, HAVING REGARD TO THE CONTINUED STEADY INCREASE IN CONSUMER SPENDING IN RECENT MONTHS, THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE CONSUMPTION EXPENDITURE IN 1993 IS MAINTAINED AT 7.5%.

THAT OF GOVERNMENT CONSUMPTION EXPENDITURE IS ALSO LEFT UNCHANGED, AT 3%.

ON INVESTMENT, AS WORK ON A NUMBER OF MAJOR PUBLIC SECTOR INFRASTRUCTURAL PROJECTS CONTINUED TO ACCELERATE, THE FORECAST GROWTH RATE IN REAL TERMS OF PUBLIC SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION IS REVISED SUBSTANTIALLY UPWARDS, FROM 25% TO 40%.

ON THE OTHER HAND, GIVEN THE SLACK PRIVATE SECTOR BUILDING ACTIVITY, PRIVATE SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION IS EXPECTED TO FALL BY 4% IN REAL TERMS, FURTHER DOWN FROM THE EARLIER FORECAST OF A 2% DECLINE.

TAKEN TOGETHER, OVERALL EXPENDITURE ON BUILDING AND CONSTRUCTION IS ENVISAGED TO INCREASE BY 10.5% IN REAL TERMS IN 1993, FASTER THAN THE EARLIER FORECAST INCREASE OF 6.9%.

AS REGARDS MACHINERY AND EQUIPMENT, THE FORECAST GROWTH RATE IN REAL TERMS OF PUBLIC SECTOR EXPENDITURE IS SUBSTANTIALLY RAISED, FROM 30% TO 60%.

BUT BECAUSE OF THE SMALL PROPORTION OF THIS EXPENDITURE IN THE TOTAL IT IS NOT SUFFICIENT TO OFFSET THE DOWNWARD ADJUSTMENT IN THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE SECTOR EXPENDITURE, FROM 12% TO 8.5%.

OVERALL EXPENDITURE ON MACHINERY AND EQUIPMENT IS THUS ENVISAGED TO RISE BY 9.5% IN REAL TERMS IN 1993, SLOWER THAN THE EARLIER FORECAST INCREASE OF 12.3%.

COMBINING ALL THESE COMPONENTS, THE FORECAST GROWTH RATE IN REAL TERMS OF GROSS DOMESTIC FIXED CAPITAL FORMATION IN 1993 IS REVISED DOWNWARDS FROM 7.6% TO 6.6%.

OVERALL, THE FORECAST GROWTH RATE IN REAL TERMS OF THE GDP FOR 1993 IS MAINTAINED AT 5.5%. THE SLOWER GROWTH IN SOME OF THE GDP DEMAND COMPONENTS IS EXPECTED TO BE OFFSET BY A CORRESPONDINGLY SLOWER ABSORPTION OF IMPORTS.

ON CONSUMER PRICE INFLATION, WHILE THERE MAY BE SHORT-TERM VOLATILITIES DUE TO FLUCTUATIONS IN THE PRICES OF FRESH FOOD ITEMS, CONSUMER PRICE INFLATION SHOULD REMAIN BROADLY STABLE IN THE COMING MONTHS.

A NUMBER OF FACTORS ARE CONDUCTIVE TO THIS SITUATION.

FIRST, WORLD COMMODITY PRICES HAVE BEEN GENERALLY SOFT IN RECENT MONTHS AND ARE EXPECTED TO REMAIN SO IN THE NEAR FUTURE.

SECONDLY, DESPITE THE ACCELERATED INFLATION IN CHINA SINCE THE LATTER PART OF LAST YEAR, THE PRICES OF IMPORTS FROM CHINA IN HONG KONG DOLLAR TERMS HAVE GENERALLY BEEN ON THE DECLINE.

THE SIGNIFICANT DEPRECIATION OF THE RENMINBI EARLIER THIS YEAR SHOULD HAVE HELPED TO KEEP IMPORT PRICES DOWN.

THIRDLY, AGAINST THE SHARP APPRECIATION OF THE JAPANESE YEN, JAPANESE PRODUCERS ARE APPARENTLY KEEPING THE PRICES OF THEIR EXPORTS OF CONSUMER GOODS UNDER RESTRAINT.

FOURTHLY, CAPACITY CONSTRAINTS AND HENCE PRICE PRESSURES IN THE LOCAL ECONOMY ARE BEING ALLEVIATED TO SOME EXTENT BY THE EARLIER INCREASE IN CAPITAL INVESTMENT AND THE RECENT RISE IN OVERALL LABOUR SUPPLY.

GIVEN THE ACTUAL OUTTURN OF AN 8.5% INCREASE IN THE FIRST TEN MONTHS OF THIS YEAR, THE FORECAST RATE OF INCREASE IN THE CPI(A) FOR 1993 AS A WHOLE IS LOWERED FURTHER BY HALF OF A PERCENTAGE POINT, FROM 9% TO 8.5%.

CONCURRENTLY, THE FORECAST RATE OF INCREASE IN THE GDP DEFLATOR IS ALSO REVISED DOWNWARDS, FROM 9.5% TO 9%.

THE THIRD QUARTER ECONOMIC REPORT 1993 IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL, AT \$36 A COPY.

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	FORECAST FOR 1993 AS RELEASED ON 27.8.1993 ----- (%)	CURRENT UPDATE RELEASED ON 26.11.1993 ----- (%)
GROWTH RATE IN REAL TERMS OF: -----		
PRIVATE CONSUMPTION EXPENDITURE	7.5	7.5
GOVERNMENT CONSUMPTION EXPENDITURE	3	3
GROSS DOMESTIC FIXED CAPITAL FORMATION	7.6	6.6
TRANSFER COSTS OF LAND AND BUILDINGS	0	-2
BUILDING AND CONSTRUCTION	6.9	10.5
PRIVATE SECTOR	-2	-4
PUBLIC SECTOR	25	40
REAL ESTATE DEVELOPERS' MARGIN	-2	-4.5
MACHINERY AND EQUIPMENT	12.3	9.5
PRIVATE SECTOR	12	8.5
PUBLIC SECTOR	30	60
TOTAL EXPORTS OF GOODS	15.6	13.2
DOMESTIC EXPORTS	-1.5	-5
RE-EXPORTS	22	20
IMPORTS OF GOODS	16	13.6
EXPORTS OF SERVICES	10	10
IMPORTS OF SERVICES	8.5	8.5
GROSS DOMESTIC PRODUCT (GDP)	5.5	5.5
PER CAPITA GDP	4.8	4.8

GROWTH RATE IN MONEY TERMS OF:  
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GDP	15.5	15.0
PER CAPITA GDP	14.8	14.3

RATE OF INCREASE IN:  
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GDP DEFLATOR	9.5	9
CONSUMER PRICE INDEX (A)	9	8.5

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FRIDAY, NOVEMBER 26, 1993

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HK - CENTRE FOR PROJECT FINANCE

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HONG KONG IS ALREADY WELL-ESTABLISHED AS A CENTRE FOR PROJECT FINANCE, THE FINANCIAL SECRETARY, MR HAMISH MACLEOD, SAID TODAY (FRIDAY).

MR MACLEOD WAS SPEAKING AT THE OPENING OF THE PACIFIC/ASIA ENERGY FINANCING FORUM ORGANISED BY THE WORLD ENERGY COUNCIL.

