



DAILY INFORMATION BULLETIN

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THURSDAY, APRIL 2, 1992

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THURSDAY, APRIL 2, 1992

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GOVT CONFIDENT OF CONTROLLING ACP COSTS: FS

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THE GOVERNMENT IS CONFIDENT THAT PROJECT COSTS IN BUILDING THE NEW AIRPORT AT CHEK LAP KOK AND RELATED PROJECTS WILL BE KEPT UNDER CONTROL, THE FINANCIAL SECRETARY, MR HAMISH MACLEOD, SAID TODAY (THURSDAY).

IN A STATEMENT AT A PRESS CONFERENCE ON THE UPDATED COST ESTIMATE OF \$112.2 BILLION FOR THE AIRPORT CORE PROGRAMME (ACP), MR MACLEOD SAID A COMPREHENSIVE PROJECT MANAGEMENT AND CASH-LIMITING COST-CONTROL SYSTEM WAS IN PLACE.

"WE ARE ALSO USING FIXED PRICE LUMP SUM CONTRACTS AS FAR AS POSSIBLE AND THIS PROTECTS US AGAINST UNFORESEEN COST INCREASES DURING CONSTRUCTION," HE SAID.

EXPLAINING THE 13.8-PER-CENT INCREASE IN THE OVERALL COST ESTIMATE FROM \$98.6 BILLION, MR MACLEOD SAID SINCE LAST JULY THERE HAD BEEN EXTENSIVE ANALYSIS OF THE REQUIREMENTS AND DESIGNS OF VARIOUS PROJECTS.

NEGOTIATIONS HAD ALSO BEEN HELD WITH THE PROVISIONAL AIRPORT AUTHORITY (PAA) AND THE MASS TRANSIT RAILWAY CORPORATION (MTRC) TO AGREE WHAT SORT OF SUPPORT THEY NEEDED TO OBTAIN PRIVATE SECTOR FINANCING.

THE INCREASES SHOWN IN THE NEW UPDATE AROSE FROM SOME DESIGN CHANGES, PLUS REFINEMENT OF THE ESTIMATES. FIGURES WERE STILL GIVEN AT MARCH 1991 PRICES WITH THE AIM OF SHOWING IN A STRAIGHTFORWARD WAY WHAT WAS HAPPENING IN PRACTICAL TERMS TO THE BASE COSTS.

MR MACLEOD SAID HIS MAIN MESSAGE AS FINANCIAL SECRETARY WAS THAT THE COST TO THE TAXPAYER HAD NOT GONE UP BECAUSE THE COST TO BE BORNE BY THE GOVERNMENT FOR THE 10 ACP CORE PROJECTS HAD REMAINED CONSTANT AT \$59.3 BILLION.

"IT HAS BEEN POSSIBLE TO ACHIEVE THIS BECAUSE INCREASES IN CERTAIN PROJECT COSTS ARE OFFSET BY LOWER EQUITY REQUIREMENTS AND BY PREVIOUSLY UNQUANTIFIED REIMBURSEMENT FROM THE MTRC.

"IT IS ALSO IMPORTANT TO NOTE THAT GOVERNMENT EXPENDITURE ON ACP PROJECTS UP TO 1996-97 WILL ONLY ABSORB ABOUT ONE-QUARTER OF TOTAL GOVERNMENT CAPITAL EXPENDITURE," HE SAID.

MR MACLEOD SAID THE \$1.5 BILLION INCREASE IN THE ESTIMATED COST OF BUILDING THE AIRPORT, TO \$46.3 BILLION, AROSE MAINLY AS A RESULT OF A MORE ACCURATE ASSESSMENT OF COSTS THAN WAS POSSIBLE IN JULY.

ON THE NEW COST ESTIMATE OF \$22.1 BILLION FOR THE AIRPORT RAILWAY, COMPARED WITH THE JULY ESTIMATE OF \$12.5 BILLION, MR MACLEOD STRESSED THAT THE ACTUAL COST INCREASE WAS ONLY \$3.9 BILLION -- WHICH WAS NEEDED TO COVER ESSENTIAL RAILWAY DESIGN MODIFICATIONS AND SOME EXTRA CIVIL ENGINEERING WORKS.

/"THE REMAINING

"THE REMAINING \$5.7 BILLION PARTLY COVERS COSTS OF AIRPORT RAILWAY-RELATED CIVIL WORKS ON CHEK LAP KOK, NORTH LANTAU AND THE LANTAU FIXED CROSSING, WHICH WERE ORIGINALLY INCLUDED UNDER THE OTHER ACP PROJECTS.

"IT ALSO COVERS LAND ACQUISITION AND THE DESIGN, CONSTRUCTION, SUPERVISION AND MANagements COSTS WHICH, IN LINE WITH COMMON PRACTICE, WERE NOT INCLUDED LAST JULY," HE SAID.

MR MACLEOD POINTED OUT THAT THE AIRPORT RAILWAY WOULD SIGNIFICANTLY IMPROVE EXISTING MTR SERVICES, THROUGH HAVING A LOCAL LINE RUNNING THROUGH THE WEST KOWLOON RECLAMATION AND ALONG NORTH LANTAU.

MR MACLEOD SAID IT WAS IMPORTANT TO NOTE THAT IN THE PAST NINE MONTHS THE GOVERNMENT HAD BEEN MOVING EXTREMELY RAPIDLY FROM FEASIBILITY STUDIES TO DESIGN AND TENDER STAGES.

