



DAILY INFORMATION BULLETIN

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INSURANCE INDUSTRY HAS TO RESPOND TO GROWING DEMANDS

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THE INSURANCE INDUSTRY HAS TO RESPOND TO GROWING PRESSURE FOR LOWER-PRICED INSURANCE PRODUCTS AND MORE TRANSPARENCY IN THE OPERATIONS OF THE MARKET, THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID TONIGHT (TUESDAY).

"GREATER DISCLOSURE OF THE RELEVANT FACTS AND FIGURES REMOVES MISUNDERSTANDING AND INSTILLS IN THE PUBLIC MUCH GREATER CONFIDENCE," HE SAID.

SPEAKING AT THE ANNUAL DINNER OF THE HONG KONG FEDERATION OF INSURERS, THE GOVERNOR SAID CONSUMERS IN HONG KONG WERE BECOMING BETTER EDUCATED AND THEIR CHOICES MORE SOPHISTICATED.

APART FROM ESSENTIAL REGULATION, THE INSURANCE INDUSTRY IS PERMITTED AND ENCOURAGED TO REGULATE ITSELF, HE SAID.

"I AM ENCOURAGED THAT THE FEDERATION - THE MOST REPRESENTATIVE BODY OF THE INSURANCE INDUSTRY - CONTINUES VIGOROUSLY TO PROMOTE AND DEVELOP SELF-REGULATION," MR PATTEN SAID.

"THE ESTABLISHMENT OF THE INSURANCE CLAIMS COMPLAINTS BUREAU BY THE FEDERATION IN 1990 WAS A MAJOR STEP FORWARD IN THE PROCESS."

IT HAS PROVIDED THE INSURING PUBLIC WITH A FAIR AND INEXPENSIVE AVENUE OF REDRESS FOR COMPLAINTS OVER PERSONAL INSURANCE CLAIMS.

MR PATTEN WELCOMED THE FEDERATION'S RECENTLY INTRODUCED REGISTRATION SYSTEM FOR INSURANCE AGENTS AND CODE OF PRACTICE FOR THE ADMINISTRATION OF INSURANCE AGENTS.

HE ALSO APPRECIATED EFFORTS BY THE CONFEDERATION OF INSURANCE BROKERS AND OTHER BODIES TO RAISE PROFESSIONAL STANDARDS AMONG BROKERS.

"THESE MEASURES WILL HELP ENSURE THAT AGENTS AND BROKERS HAVE APPROPRIATE EXPERIENCE AND QUALIFICATIONS; ARE PROPERLY SUPERVISED AND DISCIPLINED, AND SO CAN PROVIDE GOOD SERVICE TO THEIR CUSTOMERS," HE SAID.

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MULTILATERAL TRADE PRINCIPLES UNDERLINED

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THE SECRETARY FOR TRADE AND INDUSTRY, MR T H CHAU, TODAY (TUESDAY) EMPHASISED THE IMPORTANCE OF ADHERING TO KEY PRINCIPLES IN THE MULTILATERAL TRADING SYSTEM DURING A SPEECH TO DELEGATES ATTENDING THE MINISTERIAL CONFERENCE IN MARRAKESH, MOROCCO.

"THOSE PRINCIPLES HAVE BEEN A COMPASS TO US ALL, ORIENTING OUR TRADE RELATIONS TO COMMONLY AGREED POLES. REMOVE THOSE PRINCIPLES AND YOU REMOVE THE COMPASS," SAID MR CHAU.

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HE WAS REFERRING TO THE MOST FAVOURED NATION (MFN) PRINCIPLE OF EQUAL TREATMENT FOR ALL AND "NATIONAL TREATMENT", THE PRINCIPLE WHICH REQUIRES IMPORTS TO BE TREATED ON THE SAME BASIS AS LOCAL GOODS AND SERVICES.

MR CHAU EXPLAINED THAT HONG KONG HAD DECIDED NOT TO SIGN THE GOVERNMENT PROCUREMENT AGREEMENT NEGOTIATED AMONG ONLY 13 PARTIES IN PARALLEL TO THE URUGUAY ROUND BECAUSE IT BREACHED THOSE FUNDAMENTAL PRINCIPLES.

"WE ARE ONE OF 12 SIGNATORIES TO THE PRESENT AGREEMENT AND WERE A KEEN PARTICIPANT IN THE NEGOTIATIONS TO EXPAND THE AGREEMENT AND REFINE ITS DISCIPLINES," HE SAID.

"MOST REGRETTABLY, AFTER YEARS OF DISCUSSION BRINGING US STEADILY CLOSER TO THAT GOAL, RECIPROCITY AND SECTORAL NON-APPLICATION PROVISIONS WERE INTRODUCED IN THE CLOSING STAGES OF THE NEGOTIATIONS."

MR CHAU SAID HONG KONG HAD DECIDED THAT IT COULD NOT SIGN SUCH A FLAWED AGREEMENT.

"HONG KONG HOPES THAT ITS DECISION TO STAND BY THESE PRINCIPLES WILL ENCOURAGE OTHERS TO RESIST EROSION OF MFN," HE SAID.

MR CHAU EMPHASISED THAT ALTHOUGH HONG KONG HAD DECIDED NOT TO SIGN THE NEW GOVERNMENT PROCUREMENT AGREEMENT, THE HONG KONG GOVERNMENT AND OTHER PUBLIC BODIES HAD ALWAYS MAINTAINED OPEN AND NON-DISCRIMINATORY PUBLIC PROCUREMENT POLICIES AND PRACTICES AND WOULD CONTINUE TO DO SO.

HE ALSO SPOKE OF ISSUES THAT THE NEW WORLD TRADE ORGANISATION WOULD BE ASKED TO CONSIDER, INCLUDING THE INTERFACE BETWEEN TRADE AND ENVIRONMENTAL ISSUES, AS WELL AS THE RELATIONSHIP BETWEEN THE MULTILATERAL TRADING SYSTEM AND COMPETITION POLICY.

