



DAILY INFORMATION BULLETIN

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Financial Secretary meets President Soeharto

The Financial Secretary, Mr Donald Tsang, today (Tuesday) paid a courtesy call on President Soeharto of Indonesia and they exchanged views on issues of mutual interest. Mr Tsang also updated the President on the latest development in the territory as well as the preparatory work leading up to the changeover of sovereignty in 1997.

Today's call on President Soeharto concluded the Financial Secretary's visit to Indonesia, which is part of the Hong Kong Government's on-going efforts to strengthen ties between Hong Kong and other members of the Asia-Pacific Economic Co-operation (APEC).

Mr Tsang, being the Hong Kong APEC leader, visited other APEC member economies, Singapore, Malaysia and Thailand, earlier this year.

Yesterday, Mr Tsang held separate meetings with the Minister of Finance, H.E. Mar'ie Muhammad; the Minister of Foreign Affairs, H.E. Ali Alatas; and the Minister of Trade and Industry, H.E. Tungky Ariwibowo. He called on the Governor of Bank Indonesia, H.E. Soedradjad Djiwandono, and the President of the Jakarta Stock Exchange, Mr Cyril Noerhadi.

Earlier this morning, Mr Tsang attended a breakfast meeting hosted by the President of the Indonesian Chamber of Commerce and Industry, Mr Aburizal Bakrie.

Mr Tsang will leave Jakarta for Wellington and Auckland in New Zealand this evening.

End

Tate's Cairn Tunnel toll increase application endorsed

The Transport Advisory Committee (TAC) today (Tuesday) endorsed the application for an average increase of 30 per cent in tolls by the Tate's Cairn Tunnel Company (TCTC).

In making the recommendation, TAC members took into account the financial problems, the expected toll increase in the original project proposal and accumulated loss of TCTC.

However, members of the Committee requested the tunnel company to submit a comprehensive business plan to the Administration by November. The plan should embrace measures to reduce expenditure, increase revenue including non-toll revenue, improve air quality of the tunnel and fine tune longer term financial management.

The proposed new tolls compared with existing ones are:

<u>Vehicles</u>	<u>Existing toll</u>	<u>Proposed toll</u>
Private cars, taxis & motorcycles	\$6	\$8
Light buses and light goods vehicles	\$10	\$13
Medium & heavy goods vehicle and buses	\$15	\$20
Extra axle	\$5	\$7

End

KCRC chairman not to seek further term

* * * * *

The Government today (Tuesday) announced that the Chairman and Chief Executive of the Kowloon-Canton Railway Corporation (KCRC), Mr Kevin Hyde, has notified the Government of his decision not to seek another term when his current contract expires on December 23.

The Administration fully respects Mr Hyde's decision and is now engaging a consultant firm to look for his successor.

Mr Hyde joined KCRC as Chairman and Chief Executive on December 24, 1990. He is now serving his second three-year term.

The Secretary for Transport, Mr Gordon Siu, said Mr Hyde had performed well as Chairman and Chief Executive of the Corporation and had given the Corporation a clear sense of direction and commitment.

During his tenure, the Corporation has made significant progress in customer service, safety, reliability, training and development.

End

Feasibility study on inter-district bus-only lanes

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The Transport Department today (Tuesday) commissioned Atkins Haswell Consultants to carry out a \$4.6 million feasibility study on inter-district bus-only lanes.

The study is prompted by the Report of the Working Group on Measures to Address Traffic Congestion published in November 1994.

Analysis of the responses to the report reveals strong public support for more extensive public transport priority schemes.

A spokesman for the department said: "As existing bus-only lanes are usually confined to a local district, journey time for related bus routes can only be marginally improved.

"We therefore propose to introduce inter-district bus-only lanes covering major traffic corridors in the territory to further enhance the efficiency of bus services."

The consultant will assess the feasibility of inter-district bus-only lanes on major corridors which rely mainly on bus services.

They will also make recommendations on the design of bus-only lanes and the complementary traffic management schemes.

The feasibility study will take about 17 months for completion in early 1998.

The following major traffic corridors have been pre-selected for the study:

- * Aberdeen - Wan Chai - Central;
- * Kwun Tong - To Kwa Wan/Hung Hom - Tsim Sha Tsui;
- * Tseung Kwan O - Kwun Tong;
- * Sheung Shui - Sha Tin - Tsim Sha Tsui;
- * Tuen Mun - Kwai Chung - Tsim Sha Tsui; and
- * Tsing Yi - Kwai Chung.

"The two corridors between Aberdeen and Central; and between Kwun Tong and Tsim Sha Tsui will be the initial focus of the study.

