



DAILY INFORMATION BULLETIN

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HK'S TRADE WITH CHINA OF OUTWARD PROCESSING NATURE
FOR THIRD QUARTER 1990

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SOME 62% OF HONG KONG'S IMPORTS FROM CHINA WAS RELATED TO OUTWARD PROCESSING, IN THE THIRD QUARTER OF 1990

ON THE OTHER HAND, SOME 60% OF HONG KONG'S TOTAL EXPORTS TO CHINA WAS FOR OUTWARD PROCESSING; THE FIGURE WAS 78% FOR DOMESTIC EXPORTS, AND 53% FOR RE-EXPORTS TO CHINA.

THE CORRESPONDING PROPORTIONS IN THE THIRD QUARTER OF 1989 WERE 58% FOR IMPORTS, 56% FOR TOTAL EXPORTS, 77% FOR DOMESTIC EXPORTS AND 46% FOR RE-EXPORTS.

FROM JANUARY TO SEPTEMBER 1990, SOME 62% OF HONG KONG'S IMPORTS FROM CHINA WAS RELATED TO OUTWARD PROCESSING.

ON THE OTHER HAND, SOME 58% OF HONG KONG'S TOTAL EXPORTS TO CHINA WAS FOR OUTWARD PROCESSING; THE FIGURE WAS 79% FOR DOMESTIC EXPORTS, AND 50% FOR RE-EXPORTS TO CHINA.

THE CORRESPONDING PROPORTIONS FROM JANUARY TO SEPTEMBER 1989 WERE 58% FOR IMPORTS, 52% FOR TOTAL EXPORTS, 75% FOR DOMESTIC EXPORTS AND 43% FOR RE-EXPORTS.

TO PROVIDE A BETTER UNDERSTANDING OF THE NATURE AND IMPORTANCE OF OUTWARD PROCESSING IN CHINA BY HONG KONG FIRMS, THE CENSUS AND STATISTICS DEPARTMENT HAS BEEN CONDUCTING A SAMPLE SURVEY AS FROM THE THIRD QUARTER OF 1988 TO DISTINGUISH HONG KONG'S EXPORTS TO CHINA - BOTH DOMESTIC EXPORTS AND RE-EXPORTS - INTO THOSE WHICH ARE FOR OUTWARD PROCESSING AND THOSE WHICH ARE NOT.

THE SCOPE OF THE SURVEY HAS ALSO BEEN EXTENDED AS FROM THE FIRST QUARTER OF 1989 SO AS TO SEGREGATE HONG KONG'S IMPORTS FROM CHINA INTO THOSE WHICH ARE RELATED TO OUTWARD PROCESSING AND THOSE WHICH ARE NOT. THE RESULTS FOR THE THIRD QUARTER OF 1990 ARE NOW AVAILABLE.

IN VALUE TERMS, SOME \$39,198 MILLION OF IMPORTS FROM CHINA IN THE THIRD QUARTER OF 1990 WERE RELATED TO OUTWARD PROCESSING, REPRESENTING AN INCREASE OF 27% OVER THE SAME QUARTER IN 1989.

THE VALUE OF TOTAL EXPORTS TO CHINA FOR OUTWARD PROCESSING IN THE THIRD QUARTER OF 1990, AT \$24,331 MILLION, WAS 19% HIGHER THAN THAT IN THE SAME QUARTER A YEAR AGO.

THE VALUE OF DOMESTIC EXPORTS AND RE-EXPORTS TO CHINA FOR OUTWARD PROCESSING GREW BY 13% TO \$9,714 MILLION AND 23% TO \$14,617 MILLION RESPECTIVELY.

FROM JANUARY TO SEPTEMBER 1990, SOME \$102,181 MILLION OF IMPORTS FROM CHINA WERE RELATED TO OUTWARD PROCESSING, REPRESENTING AN INCREASE OF 25% OVER THE SAME PERIOD IN 1989.

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THE VALUE OF TOTAL EXPORTS TO CHINA FOR OUTWARD PROCESSING FROM JANUARY TO SEPTEMBER 1990, AT \$64,828 MILLION, WAS 15% HIGHER THAN THAT IN THE SAME PERIOD A YEAR AGO.

THE VALUE OF DOMESTIC EXPORTS AND RE-EXPORTS TO CHINA FOR OUTWARD PROCESSING GREW BY 11% TO \$26,065 MILLION AND 17% TO \$38,763 MILLION RESPECTIVELY.

FOR THE PURPOSE OF THE SURVEY, EXPORTS TO CHINA FOR OUTWARD PROCESSING REFER TO THE EXPORTING OF RAW MATERIALS OR SEMI-MANUFACTURES FROM OR THROUGH HONG KONG TO CHINA FOR PROCESSING, WITH THE RESULTING PROCESSED GOODS BEING SUBSEQUENTLY RE-IMPORTED INTO HONG KONG.