"HONG KONG LOOKS FORWARD TO ENGAGING CONSTRUCTIVELY IN THE DISCUSSION," HE SAID. "BUT WE MUST ALL BE WARY OF PROTECTIONISTS HIDING BEHIND THE WORTHY MOTIVES OF OTHERS. WE MUST NOT ALLOW TRADE MEASURES TO BE USED TO ACHIEVE NON-TRADE OBJECTIVES."

MR CHAU EXPLAINED THAT THE CONCLUSION OF THE URUGUAY ROUND WAS NOT AN END BUT A BEGINNING.

"PROTECTIONISM IS NOT DEAD. BARRIERS TO TRADE STILL EXIST. SIN HAS NOT SUDDENLY GONE OUT OF FASHION," HE SAID.

"OUR COLLECTIVE SUCCESS OVER THE PAST EIGHT YEARS HAS BEEN TO DEVELOP A MOMENTUM FOR CHANGE. WE MUST WORK HARD TO MAINTAIN THAT MOMENTUM - LOWERING TRADE BARRIERS, SCRUTINISING TRADE POLICY, OPPOSING VOLUNTARY EXPORT RESTRAINTS AND OTHER 'GREY AREA' MEASURES, ENFORCING THE RULES WE HAVE ALL AGREED UPON."

MR CHAU CONCLUDED HIS REMARKS BY EMPHASISING THE IMPORTANCE WHICH HONG KONG ATTACHED TO THE MULTILATERAL TRADING SYSTEM.

"HONG KONG REMAINS FULLY COMMITTED TO IMPLEMENTING THE URUGUAY ROUND AND LOOKS FORWARD TO PLAYING AN ACTIVE AND CONSTRUCTIVE ROLE AS AN ORIGINAL MEMBER OF THE NEW WORLD TRADE ORGANISATION WHICH WE BELIEVE SHOULD COME INTO EXISTENCE ON JANUARY 1, 1995," HE SAID.

MR CHAU WAS SPEAKING AT THE PLENARY MEETING OF THE URUGUAY ROUND TRADE NEGOTIATIONS COMMITTEE SHORTLY AFTER ITS OPENING BY HIS ROYAL HIGHNESS THE CROWN PRINCE SIDI MOHAMED OF MOROCCO.

THE MEETING WILL LAST UNTIL FRIDAY WHEN THE FINAL ACT EMBODYING THE RESULTS OF THE URUGUAY ROUND WILL BE SIGNED, FORMALLY BRINGING AN END TO EIGHT YEARS OF TRADE NEGOTIATIONS.

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TASK FORCE ON LAND SUPPLY AND PROPERTY PRICES

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THE GOVERNMENT ANNOUNCED TODAY (TUESDAY) THE MEMBERSHIP AND TERMS OF REFERENCE OF THE TASK FORCE SET UP TO INCREASE LAND SUPPLY AND TO DEAL WITH PROPERTY PRICES.

THE TASK FORCE ON LAND SUPPLY AND PROPERTY PRICES WILL BE CHAIRED BY THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS AND MEMBERS WILL INCLUDE SECRETARY FOR THE TREASURY, SECRETARY FOR WORKS, AND SECRETARY FOR TRANSPORT OR THEIR DEPUTIES, DIRECTOR OF LANDS, DIRECTOR OF PLANNING AND DEPUTY DIRECTOR OF TERRITORY DEVELOPMENT.

OTHER MEMBERS, WHO WILL ATTEND MEETINGS ON A NEED BASIS, WILL INCLUDE THE SECRETARY FOR FINANCIAL SERVICES, DIRECTOR OF ENVIRONMENTAL PROTECTION, DIRECTOR OF HOUSING, COMMISSIONER OF RATING AND VALUATION, COMMISSIONER OF INLAND REVENUE, COMMISSIONER FOR CENSUS AND STATISTICS, LAND REGISTRAR AND GOVERNMENT ECONOMIST, OR THEIR REPRESENTATIVES.

AGAINST THE BACKGROUND OF DEEP PUBLIC CONCERN ABOUT INCREASE IN PROPERTY PRICES AND THE SIGNIFICANT ROLE WHICH PROPERTY DEVELOPMENT PLAYS IN HONG KONG'S ECONOMY, THE MAIN TERMS OF REFERENCE OF THE TASK FORCE ARE TO EXAMINE AND MAKE RECOMMENDATIONS TO THE ADMINISTRATION AS TO:

- * THE CAUSES AND SIZE OF THE PROBLEM, HAVING REGARD TO THE DEMAND FOR AND SUPPLY OF HOUSING AND ACTUAL TAKE-UP OF FLATS;
- * THE SCOPE AND MEANS OF PROVIDING MORE SITES FOR PUBLIC AND PRIVATE HOUSING, INCLUDING HOUSING FOR THE SANDWICH CLASS;
- * THE MEASURES TO DISCOURAGE SPECULATION IN THE PROPERTY MARKET;
- * THE MEANS OF REMOVING CONSTRAINTS ON DEVELOPMENT OF SITES CAUSED BY LACK OF INFRASTRUCTURE AND OTHER PROBLEMS AND OF BRINGING FORWARD THEIR DEVELOPMENT;
- * THE MEASURES TO SPEED UP REDEVELOPMENT, INCLUDING SPEEDING UP PROCESSING OF DEVELOPMENT PROPOSALS; AND

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* THE WAYS OF ASSISTING THE LAND DEVELOPMENT CORPORATION AND HOUSING SOCIETY TO EXPAND/SPEED UP THEIR DEVELOPMENT/REDEVELOPMENT PROGRAMMES.

UNDER THE TASK FORCE, THERE WILL BE TWO WORKING GROUPS - ONE TO IDENTIFY AND EXAMINE POSSIBLE HOUSING SITES AND MEANS TO BRING THEM FORWARD FOR DEVELOPMENT AND THE OTHER TO CONSIDER MEASURES TO COUNTER SPECULATIVE PRACTICES IN THE PROPERTY MARKET.