ACCORDING TO A RECENT SURVEY, HE SAID, 41 OF THE 50 TOP ARRANGERS OF ASIAN SYNDICATED LOANS LAST YEAR HAD A PRESENCE IN HONG KONG.

"IN THE ENERGY FIELD WHAT IS REPORTED TO BE THE BIGGEST EVER SYNDICATED LOAN FACILITY ARRANGED IN HONG KONG HAS BEEN MADE AVAILABLE TO THE CASTLE PEAK POWER COMPANY LTD: JOINTLY OWNED BY EXXON ENERGY LTD AND CHINA LIGHT AND POWER.

FINANCE FOR THE DEVELOPMENT OF THE SHAJIAO C POWER STATION IN GUANGDONG PROVINCE WAS ALSO ARRANGED IN HONG KONG, HE SAID.

"APART FROM THE MORE TRADITIONAL FORMS OF FUND-RAISING ACTIVITIES, SUCH AS SYNDICATED LENDING BY THE BANKING SECTOR, WE ARE NOW SEEING THE RAPID DEVELOPMENT OF THE DEBT MARKET IN HONG KONG," HE SAID.

MR MACLEOD ALSO POINTED OUT THAT HONG KONG'S CAPITAL MARKET WAS NOT ONLY PLAYING AN IMPORTANT ROLE IN HELPING TO FINANCE THE ECONOMIC DEVELOPMENT IN CHINA, IT WAS ALSO ENABLING HONG KONG TO BECOME A MAJOR CENTRE FOR THE RAISING OF FUNDS BY CHINA'S ENTERPRISES.

ON ENERGY SUPPLY IN HONG KONG, HE NOTED THAT HONG KONG HAD A LONG HISTORY OF RELYING ON THE PRIVATE SECTOR TO SUPPLY THE TERRITORY WITH ALL OF ITS ENERGY NEEDS.

HE ADDED THAT HONG KONG MONITORED THE OPERATIONS OF THE TWO ELECTRICITY SUPPLY COMPANIES THROUGH A MECHANISM KNOWN LOCALLY AS A SCHEME OF CONTROL AGREEMENT WHICH SET OUT, ON A MUTUALLY AGREED BASIS, THE OBLIGATIONS AND RIGHTS OF THE COMPANIES AND OF THE GOVERNMENT ON BEHALF OF CONSUMERS.

"UNDER THE TERMS OF THE AGREEMENT, THE GOVERNMENT IS ABLE TO MONITOR THE FINANCIAL PLANNING AND TECHNICAL AND OPERATING STANDARDS OF THE COMPANIES AND REQUIRE THEM TO SEEK GOVERNMENT APPROVAL FOR CERTAIN ASPECTS OF THEIR FINANCING PLANS, INCLUDING PROJECTED TARIFF LEVELS.

"AS A RESULT, WE ARE ABLE TO SATISFY OURSELVES AS TO THE COST-EFFECTIVENESS OF THE COMPANIES' DEVELOPMENT PLANS," HE SAID.

IN RETURN FOR AGREEING TO CLOSELY MONITOR THEIR COMPANIES' OPERATIONS, SHAREHOLDERS ARE PROVIDED WITH THE ASSURANCE THAT THEY MAY EARN UP TO A CERTAIN MAXIMUM PERMITTED RETURN ON THEIR INVESTMENTS.

/GIVEN THE .....

GIVEN THE HUGE SCALE OF INVESTMENT NECESSARY IN NEW POWER PLANTS AND THE LONG PERIOD OF TIME BEFORE THAT INVESTMENT CAN BE RECOVERED, THIS PROVISION HAS PROVED AN IMPORTANT INCENTIVE, HE ADDED.

HE BELIEVED THAT THE GOVERNMENT'S PRACTICE OF WORKING IN RELATIONSHIP WITH PRIVATE SECTOR ENERGY SUPPLIERS HAD PRODUCED BENEFITS BOTH FOR CONSUMER AND SHAREHOLDER.

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STAMP DUTY ON AGREEMENTS FOR RESIDENTIAL PROPERTY SALE

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THE SECRETARY FOR THE TREASURY WILL MOVE A RESOLUTION IN THE LEGISLATIVE COUNCIL ON DECEMBER 15 TO EXTEND THE REQUIREMENT UNDER THE STAMP DUTY ORDINANCE TO PAY STAMP DUTY ON ALL AGREEMENTS FOR SALE OF RESIDENTIAL PROPERTY FOR TWO YEARS BEYOND DECEMBER 31.

THE STAMP DUTY (AMENDMENT) ORDINANCE 1992 CAME INTO EFFECT ON JANUARY 31 LAST YEAR.

THE AMENDMENT ORDINANCE REQUIRES STAMP DUTY TO BE CHARGED ON ALL AGREEMENTS FOR SALE OF RESIDENTIAL PROPERTY.

PREVIOUSLY, BY CONTRAST, STAMP DUTY WAS ONLY PAYABLE ON THE ASSIGNMENT OF PROPERTY.

THE RELEVANT SECTIONS WILL EXPIRE AT MIDNIGHT ON DECEMBER 31 THIS YEAR UNLESS THEY ARE EXTENDED BY THE LEGISLATIVE COUNCIL BY RESOLUTION.

"THE AMENDMENT ORDINANCE WAS INTRODUCED AS ONE IN A SERIES OF MEASURES TO CURB SPECULATION ON RESIDENTIAL PROPERTY. GENUINE HOME-BUYERS ARE NOT AFFECTED EXCEPT INSOFAR AS THEY HAVE TO PAY STAMP DUTY SLIGHTLY EARLIER," A GOVERNMENT SPOKESMAN SAID.

"BY CONTRAST, THE COST OF SPECULATION THROUGH THE USE OF LONG CHAINS OF SALE AND PURCHASE AGREEMENTS PRIOR TO ACTUAL ASSIGNMENT IS SIGNIFICANTLY INCREASED," THE SPOKESMAN SAID.

HE SAID TAKING THE PERIOD SINCE THE ENACTMENT OF THE AMENDMENT ORDINANCE IN JANUARY LAST YEAR AS A WHOLE, THE PROPERTY MARKET HAD REMAINED BUOYANT.

"BUT THE EXTENT OF SPECULATION ON RESIDENTIAL PROPERTY HAS TO A CERTAIN EXTENT BEEN CONTAINED.

"THIS IS GENERALLY PERCEIVED TO BE THE COMBINED EFFECT OF THE TIGHTER MORTGAGE LENDING POLICY OF THE BANKS AS WELL AS THE INCREASED COST OF SPECULATION AS A RESULT OF THE AMENDMENT ORDINANCE.

/"ALTHOUGH IT .....

"ALTHOUGH IT IS NOT POSSIBLE TO PINPOINT THE EXACT EFFECT OF THE STAMP DUTY PROVISIONS ON CURBING SPECULATION, THERE IS A CONSIDERABLE RISK THAT SPECULATION MIGHT BECOME RIFE AGAIN TO THE DETRIMENT OF GENUINE HOME-BUYERS IF THOSE PROVISIONS WERE NOT EXTENDED BEYOND MIDNIGHT ON DECEMBER 31.

"THE RESOLUTION THEREFORE SEEKS THE CONTINUATION OF A MEASURE WHICH HAS SERVED AS A USEFUL TOOL TO TACKLE AND CONTAIN SPECULATION WHILST NOT AFFECTING GENUINE HOME-BUYERS," HE SAID.