"SO THESE INCREASES SHOULD NOT BE SEEN AS A NINE-MONTH COST ESCALATION. THEY ARE THE RESULT OF THE RAPID PROGRESS WE HAVE CONCENTRATED INTO THIS SHORT PERIOD AND WE DO NOT EXPECT TO SEE SUCH CHANGES AGAIN."

ON CONTINGENCIES, MR MACLEOD SAID THESE HAD ALREADY BEEN INCLUDED IN THE COST ESTIMATES OF INDIVIDUAL PROJECTS, AS WAS CUSTOMARY FOR THE GOVERNMENT'S PUBLIC WORKS PROJECTS.

HOWEVER, PRUDENT FINANCIAL AND PROJECT PLANNING MEANT THE GOVERNMENT HAD TO INSURE ITSELF AGAINST UNFORESEEN INTERFACE PROBLEMS IN SUCH A LARGE PROGRAMME AND TO PROVIDE FOR SPEEDING UP WORKS WHICH MIGHT FALL BEHIND.

THE CONTINGENCY FUNDING FOR THIS PURPOSE HAD NOW BEEN PUT AT \$2.5 BILLION, AND IT WAS EXPECTED THAT FUTURE CHANGES IN THE ACP ESTIMATES COULD BE CONTAINED WITHIN THIS \$2.5 BILLION CUSHION.

ON THE LEVEL OF GOVERNMENT SUPPORT FOR THE RELEVANT AGENCIES, HE SAID THE PLANNED FINANCIAL ARRANGEMENTS WERE BASED ON A GOVERNMENT EQUITY INVESTMENT OF \$13.6 BILLION INTO THE FUTURE AIRPORT AUTHORITY AND \$3 BILLION INTO THE MTRC.

"THE GOVERNMENT WILL ALSO PROVIDE SUPPORT IN OTHER WAYS, FOR EXAMPLE BY FOLLOWING PAST PRACTICE OF GRANTING LAND TO THE MTRC AT FULL MARKET VALUE SO THAT PROFITS FROM PROPERTY DEVELOPMENT CAN BE USED TO REDUCE THE NEED FOR GOVERNMENT EQUITY."

AS THE SOLE SHAREHOLDER OF THE AIRPORT AUTHORITY AND THE MTRC, THE GOVERNMENT HAD ALSO TO ENSURE THAT THE CORPORATIONS HAD A SUFFICIENTLY COMPREHENSIVE FINANCIAL PACKAGE TO ENABLE THEM TO RAISE LOANS IN THE PRIVATE SECTOR WITHOUT NEEDING GOVERNMENT GUARANTEES. THIS INVOLVED DEMONSTRATING THAT THE GOVERNMENT WOULD PROVIDE NECESSARY FINANCIAL SUPPORT.

"IT HAS BEEN DECIDED THAT THE MOST COST-EFFECTIVE FORM OF INSURANCE IS FOR THE GOVERNMENT TO COMMIT ITSELF TO PAY UP CALLABLE EQUITY WHEN THE CORPORATIONS ARE FACED WITH SUCH CIRCUMSTANCES. THIS HAS BEEN ESTIMATED AT \$5.9 BILLION (1991 PRICES) FOR THE AIRPORT AND ABOUT \$7 BILLION FOR THE AIRPORT RAILWAY."

MR MACLEOD SAID THESE FIGURES WERE NOT SHOWN IN THE NEW TABLE OF COSTS BECAUSE THEY WERE ONLY CONTINGENT LIABILITIES. THE FINANCIAL PACKAGE HAD BEEN DEVELOPED IN SUCH A WAY THAT, ON THE BALANCE OF PROBABILITY, THE CALLABLE EQUITY WOULD NOT BE CALLED.

HE SAID IF THE GOVERNMENT DID NOT OFFER THIS SORT OF SUPPORT PACKAGE TO THE MTRC AND THE PAA, IT WOULD FACE EITHER GOVERNMENT FUNDING IN FULL OR GOVERNMENT GUARANTEEING ALL BORROWINGS RAISED BY THE CORPORATIONS THROUGHOUT THE LIFE OF THOSE LOANS.

THE FIRST ALTERNATIVE WOULD ABSORB A HUGE QUANTITY OF PUBLIC RESOURCES WHILE THE LATTER WOULD CREATE AN UNNECESSARILY LARGE AND LONG-TERM CONTINGENT LIABILITY FOR THE GOVERNMENT, BOTH BEFORE AND AFTER 1997.

NOTING THAT THERE WOULD NEED TO BE A RESIDUAL CONTINGENT LIABILITY ON THE SPECIAL ADMINISTRATIVE REGION GOVERNMENT AFTER 1997, MR MACLEOD SAID THIS AND OTHER LESSER CONTINGENT LIABILITIES PERSISTING AFTER 1997 WERE SUBJECT TO DISCUSSION WITH THE CHINESE GOVERNMENT WHICH WAS TAKING PLACE IN THE AIRPORT COMMITTEE UNDER THE TERMS OF LAST YEAR'S MEMORANDUM OF UNDERSTANDING.

REFERRING TO THE OTHER PROJECTS IN THE ACP, MR MACLEOD SAID THE COST ESTIMATES OF THESE HAD ALSO BEEN ADJUSTED AS A RESULT OF THE MONTHS OF DESIGN AND PROJECT REVIEW.