IN THEIR DELIBERATIONS, THE TASK FORCE AND ITS TWO WORKING GROUPS WILL CONSIDER CAREFULLY VIEWS FROM LEGCO MEMBERS, CONCERNED GROUPS, REAL ESTATE DEVELOPERS, THE CONSUMER COUNCIL AND MEMBERS OF THE PUBLIC.

THE TASK FORCE IS EXPECTED TO MAKE RECOMMENDATIONS TO THE GOVERNMENT WITHIN THE NEXT TWO TO THREE MONTHS.

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HK SERVICEMEN'S WIVES AND WIDOWS GIVEN ENTRY GUARANTEE TO UK

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A GOVERNMENT SPOKESMAN ANNOUNCED TODAY (TUESDAY) THAT THE HOME SECRETARY HAD AGREED TO A SPECIAL ARRANGEMENT FOR THE WIVES AND WIDOWS OF HONG KONG SECOND WORLD WAR SERVICEMEN, GUARANTEEING THEIR ENTRY INTO THE UNITED KINGDOM WHENEVER THEY WISH.

THEY WILL BE ABLE TO HAVE A PERSONAL ENTRY ENDORSEMENT IN THEIR TRAVEL DOCUMENTS STATING THAT THEY ARE ENTITLED TO ENTER THE UNITED KINGDOM FOR SETTLEMENT.

"THE HOME SECRETARY IS SENDING A FORMAL LETTER PERSONALLY TO EACH OF THE LADIES," THE SPOKESMAN SAID.

"THEY WILL HAVE SPECIAL ACCESS TO THE IMMIGRATION DEPARTMENT SO THAT, IF THEY WISH, THE ENTRY ENDORSEMENT CAN BE MADE TO THEIR TRAVEL DOCUMENTS."

THE HOME SECRETARY'S LETTER AND THE ENTRY ENDORSEMENT PROVIDE THE LADIES WITH ADDITIONAL CONFIRMATION THAT THEY MAY ENTER AND LEAVE THE UNITED KINGDOM WHENEVER THEY WISH AND THAT THEY MAY STAY THERE FOR AS LONG AS THEY LIKE.

"THEY WILL HAVE GUARANTEED ENTRY, WITH NO CONDITIONS OR LIMITS IMPOSED ON THEIR STAY," THE SPOKESMAN SAID.

THIS WILL MEET THE LADIES' REQUEST FOR UNRESTRICTED ACCESS TO THE UNITED KINGDOM.

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EXPERTS EXCHANGE VIEWS ON IMMIGRATION ISSUES

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EXPERTS FROM BOTH THE BRITISH AND THE CHINESE SIDES OF THE JOINT LIAISON GROUP HAD INFORMAL DISCUSSIONS TODAY (TUESDAY) TO EXCHANGE VIEWS ON VARIOUS IMMIGRATION ISSUES.

THE DIRECTOR OF IMMIGRATION, MR LAURENCE LEUNG MING-YIN, WHO LED THE BRITISH TEAM STATED THAT THEY HAD A VERY USEFUL MEETING COVERING A WHOLE RANGE OF VERY IMPORTANT SUBJECTS SUCH AS RIGHT OF ABODE, VISA ABOLITION AGREEMENT, HONG KONG SPECIAL ADMINISTRATIVE REGION TRAVEL DOCUMENTS.

"THE MEETING HAS BEEN CONDUCTED IN A PRODUCTIVE AND CONSTRUCTIVE ATMOSPHERE. IT IS ONLY THE BEGINNING OF A SERIES OF MEETINGS AND WE HOPE TO ARRANGE THE NEXT MEETING SHORTLY," MR LEUNG SAID.

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TO KWA WAN REDEVELOPMENT CLEARANCE BEGINS TOMORROW

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CLEARANCE IN CONNECTION WITH THE HONG KONG HOUSING SOCIETY'S "SIX STREETS" REDEVELOPMENT PROJECT WILL TAKE PLACE AT 8.30 AM TOMORROW (WEDNESDAY).

THE PROJECT INVOLVES 118 FOUR TO NINE-STOREY POST-WAR BUILDINGS IN MA TAU KOK ROAD, PAK TAI STREET, SAN SHAN ROAD, PAU CHUNG STREET, WANG CHEUNG STREET AND SUI LUN STREET.

MOST OF THEM WERE CONSTRUCTED IN THE 1950'S. ABOUT 1,600 DOMESTIC HOUSEHOLDS AND 180 COMMERCIAL OPERATORS ARE AFFECTED. THE TOTAL NUMBER OF RESIDENTS AFFECTED IS ABOUT 3,500.

SOME OF THE PREMISES HAVE BEEN ACQUIRED BY THE HONG KONG HOUSING SOCIETY THROUGH NEGOTIATIONS WITH PROPERTY OWNERS WHILE THE REST HAVE BEEN RESUMED BY THE GOVERNMENT UNDER THE CROWN LANDS RESUMPTION ORDINANCE ON OCTOBER 3, 1992.

THE SOCIETY HAS SUCCESSFULLY ACQUIRED 22 SHOPS AND 70 DOMESTIC UNITS AND THE GOVERNMENT HAS RESUMED 92 SHOPS AND 338 DOMESTIC UNITS.

THE GOVERNMENT HAS PAID ABOUT \$26.1 MILLION EX-GRATIA REMOVAL ALLOWANCE TO DOMESTIC HOUSEHOLDS AND COMMERCIAL OPERATORS, AND \$42 MILLION STATUTORY COMPENSATION TO COMMERCIAL OPERATORS.

COMMERCIAL OPERATORS ARE ENTITLED TO COMPENSATION FOR ANY REASONABLE LOSS SUFFERED AND EXPENSES INCURRED DUE TO THE CLOSURE OR RELOCATION OF BUSINESS.