IMPORTS FROM CHINA RELATED TO OUTWARD PROCESSING REFER TO THE IMPORTING OF GOODS FROM CHINA OF WHICH ALL OR PART OF THEIR RAW MATERIALS OR SEMI-MANUFACTURES ARE UNDER CONTRACTUAL ARRANGEMENT EXPORTED FROM OR THROUGH HONG KONG TO CHINA FOR PROCESSING.

A SAMPLE OF TRADE DECLARATIONS IN RESPECT OF HONG KONG'S TRADE WITH CHINA (IMPORTS FROM CHINA, DOMESTIC EXPORTS AND RE-EXPORTS TO CHINA) ARE SELECTED FOR ENUMERATION TO OBTAIN THE REQUIRED INFORMATION FROM ESTABLISHMENTS.

A SPOKESMAN FOR THE CENSUS AND STATISTICS DEPARTMENT EXPLAINED THAT UNDER THE INTERNATIONALLY ACCEPTED SYSTEM OF RECORDING TRADE FLOWS, ALL MOVEMENTS OF GOODS ACROSS THE BORDER, FOR WHATEVER PURPOSE, ARE RECORDED AS EXTERNAL TRADE.

THUS THE MOVEMENTS OF GOODS ASSOCIATED WITH OUTWARD PROCESSING ARE CORRECTLY INCLUDED IN THE REGULAR TRADE STATISTICS.

"THE FINDINGS OF THE SURVEY, HOWEVER, FACILITATE A MORE INFORMED ANALYSIS OF THE NATURE OF HONG KONG-CHINA TRADE. IN THIS RESPECT, THE SURVEY RESULTS ARE A USEFUL SUPPLEMENT TO THE REGULAR TRADE STATISTICS," THE SPOKESMAN SAID.

SURVEY RESULTS FOR THE THIRD QUARTER OF 1990 WILL BE INCLUDED IN PART I OF THE DECEMBER 1990 ISSUE OF THE "HONG KONG EXTERNAL TRADE", WHICH WILL BE ON SALE AROUND FEBRUARY 20 AT THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, CENTRAL AT \$27 PER COPY.

/ESTIMATED VALUE

ESTIMATED VALUE AND PROPORTION OF OUTWARD PROCESSING TRADE FOR IMPORTS FROM CHINA
AND EXPORTS (DOMESTIC EXPORTS AND RE-EXPORTS) TO CHINA
3RD QUARTER OF 1990 AND JANUARY - SEPTEMBER 1990

Trade type	Estimated value of outward processing trade				Estimated proportion of outward processing trade			
	3rd qtr 1990 (HKD Mn.)	% change over 3rd qtr 1989 (%)	Jan-Sep 1990 (HKD Mn.)	% change over Jan-Sep 1989 (%)	3rd qtr 1990 (%)	3rd qtr 1989 (%)	Jan-Sep 1990 (%)	Jan-Sep 1989 (%)
Imports from China	39,198.	+27.4	102,181	+24.6	62.3	57.8	61.7	57.7
Total exports to China	24,331	+19.0	64,828	+14.5	60.4	55.6	58.5	51.9
Domestic exports to China	9,714	+13.3	26,065	+11.3	77.9	77.2	78.6	75.3
Re-exports to China	14,617	+23.1	38,763	+16.8	52.6	46.3	49.9	42.6

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OFFICE OF THE EXCHANGE FUND ESTABLISHED
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A NEW OFFICE OF THE EXCHANGE FUND HAS BEEN ESTABLISHED TO PROVIDE THE GOVERNMENT A STRONGER ORGANISATIONAL FRAMEWORK FOR MONETARY MANAGEMENT.

ANNOUNCING THE MOVE, THE FINANCIAL SECRETARY, SIR PIERS JACOBS, SAID: "THE NEW OFFICE IS RESPONSIBLE FOR AN AREA OF WORK WHICH IS VERY IMPORTANT TO THE STABILITY AND PROSPERITY OF HONG KONG.

"I AM WELL SATISFIED WITH THE WAY IN WHICH OUR MONETARY ARRANGEMENTS HAVE DEVELOPED AND STRENGTHENED IN RECENT YEARS. BUT WE MUST ENSURE THAT WE HAVE A PROPER ORGANISATIONAL FRAMEWORK TO ENABLE US TO CONTINUE TO PERFORM THE TASK EFFECTIVELY."

SIR PIERS EMPHASIZED THAT THE CHANGE DID NOT MEAN THE GOVERNMENT WAS TAKING ON ADDITIONAL POWERS.

"THERE IS NO NEED FOR THE GOVERNMENT TO TAKE ON ANY OF THE RESIDUAL CENTRAL BANKING FUNCTIONS THAT ARE NOW SATISFACTORILY PERFORMED WITHIN THE BANKING SYSTEM," HE SAID.

