



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL: 842 8777

MONDAY, MAY 27, 1991

<u>CONTENTS</u>	<u>PAGE NO.</u>
JAPANESE MANUFACTURERS FIND EXPANDING OPERATIONS IN HK PROFITABLE	1
TRANSPORT OFFICIALS VISIT CHINA	2
TUEN MUN FAST DEVELOPING INTO MANUFACTURING AND DISTRIBUTION CENTRE ...	2
TEXTILES FACTORY'S ANTI-POLLUTION EFFORTS PRAISED	3
HONG KONG GOVERNMENT EXCHANGE FUND MONEY MARKET OPERATIONS	4
LEGCO TO DEBATE ON INFLATION ON WEDNESDAY	6
THREE DB'S ELECT REPRESENTATIVES TO RC	7
IMMIGRATION DEPARTMENT OFFICES ON MOVE	7
WINNERS OF COMMERCIAL SUBJECTS PROJECT COMPETITION TO RECEIVE PRIZES ..	8

MONDAY, MAY 27, 1991

- 1 -

JAPANESE MANUFACTURERS FIND EXPANDING OPERATIONS IN HK PROFITABLE
* * * * *

MANY JAPANESE MANUFACTURERS HAVE FOUND IT PROFITABLE TO EXPAND THEIR OPERATIONS SOON AFTER LOCATING TO HONG KONG, THE ACTING DIRECTOR OF INDUSTRY, MR WILFRED WONG, SAID THIS (MONDAY) EVENING.

MR WONG SAID THESE COMPANIES EITHER INCREASED THEIR PRODUCTION CAPACITY, ADOPTED NEW OR ADVANCED PRODUCTION TECHNIQUES AND MACHINERY, OR PROCEEDED ON TO THE PRODUCTION OF ENTIRELY NEW LINES OF PRODUCT.

SPEAKING AT THE 10TH ANNIVERSARY CELEBRATIONS OF DAIDO CONCRETE (HONG KONG) LIMITED, HE SAID: "THE COMPANY IS A SHINING EXAMPLE OF JAPANESE FORESIGHT AND ENTERPRISE, AND OF A HIGHLY SUCCESSFUL INVESTMENT IN HONG KONG'S MANUFACTURING INDUSTRY."

MR WONG SAID THE READINESS OF JAPANESE MANUFACTURERS TO EXPAND THEIR BUSINESS IN HONG KONG WAS DUE LARGELY TO THEIR FIRST-HAND KNOWLEDGE OF THE ABUNDANT OPPORTUNITIES AVAILABLE HERE.

HE SAID RE-INVESTMENT BY COMPANIES ALREADY ESTABLISHED IN HONG KONG HAD PARTICULAR SIGNIFICANCE.

"FIRST, THIS REFLECTS THEIR CONFIDENCE IN THE CAPABILITIES AND SKILLS OF OUR LABOUR FORCE IN MASTERING NEW TECHNOLOGY.

"SECOND, THE TRANSFER OF USEFUL TECHNOLOGIES HAS HELPED BROADEN OUR INDUSTRIAL BASE AND UPGRADE THE TECHNOLOGY OF THE LOCAL MANUFACTURING COMMUNITY.

"THIRD, FURTHER INVESTMENTS BY OVERSEAS COMPANIES SIGNIFY THAT DESPITE ALL THE PROBLEMS WE MIGHT BE FACING DURING THE TRANSITION, HONG KONG, WITH ITS MANY STRATEGIC ADVANTAGES, IS STILL THE BEST PLACE TO DO BUSINESS IN THE REGION," HE SAID.

MR WONG SAID JAPAN HAD LONG BEEN A SIGNIFICANT SOURCE OF INDUSTRIAL INVESTMENT IN HONG KONG.

THERE WERE 180 MANUFACTURING ESTABLISHMENTS WITH JAPANESE INVESTMENT AND BY THE END OF 1989 THEY ACCOUNTED FOR A CUMULATIVE INVESTMENT OF \$8.6 BILLION, OR 29.1 PER CENT OF TOTAL OVERSEAS INDUSTRIAL INVESTMENT IN HONG KONG, A CLOSE SECOND TO THE USA WHICH ACCOUNTED FOR 31 PER CENT.