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CALL TO WASH VEGETABLES THOROUGHLY  
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MEMBERS OF THE PUBLIC ARE TODAY (FRIDAY) URGED TO WASH AND BLANCH VEGETABLES THOROUGHLY BEFORE COOKING.

THE APPEAL WAS MADE BY THE ASSISTANT DIRECTOR OF HEALTH (HYGIENE), DR MAHOMMED ALI, FOLLOWING REPORTS RECEIVED THIS AFTERNOON OF FOOD POISONING RELATED TO PESTICIDE-CONTAMINATED CHOI SUM AND PAK CHOI BOUGHT FROM TAI PO TEMPORARY MARKET.

INITIAL INVESTIGATIONS SHOWED THAT THE CONTAMINATED VEGETABLES CAME FROM THE WHOLESALE MARKET IN LUEN WO HUI, FANLING.

THE RECENT OUTBREAKS AFFECTED 19 PERSONS FROM FOUR FAMILIES AND ALL OF THEM HAD BEEN TREATED AND DISCHARGED.

TO PREVENT POISONING BY PESTICIDE-CONTAMINATED VEGETABLES, MEMBERS OF THE PUBLIC ARE ADVISED TO TAKE THE FOLLOWING PRECAUTIONS:

- \* DON'T BUY VEGETABLES WITH AN OBVIOUS STRANGE SMELL;
- \* WASH WELL BEFORE COOKING;
- \* DIP VEGETABLES INTO CLEAN WATER FOR SOME TIME TO ALLOW PESTICIDES TO LEACH OUT;
- \* BLANCH IN BOILING WATER AND POUR AWAY THE WATER USED AS IT MAY CONTAIN DISSOLVED PESTICIDES; AND
- \* COOK THOROUGHLY BEFORE CONSUMPTION.

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CLUB CERTIFICATE FEES TO BE REVISED NEXT YEAR

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THE FEES FOR THE ISSUE OR RENEWAL OF CERTIFICATES TO CLUB OPERATORS WILL BE REVISED FROM JANUARY 1 NEXT YEAR TO COVER THE INCREASE OF ADMINISTRATIVE COSTS SINCE 1992.

THE NEW RATES FOR CERTIFICATES OF COMPLIANCE OR EXEMPTION ARE SET OUT IN THE CLUBS (SAFETY OF PREMISES) (FEES) (AMENDMENT) REGULATION 1993, WHICH WAS GAZETTED TODAY (FRIDAY).

A SPOKESMAN FOR THE CITY AND NEW TERRITORIES ADMINISTRATION (CNTA) SAID THESE FEES WERE SUBJECT TO REVIEW ONCE A YEAR.

HE SAID THE PRESENT RATES, INTRODUCED IN 1992, WERE BASED ON THE FINDINGS OF A COSTING EXERCISE CONDUCTED IN 1991.

"IN ORDER TO COVER THE INCREASE IN ADMINISTRATIVE COSTS SINCE THEN, IT IS NECESSARY TO RAISE THE FEES BY ABOUT 20 PER CENT WITH EFFECT FROM JANUARY 1, 1994."

THE NEW FEE FOR THE ANNUAL CERTIFICATE OF EXEMPTION WILL BE \$600 WHILE THAT FOR A CERTIFICATE OF COMPLIANCE WILL RANGE FROM \$2,410 TO \$13,250, DEPENDING ON THE GROSS FLOOR AREA OF THE CLUB.

CLUB OPERATORS WILL BE INFORMED OF THE NEW SCALE OF FEES WHEN THEY APPLY FOR OR RENEW THEIR CERTIFICATES.

PUBLIC ENQUIRIES CAN ALSO BE MADE OF CNTA'S OFFICE OF LICENSING AUTHORITY ON TELEPHONE 881 7034.

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PROVISIONAL FIGURES OF EXTERNAL TRADE FOR OCTOBER

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RE-EXPORTS CONTINUED TO GROW SIGNIFICANTLY IN OCTOBER THOUGH LESS RAPIDLY THAN IN THE PREVIOUS MONTHS.

THE PERFORMANCE OF DOMESTIC EXPORTS REMAINED WEAK. IMPORTS REGISTERED A MUCH SLOWER INCREASE.

THESE ARE SHOWN IN THE PROVISIONAL FIGURES OF EXTERNAL TRADE FOR OCTOBER RELEASED TODAY (FRIDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THE VALUE OF RE-EXPORTS, AT \$76,697 MILLION IN OCTOBER 1993, WAS \$8,774 MILLION OR 13% HIGHER THAN A YEAR EARLIER.

REFLECTING IN PART THE CONTINUED STRUCTURAL SHIFT TO RE-EXPORTS, THE VALUE OF DOMESTIC EXPORTS DECREASED FURTHER, BY \$2,189 MILLION OR 10% TO \$19,665 MILLION IN OCTOBER.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE VALUE OF TOTAL EXPORTS IN OCTOBER GREW BY \$6,585 MILLION OR 7.3% OVER A YEAR EARLIER TO \$96,362 MILLION.

OVER THE SAME PERIOD, THE VALUE OF IMPORTS INCREASED ONLY MODERATELY, BY \$3,545 MILLION OR 3.9% TO \$93,566 MILLION.

AS THE VALUE OF TOTAL EXPORTS WAS GREATER THAN THAT OF TOTAL IMPORTS, A VISIBLE TRADE SURPLUS OF \$2,797 MILLION, EQUIVALENT TO 3% OF THE VALUE OF IMPORTS, WAS RECORDED IN OCTOBER 1993.

THIS COMPARED WITH A DEFICIT OF \$244 MILLION, EQUIVALENT TO 0.3% OF THE VALUE OF IMPORTS, RECORDED IN OCTOBER 1992.

IN THE FIRST 10 MONTHS OF 1993, THE VALUE OF RE-EXPORTS AMOUNTED TO \$677,099 MILLION, WHICH WAS \$113,859 MILLION OR 20% HIGHER THAN A YEAR EARLIER.

THE VALUE OF DOMESTIC EXPORTS, AT \$183,300 MILLION, WAS \$8,838 MILLION OR 4.6% LOWER THAN THAT IN THE SAME PERIOD LAST YEAR.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE VALUE OF TOTAL EXPORTS IN THE FIRST 10 MONTHS OF 1993, AT \$860,399 MILLION, WAS \$105,020 MILLION OR 14% HIGHER THAN A YEAR EARLIER. THE VALUE OF IMPORTS INCREASED BY \$104,122 MILLION OR 13% TO \$884,078 MILLION.

A TRADE DEFICIT OF \$23,679 MILLION, EQUIVALENT TO 2.7% OF THE VALUE OF IMPORTS, WAS RECORDED IN THE FIRST 10 MONTHS OF 1993.

THIS COMPARED WITH A TRADE DEFICIT OF \$24,577 MILLION, EQUIVALENT TO 3.2% OF THE VALUE OF IMPORTS, RECORDED A YEAR EARLIER.

COMMENTING ON THE LATEST TRADE FIGURES, A GOVERNMENT SPOKESMAN SAID THE MORE MODEST TRADE PERFORMANCE IN OCTOBER WAS PARTLY AFFECTED BY THE HIGH BASE OF COMPARISON IN OCTOBER 1992 WHEN RE-EXPORTS ROSE BY 33% AND DOMESTIC EXPORTS BY 3% OVER OCTOBER 1991.

THE WEAKER DEMAND IN THE OVERSEAS MARKETS, PARTICULARLY IN NORTH AMERICA AND CONTINENTAL EUROPE, HAD ALSO DAMPENED EXPORT PERFORMANCE IN RECENT MONTHS.