THE COST OF SUPPORTING ITEMS SUCH AS MANagements SERVICES AND A COMPREHENSIVE INSURANCE PROGRAMME HAD ALSO BEEN INCLUDED.

"THESE WILL HELP TO ENSURE THAT THE ACP CAN BE COMPLETED ON TIME AND WITHIN BUDGET," HE ADDED.

ALSO TAKING PART IN THE PRESS CONFERENCE WERE THE DIRECTOR OF THE NEW AIRPORT PROJECTS CO-ORDINATION OFFICE, MR RAFAEL HUI; CHIEF EXECUTIVE OFFICER OF THE PAA, MR RICHARD ALLEN; CHAIRMAN OF THE MTRC, MR HAMISH MATHERS; AND PRINCIPAL ASSISTANT FINANCIAL SECRETARY, MR STEPHEN SELBY.

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DON'T FALL PREY TO DRUG SYNDICATES

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LOCAL RESIDENTS WERE REMINDED NOT TO FALL PREY TO DRUG SYNDICATES BY CARRYING ILLICIT DRUGS, EITHER KNOWINGLY OR UNWITTINGLY, WHEN TRAVELLING ABROAD.

THE REMINDER WAS ISSUED TODAY (THURSDAY) BY THE COMMISSIONER FOR NARCOTICS, MR KEN WOODHOUSE, FOLLOWING A RECENT INCREASE IN THE NUMBER OF HONG KONG CITIZENS ARRESTED BY FOREIGN LAW ENFORCEMENT AGENCIES FOR DRUG OFFENCES.

HE SAID: "INNOCENT, UNSUSPECTING TRAVELLERS ARE LIKELY TO BE THE TARGETS OF DRUG SYNDICATES.

/"NO MATTER

"NO MATTER WHAT YOU ARE OFFERED, WHETHER IT BE A FEW THOUSAND DOLLARS OR A FREE AIR TICKET, THE PRICE CAN BE THE LOSS OF YOUR FREEDOM, OR EVEN YOUR LIFE, WHEN YOU ARE CAUGHT.

"THE DEATH PENALTY IS MANDATORY FOR TRAFFICKING OFFENCES IN SOME COUNTRIES AND LONG PRISON SENTENCES OF UP TO 25 YEARS ARE ALSO COMMON," MR WOODHOUSE SAID.

HE STRESSED THAT WITH INCREASING WORLDWIDE CONCERN OVER DRUG ABUSE AND TRAFFICKING AND BETTER INTERNATIONAL CO-OPERATION, COUNTRIES WERE TAKING MORE STRINGENT LAW ENFORCEMENT MEASURES AND IMPOSING TOUGHER PENALTIES FOR DRUG OFFENCES.

A TOTAL OF 649 HONG KONG RESIDENTS ARE KNOWN TO HAVE BEEN DETAINED IN MORE THAN 30 OVERSEAS COUNTRIES FOR DRUG OFFENCES FROM 1979 TO 1991.

OVER HALF OF THEM ARE IN FIVE COUNTRIES - THAILAND, FRANCE, JAPAN, THE NETHERLANDS AND THE U.S.A.

SOME HONG KONG CITIZENS HAVE BEEN EXECUTED, OR ARE AWAITING EXECUTION, IN COUNTRIES WHERE THE DEATH PENALTY IS MANDATORY FOR DRUG TRAFFICKING.

MR WOODHOUSE SAID THE NUMBER OF ARREST LAST YEAR WAS 101, COMPARED TO 37 IN 1990.

"THIS IS THE HIGHEST IT HAS EVER BEEN," HE SAID.

THE COMMISSIONER OFFERED THE FOLLOWING ADVICE TO TRAVELLERS:

- * DON'T CARRY PACKAGES OR BAGGAGE FOR ANYONE, EVEN IN TRANSIT FROM ONE PLACE TO ANOTHER, UNLESS YOU ARE ABSOLUTELY SURE THAT THEY CONTAIN NO ILLICIT DRUGS OR OTHER PROHIBITED ITEMS.
- * NEVER AGREE TO CHECK IN BAGGAGE ON BEHALF OF SOMEONE WHO CLAIMS TO HAVE EXCESS BAGGAGE.
- * DON'T BELIEVE PEOPLE WHO SAY THAT IT IS ALRIGHT, OR LEGAL TO USE DOPE IN YOUR DESTINATION. ALL COUNTRIES PROHIBIT ILLICIT DRUG USE.
- * DON'T BELIEVE PEOPLE WHO TELL YOU THAT YOU ARE NOT THE TYPE THAT CUSTOMS GO FOR.
- * REPORT TO THE POLICE OR TO THE CUSTOMS IF A POSSIBLE DRUG CARRYING DEAL IS PUT TO YOU. THE SYNDICATE WILL GET THE PROFIT; YOU WILL TAKE THE RISK.

MR WOODHOUSE ALSO STRESSED: "THE PENALTIES FOR DRUG TRAFFICKING OFFENCES IN HONG KONG ARE VERY SEVERE: THE MAXIMUM PENALTY IS LIFE IMPRISONMENT AND A FINE OF \$5 MILLION, AND THE ASSETS OF CONVICTED DRUG TRAFFICKERS CAN BE CONFISCATED."

HE URGED THE PUBLIC TO CALL THE POLICE NARCOTICS BUREAU ON TEL. 527 1234 OR THE CUSTOMS AND EXCISE DEPARTMENT ON TEL. 545 6182 IF THEY SUSPECT THAT ANY PERSON IS A DRUG TRAFFICKER OR PUSHER.