"One of which will be identified for early implementation in mid-1997," the spokesman added.

End

Easy access bus service extends to Hong Kong Island

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The Transport Department announces that an air-conditioned single-deck low-floor bus equipped with ramp and wheelchair space will be put to service on Citybus Route 76 from tomorrow (Wednesday).

This is the second bus route providing such facilities for disabled people following the trial scheme of "easy access" bus service on KMB 88K from June 15.

The easy access bus of Citybus Route 76, running between Shek Pai Wan and Moreton Terrace in Causeway Bay, will be operated at 90-minute interval between 6 am and 6 pm at Shek Pai Wan and between 6.45 am and 6.45 pm at Moreton Terrace daily.

The bus fares are the same as those for ordinary buses.

It is extra to the normal schedule with a view to strengthening the service of Citybus Route 76.

End

Provisional statistics of retail sales for June

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The value of total retail sales in June 1996, estimated at \$17.5 billion, increased by 6% when compared with June 1995, according to the provisional figures released today (Tuesday) by the Census and Statistics Department.

After discounting the effect of price changes over the period, total retail sales increased by 1% in volume.

Compared with a year ago, sales in department stores increased by 12% in value and 7% in volume, after registering year-on-year decreases for two consecutive months. Sales in supermarkets also went up by 9% in value and 3% in volume, after year-on-year increases of similar magnitude in May.

Concurrently, sales of most of the other commodities also recorded increases in both value and volume terms. These included motor vehicles (3% in both value and volume); consumer durable goods other than motor vehicles (4% in value and 3% in volume); miscellaneous consumer goods (8% in value and 2% in volume); clothing and footwear (9% in value and 2% in volume); and food, alcoholic drinks and tobacco (6% in value and 1% in volume).

On the other hand, sales of jewellery, watches and clocks and valuable gifts registered 1% increase in value but 2% decline in volume.

Sales of fuels decreased by 6% in value and 13% in volume. This drop in sales of fuels sold in retail outlets was due to a change in consumption preference, as patronage of fuel gas distributed through systems of mains became increasingly popular.

Compared with May 1996 (but bearing in mind that this comparison is affected by seasonal factors), total retail sales in June 1996 decreased by 2% in both value and volume.

Comparing the period from January to June 1996 with the same period in 1995, total retail sales rose by 5% in value and 0.4% in volume. This represented an improvement from the decline of about 1% in volume in 1995.

The volume of retail sales is derived from the value of retail sales after adjusting for price changes. The relevant components of the consumer price index are used as deflators.

Table 1 presents the revised total retail sales figure for May 1996 and the provisional figure for June 1996.

Table 2 shows the value and volume indices of retail sales in June 1995, May 1996 and June 1996 for all retail outlets and by type of retail outlets, with average retail sales from October 1994 to September 1995 taken as 100.

Comparisons of the June 1996 results with those for May 1996 and those for June 1995, as well as comparison of retail sales in the period from January to June of 1996 with the same period in 1995 are also given.

The report containing the analysis of the June 1996 results is now on sale at \$4 per copy at the Government Publications Centre, Queensway Government Offices, ground floor, Low Block, 66 Queensway; and the Publications Unit of the Census and Statistics Department, 19th floor, Wanchai Tower, 12 Harbour Road, Wan Chai.

Enquiries about the survey results may be directed to the Wholesale and Retail Trade Statistics Section of the Census and Statistics Department, Tel 2802 1258.

TABLE 1 : TOTAL RETAIL SALES

Total Retail Sales for June 1996 (Provisional Figure) = HK\$17,514.5 million
for May 1996 (Revised Figure) = HK\$17,833.2 million

TABLE 2 : VALUE AND VOLUME INDICES OF RETAIL SALES FOR JUNE 1995, MAY AND JUNE 1996

(Monthly average of Oct 94 - Sept 95 = 100)