MR WONG SAID THE PHENOMENAL GROWTH IN JAPANESE INDUSTRIAL INVESTMENT IN RECENT YEARS WAS ATTRIBUTABLE NOT ONLY TO NEW PROJECTS BUT ALSO TO THE EXPANSION OF EXISTING PLANTS.

"I AND MY COLLEAGUES ARE PRIVILEGED TO BE ABLE TO ASSIST DAIDO CONCRETE (HONG KONG) LIMITED, AND OTHER JAPANESE MANUFACTURERS, IN THEIR EXPANSION PLANS," HE SAID.

- - - - 0 - - - -

MONDAY, MAY 27, 1991

- 2 -

TRANSPORT OFFICIALS VISIT CHINA

* * * * *

THE DEPUTY SECRETARY FOR TRANSPORT, MR ANDREW LEUNG, LEFT HONG KONG THIS (MONDAY) MORNING WITH A DELEGATION OF GOVERNMENT OFFICIALS ON A FACT-FINDING VISIT TO GUANGDONG, CHINA.

THIS VISIT, WHICH WILL LAST UNTIL FRIDAY (MAY 31), FOLLOWS A SIMILAR ONE IN 1989. IT IS TO KEEP UP TO DATE WITH KEY INFRASTRUCTURAL DEVELOPMENTS IN GUANGDONG AND EXCHANGE VIEWS WITH CHINESE OFFICIALS ON MATTERS OF COMMON INTEREST.

THE DELEGATION WILL VISIT A NUMBER OF KEY TRANSPORT INFRASTRUCTURAL FACILITIES IN VARIOUS CITIES INCLUDING ZHUHAI, ZHONGSHAN, FOSHAN, CANTON, DONGGUAN AND SHENZHEN AND WILL MEET THE LOCAL TRANSPORT OFFICIALS IN THOSE CITIES.

- - - - 0 - - - -

TUEN MUN FAST DEVELOPING INTO MANUFACTURING AND DISTRIBUTION CENTRE

* * * * *

WITH AN ABUNDANT SUPPLY OF QUALITY LABOUR IN THE NEIGHBOURHOOD AND EXCELLENT INFRASTRUCTURAL LINKS WITH OTHER PARTS OF HONG KONG AND CHINA, TUEN MUN IS FAST DEVELOPING INTO A MANUFACTURING AND DISTRIBUTION CENTRE OFFERING ADVANTAGES UNPARALLELED BY OTHER INDUSTRIAL AREAS IN THE TERRITORY.

THE ACTING DIRECTOR OF INDUSTRY, MR WILFRED WONG, SAID THIS TODAY (MONDAY) WHEN HE OPENED PHASE III OF THE YKK INDUSTRIAL BUILDING IN TUEN MUN.

HE SAID THE NEED FOR ADDITIONAL HIGH-GRADE INDUSTRIAL ACCOMMODATION TO CATER FOR YKK'S OWN EXPANSION, AND THAT OF TUEN MUN, HAD LED THE COMPANY TO EMBARK ON ITS AMBITIOUS BUILDING PROGRAMME.

"TODAY, THE THREE YKK BUILDINGS STAND OUT AS LANDMARKS IN FULL DEMONSTRATION OF TUEN MUN'S PROMINENCE IN HONG KONG'S INDUSTRIAL ACTIVITIES," HE SAID.

MR WONG SAID WITH HONG KONG MOVING TOWARDS MORE CAPITAL AND TECHNOLOGY-INTENSIVE MANUFACTURING ACTIVITIES, DEMAND FOR HIGH-GRADE FLATTED FACTORY BUILDINGS HAD BEEN INCREASING STEADILY.

"AT THE SAME TIME, THERE ARE INDUSTRIAL ESTABLISHMENTS WHICH FIND IT NO LONGER POSSIBLE TO OPERATE IN ORDINARY MULTI-STORY BUILDINGS," HE SAID.