/MR WOODHOUSE

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MR WOODHOUSE SAID COPIES OF A LEAFLET "HAVE A NICE TRIP, DON'T CARRY DRUGS" ARE AVAILABLE AT ALL THE MAJOR TRAVEL AGENCIES IN THE TERRITORY TO ADVISE TRAVELLERS HOW TO AVOID GETTING INVOLVED IN DRUG TRAFFICKING WHEN TRAVELLING ABROAD.

"ALL TRAVELLERS SHOULD GET A COPY AND READ IT CAREFULLY WHEN THEY APPROACH THEIR TRAVEL AGENTS TO MAKE ARRANGEMENTS FOR THEIR TRIP," HE ADDED.

THE LEAFLET IS ALSO OBTAINABLE AT A NUMBER OF THE IMMIGRATION DEPARTMENT'S TRAVEL DOCUMENT ISSUE OFFICES.

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PROVISIONAL RESULTS OF RETAIL SALES SURVEY
FOR JANUARY RELEASED

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THE VALUE OF TOTAL RETAIL SALES IN JANUARY THIS YEAR, ESTIMATED AT \$14,200 MILLION, INCREASED BY 35% WHEN COMPARED WITH JANUARY LAST YEAR, ACCORDING TO STATISTICS RELEASED TODAY (THURSDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

AFTER DISCOUNTING THE EFFECT OF PRICE CHANGES OVER THE PERIOD, TOTAL RETAIL SALES ROSE BY 28% IN VOLUME.

THE SUBSTANTIAL INCREASE IN SALES REFLECTED A FURTHER RECOVERY IN CONSUMER SPENDING, WHICH STARTED IN THE SECOND HALF OF LAST YEAR, FROM THE LOW LEVELS IN 1989 AND 1990.

THE ADVANCEMENT OF THE LUNAR NEW YEAR TO EARLY FEBRUARY THIS YEAR FROM MID-FEBRUARY LAST YEAR ALSO PUSHED UP CONSUMER SPENDING IN JANUARY.

SALES OF MOTOR VEHICLES REGISTERED THE LARGEST INCREASE IN JANUARY 1992 COMPARED WITH A YEAR AGO, BY 121% IN VALUE AND 104% IN VOLUME.

THE SUBSTANTIAL INCREASE WAS RELATED TO THE PROMOTION CAMPAIGNS LAUNCHED BY SOME MOTOR VEHICLE DEALERS STARTING FROM THE LATTER PART OF 1991.

SALES OF JEWELLERY, WATCHES, CLOCKS AND VALUABLE GIFTS ALSO INCREASED CONSIDERABLY, BY 51% IN VALUE AND 64% IN VOLUME, PARTLY DUE TO A GENERAL FALL IN THE PRICES OF JEWELLERY ITEMS.

SPENDING ON CLOTHING, FOOTWEAR AND ALLIED PRODUCTS SURGED BY 50% IN VALUE AND 40% IN VOLUME, BOOSTED BY SALES PROMOTION LAUNCHED PRIOR TO THE LUNAR NEW YEAR.

SALES IN DEPARTMENT STORES ALSO WENT UP FOR THE SAME REASON, BY 29% IN VALUE AND 20% IN VOLUME.

/SALES IN

SALES IN SUPERMARKETS ROSE BY 25% IN VALUE AND 16% IN VOLUME WHILE THOSE IN OTHER FOODSTUFF OUTLETS INCREASED BY 29% IN VALUE AND 13% IN VOLUME.

THE INCREASES WERE ALSO ATTRIBUTABLE TO THE HEAVIER SHOPPING BEFORE THE LUNAR NEW YEAR.

SALES OF CONSUMER DURABLES OTHER THAN MOTOR VEHICLES INCREASED BY 6% IN VALUE AND 5% IN VOLUME WHILE SALES OF FUELS WENT UP BY 5% IN VALUE BUT REMAINED VIRTUALLY UNCHANGED IN VOLUME.

COMPARED WITH DECEMBER 1991, AND BEARING IN MIND THAT THIS COMPARISON MAY BE AFFECTED BY SEASONAL FACTORS, TOTAL RETAIL SALES IN JANUARY 1992 INCREASED BY 5% IN VALUE AND 6% IN VOLUME.

CHANGES IN THE VOLUME OF RETAIL SALES ARE DERIVED FROM FIGURES ON THE VALUE OF RETAIL SALES AFTER HAVING ADJUSTED FOR PRICE CHANGES. THE INDICATORS OF PRICE CHANGES USED ARE THE RESPECTIVE COMPONENTS OF THE CONSUMER PRICE INDEX WHICH CORRESPOND TO THE BROAD CATEGORIES OF GOODS IN QUESTION.

THE REPORT CONTAINING THE ANALYSIS OF THE JANUARY 1992 RESULTS IS NOW ON SALE AT \$1.5 PER COPY AT THE GOVERNMENT PUBLICATIONS SALES CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL, AND THE PUBLICATIONS SALES COUNTER OF CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER I, 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. NO. : 802 1258).

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NOTE TO EDITORS:

TABLE 1 PRESENTS THE REVISED TOTAL RETAIL SALES FIGURE FOR DECEMBER 1991 AND THE PROVISIONAL FIGURE FOR JANUARY 1992.