THESE MAY INCLUDE LOSS OF GOODWILL, PROFIT RENT AND TEMPORARY BUSINESS PROFIT; LOSS ON FORCED SALE OF PLANT, MACHINERY AND STOCK, COSTS INCURRED FOR REMOVAL, DOUBLE OVERHEADS, AND REDUNDANCY PAYMENTS TO EMPLOYEES.

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THE ACTUAL TOTAL BUSINESS LOSS CANNOT BE ASCERTAINED PRIOR TO REMOVAL OF BUSINESS, FOR EXAMPLE, IF THE BUSINESS IS TO BE RELOCATED ACROSS THE STREET, THE LOSS OF GOODWILL SHOULD BE MINIMAL.

WITHOUT SUPPORTING DOCUMENTS FROM THE OPERATORS, ASSESSMENT OF BUSINESS LOSS COULD ONLY BE BASED ON ESTIMATES AND THE OPERATORS ARE ENTITLED TO HAVE HIGHER COMPENSATION IF THEIR ACTUAL LOSS AFTER REMOVAL IS FOUND TO BE GREATER.

NOTWITHSTANDING THAT, GOVERNMENT HAS ALREADY OFFERED COMPENSATION TO THE OPERATORS, IN THE FORM OF AN ADVANCE PAYMENT, TO ASSIST THEIR REMOVAL.

THE AVERAGE AMOUNT OF THIS ADVANCE PAYMENT IS MORE THAN \$500,000 AND IN SOME CASES THE AMOUNT IS AS HIGH AS \$1.6 MILLION.

IF AN OPERATOR IS ALSO PROPERTY OWNER OF A COMMERCIAL UNIT, HE WILL ALSO BE ENTITLED TO HAVE THE VALUE OF THE PROPERTY ON TOP OF BUSINESS LOSS ADVANCE PAYMENT.

THE LANDS DEPARTMENT HAS SERVED NOTICE ON THE REMAINING HOLD OUTS ON APRIL 6 TO VACATE THEIR PREMISES BY TOMORROW.

AS OF TOMORROW, THE POSSESSION OF 66 SHOPS HAS NOT YET BEEN RETURNED TO GOVERNMENT. AMONG THE 66 COMMERCIAL OCCUPIERS, MOST OF THEM HAVE ALREADY RECEIVED 75 PER CENT PROVISIONAL PAYMENT AND AGREED TO VACATE THEIR PREMISES BY MARCH 31 THIS YEAR.

HOWEVER, MOST OF THEM LATER DECLINED TO VACATE AND REQUESTED FOR MORE COMPENSATION. FORTY COMMERCIAL OCCUPIERS HAVE NOT YET RESPONDED TO GOVERNMENT'S COMPENSATION OFFER.

AS REGARDS DOMESTIC HOUSEHOLDS, REHOUSING ARRANGEMENTS HAVE BEEN MADE FOR THEM BY THE HONG KONG HOUSING SOCIETY.

SINCE LAND RESUMPTION BY GOVERNMENT ON OCTOBER 3, 1992, REDEVELOPMENT WORK HAS BEEN POSTPONED SEVERAL TIMES BECAUSE OF SOME OCCUPIERS' REFUSAL TO VACATE THEIR PREMISES IN A BID FOR MORE COMPENSATION WHICH CANNOT BE JUSTIFIED.

RENTAL FOR THE DURATION OF THEIR OVERSTAY HAS BEEN WAIVED BY THE GOVERNMENT.

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CASUALTY FIGURES AT DETENTION CENTRE CLARIFIED

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THE FOLLOWING IS ISSUED BY THE CORRECTIONAL SERVICES DEPARTMENT IN RESPONSE TO PRESS ENQUIRIES ABOUT AN ARTICLE IN THE EASTERN EXPRESS TODAY (TUESDAY) ON CASUALTY FIGURES DURING AN OPERATION AT WHITEHEAD DETENTION CENTRE LAST WEEK:

A SPOKESMAN FOR THE CORRECTIONAL SERVICES DEPARTMENT TODAY (TUESDAY) REFUTED ALLEGATIONS THAT THERE HAD BEEN A "COVER UP" ON THE NUMBER OF CASUALTIES DURING AN OPERATION TO DECANT SECTION SEVEN OF WHITEHEAD LAST THURSDAY.

THE SPOKESMAN POINTED OUT AT A PRESS CONFERENCE HELD IN THE AFTERNOON ON THE DAY, THE COMMISSIONER OF CORRECTIONAL SERVICES, MR ERIC MCCOSH, HAD MADE IT CLEAR THAT MORE THAN ONE PERSON WERE INJURED DURING THE OPERATION.

AT THAT STAGE, ONLY A 27-YEAR-OLD WOMAN NEEDED TO BE TAKEN TO HOSPITAL FOR FURTHER TREATMENT. OTHERS SUFFERED ONLY MINOR INJURIES.

AFTER THE VIETNAMESE HAD BEEN TRANSFERRED TO HIGH ISLAND DETENTION CENTRE, A TOTAL OF 29 PEOPLE SOUGHT MEDICAL ATTENTION FROM THE BRITISH RED CROSS DOCTOR THERE WHO ADVISED THAT THREE HAD TO BE TRANSFERRED TO HOSPITAL FOR TREATMENT.

THEY INCLUDED A 34-YEAR-OLD MAN WHO HAD NO EXTERNAL INJURIES, A SIX-YEAR-OLD GIRL AND A FOUR-MONTH-OLD BOY, BOTH SUFFERING FROM BURNS.

THE BABY BOY, WHO HAD A MINOR BURN ON THE LEFT KNEE, WAS TREATED AND DISCHARGED AT PRINCE OF WALES HOSPITAL.

THE MAN, WHO HAD A KNOWN CHEST CONDITION, WAS ADMITTED FOR OBSERVATION. HE WAS DISCHARGED YESTERDAY (APRIL 11).

THE SIX-YEAR-OLD GIRL IS STILL BEING TREATED IN PRINCE OF WALES HOSPITAL. HER CONDITION IS DESCRIBED AS "STABLE".