MR WONG SAID THE GOVERNMENT HAD THEREFORE TAKEN THE INITIATIVE TO PROVIDE INDUSTRIAL ESTATES TO MEET THE CHANGING NEEDS OF INDUSTRY.

/"IN ADDITION

"IN ADDITION TO THE TWO EXISTING ESTATES AT TAI PO AND YUEN LONG, A THIRD INDUSTRIAL ESTATE WITH GOOD DEEP SEA WATER FRONTAGE IN TSEUNG KWAN O IS BEING DEVELOPED, AND THE FIRST PHASE IS EXPECTED TO BE READY BY EARLY 1994.

"WE ANTICIPATE THAT THERE WILL BE INCREASING DEMAND FOR PURPOSE-DESIGNED INDUSTRIAL ESTATES AS HONG KONG'S MANUFACTURING INDUSTRY CONTINUES TO UPGRADE AND AS WE BECOME MORE ENVIRONMENTALLY CONSCIOUS," HE SAID.

MR WONG SAID THE GOVERNMENT WAS AT PRESENT LOOKING INTO THE DEVELOPMENT POTENTIAL OF TUEN MUN AREA 38 AND TIN SHUI WAI RESERVE ZONE.

"POSSIBLE CANDIDATES FOR THESE NEW DEVELOPMENT AREAS INCLUDE SELECTED CHEMICAL PROCESSING INDUSTRIES, WATER-INTENSIVE INDUSTRIES SUCH AS DYEING, BLEACHING, PRINTING AND FINISHING OPERATIONS, AND NEW INDUSTRIES WHICH GOVERNMENT WISHES TO SEE ESTABLISHED IN HONG KONG," HE SAID.

- - - - 0 - - - -

TEXTILES FACTORY'S ANTI-POLLUTION EFFORTS PRAISED

* * * * *

THE SECRETARY FOR EDUCATION AND MANPOWER (DESIGNATE), MR JOHN CHAN, TODAY (MONDAY) PRAISED A LOCAL TEXTILES FACTORY FOR ITS EFFORTS IN MITIGATING POLLUTION PROBLEMS.

SPEAKING AT THE OPENING OF TAI HING COTTON MILL LTD'S NEW FACTORY IN TUEN MUN, MR CHAN SAID IT HAD SET A GOOD EXAMPLE FOR LOCAL INDUSTRIALISTS BY INVESTING IN NEW EQUIPMENT WHICH ENABLED IT TO MEET THE NEW DISCHARGE REQUIREMENTS FOR THE HUGE AMOUNT OF WATER CONSUMED BY ITS DYEING FACILITIES.

HE SAID THE NEW FACTORY BUILDING WAS ITSELF A MAJOR INVESTMENT, DEMONSTRATING TAI HING'S CONFIDENCE IN AND COMMITMENT TO HONG KONG'S FUTURE.

HE SAID THE CURRENT PROJECT BY TAI HING TO HOUSE ALL MANUFACTURING OPERATIONS IN THE SAME BUILDING WAS MORE THAN AN EXERCISE IN CENTRALISATION - IT INVOLVED A SUBSTANTIAL REPLACEMENT OF OUTDATED SPINNING MACHINES BY MODERN ONES.

"THIS IS IN LINE WITH WHAT THE GOVERNMENT HAS BEEN ENCOURAGING INDUSTRIALISTS TO PURSUE IN UPGRADING TECHNOLOGY AND PRODUCING HIGHER-VALUE ADDED PRODUCTS," HE SAID.

MR CHAN SAID THE GOVERNMENT REMAINED COMMITTED TO SUPPORTING THE TEXTILES AND CLOTHING INDUSTRY, AND HONG KONG'S MANUFACTURING INDUSTRY IN GENERAL, IN ORDER TO MAINTAIN AND IMPROVE THEIR COMPETITIVE EDGE.