TABLE 2 SHOWS THE VALUE AND VOLUME INDEXES OF RETAIL SALES IN DECEMBER 1991 AND JANUARY 1992 FOR ALL RETAIL OUTLETS AND BY TYPE OF RETAIL OUTLET, WITH AVERAGE RETAIL SALES FROM OCTOBER 1989 TO SEPTEMBER 1990 TAKEN AS 100. COMPARISONS OF JANUARY 1992 RESULTS WITH THOSE FOR DECEMBER 1991 AND WITH THOSE FOR JANUARY 1991 ARE ALSO GIVEN.

TABLE 1 : TOTAL RETAIL SALES
 Total Retail Sales for January 1992 (Provisional Figure) = HK\$14,218.1 million
 for December 1991 (Revised Figure) = HK\$13,532.5 million

TABLE 2 : VALUE AND VOLUME INDEXES OF RETAIL SALES FOR DECEMBER 1991 AND JANUARY 1992
 (Monthly average of Oct. 89 - Sept. 90 = 100)

| Item | Index of Retail Sales | December 1991 | January 1992 | January 1992 compared with December 1991 | | January 1992 compared with January 1991 | |
|--|-----------------------|-------------------|-----------------------|--|-------|---|--------|
| | | (Revised figures) | (Provisional figures) | Points | % | Points | % |
| (A) FOR ALL RETAIL OUTLETS | | | | | | | |
| | Value | 144.1 | 151.4 | +7.3 | +5.1 | +39.0 | +34.7 |
| | Volume | 129.7 | 137.6 | +7.9 | +6.1 | +30.2 | +28.2 |
| (B) BY TYPE OF RETAIL OUTLET | | | | | | | |
| Foodstuffs, alcoholic drinks and tobacco (other than supermarkets) | Value | 128.7 | 130.0 | +1.3 | +1.0 | +29.4 | +29.2 |
| | Volume | 114.1 | 110.2 | -3.9 | -3.4 | +12.6 | +12.9 |
| Supermarkets | Value | 128.3 | 125.2 | -3.2 | -2.5 | +25.0 | +25.0 |
| | Volume | 110.3 | 107.0 | -3.3 | -3.0 | +14.4 | +15.5 |
| Fuels | Value | 133.8 | 131.4 | -2.4 | -1.8 | +5.9 | +4.7 |
| | Volume | 107.3 | 103.0 | -4.4 | -4.1 | +0.4 | +0.4 |
| Clothing, footwear and allied products | Value | 165.3 | 185.5 | +20.3 | +12.3 | +61.7 | +49.8 |
| | Volume | 142.1 | 166.2 | +24.1 | +17.0 | +47.1 | +39.6 |
| Consumer durable goods* | Value | 140.0 | 158.2 | +18.1 | +12.9 | +49.6 | +45.7 |
| | Volume | 128.2 | 144.5 | +16.3 | +12.7 | +40.2 | +38.5 |
| - Motor vehicles and parts | Value | 164.3 | 196.1 | +31.8 | +19.3 | +107.4 | +121.2 |
| | Volume | 143.1 | 170.5 | +27.4 | +19.1 | +87.0 | +104.3 |
| - Consumer durable goods other than motor vehicles and parts | Value | 122.5 | 130.7 | +8.3 | +6.7 | +7.8 | +6.3 |
| | Volume | 117.4 | 125.7 | +8.3 | +7.0 | +6.3 | +5.3 |
| Department stores | Value | 157.9 | 162.5 | +4.6 | +2.9 | +36.4 | +28.9 |
| | Volume | 138.4 | 146.8 | +8.4 | +6.1 | +24.5 | +20.1 |
| Jewellery, watches and clocks, and valuable gifts | Value | 136.8 | 136.3 | -0.6 | -0.4 | +46.0 | +51.0 |
| | Volume | 138.5 | 143.3 | +4.8 | +3.5 | +55.7 | +63.5 |
| Other consumer goods not elsewhere classified | Value | 155.7 | 166.3 | +10.7 | +6.8 | +32.5 | +24.3 |
| | Volume | 140.1 | 149.9 | +9.7 | +6.9 | +19.9 | +15.3 |

NOTE : * This covers both "Motor vehicles and parts" and "Consumer durable goods other than motor vehicles and parts".

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CIVIL SERVICE RECRUITMENT BOARDS FOR TUNNEL STAFF

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SPECIAL RECRUITMENT BOARDS WILL BE HELD FROM NEXT WEEK FOR GOVERNMENT TUNNEL STAFF WHO ARE AFFECTED BY THE CONTRACTING OUT OF THE MANAGEMENT OF GOVERNMENT TUNNELS AND WHO HAVE APPLIED FOR OTHER CIVIL SERVICE JOBS.

AN ASSISTANT COMMISSIONER FOR TRANSPORT, MR ERNEST LEE SHU-WING, SAID TODAY (THURSDAY) THAT MORE RECRUITMENT BOARDS WILL BE HELD IN MAY AND THEREAFTER FOR THOSE WHO HAVE SUBMITTED APPLICATIONS FOR REDEPLOYMENT WITHIN THE GOVERNMENT.

MR LEE REITERATED THAT THE GOVERNMENT WAS COMMITTED TO MAKING EVERY EFFORT IN ABSORBING TUNNEL STAFF WITHIN THE CIVIL SERVICE. THEY WILL BE GIVEN PRIORITY OVER OTHER APPLICANTS FOR APPOINTMENTS TO SUITABLE VACANCIES.