CONCURRENTLY, CHINA'S RESTRAINT MEASURES MIGHT HAVE BEGUN TO FILTER THROUGH TO AFFECT HONG KONG'S EXTERNAL TRADE.

THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS ROSE FURTHER TO 79% IN THE FIRST 10 MONTHS OF 1993, FROM 75% IN THE SAME PERIOD IN 1992.

THE GROWTH RATE OF THE VALUE OF RETAINED IMPORTS SLOWED DOWN SIGNIFICANTLY, FROM 16% IN 1992 TO ONLY 4.2% IN THE FIRST 10 MONTHS OF THIS YEAR.

THIS REFLECTED A CONSOLIDATION AFTER THE LARGE INCREASES IN THE PREVIOUS QUARTERS.

A MORE DETAILED ANALYSIS OF HONG KONG'S EXTERNAL TRADE IN OCTOBER 1993, BY COMMODITY AND COUNTRY, WILL BE RELEASED IN MID-DECEMBER.

## PROVISIONAL FIGURES OF EXTERNAL TRADE FOR OCTOBER 1993

MERCHANDISE: Domestic Exports :	\$19,665 million
Re-exports :	\$76,697 million
Total Exports :	\$96,362 million
Imports :	\$93,566 million
Trade balance :	+\$2,797 million

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COMPARATIVE FIGURES

Latest 3 months	Aug 93 to	Aug 92 to	Change	
	Oct 93 HK\$ Mn.	Oct 92 HK\$ Mn.	HK\$ Mn.	%
Domestic Exports (% of Total Exports)	58,748 (20.7%)	63,817 (24.8%)	-5,068	-7.9
Re-exports	224,807	193,227	+31,580	+16.3
Total Exports	283,555	257,043	+26,512	+10.3
Imports	278,661	252,343	+26,318	+10.4
Trade balance	4,894	4,700	+194	
	October	October	Change	
	1993	1992		
	HK\$ Mn.	HK\$ Mn.	HK\$ Mn.	%
Domestic Exports (% of Total Exports)	19,665 (20.4%)	21,854 (24.3%)	-2,189	-10.0
Re-exports	76,697	67,923	+8,774	+12.9
Total Exports	96,362	89,777	+6,585	+7.3
Imports	93,566	90,021	+3,545	+3.9
Trade balance	2,797	-244	+3,040	
	October	September	Change	
	1993	1993		
	HK\$ Mn.	HK\$ Mn.	HK\$ Mn.	%
Domestic Exports (% of Total Exports)	19,665 (20.4%)	19,456 (20.6%)	+209	+1.1
Re-exports	76,697	75,198	+1,499	+2.0
Total Exports	96,362	94,655	+1,707	+1.8
Imports	93,566	92,055	+1,511	+1.6
Trade balance	2,797	2,600	+197	
	Jan-Oct	Jan-Oct	Change	
	1993	1992		
	HK\$ Mn.	HK\$ Mn.	HK\$ Mn.	%
Domestic Exports (% of Total Exports)	183,300 (21.3%)	192,138 (25.4%)	-8,838	-4.6
Re-exports	677,099	563,240	+113,859	+20.2
Total Exports	860,399	755,379	+105,020	+13.9
Imports	884,078	779,956	+104,122	+13.3
Trade balance	-23,679	-24,577	+898	
	Nov 92 to	Nov 91 to	Change	
	Oct 93	Oct 92		
	HK\$ Mn.	HK\$ Mn.	HK\$ Mn.	%
Domestic Exports (% of Total Exports)	225,285 (21.9%)	234,894 (26.0%)	-9,609	-4.1
Re-exports	804,688	668,027	+136,662	+20.5
Total Exports	1,029,973	902,921	+127,052	+14.1
Imports	1,059,417	927,645	+131,773	+14.2
Trade balance	-29,444	-24,724	-4,721	

CHANGES TO NORTH POINT OUTLINE ZONING PLAN

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THE TOWN PLANNING BOARD TODAY (FRIDAY) ANNOUNCED AMENDMENTS TO THE NORTH POINT OUTLINE ZONING PLAN.

"THE SITE OF A TWO-STORY GOVERNMENT BUILDING NEAR THE JUNCTION OF JAVA ROAD AND KING'S ROAD HAS BEEN REZONED FROM 'GOVERNMENT/INSTITUTION/COMMUNITY' TO 'COMMERCIAL' DUE TO ITS ACCESSIBLE LOCATION AND PROXIMITY TO THE MTR NORTH POINT STATION," A SPOKESMAN FOR THE BOARD SAID.

FOUR OTHER SITES AT PAK FUK ROAD, THE EASTERN END OF TIN HAU TEMPLE ROAD, THE SOUTHERN END OF BRAEMAR HILL ROAD AND THE WESTERN SIDE OF YEE KING ROAD, ALL LARGELY COMPRISING STEEP SLOPES WITH NATURAL VEGETATION, HAVE BEEN REZONED FROM 'GOVERNMENT/INSTITUTION/COMMUNITY' TO 'OPEN SPACE' AND 'GREEN BELT' TO CONSERVE THEIR NATURAL LANDSCAPE.

"TO COMPENSATE THE LOSS OF 'GOVERNMENT/INSTITUTION/COMMUNITY' SITES, OPPORTUNITIES HAVE BEEN TAKEN TO REZONE THE 'OPEN SPACE' SITE ON WAI TSUI CRESCENT TO 'GOVERNMENT/INSTITUTION/COMMUNITY'.

"THE EXISTING ROCK SLOPE AT PAK FUK ROAD ADJOINING THE HONG KONG FEDERATION OF YOUTH GROUP AND THE SCOUT ASSOCIATION OF HONG KONG HAS BEEN REZONED FROM 'GREEN BELT' TO 'GOVERNMENT/INSTITUTION/COMMUNITY' USE TO FACILITATE A JOINT REDEVELOPMENT PROPOSAL BY THE TWO ORGANISATIONS," THE SPOKESMAN ADDED.

OTHER AMENDMENTS INCLUDE REZONING OF TWO STEEP SLOPES AT TIN HAU TEMPLE ROAD/PAK FUK ROAD AND LAI TAK TSUEN ROAD FROM 'OPEN SPACE' TO 'GREEN BELT', DELETION OF THE PROPOSED EXTENSION OF TIN HAU TEMPLE ROAD AND BRAEMAR HILL ROAD, AND ADDITION OF A TURNING CIRCLE TO THE EASTERN END OF THE EXISTING TIN HAU TEMPLE ROAD TO FACILITATE TRAFFIC MOVEMENT.

THE AMENDMENT PLAN (NO. S/H8/5) AND THE SCHEDULE OF AMENDMENTS ARE AVAILABLE FOR PUBLIC INSPECTION UNTIL JANUARY 26 NEXT YEAR AT THE FOLLOWING OFFICES:

- \* THE HONG KONG DISTRICT PLANNING OFFICE, 11TH FLOOR, LEIGHTON CENTRE, 77 LEIGHTON ROAD, CAUSEWAY BAY;
- \* THE PLANNING DEPARTMENT, 16TH FLOOR, MURRAY BUILDING, GARDEN ROAD, CENTRAL;
- \* THE CENTRAL AND WESTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL;
- \* THE EASTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, EASTERN LAW COURTS BUILDING, 29 TAI ON STREET, SAI WAN HO; AND
- \* THE WAN CHAI DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, 2 O'BRIEN ROAD.