THE WOMAN WHO FELL FROM THE ROOF IS STILL IN QUEEN ELIZABETH HOSPITAL IN A SATISFACTORY CONDITION.

THE SPOKESMAN SAID IT WAS A GROSS EXAGGERATION TO SAY THAT MORE THAN 100 HAD BEEN TREATED AT THE CLINIC AT HIGH ISLAND.

THERE IS ALSO NO TRUTH IN THE ALLEGATION THAT PEOPLE SUFFERED "TOTAL BODY BURNS" AND WERE NOT TAKEN TO HOSPITAL. HE SAID ONLY 29 PEOPLE WERE TREATED BY THE BRITISH RED CROSS DOCTOR AT HIGH ISLAND FOR MINOR COMPLAINTS.

THE SPOKESMAN WENT ON TO SAY THAT MR MCCOSH WAS AT HOME LAST NIGHT AND HAD NOT BEEN ASKED FOR HIS COMMENTS ON THE ALLEGATIONS.

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VOLUME AND PRICE MOVEMENTS OF EXTERNAL TRADE IN JANUARY 1994

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THE VOLUME OF DOMESTIC EXPORTS IN JANUARY 1994 WAS 4.6% HIGHER THAN A YEAR EARLIER. OVER THE SAME PERIOD, THE VOLUME OF RE-EXPORTS RECORDED A SIGNIFICANT INCREASE OF 36%, ACCORDING TO THE STATISTICS RELEASED TODAY (TUESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

TAKING DOMESTIC EXPORTS AND RE-EXPORTS TOGETHER, THE VOLUME OF TOTAL EXPORTS INCREASED BY 29%. IMPORTS INCREASED BY 26% IN VOLUME.

THE GROWTH IN THE VOLUME OF TRADE IS DERIVED FROM THE GROWTH IN TRADE VALUES WITH THE EFFECT OF PRICE CHANGES BEING DISCOUNTED.

AS REGARDS PRICE CHANGES OVER THE SAME PERIOD OF COMPARISON, THE PRICES OF DOMESTIC EXPORTS AND IMPORTS INCREASED BY 0.6% AND 0.7% RESPECTIVELY. RE-EXPORT PRICES REMAINED VIRTUALLY UNCHANGED.

PRICE CHANGES ARE REFLECTED BY CHANGES IN UNIT VALUE INDICES, WHICH ARE COMPILED BASED ON AVERAGE UNIT VALUES OR, FOR CERTAIN COMMODITIES, BASED ON SPECIFIC PRICE DATA.

THE TERMS OF TRADE INDEX, DEFINED AS THE RATIO OF TOTAL EXPORT PRICE INDEX TO IMPORT PRICE INDEX, DECREASED BY 0.4% IN JANUARY 1994 OVER JANUARY 1993.

CAUTION SHOULD BE EXERCISED IN INTERPRETING THE CHANGES IN THE VOLUME OF TRADE FOR A SINGLE MONTH AT THE BEGINNING OF EACH YEAR WHICH MAY BE AFFECTED BY THE TIMING OF THE LUNAR NEW YEAR HOLIDAYS. IT IS MORE MEANINGFUL TO MAKE COMPARISONS OVER A LONGER PERIOD.

COMPARING THE THREE MONTHS ENDING JANUARY 1994 WITH THE THREE MONTHS ENDING JANUARY 1993, THE VOLUME OF DOMESTIC EXPORTS DECREASED BY 3.1% WHILE THAT OF RE-EXPORTS INCREASED BY 21%. THE VOLUME OF IMPORTS GREW BY 12%.

THE CHANGES IN THE VALUE, UNIT VALUE AND VOLUME OF DOMESTIC EXPORTS BY PRINCIPAL COMMODITY GROUP ARE SHOWN IN TABLE 1.

COMPARING JANUARY 1994 WITH JANUARY 1993, COMMODITY GROUPS WHICH RECORDED SUBSTANTIAL INCREASES IN THE VOLUME OF DOMESTIC EXPORTS INCLUDED TEXTILE YARN AND THREAD (+25%); METAL MANUFACTURES (+20%); TRAVEL GOODS, HANDBAGS AND SIMILAR ARTICLES (+18%); AND TEXTILE FABRICS (+17%).

ON THE OTHER HAND, CONSIDERABLE DECREASES IN THE VOLUME OF DOMESTIC EXPORTS WERE RECORDED FOR RADIOS OF ALL KINDS (-68%); FOOTWEAR (-23%); AND TEXTILE MADE-UPS AND RELATED ARTICLES (-16%).

AS REGARDS DOMESTIC EXPORT PRICES, COMMODITY GROUPS WHICH RECORDED INCREASES INCLUDED TRAVEL GOODS, HANDBAGS AND SIMILAR ARTICLES (+4.6%); ELECTRONIC COMPONENTS (+3.0%); METAL MANUFACTURES (+2.9%); AND DOMESTIC ELECTRICAL APPLIANCES (+2.8%).

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ON THE OTHER HAND, DECREASES IN DOMESTIC EXPORT PRICES WERE RECORDED FOR TEXTILE FABRICS (-7.7%); TEXTILE YARN AND THREAD (-3.8%); AND TEXTILE MADE-UPS AND RELATED ARTICLES (-3.0%).

THE CHANGES IN THE VALUE, UNIT VALUE AND VOLUME OF IMPORTS BY END-USE CATEGORY ARE SHOWN IN TABLE 2.

THE IMPORT VOLUME OF FOODSTUFFS SLIGHTLY INCREASED BY 1.4% IN JANUARY 1994 AS COMPARED WITH JANUARY 1993.

SIGNIFICANT INCREASES WERE RECORDED FOR THE IMPORT VOLUME OF WHEAT AND FLOUR; ANIMALS OF THE BOVINE SPECIES; VEGETABLE; AND MEAT AND MEAT PREPARATION. HOWEVER, CONSIDERABLE DECREASES WERE RECORDED IN THE IMPORT VOLUME OF SUGAR; RICE; AND FRUIT.