SO FAR 223 GOVERNMENT TUNNEL STAFF MEMBERS HAVE SOUGHT REDEPLOYMENT IN THE CIVIL SERVICE. FOR THOSE WHO OPTED FOR REDUNDANCY TERMS, MR LEE SAID THEY WOULD BE COMPENSATED IN ACCORDANCE WITH THE TERMS OF THE EXISTING LEGISLATION.

HE REMINDED OTHERS TO INDICATE THEIR PREFERENCE IF THEY HAVE NOT ALREADY DONE SO.

"ABOUT 300 VACANCIES HAVE BEEN IDENTIFIED AS SUITABLE FOR APPLICATION BY TUNNEL STAFF. THESE INCLUDE CLERICAL ASSISTANT, OFFICE ASSISTANT, SUPPLIES ASSISTANT, CULTURAL SERVICE ASSISTANT, POSTMAN AND POLICE COMMUNICATION OFFICER AND SEVERAL OTHERS," HE SAID.

MR LEE EARLIER MET THE GOVERNMENT TRANSPORT ASSISTANTS UNION REPRESENTATIVES TO DISCUSS PROGRESS ON REDEPLOYMENT WITHIN THE CIVIL SERVICE AND STAFF MATTERS RELATING TO THE CONTRACTING OUT OF TUNNEL MANAGEMENT AND OPERATION.

HE APPEALED TO THE TUNNEL STAFF TO STOP INDUSTRIAL ACTION AS THIS WOULD AFFECT THE CONVENIENCE AND SAFETY OF THE PUBLIC.

"ANY INDUSTRIAL ACTION TAKEN WILL DIRECTLY AFFECT ALL TUNNEL USERS INCLUDING MOTORISTS AND PUBLIC TRANSPORT COMMUTERS," HE SAID.

MR LEE ADDED THAT THE DEPARTMENT HAS A DUTY TO ENSURE THAT TUNNEL OPERATION WILL BE MAINTAINED.

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THURSDAY, APRIL 2, 1992

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WALLED CITY CLEARANCE PROGRESSING SMOOTHLY

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THE DEPUTY SECRETARY FOR HOME AFFAIRS (SPECIAL DUTIES), MR PHILIP CHOK, SAID TODAY (THURSDAY) THAT HE WAS PLEASED WITH THE PROGRESS OF THE KOWLOON WALLED CITY CLEARANCE SO FAR.

"WITH TWO MORE PHASES TO GO, THE GOVERNMENT HAS ALREADY RECOVERED 7,400, OR 87 PER CENT OF THE 8,500 PREMISES IN THE WALLED CITY.

"THE GOVERNMENT HAS BEEN OFFERING VERY REASONABLE COMPENSATION PAYMENTS WHICH HAVE BEEN REGULARLY UPDATED TO TAKE ACCOUNT OF CHANGING PRICES," HE NOTED.

HE REMINDED THOSE CLEAREES STILL REMAINING IN PHASE IIB OF THE CLEARANCE TO LEAVE BY APRIL 6 EVEN IF THEY HAVE NOT ACCEPTED THE GOVERNMENT'S COMPENSATION OFFERS.

HE STRESSED THAT THE CLEARANCE DEADLINE WILL BE STRICTLY ENFORCED ON APRIL 7.

AT PRESENT, 209 HOUSEHOLDS REMAIN IN PHASE IIB OF THE WALLED CITY. OF THESE, ONLY 52 HOUSEHOLDS HAVE YET TO ACCEPT THE GOVERNMENT'S COMPENSATION OFFERS.

"THOSE PHASE IIB CLEAREES WHO REMAIN DISSATISFIED WITH THE GOVERNMENT'S COMPENSATION OFFERS WILL HAVE UP TO JUNE 6 EITHER TO SUBMIT DOCUMENTS TO SUBSTANTIATE A CLAIM FOR HIGHER COMPENSATION OR TO APPEAL TO THE ASSESSMENT REVIEW BOARD.

"ANY APPEALS SUBMITTED AFTER THE DEADLINE WOULD NOT BE ENTERTAINED BY THE GOVERNMENT," MR CHOK SAID.

ON A RUMOUR THAT FORMER CLEAREES WHO ARE SLEEPING ON THE PAVEMENTS OF THE WALLED CITY WILL RECEIVE ADDITIONAL BENEFITS FROM THE GOVERNMENT, MR CHOK DENIED THAT THIS WAS TRUE.

"THESE PEOPLE ARE DEMANDING FOR MORE THAN THEIR ENTITLEMENT. WE HAVE NO AUTHORITY TO ACCEDE TO SUCH DEMANDS," HE SAID.

THE KOWLOON WALLED CITY CLEARANCE IS BEING UNDERTAKEN IN FOUR PHASES. THE DEADLINE FOR THE FINAL PHASE WILL BE ON JUNE 1.

THE PROJECT IS ESTIMATED TO COST OVER \$3.3 BILLION. SO FAR, THE GOVERNMENT HAS PAID OUT \$2.64 BILLION.

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THURSDAY, APRIL 2, 1992

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TENDERS INVITED FOR NORTH LANTAU EXPRESSWAY

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THE HIGHWAYS DEPARTMENT IS INVITING TENDERS FROM PREQUALIFIED TENDERERS FOR THE CONSTRUCTION OF THE YAM O SECTION OF THE NORTH LANTAU EXPRESSWAY BETWEEN TSING CHAU TSAI IN THE EAST AND TA PANG PO IN THE WEST ON THE LANTAU ISLAND.