ANY PERSON AFFECTED BY THE AMENDMENTS MAY SEND WRITTEN OBJECTION TO THE SECRETARY OF THE TOWN PLANNING BOARD, C/O PLANNING DEPARTMENT, 13TH FLOOR, MURRAY BUILDING, GARDEN ROAD, ON OR BEFORE JANUARY 26 NEXT YEAR.

COPIES OF THE AMENDMENT PLAN ARE ON SALE AT THE SURVEY AND MAPPING OFFICE, LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, AND THE KOWLOON MAP SALES OFFICE, 382 NATHAN ROAD, KOWLOON.

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ELECTRICITY ORDINANCE FEES TO BE REVISED

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VARIOUS FEES PAYABLE UNDER THE ELECTRICITY ORDINANCE WILL BE REVISED ON DECEMBER 30, TO REFLECT THE INCREASED COSTS OF PROVIDING THE SERVICES.

TWO SETS OF REGULATIONS TO THIS EFFECT WERE GAZETTED TODAY (FRIDAY).

THEY ARE THE ELECTRICITY (REGISTRATION) (AMENDMENT) REGULATION 1993 AND THE ELECTRICITY (WIRING) (AMENDMENT) REGULATION 1993.

THE ELECTRICITY (REGISTRATION) REGULATIONS STIPULATE THE FEES PAYABLE IN RESPECT OF APPLICATIONS FOR REGISTRATION, AND RENEWAL OF REGISTRATION, AS AN ELECTRICAL WORKER, AS AN ELECTRICAL CONTRACTOR AND OF A GENERATING FACILITY.

THE ELECTRICITY (WIRING) REGULATIONS STIPULATE THE FEES PAYABLE IN RESPECT OF AN APPLICATION FOR ENDORSEMENT BY THE DIRECTOR OF ELECTRICAL AND MECHANICAL SERVICES OF A CERTIFICATE FROM THE OWNER PREPARED BY A REGISTERED ELECTRICAL CONTRACTOR OR WORKER AS TO THE SAFETY OF PRESCRIBED TYPES OF FIXED ELECTRICAL INSTALLATIONS.

"IT IS GOVERNMENT POLICY THAT FEES CHARGED BY THE GOVERNMENT SHOULD IN GENERAL BE SET AT A LEVEL SUFFICIENT TO RECOVER THE FULL ADMINISTRATIVE COSTS INCURRED," A GOVERNMENT SPOKESMAN SAID.

THE EXISTING FEES WERE BASED ON THE COSTS FOR 1988/89 AND HAVE BEEN IN FORCE SINCE THE COMMENCEMENT OF THE ELECTRICITY ORDINANCE IN 1990. THE COSTS HAVE INCREASED SINCE 1988/89.

THE FEES WOULD HAVE TO BE INCREASED BY 60 PER CENT IF THEY WERE TO BE BROUGHT UP TO 1992/93 COSTS LEVEL; OR BY 72 PER CENT IF THEY WERE TO BE BROUGHT UP TO 1993/94 COSTS LEVEL.

"HOWEVER, IN ORDER TO EASE THE IMPACT ON THE TRADE, THE GOVERNMENT DECIDED TO PHASE IN THE INTRODUCTION OF THE INCREASE OVER TWO YEARS.

"THE FEES WILL BE INCREASED BY 40 PER CENT WITH EFFECT FROM DECEMBER 30 AND BE REVISED FURTHER TO BRING THEM UP TO 1994/95 COSTS LEVEL ABOUT 12 MONTHS LATER," HE SAID.

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FRIDAY, NOVEMBER 26, 1993

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EXEMPTION TO CERTAIN AIR-POLLUTING SPECIFIED PROCESSES

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AN ORDER TO REMOVE EXEMPTIONS GRANTED TO PREMISES CONDUCTING CERTAIN AIR-POLLUTING SPECIFIED PROCESSES STARTING NOVEMBER 26 NEXT YEAR IS GAZETTED TODAY (FRIDAY).

THE AFFECTED PREMISES ARE THOSE THAT CONDUCT THE FOLLOWING SPECIFIED PROCESSES: ALUMINIUM WORKS, PETROCHEMICAL WORKS, TAR AND BITUMEN WORKS, AND CEMENT WORKS.

A SPOKESMAN FOR THE ENVIRONMENTAL PROTECTION DEPARTMENT (EPD) SAID THIS WAS THE FIRST BATCH OF SPECIFIED PROCESSES TO COME UNDER FULL LICENCE CONTROL UNDER THE AMENDED AIR POLLUTION CONTROL ORDINANCE.

OWNERS OF THESE PREMISES ARE REQUIRED TO OBTAIN A LICENCE FROM EPD BEFORE THEY CAN CONTINUE TO CONDUCT THE SPECIFIED PROCESSES AFTER NOVEMBER 26 NEXT YEAR.

THE SPOKESMAN SAID EXEMPTIONS GRANTED TO ALL THE PREMISES CONDUCTING ALUMINIUM, PETROCHEMICAL, AND TAR AND BITUMEN WORKS WOULD BE REMOVED BY THAT DATE.

"FOR CEMENT WORKS WHICH INCLUDE CONCRETE BATCHING PLANTS, CEMENT DEPOTS AND PRECAST CONCRETE PLANTS, THE EXEMPTION REMOVAL EXERCISE WILL BE IMPLEMENTED IN TWO PHASES.

"THE FIRST PHASE, WHICH WILL TAKE EFFECT IN NOVEMBER, 1994 IS TARGETED AT CEMENT AND CONCRETE PLANTS THAT ARE LOCATED WITHIN 100 METRES OF RESIDENTIAL BLOCKS WHERE POLLUTION IMPACT ON THE PUBLIC IS MOST SIGNIFICANT," HE SAID.

IT IS ESTIMATED THAT ABOUT ONE-THIRD OF THE EXISTING 80 CEMENT WORKS WILL BE AFFECTED. THE REMAINING TWO-THIRDS WILL BE PUT UNDER LICENCE CONTROL AROUND AUGUST 1995.

CONTROL MEASURES IS EXPECTED TO REDUCE SIGNIFICANTLY THE AIR POLLUTION IMPACT ON AREAS SURROUNDING THOSE PREMISES.

GUIDANCE NOTES ON THE BEST PRACTICABLE MEANS TO PREVENT AND CONTROL AERIAL EMISSIONS FROM THE AFFECTED PREMISES ARE BEING ISSUED BY EPD.

THE INDUSTRIES CONCERNED CAN CONTACT THE AIR MANAGEMENT GROUP OF EPD FOR DETAILS ON HOW TO APPLY FOR A LICENCE.

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MORE WAGE PROTECTION FOR WORKERS

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THE LABOUR DEPARTMENT HAS PROPOSED TO AMEND THE LAW TO EMPOWER THE PROTECTION OF WAGES ON INSOLVENCY FUND (PWIF) BOARD TO RECOVER FROM A RETIREMENT SCHEME ANY EX-GRATIA SEVERANCE PAYMENT MADE BY THE FUND TO AN EMPLOYEE COVERED BY SUCH A SCHEME.

THE PROPOSAL, WHICH WAS SET OUT IN THE PROTECTION OF WAGES ON INSOLVENCY (AMENDMENT)(NO. 2) BILL 1993, HAS RECENTLY BEEN ENDORSED BY THE GOVERNOR IN COUNCIL AND WAS PUBLISHED IN THE GAZETTE TODAY (FRIDAY).