OVER THE SAME PERIOD OF COMPARISON, THE IMPORT VOLUME OF CONSUMER GOODS INCREASED BY 25%.

COMMODITY ITEMS WITH CONSIDERABLE INCREASES IN IMPORT VOLUME INCLUDED RADIOS, TELEVISION SETS, GRAMOPHONES, RECORDS, TAPE RECORDERS AND AMPLIFIERS; CAMERAS, FLASHLIGHT APPARATUS AND SUPPLIES FOR PHOTOGRAPHY; AND HOUSEHOLD TYPE ELECTRICAL APPLIANCES. HOWEVER, DECREASE IN IMPORT VOLUME WAS NOTED FOR PASSENGER MOTOR CARS.

THE IMPORT VOLUME OF RAW MATERIALS AND SEMI-MANUFACTURES INCREASED BY 37% IN JANUARY 1994 AS COMPARED WITH JANUARY 1993.

SIGNIFICANT INCREASES IN IMPORT VOLUME WERE NOTED FOR MAN-MADE FIBRES; WOOD, LUMBER AND CORK; COTTON YARN AND THREAD; PAPER AND PAPERBOARD; AND SILK FABRICS. HOWEVER, CONSIDERABLE DECREASE WAS RECORDED IN THE IMPORT VOLUME OF WOOL AND OTHER ANIMAL HAIR.

IMPORTS OF FUELS DECREASED BY 27% IN VOLUME IN JANUARY 1994 AS COMPARED WITH JANUARY 1993.

AS REGARDS CAPITAL GOODS, THE IMPORT VOLUME INCREASED BY 22% IN JANUARY 1994 OVER JANUARY 1993.

NOTABLE INCREASES WERE RECORDED FOR THE IMPORT VOLUME OF OFFICE MACHINES; ELECTRICAL MACHINERY; AND SCIENTIFIC, MEDICAL, OPTICAL, MEASURING AND CONTROLLING INSTRUMENTS AND APPARATUS. THE IMPORT VOLUME OF TEXTILE MACHINERY; AND CONSTRUCTION MACHINERY DECLINED.

COMPARING JANUARY 1994 WITH JANUARY 1993, THE IMPORT PRICES OF CAPITAL GOODS; AND CONSUMER GOODS INCREASED BY 2.0% AND 1.7% RESPECTIVELY. THE IMPORT PRICES OF FUELS; AND FOODSTUFFS DECREASED BY 17% AND 1.8% RESPECTIVELY. THE IMPORT PRICES OF RAW MATERIALS AND SEMI-MANUFACTURES REMAINED VIRTUALLY UNCHANGED.

THE CHANGES IN THE VALUE, UNIT VALUE AND VOLUME OF RE-EXPORTS BY END-USE CATEGORY ARE SHOWN IN TABLE 3.

COMPARING JANUARY 1994 WITH JANUARY 1993, THE VOLUME OF RE-EXPORTS OF ALL END-USE CATEGORIES INCREASED: RAW MATERIALS AND SEMI-MANUFACTURES (+59%); CAPITAL GOODS (+32%); CONSUMER GOODS (+29%); FUELS (+17%); AND FOODSTUFFS (+14%).

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OVER THE SAME PERIOD OF COMPARISON, THE PRICES OF RE-EXPORTS OF CAPITAL GOODS; CONSUMER GOODS; AND FOODSTUFFS INCREASED BY 1.5%, 1.2% AND 0.9% RESPECTIVELY.

ON THE OTHER HAND, THE RE-EXPORT PRICES OF FUELS; AND RAW MATERIALS AND SEMI-MANUFACTURES DECREASED BY 19% AND 2.3% RESPECTIVELY.

DETAILS OF THE ABOVE STATISTICS ARE PUBLISHED IN THE JANUARY 1994 ISSUE OF THE "HONG KONG TRADE INDEX NUMBERS".

THE REPORT WILL BE AVAILABLE ON SALE AROUND APRIL 14, 1994 AT \$9 PER COPY AT EITHER (I) THE GOVERNMENT PUBLICATIONS CENTRE ON THE GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL; OR (II) THE PUBLICATIONS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT ON THE 19TH FLOOR, WANCHAI TOWER, 12 HARBOUR ROAD, WAN CHAI.

ENQUIRIES REGARDING REGULAR SUBSCRIPTION TO THIS REPORT MAY BE DIRECTED TO THE INFORMATION SERVICES DEPARTMENT AT FRENCH MISSION BUILDING, 1 BATTERY PATH, HONG KONG ON TEL 842 8802 AND ENQUIRIES ON TRADE INDICES TO THE CENSUS AND STATISTICS DEPARTMENT ON TEL 582 4918.

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/Table 1 :

Table 1 : Changes in domestic exports by principal commodity group

Commodity group	Comparing JAN 1994 with JAN 1993		
	<u>% changes</u>		
	Value	Unit	Volume

Clothing	-7.0	1.5	-8.3
Textile fabrics	7.7	-7.7	16.8
Textile yarn and thread	19.9	-3.8	24.5
Textile made-ups and related articles	-18.9	-3.0	-16.4
Radios of all kinds	-67.9	0.4	-68.1
Electronic components	-6.3	3.0	-9.0
Footwear	-21.5	1.0	-22.5
Metal manufactures	23.6	2.9	20.0
Metal ores and scrap	1.1	-0.1	1.2
Watches and clocks	10.1	0.7	9.3
Travel goods, handbags and similar articles	23.7	4.6	18.4
Domestic electrical appliances	-6.0	2.8	-8.4
ALL COMMODITIES	5.4	0.6	4.6

/Table 2 :

Table 2 : Changes in imports by end-use category

End-use category	Comparing JAN 1994 with JAN 1993		
	<u>% changes</u>		
	Value	Unit	Volume
Foodstuffs	-0.5	-1.8	1.4
Consumer goods	27.3	1.7	25.1
Raw materials and semi-manufactures	37.4	0.2	37.1
Fuels	-38.8	-16.7	-26.5
Capital goods	24.0	2.0	21.5
ALL COMMODITIES	26.9	0.7	26.0