A SPOKESMAN FOR THE DEPARTMENT SAID THE YAM O SECTION WOULD BE THE SECOND SECTION OF A DUAL-THREE-LANE EXPRESSWAY TO BE CONSTRUCTED ALONG THE NORTHERN COASTLINE OF LANTAU.

"IT WILL FORM PART OF AN EXTENSIVE TRANSPORT NETWORK TO PROVIDE DIRECT ACCESS TO THE NEW AIRPORT AND DEVELOPMENT ON LANTAU ISLAND," THE SPOKESMAN SAID.

THE ROADWAY WILL BE BUILT ON RECLAMATIONS AND ELEVATED STRUCTURES OR IN CUTTINGS.

THE CONTRACT WILL ALSO INCLUDE SITE FORMATION FOR THE AIRPORT RAILWAY AND A RESERVE FOR PUBLIC UTILITIES.

PREQUALIFICATION WAS ASSESSED ON FINANCIAL AND TECHNICAL CAPABILITIES OF THE TENDERERS, THE SPOKESMAN SAID.

THE CLOSING DATE FOR SUBMISSION OF TENDERS IS JUNE 26 THIS YEAR.

THE AWARD OF THE CONTRACT WILL BE MADE LATER THIS YEAR AND THE CONSTRUCTION IS EXPECTED TO BE COMPLETED IN FOUR YEARS.

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PROPERTY REVIEW 1992 PUBLISHED

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THE RATING AND VALUATION DEPARTMENT HAS PUBLISHED THE "PROPERTY REVIEW 1992" WHICH PROVIDES A SUMMARY OF SUPPLY, TAKE-UP, VACANCY, AND RENTAL AND PURCHASE PRICE MOVEMENTS FOR MAJOR SECTORS OF THE PROPERTY MARKET LAST YEAR.

COMMENTING ON THE RENTAL AND PRICE INDICES WHICH WERE NOT INCLUDED IN THE PRELIMINARY RESULTS RELEASED ON FEBRUARY 14 THIS YEAR, A SPOKESMAN FOR THE DEPARTMENT SAID OVER LAST YEAR PRICES OF DOMESTIC PROPERTIES HAD INCREASED MUCH MORE THAN RENTALS, RESULTING IN A DECLINE IN THE YIELD FOR INVESTMENT IN THIS TYPE OF PROPERTY.

THIS WAS PARTICULARLY NOTICEABLE IN RESPECT OF NEWLY COMPLETED SMALL AND MEDIUM FLATS WHERE IN SOME CASES THE YIELD MIGHT BE AS LOW AS 4 PER CENT, HE SAID.

/THE SPOKESMAN

THE SPOKESMAN SAID TAKING INTO ACCOUNT THE ABUNDANT SUPPLY OF 68,000 SMALL AND MEDIUM FLATS FORECAST FOR THE NEXT TWO YEARS AND THE LARGE NUMBER OF VACANCIES, THE CURRENT HIGH PRICE LEVELS MIGHT COME UNDER PRESSURE DURING 1992.

IN THE COMMERCIAL CATEGORY, THE PRELIMINARY FORECAST RESULTS RELEASED ON FEBRUARY 14 HAVE BEEN REVISED TO 216,000 SQUARE METRES FOR 1992 AND 526,000 SQUARE METRES FOR 1993 RESPECTIVELY.

THIS IS MAINLY DUE TO THE LATER ESTIMATED COMPLETION DATE OF A PROMINENT DEVELOPMENT IN KOWLOON BAY.

THE "PROPERTY REVIEW 1992" IS NOW AVAILABLE FOR SALE AT \$100 A COPY AT THE GOVERNMENT PUBLICATIONS SALES CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, 2 CONNAUGHT PLACE, CENTRAL.

ENQUIRIES SHOULD BE DIRECTED TO MR K.S. WONG, ASSISTANT COMMISSIONER OF RATING AND VALUATION, ON TEL. 805 7603 OR MR K.L. NG, ACTING TECHNICAL SECRETARY, ON TEL. 805 7622.

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GOVT LAND TO LET BY TENDER

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THE BUILDINGS AND LANDS DEPARTMENT IS INVITING TENDERS FOR THE SHORT-TERM TENANCIES ON SIX PIECES OF GOVERNMENT LAND.

THE FIRST SITE IS LOCATED AT WAI TSUI CRESCENT, NORTH POINT, HONG KONG.

IT HAS AN AREA OF ABOUT 1,560 SQUARE METRES AND IS EARMARKED FOR OPEN STORAGE (EXCLUDING DANGEROUS GOODS, CONTAINERS AND MOTOR VEHICLES) AND/OR STORAGE, DISTRIBUTION AND SALE OF POTTED PLANTS.

THE TENANCY IS FOR THREE YEARS AND QUARTERLY THEREAFTER.

THE SECOND SITE IS LOCATED AT JORDAN VALLEY SOUTH ROAD, KOWLOON.

WITH AN AREA OF ABOUT 4,650 SQUARE METRES, THE SITE IS INTENDED FOR FEE-PAYING PARKING AREA FOR THE PARKING OF MOTOR VEHICLES (EXCLUDING CONTAINER VEHICLES WITH THEIR TRAILERS/CHASSIS ATTACHED) CURRENTLY LICENSED UNDER THE ROAD TRAFFIC ORDINANCE.

THE TENANCY IS FOR ONE YEAR AND QUARTERLY THEREAFTER.