THE ASSISTANT COMMISSIONER FOR LABOUR, MR ALFRED CHAN, SAID PART VA OF THE EMPLOYMENT ORDINANCE (EO) PROVIDED THAT SEVERANCE PAYMENT AND RETIREMENT SCHEME PAYMENT COULD BE SET OFF AGAINST EACH OTHER TO ENSURE THAT AN EMPLOYEE WOULD NOT GET DOUBLE BENEFITS.

HOWEVER, THERE IS, AT PRESENT, NO PROVISION UNDER THE LAW TO ENABLE PWIF TO RECOVER FROM A RETIREMENT SCHEME THE EX-GRATIA SEVERANCE PAYMENT MADE TO AN EMPLOYEE COVERED BY THE SCHEME.

CONSEQUENTLY, AN EMPLOYEE MAY RECEIVE BENEFITS FROM BOTH THE PWIF AND THE RETIREMENT SCHEME OF WHICH HE IS A MEMBER, IF HIS EMPLOYER BECOMES INSOLVENT, HE ADDED.

MR CHAN NOTED THAT WHEN AN EMPLOYER BECAME INSOLVENT, HIS EMPLOYEE WOULD NORMALLY APPLY TO THE PWIF FOR SEVERANCE PAYMENT IF HE HAD NOT YET RECEIVED HIS RETIREMENT SCHEME PAYMENT.

THE EMPLOYEE MIGHT BE GRANTED EX-GRATIA PAYMENT OF SEVERANCE PAYMENT AND THEN COULD OBTAIN HIS RETIREMENT SCHEME PAYMENT AFTERWARDS.

"THIS IS AT VARIANCE WITH THE INTENTION OF PART VA OF THE EO AND IS UNFAIR TO PWIF," MR CHAN SAID.

"THEREFORE, IT IS PROPOSED THAT THE PROTECTION OF WAGES ON INSOLVENCY ORDINANCE SHOULD BE AMENDED," HE ADDED.

MR CHAN ALSO SAID THE BILL WOULD BE SUBMITTED TO THE LEGISLATIVE COUNCIL FOR CONSIDERATION EARLY NEXT MONTH.

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LOT SALE BY AUCTION

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THE LANDS DEPARTMENT WILL AUCTION TWO LOTS OF GOVERNMENT LAND ON NOVEMBER 29 (MONDAY).

THE PUBLIC AUCTION WILL BEGIN AT 2.30 PM IN THE CONCERT HALL OF THE HONG KONG CULTURAL CENTRE, TSIM SHA TSUI.

THE FIRST LOT IS LOCATED AT MUI WO, LANTAU ISLAND.

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WITH AN AREA OF ABOUT 840 SQUARE METRES, IT IS INTENDED FOR NON-INDUSTRIAL USE, EXCLUDING RESIDENTIAL USE, GODOWNS, HOTELS OR OFFICES.

THE SECOND LOT, LOCATED IN MA TIN ROAD, YUEN LONG, NEW TERRITORIES, HAS AN AREA OF ABOUT 4,350 SQUARE METRES FOR PRIVATE RESIDENTIAL USE.

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ATTENTION NEWS EDITORS:

YOUR REPRESENTATIVES ARE INVITED TO COVER THE AUCTION.

A PRESS AREA WILL BE DESIGNATED. PHOTOGRAPHERS ARE ADVISED TO BRING ALONG TELEPHOTO LENSES.

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#### MORE SERVICES FOR DISABLED CHILDREN

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THE SOCIAL WELFARE DEPARTMENT IS PUTTING MORE RESOURCES TO SUPPORT NEEDY FAMILIES, ESPECIALLY THOSE WITH DISABLED CHILDREN, THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, SAID TODAY (FRIDAY).

MR STRACHAN WAS SPEAKING AT THE ANNUAL GENERAL MEETING OF HEEP HONG SOCIETY FOR HANDICAPPED CHILDREN IN HAPPY VALLEY.

SUPPORT IN THE FORMS OF COUNSELLING ACCOMMODATION, HOME-HELP AND FAMILY AIDE, FINANCIAL ASSISTANCE WHICH INCLUDES A CHILD SUPPLEMENT, OCCASIONAL CHILD CARE AND RESPITE SERVICES ARE BEING PROVIDED.

MR STRACHAN SAID PARENTS OF DISABLED CHILDREN WERE BEARING THE BRUNT OF THE BURDEN IN TAKING CARE OF THEIR CHILDREN.

"IF THEY ARE PROVIDED WITH MORE SUPPORT AND RESOURCES IN DISCHARGING THEIR CARING DUTIES, THEIR DISABLED CHILDREN WILL BENEFIT MORE AND THE FAMILY CAN PROBABLY REMAIN STRONG AND INTACT."

MORE SUPPORT FOR DISABLED CHILDREN IN THE FORMS OF OCCASIONAL CHILD CARE AND PARENTS RESOURCES CENTRES ARE BEING DEVELOPED.

A PARENTS RESOURCE CENTRE PROVIDES A PLACE WHERE INFORMATION ON SERVICES, TOYS AND TRAINING EQUIPMENT ARE EASILY ACCESSIBLE.

IT ALSO PROVIDES A MEETING POINT FOR PARENTS TO SHARE THEIR EXPERIENCES OF CARING FOR THEIR DISABLED CHILDREN.

APART FROM MAKING USE OF THE CENTRE'S RESOURCES, PARENTS CAN HELP IN CENTRE MANAGEMENT AS VOLUNTEERS.

"ABOVE ALL, THEY CAN HELP TO EDUCATE THE COMMUNITY," MR STRACHAN SAID.

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AS TO OCCASIONAL CHILD CARE, MR STRACHAN SAID PARALLEL WOULD BE DRAWN TO A SIMILAR SERVICE PROVIDED TO ORDINARY CHILDREN.

HE ADDED THAT IT ENABLED PARENTS TO PLACE THEIR DISABLED CHILDREN TEMPORARILY IN A SPECIAL PRE-SCHOOL CENTRE TO FREE THEMSELVES FOR OTHER FAMILY OR PERSONAL AFFAIRS.

"THIS HELPS PARENTS MINIMISE THE RISKS OF LEAVING THEIR DISABLED CHILDREN UNATTENDED AT HOME AS WELL AS RELIEVING THEIR UNNECESSARY ANXIETY AND BURDEN," MR STRACHAN EXPLAINED.

HE HOPES THE SUPPORT SERVICES CAN BE IMPLEMENTED IN THE NEXT FISCAL YEAR.

"WITH THESE, I AM SURE FAMILIES WITH DISABLED CHILDREN WILL BE FURTHER ENHANCED IN THEIR CARING AND TRAINING FUNCTIONS AT HOME," HE CONCLUDED.

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## TWO SEABED PROJECTS APPROVED

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THE GOVERNMENT HAS APPROVED A DREDGING PROJECT TO GET MARINE SAND FROM ABOUT 195 HECTARES OF FORESHORE AND SEABED TO THE WEST OF SULPHUR CHANNEL FOR CONSTRUCTION AND RECLAMATION USES.

MEANWHILE, AUTHORISATION HAS ALSO BEEN GIVEN FOR THE GOVERNMENT TO SET UP AN ARTIFICIAL MARINE HABITAT WITH BLOCKS MADE OF COAL ASH AND CEMENT WITHIN ABOUT 400 SQUARE METRES OF SEABED AT PAK SHA O, SAI KUNG.