/HE SAID

MONDAY, MAY 27, 1991

- 4 -

HE SAID IN VIEW OF CHANGING REGIONAL AND GLOBAL TRENDS A TECHNO-ECONOMIC AND MARKET RESEARCH STUDY OF THE TEXTILES AND CLOTHING INDUSTRY WAS COMMISSIONED BY THE INDUSTRY DEVELOPMENT BOARD IN JANUARY THIS YEAR.

"IT WILL BE COMPLETED IN A COUPLE OF MONTHS FROM NOW. THE STUDY WILL HELP TO ASSESS THE STRENGTHS AND WEAKNESSES OF THE INDUSTRY AND RECOMMEND HOW INDUSTRIALISTS CAN TAP THE OPPORTUNITIES.

"I HOPE THAT THE RESULTS OF THE STUDY WILL ASSIST BOTH INDUSTRIALISTS AND GOVERNMENT IN MAPPING OUT THE BEST STRATEGIES FOR IMPROVING PERFORMANCE," HE SAID.

IN THE FIELD OF MANPOWER TRAINING, MR CHAN SAID THE HONG KONG POLYTECHNIC WOULD INTRODUCE A NEW BACHELOR OF SCIENCE DEGREE COURSE ON TEXTILE CHEMISTRY IN THE COMING SEMESTER. THE AIM WAS TO UPGRADE THE KNOWLEDGE AND QUALIFICATIONS OF TECHNOLOGISTS IN THE TEXTILE FINISHING SECTOR.

"MEANWHILE, THE NEWLY-FORMED TEXTILES AND APPAREL DIVISION OF THE HONG KONG PRODUCTIVITY COUNCIL HAS LAUNCHED A PILOT TEXTILES/APPAREL LINKAGE SERVICE TO PROMOTE A BETTER UNDERSTANDING OF THE NEEDS AND PROBLEMS OF VARIOUS SUB-SECTORS WITHIN THE INDUSTRY.

"I TRUST THAT ALL THESE INITIATIVES WILL HELP STRENGTHEN THE COMPETITIVENESS OF ONE OF HONG KONG'S MOST IMPORTANT MANUFACTURING INDUSTRIES," HE SAID.

- - - - 0 - - - -

HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS

HKEF

* * * * *

	DATE	\$ MILLION
	----	-----
CLOSING BALANCE IN THE ACCOUNT ON	25.5.91	380
EFFECT OF FORWARDS TO BE SETTLED ON	27.5.91	NEUTRAL
EFFECT OF OPERATIONS THIS MORNING		NEUTRAL
EFFECT OF OPERATIONS THIS AFTERNOON		NEUTRAL
TRADE WEIGHTED INDEX 112.8 *+0.1* 27.5.91		

/HONG KONG

HONG KONG GOVERNMENT EXCHANGE FUND
91-DAY EXCHANGE FUND BILLS

HKEI

ISSUE NUMBER -----	MATURING ON -----	OUTSTANDING \$ MILLION -----	
Q115	10.7.91	400	+80
Q116	17.7.91	370	+110
Q117	24.7.91	398.5	+81.5
Q118	31.7.91	480	+0
Q119	7.8.91	438.5	+41.5
Q120	14.8.91	370	+110
Q121	21.8.91	420	+60
Q109	29.5.91	820.5	-340.5
Q110	5.6.91	350	+130
Q111	12.6.91	414	+66
Q112	19.6.91	420	+60
Q113	26.6.91	380	+100
Q114	3.7.91	540	-60

HONG KONG GOVERNMENT EXCHANGE FUND
182-DAY EXCHANGE FUND BILLS

HKEJ

ISSUE NUMBER -----	MATURING ON -----	OUTSTANDING \$ MILLION -----	
H164	13.11.91	100	+160
H003	29.5.91	230	+30
H004	12.6.91	190	+70
H005	26.6.91	230	+30
H101	10.7.91	133	+127
H156	24.7.91	170	+90
H157	7.8.91	149.5	+110.5
H158	21.8.91	190	+70
H159	4.9.91	150	+110
H160	18.9.91	290	-30
H161	2.10.91	130	+130
H162	17.10.91	124	+136
H163	30.10.91	140	+120