Type of Outlet	Type of Index	Index Number			% Change		
		June 1995 (Revised figures)	May 1996 (Revised figures)	June 1996 (Provisional figures)	Jun 1996 compared with May 1996	Jun 1996 compared with Jun 1995	Jan - Jun 1996 compared with Jan - Jun 1995
		(Point)	(Point)	(Point)	(%)	(%)	(%)
(A) FOR ALL RETAIL OUTLETS							
	Value	95.2	102.7	<u>100.9</u>	-1.8	+6.0	+5.4
	Volume	93.2	96.3	<u>94.5</u>	-1.9	+1.4	+0.4
(B) BY TYPE OF RETAIL OUTLETS							
Food, alcoholic drinks and tobacco (other than supermarkets)	Value	96.1	109.9	102.2	-7.0	+6.4	+8.0
	Volume	96.2	106.3	96.8	-9.0	+0.6	+2.9
Supermarkets ϕ	Value	106.6	106.0	116.1	+9.5	+8.9	+8.7
	Volume	104.4	98.7	107.6	+9.0	+3.1	+1.9
Fuels	Value	113.2	104.6	106.3	+1.6	-6.1	+2.3
	Volume	111.3	95.2	<u>96.6</u>	+1.5	-13.2	-4.8
Clothing, footwear and allied products	Value	92.7	117.2	100.6	-14.1	+8.6	+12.7
	Volume	87.7	102.9	89.2	-13.4	+1.7	+4.7
Consumer durable goods	Value	88.8	96.7	92.0	-4.8	+3.6	-2.6
	Volume	88.2	95.5	90.9	-4.8	+3.1	-3.3
- Motor vehicles and parts	Value	78.8	86.0	81.3	-5.4	+3.2	-16.5
	Volume	78.3	85.4	80.8	-5.4	+3.2	-16.4
- Consumer durable goods other than motor vehicles and parts	Value	94.9	103.1	98.5	-4.4	+3.9	+5.4
	Volume	94.2	101.6	97.0	-4.5	+2.9	+4.2
Department stores	Value	90.9	94.5	101.5	+7.4	+11.7	+3.8
	Volume	87.0	86.3	92.8	+7.6	+6.7	-1.5
Jewellery, watches and clocks, and valuable gifts	Value	96.0	95.2	96.6	+1.5	+0.5	+0.5
	Volume	94.8	91.6	93.1	+1.7	-1.7	-4.2
Other consumer goods not elsewhere classified	Value	95.4	100.6	102.6	+2.0	+7.5	+9.8
	Volume	94.7	95.4	96.9	+1.5	+2.2	+4.9

NOTE : ϕ Not including supermarkets operating in department stores.
The underlined figures were rounded up to 5.

Fee for Crown rent account enquiry revised

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The fee for enquiry of a Crown rent account maintained by the Treasury will be revised from \$60 to \$80 with effect from August 31, the Director of Accounting Services announced today (Tuesday).

The revision is to recover the costs incurred in providing such service.

End

Water storage figure

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Storage in Hong Kong's reservoirs at 9 am today (Tuesday) stood at 96.2 per cent of capacity or 563.636 million cubic metres.

This time last year the reservoirs contained 541.699 million cubic metres of water, representing 92.4 per cent of capacity.

End

Hong Kong Monetary Authority tender results

* * * * *

Tender date	27 Aug 1996	27 Aug 1996
Paper on offer	EF bills	EF bills
Issue number	Q635	H672
Issue date	28 Aug 1996	28 Aug 1996
Maturity date	27 Nov 1996	26 Feb 1997
Coupon	-	-
Amount applied	HK\$4,680 MN	HK\$3,640 MN
Amount allotted	HK\$1,500 MN	HK\$800 MN
Average yield accepted	5.14 PCT	5.30 PCT
Highest yield accepted	5.15 PCT	5.32 PCT
Pro rata ratio	About 39 PCT	About 9 PCT
Average tender yield	5.16 PCT	5.33 PCT

Hong Kong Monetary Authority

Tenders to be held in the week beginning 2 Sept 1996

Tender date	3 Sept 1996	3 Sept 1996
Paper on offer	EF bills	EF bills
Issue number	Q636	Y693
Issue date	4 Sept 1996	4 Sept 1996
Maturity date	4 Dec 1996	3 Sept 1997
Tenor	91 days	364 days
Amount on offer	HK\$1,500+300MN	HK\$500+150MN

End

Hong Kong Monetary Authority money market operations

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	<u>\$ million</u>	<u>Time (hours)</u>	<u>Cumulative change (\$million)</u>
Opening balance in the account	2,259	0930	-299
Closing balance in the account	1,937	1000	-299
Change attributable to :		1100	-299
Money market activity	-300	1200	-300
LAF today	-22	1500	-300
		1600	-300

LAF rate 4.00% bid/6.00% offer TWI 123.7 *-0.2* 27.8.96

Hong Kong Monetary Authority

EF bills		EF notes/MTRC				
Terms	Yield	Term	Issue	Coupon	Price	Yield
1 week	4.98	2 years	2808	6.00	99.63	6.30
1 month	5.02	3 years	3907	6.80	100.55	6.69
3 months	5.15	5 years	5106	7.23	100.21	7.30
6 months	5.31	7 years	7308	7.24	98.48	7.66
12 months	5.65	5 years	M503	7.35	99.16	7.70

Total turnover of EF bills and notes - \$8,918 million

Closed August 27, 1996

End