THIS IS TO STUDY ITS ENHANCEMENT EFFECT ON FISHERIES RESOURCES, THE COLONISATION PROCESS AND THE LEACHING OF TRACE METALS.

THE WORKS OF THE TWO PROJECTS WILL START BY THE END OF THIS YEAR FOR COMPLETION IN MID-1997 AND BY THE END OF 1996 RESPECTIVELY.

THE EXTENT OF THE AREAS AFFECTED BY THE PROJECTS IS DESCRIBED IN NOTICES OF AUTHORISATION GAZETTED TODAY (FRIDAY).

ANY PERSON WHO CONSIDERS THAT HIS INTEREST, RIGHT OR EASEMENT IN OR OVER THE FORESHORE AND SEABED INVOLVED WILL BE AFFECTED BY THE WORKS MAY DELIVER A WRITTEN CLAIM FOR COMPENSATION TO THE DIRECTOR OF LANDS BEFORE NOVEMBER 26 NEXT YEAR.

THE NOTICES AND THEIR PLANS CAN BE SEEN OR BOUGHT AT THE SURVEY AND MAPPING OFFICE, LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG. THEY CAN ALSO BE SEEN AT THE RESPECTIVE DISTRICT OFFICES.

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TRADERS HAVE TO SUPPLY SAFE CONSUMER GOODS  
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THROUGH EFFECTIVE ENFORCEMENT OF THE CONSUMER GOODS SAFETY BILL, THE GOVERNMENT HOPES TO BE ABLE TO INSTIL A GREATER SENSE OF RESPONSIBILITY ON THE PART OF SUPPLIERS, MANUFACTURERS OR IMPORTERS TO SUPPLY SAFE CONSUMER GOODS.

THIS WAS STATED TODAY (FRIDAY) BY THE DEPUTY SECRETARY FOR TRADE AND INDUSTRY, MRS REGINA IP, WHEN SHE WAS ADDRESSING THE 13TH ANNUAL GENERAL MEETING AND ANNUAL GATHERING OF THE HONG KONG ASSOCIATION OF CERTIFICATION LABORATORIES LIMITED.

MRS IP SAID THE CONSUMER GOODS SAFETY BILL SOUGHT TO IMPOSE A STATUTORY DUTY ON MANUFACTURERS, IMPORTERS AND SUPPLIERS OF CONSUMER GOODS TO ENSURE THAT THE GOODS THEY SUPPLIED FOR LOCAL CONSUMPTION WERE REASONABLY SAFE.

SHE SAID THE PROPOSED SCHEME OF CONTROL MAINLY FOLLOWED THAT SET OUT IN THE TOYS AND CHILDREN'S PRODUCTS SAFETY ORDINANCE.

"HOWEVER, IN RECOGNITION OF THE WIDE RANGE OF CONSUMER GOODS AVAILABLE IN HONG KONG AND THE FACT THAT HONG KONG IS A VERY SMALL MARKET TO MOST MANUFACTURERS OF CONSUMER GOODS, WE DO NOT CONSIDER IT PRACTICABLE FOR HONG KONG TO PRESCRIBE SAFETY STANDARDS FOR EACH AND EVERY CLASS OF CONSUMER GOODS AVAILABLE FOR LOCAL CONSUMPTION.

"WE DECIDED THEREFORE TO FOLLOW THE CONTROL REGIME IN THE UK CONSUMER PROTECTION ACT BY INTRODUCING A GENERAL SAFETY REQUIREMENT," SHE SAID.

IN ADDITION TO THE GENERAL SAFETY REQUIREMENT, SHE ADDED, THE SECRETARY FOR TRADE AND INDUSTRY WOULD BE EMPOWERED TO PRESCRIBE STATUTORY SAFETY STANDARDS FOR SPECIFIC CONSUMER GOODS AND IN EXTREME CASES, TO PROHIBIT THE SUPPLY OF CERTAIN CONSUMER GOODS.

IN SUCH SITUATIONS, THE INTENTION IS TO ADOPT WELL-ESTABLISHED AND INTERNATIONALLY RECOGNISED SAFETY STANDARDS FOR LOCAL APPLICATION.

"THIS POWER WILL ONLY BE INVOKED ON RARE OCCASIONS WHEN DANGEROUS CONSUMER GOODS ARE FOUND IN THE MARKET WHICH FALL OUTSIDE ANY SPECIFIC CONTROL SCHEMES AND REQUIRE CLEARLY STIPULATED SAFETY STANDARDS FOR SPEEDY AND EFFECTIVE PROTECTION OF THE INNOCENT CONSUMER," SHE SAID.

ANOTHER IMPORTANT FEATURE OF THE CONSUMER GOODS SAFETY BILL IS THAT THE SUPPLY, IMPORT AND MANUFACTURE OF GOODS WHICH ARE REASONABLY BELIEVED TO BE UNSAFE OR WHICH FAIL TO COMPLY WITH THE GENERAL SAFETY REQUIREMENT OR ESTABLISHED REGULATIONS WILL BE AN OFFENCE PUNISHABLE BY FINES AND IMPRISONMENT, SHE SAID.

TING KAU BRIDGE AND APPROACH VIADUCT

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THE GOVERNMENT PROPOSES TO CONSTRUCT THE TING KAU BRIDGE AND ITS APPROACH VIADUCT FROM NORTHWEST TSING YI ISLAND TO TING KAU OF TSUEN WAN.

THE TING KAU BRIDGE, AN ESSENTIAL PART OF THE COUNTRY PARK SECTION OF ROUTE 3, WILL CARRY DUAL THREE-LANE CARRIAGEWAY AND WILL SPAN ACROSS THE RAMBLER CHANNEL BETWEEN NORTHWEST TSING YI ISLAND AND TING KAU.

IT WILL CONNECT THE REMAINING SECTIONS OF THE COUNTRY PARK SECTION OF ROUTE 3 AT THE NORTH AND THE LANTAU FIXED CROSSING AND TSING YI SECTION OF ROUTE 3 AT THE SOUTH.

RAMPED ACCESS TO THE WESTBOUND CARRIAGEWAY AND FROM THE EASTBOUND CARRIAGEWAY OF TUEN MUN ROAD AT TING KAU WILL ALSO BE PROVIDED.

UPON ITS COMPLETION IN MID-1997, A DIRECT ROAD LINK BETWEEN TSING YI AND THE NORTHWEST NEW TERRITORIES WILL BE PROVIDED.

IT WILL THEN REDUCE THE VOLUME OF TRAFFIC IN THE CONTAINER PORT AREA AS TRAFFIC ALONG TUEN MUN ROAD MAY PROCEED TO AND FROM THE URBAN AREAS AND THE NEW AIRPORT AT CHEK LAP KOK VIA THE SOUTHERN SECTION OF ROUTE 3 AND THE LANTAU FIXED CROSSING RESPECTIVELY.

CONDITIONS WILL BE IMPOSED UPON THE CONTRACTOR TO ENSURE THAT MARINE AND LAND TRAFFIC WILL BE DISRUPTED AS LITTLE AS POSSIBLE.

A NOTICE ABOUT THE PROPOSED WORKS WAS GAZETTED TODAY (FRIDAY).