/HONG KONG

HONG KONG GOVERNMENT EXCHANGE FUND
364-DAY EXCHANGE FUND BILLS

HKEK

ISSUE NUMBER -----	MATURING ON -----	OUTSTANDING \$ MILLION -----	
Y187	26.2.92	210	+50
Y188	25.3.92	150	+110
Y189	22.4.92	180	+80
Y190	20.5.92	220	+40

AVERAGE DAILY TRANSFER FOR WEEK ENDING 24.5.91 WAS 3,588 MN

----- 0 -----

LEGCO TO DEBATE ON INFLATION ON WEDNESDAY

* * * * *

MEMBERS OF THE LEGISLATIVE COUNCIL WILL ASK A TOTAL OF FOUR QUESTIONS AND CONSIDER 14 BILLS AT THE COUNCIL'S MEETING ON WEDNESDAY (MAY 29).

OF THE 14 BILLS, FIVE WILL BE INTRODUCED FOR FIRST AND SECOND READINGS. DEBATES ON THEM WILL BE ADJOURNED.

THEY ARE THE LAW AMENDMENT AND REFORM (CONSOLIDATION) (AMENDMENT) BILL 1991, ROAD TRAFFIC (AMENDMENT) (NO. 2) BILL 1991, FIXED PENALTY (TRAFFIC CONTRAVENTIONS) (AMENDMENT) BILL 1991, ROAD TUNNELS (GOVERNMENT) (AMENDMENT) BILL 1991 AND SUPPLEMENTARY MEDICAL PROFESSIONS (AMENDMENT) BILL 1991.

DEBATES ON THE OTHER NINE BILLS WILL BE RESUMED AND EACH IS DUE TO GO THROUGH THE COMMITTEE STAGE AND BE GIVEN A THIRD READING.

THE BILLS ARE THE LOANS (AMENDMENT) BILL 1991, INLAND REVENUE (AMENDMENT) (NO. 4) BILL 1991, STAMP DUTY (AMENDMENT) (NO. 2) BILL 1991, ADMINISTRATION OF JUSTICE (FELONIES AND MISDEMEANOURS) BILL 1991, HONG KONG WAR MEMORIAL PENSIONS BILL 1991, IMMIGRATION (AMENDMENT) BILL 1991, EDUCATION (AMENDMENT) BILL 1991, EMPLOYEES COMPENSATION ASSISTANCE BILL 1991 AND PENSIONS (SPECIAL PROVISIONS) (VOCATIONAL TRAINING COUNCIL) BILL 1991.

IN ADDITION, THE HON LAU WAH-SUM WILL MOVE A MOTION ON INFLATION. THE MOTION READS:

"IN VIEW OF THE PERSISTENTLY HIGH RATE OF INFLATION AND IN PARTICULAR ITS RISING TREND IN THE PAST FEW MONTHS, AND THE GROWING IMPACT OF THE PROBLEM ON OUR ECONOMIC DEVELOPMENT AND SOCIAL STABILITY, THIS COUNCIL URGES THE GOVERNMENT TO TAKE IMMEDIATE STEPS, AS A MATTER OF GREAT URGENCY, TO REDUCE THE CURRENT RATE OF INFLATION".

MEMBERS OF THE PUBLIC ARE WELCOME TO OBSERVE THE PROCEEDINGS OF THE LEGISLATIVE COUNCIL SITTING AND THEY MAY MAKE RESERVATIONS FOR SEATS IN THE PUBLIC GALLERIES BY TELEPHONING 844 0899.

----- 0 -----

MONDAY, MAY 27, 1991

- 7 -

THREE DB'S ELECT REPRESENTATIVES TO RC
* * * * *

THREE DISTRICT BOARDS ELECTED THEIR REPRESENTATIVES TO THE REGIONAL COUNCIL TODAY (MONDAY).