THE THIRD SITE IS LOCATED AT FUNG SHING STREET, NGAU CHI WAN, KOWLOON.

IT HAS AN AREA OF ABOUT 3,770 SQUARE METRES AND IS INTENDED FOR THE PARKING OF MOTOR VEHICLES (EXCLUDING CONTAINER VEHICLES WITH THEIR TRAILERS/CHASSIS ATTACHED) CURRENTLY LICENSED UNDER THE ROAD TRAFFIC ORDINANCE (EITHER FEE-PAYING OR NON-FEE-PAYING).

/THE TENANCY

THE TENANCY IS FOR ONE YEAR AND QUARTERLY THEREAFTER.

THE FOURTH AND FIFTH SITES ARE ALSO LOCATED AT FUNG SHING STREET, NGAU CHI WAN, KOWLOON.

THE SITES, WITH AN AREA OF 2,750 AND 12,870 SQUARE METRES RESPECTIVELY, ARE FOR OPEN STORAGE (EXCLUDING CONTAINERS AND VEHICLES LICENSED UNDER THE ROAD TRAFFIC ORDINANCE).

BOTH TENANCIES ARE FOR ONE YEAR AND QUARTERLY THEREAFTER.

THE REMAINING SITE IS LOCATED AT TIN SHUI WAI, YUEN LONG, NEW TERRITORIES.

WITH AN AREA OF ABOUT 3,540 SQUARE METRES, IT IS EARMARKED FOR A FEE-PAYING PUBLIC VEHICLE PARK FOR THE PARKING OF PRIVATE CARS AND GOODS VEHICLES (EXCLUDING CONTAINER TRACTORS AND TRAILERS) CURRENTLY LICENSED UNDER THE ROAD TRAFFIC ORDINANCE.

THE TENANCY IS FOR ONE YEAR AND QUARTERLY THEREAFTER.

THE CLOSING DATE FOR SUBMISSION OF TENDERS IS NOON, APRIL 16.

FORM OF TENDER, TENDER NOTICE AND CONDITIONS MAY BE OBTAINED FROM AND TENDER PLAN INSPECTED AT THE DISTRICT LANDS OFFICE, HONG KONG EAST, 19TH FLOOR, SOUTHOEN CENTRE, 130 HENNESSY ROAD, WAN CHAI, HONG KONG; DISTRICT LANDS OFFICE, YUEN LONG, NINTH FLOOR, YUEN LONG GOVERNMENT OFFICES, 2 KIU LOK SQUARE, YUEN LONG, NEW TERRITORIES; THE BUILDINGS AND LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG AND THE DISTRICT LANDS OFFICES KOWLOON, 10TH FLOOR, YAU MA TEI CARPARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

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CLINIC SERVICE DURING CHING MING FESTIVAL

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THE DEPARTMENT OF HEALTH TODAY (THURSDAY) ANNOUNCED THAT THERE WILL BE NO OUT-PATIENT CLINIC SERVICE ON APRIL 4 WHICH IS THE CHING MING FESTIVAL.

HOWEVER, EIGHT OUT-PATIENT CLINICS WILL BE OPENED BETWEEN 9 AM AND 1 PM ON APRIL 5 (SUNDAY).

THEY ARE THE VIOLET PEEL HEALTH CENTRE AND SHAU KEI WAN JOCKEY CLUB CLINIC ON HONG KONG ISLAND; THE KWUN TONG JOCKEY CLUB HEALTH CENTRE, THE ROBERT BLACK HEALTH CENTRE AND YAU MA TEI JOCKEY CLUB CLINIC IN KOWLOON; AND THE LADY TRENCH POLYCLINIC, SHEK WU HUI JOCKEY CLUB CLINIC AND YUEN LONG JOCKEY CLUB HEALTH CENTRE IN THE NEW TERRITORIES.

THERE WILL BE NO EVENING CLINIC SERVICES ON BOTH DATES.

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THURSDAY, APRIL 2, 1992

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HONG KONG GOVERNMENT EXCHANGE FUND
MONEY MARKET OPERATIONS
* * * * *

| | DATE ---- | \$ MILLION ----- |
|-------------------------------------|--------------|---------------------|
| CLOSING BALANCE IN THE ACCOUNT ON | 1.4.92 | 700 |
| EFFECT OF FORWARDS TO BE SETTLED ON | 2.4.92 | +123 |
| EFFECT OF OPERATIONS THIS MORNING | | -123 |
| EFFECT OF OPERATIONS THIS AFTERNOON | | NEUTRAL |

TRADE WEIGHTED INDEX 112.9 *+0.2* 2.4.92

HONG KONG GOVERNMENT EXCHANGE FUND

| EF BILLS | | HONG KONG GOVERNMENT BONDS | | | | |
|-----------|----------|----------------------------|-------|--------|--------|-------|
| TERMS | YIELD | TERM | ISSUE | COUPON | PRICE | YIELD |
| 1 WEEK | 4.21 PCT | 20 MONTHS | 2311 | 6.25 | 100.99 | 5.68 |
| 1 MONTH | 4.04 PCT | 23 MONTHS | 2402 | 5.50 | 99.19 | 6.05 |
| 3 MONTHS | 4.05 PCT | | | | | |
| 6 MONTHS | 4.30 PCT | | | | | |
| 12 MONTHS | 4.68 PCT | | | | | |

TOTAL TURNOVER OF BILLS AND BONDS - 10,920 MN

CLOSED 2 APRIL 1992

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