Table 3 : Changes in re-exports by end-use category

End-use category	Comparing JAN 1994 with JAN 1993		
	<u>% changes</u>		
	Value	Unit	Volume
Foodstuffs	15.2	0.9	14.1
Consumer goods	30.1	1.2	28.6
Raw materials and semi-manufactures	55.1	-2.3	58.8
Fuels	-4.7	-18.6	17.0
Capital goods	34.2	1.5	32.1
ALL COMMODITIES	35.8	0.1	35.6

COMMITTEE ENDORSES OPPORTUNITY FOR DISABLED
TO ATTEND TERTIARY INSTITUTIONS

* * * * *

MEMBERS OF THE REHABILITATION DEVELOPMENT CO-ORDINATING COMMITTEE AT A MEETING HELD TODAY (TUESDAY) RECOGNISED THAT OPPORTUNITIES SHOULD BE GIVEN TO DISABLED PEOPLE TO ATTEND POST-SECONDARY AND TERTIARY INSTITUTIONS AND THAT THESE AREAS SHOULD BE FURTHER LOOKED INTO AS TO THE DIFFICULTIES TO BE OVERCOME.

CHAIRMAN OF THE COMMITTEE, DR RAYMOND WU, SAID THE COMMITTEE'S AIM WAS TO ENSURE THAT DISABLED PERSONS COULD RECEIVE HIGHER EDUCATION AND WOULD NOT BE DEPRIVED OF THIS OPPORTUNITY BECAUSE OF THEIR DISABILITIES.

"WE HAVE ASKED THE GOVERNMENT TO CONTACT THE UNIVERSITY AND POLYTECHNIC GRANTS COMMITTEE-FUNDED INSTITUTIONS TO ASK THEM TO CONSIDER GIVING SUCH OPPORTUNITY TO THOSE DISABLED PERSONS WHO HAVE THAT KIND OF POTENTIAL," HE SAID.

HE EXPLAINED THE OPPORTUNITY SHOULD BE IN THE CONTEXT OF FLEXIBILITY IN ADMISSION REQUIREMENTS AND ASSISTANCE AND FACILITIES THE INSTITUTIONS WOULD OFFER TO DISABLED STUDENTS.

DR WU SAID HE WAS PLEASED TO SEE THE GOVERNMENT HAD SUPPORTED THE IDEA AND IT HAD ALSO GIVEN SOME SUGGESTIONS.

THE MEMBERS WERE ALSO INFORMED OF THE LEVEL OF SUBVENTION SUPPORT FOR PARENTS RESOURCE CENTRES.

THEY NOTED THAT SIX PARENTS RESOURCE CENTRES WERE IN OPERATION AND ONE CENTRE WAS UNDER PLANNING. THE GOVERNMENT HAS ASSISTED IN THE SETTING UP OF THESE CENTRES IN THE ACQUISITION OF PREMISES FOR WELFARE PURPOSE AS WELL AS RENT AND RATES SUBSIDY.

DR WU SAID THESE CENTRES WERE REGIONAL-BASED AND WERE PROVIDING SERVICE TO PARENTS OF CHILDREN OF ALL KINDS OF DISABILITIES.

MEMBERS NOTED THAT THE FUNCTIONS OF THESE CENTRES WERE:

- * TO PROVIDE A PLACE FOR PARENTS AND RELATIVES OF DISABLED TO DISCUSS MATTERS OF MUTUAL INTEREST, MEET OTHERS WITH SIMILAR PROBLEMS;
- * TO PROVIDE BOOKS, MAGAZINES, EDUCATIONAL FACILITIES OR OTHER INFORMATION OF VALUE TO THE PARENTS AND RELATIVES FOR BETTER UNDERSTANDING AND CARE TO THEIR DISABLED DEPENDANTS; AND
- * TO PROVIDE ENQUIRIES AND REFERRAL SERVICES, RECREATIONAL AND EDUCATIONAL ACTIVITIES FOR PARENTS AND RELATIVES OF DISABLED PERSONS.

RATES FOR SECOND QUARTER DUE END-APRIL

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RATES FOR THE SECOND QUARTER OF THIS YEAR ARE DUE AT THE END OF THIS MONTH.

PAYMENT MAY BE MADE BY TELEPHONE, OR BY POST ADDRESSED TO THE DIRECTOR OF ACCOUNTING SERVICES, PO BOX 8000, GPO, HONG KONG OR IN PERSON AT ANY OF THE FOLLOWING OFFICES:

- * THE TREASURY HEADQUARTERS COLLECTION AND PAYMENT OFFICE, IMMIGRATION TOWER, FIRST FLOOR, 7 GLOUCESTER ROAD, WAN CHAI, HONG KONG;
- * THE CENTRAL SUB-TREASURY, CENTRAL GOVERNMENT OFFICES (WEST WING), 11 ICE HOUSE STREET, HONG KONG;
- * THE NORTH POINT SUB-TREASURY, MAX SHARE CENTRE, FIRST FLOOR, 373 KING'S ROAD, HONG KONG;
- * THE SAI WAN HO SUB-TREASURY, EASTERN LAW COURTS BUILDING, GROUND FLOOR, 29 TAI ON STREET, SAI WAN HO, HONG KONG;
- * THE YAU MA TEI SUB-TREASURY, KOWLOON GOVERNMENT OFFICES, FOURTH FLOOR, 405 NATHAN ROAD, KOWLOON;
- * THE KOWLOON CITY SUB-TREASURY, MAN SANG COMMERCIAL BUILDING, FIRST FLOOR, 348-352 PRINCE EDWARD ROAD, KOWLOON;
- * THE DISTRICT OFFICE AT SAI KUNG, SHA TIN, TAI PO, NORTH, YUEN LONG, TUEN MUN, TSUEN WAN OR KWAI TSING.

A SPOKESMAN FOR THE TREASURY SAID DEMAND NOTES HAD BEEN ISSUED.