THEY ARE:

DISTRICT BOARD	REPRESENTATIVE TO RC
SHA TIN	MR WONG LUEN-KIN
SAI KUNG	MR WAN YUET-KAU
ISLANDS	MR CHOW YUK-TONG

- - - - 0 - - - -

IMMIGRATION DEPARTMENT OFFICES ON MOVE
* * * * *

THE IMMIGRATION DEPARTMENT'S CHINESE EXTENSION SECTION AND REGISTRATION OF PERSONS - QUEENSWAY OFFICE, CURRENTLY SITUATED AT NEW RODNEY BLOCK, 99 QUEENSWAY, HONG KONG WILL BE REPROVISIONED TO MA TAU KOK ROAD GOVERNMENT OFFICES, 1 MA TAU KOK ROAD, KOWLOON FROM JUNE 10.

A DEPARTMENT SPOKESMAN SAID TODAY (MONDAY) THAT THE QUEENSWAY OFFICE WILL BE RENAMED MA TAU WAI OFFICE UPON REMOVAL.

THE CHINESE EXTENSION SECTION WILL CONTINUE TO ACCEPT APPLICATIONS FOR EXTENSION OF STAY, RE-ENTRY VISAS, UNCONDITIONAL STAY, DOCUMENTS OF IDENTITY AND OTHER IMMIGRATION FACILITIES FROM ENTRANTS FROM CHINA HOLDING ONE-WAY CHINESE EXIT PERMITS.

THE REGISTRATION OF NEW ARRIVALS WITH CHINESE EXIT PERMITS AND REPLACEMENT OF IDENTITY CARDS FOR HOLDERS OF CHINESE EXIT PERMITS AFTER OBTAINING UNCONDITIONAL STAY FROM THE CHINESE EXTENSION SECTION WILL REMAIN AVAILABLE AT THE REGISTRATION OF PERSONS - MA TAU WAI OFFICE.

MEMBERS OF THE PUBLIC MAY TELEPHONE 824 6111 FOR ENQUIRIES.

- - - - 0 - - - -

MONDAY, MAY 27, 1991

- 8 -

WINNERS OF COMMERCIAL SUBJECTS PROJECT COMPETITION TO RECEIVE PRIZES
* * * * *

SECONDARY SCHOOL STUDENTS WHO WON THE 1991 COMMERCIAL SUBJECTS PROJECT COMPETITION WILL RECEIVE PRIZES AT A PRESENTATION CEREMONY TOMORROW (TUESDAY).

THE ASSISTANT DIRECTOR OF EDUCATION (CHIEF INSPECTOR OF SCHOOLS), MR WONG SIK-WAH, AND THE PRESIDENT OF THE CHINESE GOLD AND SILVER EXCHANGE SOCIETY, MR ZEE KWOH-KUNG, WILL OFFICIATE.

THE COMMERCIAL SUBJECTS PROJECT COMPETITION, WHICH MADE ITS DEBUT IN 1983, WAS ORGANISED BY THE EDUCATION DEPARTMENT AND THE CHINESE GOLD AND SILVER EXCHANGE SOCIETY TO AROUSE STUDENTS' INTEREST IN ECONOMIC ACTIVITIES.

THE THEME OF THIS YEAR'S COMPETITION WAS "THE CHANGING PHASES OF COMMERCE IN HONG KONG".

THE PROJECTS WERE PRESENTED IN THE FORM OF AN ESSAY, MODELS, PHOTOGRAPHS, DRAWINGS, SLIDES AND SOUND TAPES OR A COMBINATION OF THESE METHODS.

THE COMPETITION WAS OPEN TO STUDENTS TAKING COMMERCIAL SUBJECTS AT SENIOR SECONDARY LEVEL.

- - - - -

ATTENTION NEWS EDITORS:

YOU ARE INVITED TO SEND REPRESENTATIVES TO COVER THE PRIZE PRESENTATION CEREMONY OF THE COMMERCIAL SUBJECTS PROJECT COMPETITION TO BE HELD AT THE EXCELSIOR HOTEL, MARINA ROOM 1, SECOND FLOOR, GLOUCESTER ROAD, CAUSEWAY BAY, AT 3.30 PM TOMORROW (TUESDAY).

- - - - 0 - - - -