PLANS SHOWING THE PROPOSED WORKS CAN BE SEEN AT:

- \* THE CENTRAL AND WESTERN DISTRICT OFFICE, PUBLIC ENQUIRY SERVICE CENTRE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, HONG KONG;
- \* THE DISTRICT LANDS OFFICE/TSUEN WAN AND THE DISTRICT LANDS OFFICE/KWAI TSING, 10TH FLOOR, TSUEN WAN STATION MULTI-STOREY CARPARK BUILDING, 174-208 CASTLE PEAK ROAD, TSUEN WAN, NEW TERRITORIES;
- \* THE DISTRICT OFFICE/TSUEN WAN, FIRST AND SECOND FLOOR, TSUEN WAN STATION MULTI-STOREY CARPARK BUILDING, 174-208 CASTLE PEAK ROAD, TSUEN WAN, NEW TERRITORIES;
- \* THE DISTRICT OFFICE/KWAI TSING, PUBLIC ENQUIRY SERVICE CENTRE, SECOND FLOOR, KWAI HING GOVERNMENT OFFICES BUILDING, 166-174 HING FONG ROAD, KWAI CHUNG, NEW TERRITORIES.

ANY PERSON OBJECTING TO THE PROPOSAL MUST SEND HIS OBJECTION IN WRITING TO THE SECRETARY FOR TRANSPORT NOT LATER THAN JANUARY 25 NEXT YEAR DESCRIBING HIS INTEREST AND THE MANNER IN WHICH HE ALLEGES HE WILL BE AFFECTED BY THE PROPOSAL.

NORTH WEST TSING YI INTERCHANGE  
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THE HIGHWAYS DEPARTMENT IS INVITING APPLICATIONS FROM SUITABLE CONTRACTORS OR JOINT VENTURE PARTNERSHIPS TO PREQUALIFY FOR TENDERING FOR THE CONSTRUCTION OF THE NORTH WEST TSING YI INTERCHANGE.

THE CONTRACT IS ONE OF THE MAIN CIVIL ENGINEERING CONTRACTS FOR THE AIRPORT CORE PROGRAMME.

IT COMPRISES THE CONSTRUCTION OF AN ELEVATED INTERCHANGE CONNECTING THE TSING MA BRIDGE WITH THE ROUTE 3, A PORTION OF THE AIRPORT RAILWAY CUT AND COVER TUNNEL AND AN ADMINISTRATION BUILDING HOUSING THE TRAFFIC CONTROL AND SURVEILLANCE SYSTEM FOR THE LANTAU FIXED CROSSING AND ASSOCIATED PARTS OF ROUTE 3.

THE WORKS ARE EXPECTED TO START IN AUGUST NEXT YEAR FOR COMPLETION BY APRIL 1997.

DETAILS OF THE PREQUALIFICATION INVITATION WERE GAZETTED TODAY (FRIDAY).

CONTRACTORS OR JOINT VENTURES WITH RELEVANT EXPERIENCE AND EXPERTISE ARE INVITED TO APPLY FOR PREQUALIFICATION.

PREQUALIFICATION DOCUMENTS MAY BE OBTAINED FROM THE DEPARTMENT'S CONSULTANTS: THE PROJECT CO-ORDINATOR, ROUTE 3 PROJECT, SPHW CONSULTANTS, 38TH FLOOR, METROPLAZA TOWER 1, 223 HING FONG ROAD, KWAI FONG, HONG KONG.

ENQUIRIES CAN BE MADE ON TEL 428 8866.

APPLICATIONS FOR PREQUALIFICATION SHOULD BE SUBMITTED BY NOON ON DECEMBER 24.

FOLLOWING THE PREQUALIFICATION EXERCISE, HIGHWAYS DEPARTMENT WILL INVITE TENDERS FROM PREQUALIFIED TENDERERS IN MARCH NEXT YEAR.

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ROUND ISLAND YACHT RACE ON SUNDAY  
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THE MARINE DEPARTMENT ANNOUNCED TODAY (FRIDAY) THAT A YACHT RACE WILL TAKE PLACE ROUND HONG KONG ISLAND IN A CLOCKWISE DIRECTION DURING DAY TIME ON SUNDAY (NOVEMBER 28).

A DEPARTMENT SPOKESMAN SAID THE RACE WOULD START AND FINISH OFF AT KELLET ISLAND IN CAUSEWAY BAY, AND THAT ABOUT 200 YACHTS INCLUDING SEVEN WINDSURFERS ARE EXPECTED TO PARTICIPATE.

HE URGED THAT MASTERS, COXSWAINS AND THOSE IN CHARGE OF VESSELS NAVIGATING NEARBY TO EXERCISE WITH CARE AND PROCEED WITH CAUTION, GIVING CONSIDERATION TO THE CONTESTANTS.

COMPLIANCE WITH THE PROVISIONS OF THE INTERNATIONAL REGULATIONS OF PREVENTING COLLISIONS AT SEA, 1972 IS MANDATORY, HE SAID.

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FRIDAY, NOVEMBER 26, 1993

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267 RETURN TO VIETNAM

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A GROUP OF 267 VIETNAMESE MIGRANTS TODAY (FRIDAY) RETURNED TO VIETNAM UNDER THE UNHCR'S VOLUNTARY REPATRIATION PROGRAMME.

COMPRISING 92 MEN, 79 WOMEN, 45 BOYS AND 51 GIRLS, THEY WERE THE 181ST BATCH TO GO BACK UNDER THE PROGRAMME.

THIS GROUP BROUGHT TO 10,080 THE TOTAL NUMBER OF VIETNAMESE MIGRANTS WHO HAVE RETURNED VOLUNTARILY THIS YEAR, AND TO 36,392 THE TOTAL NUMBER OF RETURNEES SINCE THE PROGRAMME STARTED IN MARCH 1989.

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METHADONE CLINIC MOVES

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THE YAU MA TEI METHADONE CLINIC WILL MOVE TO LEVEL 3 OF THE YAU MA TEI SPECIALIST CLINIC EXTENSION, 143 BATTERY STREET NEXT WEDNESDAY (DECEMBER 1).

IT WILL BE OPEN FROM 6 PM TO 10 PM, MONDAY TO SUNDAY, INCLUDING PUBLIC HOLIDAYS.

THE NEW TELEPHONE ENQUIRY NUMBER IS 770 2584.

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HONG KONG GOVERNMENT EXCHANGE FUND  
MONEY MARKET OPERATIONS

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	\$ MILLION
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OPENING BALANCE IN THE ACCOUNT	2,880
REVERSAL OF LAF	+120
BALANCE AFTER REVERSL OF LAF	3,000
NET INJECTION/WITHDRAWAL TODAY	NIL
EFFECT OF LAF TODAY	+765
CLOSING BALANCE IN THE ACCOUNT	3,765
LAF RATE 2.00 BID/4.00 OFFER TWI 113.7 *+0.0* 26.11.1993	

/HONG KONG .....

FRIDAY, NOVEMBER 26, 1993

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HONG KONG GOVERNMENT EXCHANGE FUND

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.18 PCT	15 MONTHS	2502	4.75	101.36	3.63
1 MONTH	3.02 PCT	18 MONTHS	2505	3.75	99.83	3.91
3 MONTHS	3.05 PCT	21 MONTHS	2508	4.625	100.94	4.09
6 MONTHS	3.17 PCT	24 MONTHS	2511	4.15	99.87	4.26
12 MONTHS	3.49 PCT	35 MONTHS	3610	4.20	98.71	4.73

TOTAL TURNOVER OF BILLS AND BONDS - 19,524 MN

CLOSED 26 NOVEMBER 1993

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