"RATEPAYERS WHO HAVE NOT RECEIVED THEM SHOULD BRING ALONG RATES DEMAND NOTES FOR ANY PREVIOUS QUARTER TO ANY OF THE TREASURY COLLECTION OFFICES.

"DUPLICATE RATES DEMAND NOTES WILL BE ISSUED TO THEM," HE SAID.

IF THE RATEPAYERS CANNOT PRODUCE DEMAND NOTES FOR ANY PREVIOUS QUARTER, THEY SHOULD INQUIRE OF THE TREASURY RATES SECTION, IMMIGRATION TOWER, 30TH FLOOR, 7 GLOUCESTER ROAD, WAN CHAI.

THE SPOKESMAN SAID NON-RECEIPT OF THE DEMAND NOTE DID NOT ALTER THE REQUIREMENT THAT THE RATES MUST BE PAID ON OR BEFORE THE END OF THIS MONTH.

UNLESS SO PAID, RATEPAYERS MAY BE SUBJECT TO A SURCHARGE OF FIVE PER CENT UNDER THE RATING ORDINANCE.

A FURTHER SURCHARGE OF 10 PER CENT MAY BE LEVIED ON THE OUTSTANDING AMOUNT (INCLUDING THE 5 PER CENT SURCHARGE) WHICH REMAINS UNPAID SIX MONTHS AFTER THE DUE DATE.

TUESDAY, APRIL 12, 1994

- 15 -

RATEPAYERS WHO HAVE SUBMITTED A VALID DIRECT DEBIT AUTHORISATION SHOULD NOTE THAT PAYMENT SHOULD STILL BE MADE BY OTHER MEANS AS SET OUT IN THE DEMAND NOTE UNLESS THE WORDING 'PAYMENT TO BE MADE BY AUTOPAY' IS SHOWN ON THE DEMAND NOTE.

THEY SHOULD ENSURE THAT THEIR BANK ACCOUNTS CONTAIN THE NECESSARY FUNDS ON APRIL 30. RATES ARE PAYABLE ON VACANT PROPERTIES BUT ARE REFUNDABLE UNDER THE CONDITIONS SPECIFIED IN THE ORDINANCE.

HOWEVER, NO REFUNDS WILL BE MADE IN THE CASE OF A VACANT TENEMENT LAST USED OR INTENDED TO BE USED WHOLLY OR PRIMARILY FOR DOMESTIC PURPOSES OR FOR THE PARKING OF VEHICLES (UNLESS VACANT BY REASON OF AN ORDER OF THE GOVERNMENT).

TO SAVE QUEUEING TIME, HE URGED RATEPAYERS TO PAY BY TELEPHONE, BY POST OR BY EARLY PERSONAL ATTENDANCE AT ANY OF THE COLLECTION OFFICES.

HOWEVER, THE SPOKESMAN SAID THE MOST CONVENIENT PAYMENT METHOD IS AUTOPAY.

APPLICATIONS FOR AUTOPAY ARE OBTAINABLE FROM TREASURY COLLECTION OFFICES, DISTRICT OFFICES AND ALL MAJOR BANKS IN HONG KONG OR BY TELEPHONING 829 5019.

FOR ADDITIONAL INFORMATION ABOUT PAYMENT BY TELEPHONE SERVICE, PLEASE CALL 1702 22329.

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HONG KONG GOVERNMENT EXCHANGE FUND
TENDER RESULTS

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TENDER DATE	12 APR 94	12 APR 94
PAPER ON OFFER	EF BILLS	EF BILLS
ISSUE NUMBER	Q415	H462
AMOUNT APPLIED	HK\$5,780 MN	HK\$3,140 MN
AMOUNT ALLOTTED	HK\$1,500 MN	HK\$500 MN
AVERAGE YIELD ACCEPTED	3.55 PCT	3.85 PCT
HIGHEST YIELD ACCEPTED	3.56 PCT	3.85 PCT
PRO RATA RATIO	ABOUT 78 PCT	ABOUT 100 PCT
AVERAGE TENDER YIELD	3.59 PCT	3.92 PCT

/HONG KONG

HONG KONG GOVERNMENT EXCHANGE FUND

TENDERS TO BE HELD IN THE WEEK BEGINNING 18 APRIL 1994 -

TENDER DATE	19 APR 94	19 APR 94
PAPER ON OFFER	EF BILLS	EF BILLS
ISSUE NUMBER	Q416	Y488
ISSUE DATE	20 APR 94	20 APR 94
MATURITY DATE	20 JUL 94	19 APR 95
TENOR	91 DAYS	364 DAYS
AMOUNT ON OFFER	HK\$1,500 + 300 MN	HK\$500 + 150 MN

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HONG KONG MONETARY AUTHORITY
MONEY MARKET OPERATIONS

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	\$ MILLION	TIME (HOURS)	CUMULATIVE CHANGE (\$ MILLION)
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OPENING BALANCE IN THE ACCOUNT	2,116	0930	+278
CLOSING BALANCE IN THE ACCOUNT	2,455	1000	+178
CHANGE ATTRIBUTABLE TO :		1100	+180
MONEY MARKET ACTIVITY	+429	1200	+180
LAF TODAY	-90	1500	+430
		1600	+429

LAF RATE 2.00 BID/4.00 OFFER TWI 125.4 *-0.1* 12.4.94

HONG KONG MONETARY AUTHORITY

EF BILLS

EF NOTES/HONG KONG GOVERNMENT BONDS

TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	2.77	17 MONTHS	2508	4.625	99.71	4.90
1 MONTH	2.98	20 MONTHS	2511	4.15	98.57	5.15
3 MONTHS	3.56	23 MONTHS	2602	4.40	98.37	5.41
6 MONTHS	3.89	31 MONTHS	3610	4.20	96.17	5.93
12 MONTHS	4.44	34 MONTHS	3701	4.60	96.40	6.11

TOTAL TURNOVER OF BILLS AND BONDS - 30,702 MN

CLOSED 12 APRIL 1994

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