SIR PIERS HOPED THAT THE NEW OFFICE WOULD DEVELOP A CLEAR IDENTITY AND THAT ITS FUNCTIONS WOULD BE FULLY UNDERSTOOD BY THE FINANCIAL COMMUNITY.

LIKE THE OFFICE OF THE COMMISSIONER OF BANKING, IT IS AN AUTONOMOUS UNIT WITHIN THE MONETARY AFFAIRS BRANCH.

THE SECRETARY FOR MONETARY AFFAIRS, MR DAVID NENDICK, WELCOMED THE SETTING UP OF THE NEW OFFICE.

"THE DIRECTOR WILL REPORT TO ME BUT WILL HAVE THE NECESSARY AUTONOMY TO TAKE DECISIONS PERSONALLY TO ENSURE MONETARY STABILITY," MR NENDICK SAID.

THE DIRECTOR OF THE NEW OFFICE OF THE EXCHANGE FUND IS THE SENIOR DEPUTY SECRETARY FOR MONETARY AFFAIRS, MR JOSEPH YAM.

"I AM CONFIDENT THAT THE MONETARY SYSTEM WHICH HAS BEEN DEVELOPED IN RECENT YEARS IS SUFFICIENTLY ROBUST TO ENABLE US TO MEET THE CHALLENGES AHEAD," MR YAM SAID, WHEN COMMENTING ON HIS APPOINTMENT.

THE FINANCE COMMITTEE HAS APPROVED THE FUNDING FOR THE SETTING UP OF THE OFFICE.

THE OFFICE OF THE EXCHANGE FUND IS NOW LOCATED WITH THE MONETARY AFFAIRS BRANCH ON 24TH FLOOR, TOWER 2, ADMIRALTY CENTRE.

IT IS EXPECTED TO MOVE TO SEPARATE PREMISES LATER.

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MARINE INQUIRY ORDERED INTO PLEASURE VESSEL INCIDENT

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THE DIRECTOR OF MARINE, MR MICHAEL C.C. SZE, HAS ORDERED A LOCAL MARINE INQUIRY INTO A COLLISION INVOLVING A FERRY VESSEL "MAN LOY" AND A PLEASURE VESSEL "LONG BOAT" IN VICTORIA HARBOUR.

THE COLLISION OCCURRED ABOUT 8.30 PM LAST SATURDAY OFF THE MACAU FERRY TERMINAL IN SHEUNG WAN.

THE PLEASURE CRAFT WAS SERIOUSLY DAMAGED IN THE COLLISION AND FOUR OF ITS PASSENGERS WERE INJURED. A 34-YEAR-OLD MAN ON BOARD THE CRAFT IS REPORTED MISSING.

A SPOKESMAN FOR THE MARINE DEPARTMENT TODAY (MONDAY) SAID THE INQUIRY WAS ORDERED UNDER THE SHIPPING AND PORT CONTROL ORDINANCE (CAP. 313) AFTER THE DIRECTOR OF MARINE HAD CONSIDERED A PRELIMINARY REPORT ON THE ACCIDENT.

THE PURPOSES OF THE INQUIRY ARE:

- * TO FIND OUT THE CAUSES OF THE COLLISION;
- * TO RECOMMEND WHETHER THE CERTIFICATES HELD BY EITHER OF THE COXSWAINS ALLOWING THEM TO OPERATE SHOULD BE SUSPENDED OR CANCELLED;
- * TO RECOMMEND ANY ACTION TO BE TAKEN SO THAT A SIMILAR INCIDENT COULD BE AVOIDED IN FUTURE.

A REPORT ON THE INQUIRY WILL BE SUBMITTED TO THE DIRECTOR OF MARINE IN A MONTH'S TIME.

THE INQUIRING OFFICER WILL REPORT ANY INDICATION OF AN OFFENCE OF A CRIMINAL NATURE TO THE MARINE POLICE FOR THEIR ACTION.

A SURVEYOR OF SHIP, CAPTAIN JOHN MCPARTLAND, HAS BEEN APPOINTED TO CONDUCT THE INQUIRY. ANY PERSON WHO WITNESSED THE ACCIDENT, OR HAS ANY OTHER RELEVANT INFORMATION, SHOULD CONTACT THE INVESTIGATING OFFICER ON TEL. 852 4363.

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EDUCATION COMMISSION MEMBERS VISITING U.S.

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THE YEAR OF THE RAM IS AN IMPORTANT ONE FOR HONG KONG AS MAJOR DECISIONS TAKEN DURING THE PAST YEAR WHICH ARE VITAL TO HONG KONG'S LONG-TERM PHYSICAL AND HUMAN INFRASTRUCTURE WILL BE IMPLEMENTED.

THIS WAS STATED BY THE DIRECTOR OF THE HONG KONG ECONOMIC AND TRADE OFFICE IN NEW YORK, MR KERRY MCGLYNN, WHO WAS SPEAKING AT THE OFFICE'S CHINESE NEW YEAR RECEPTION HELD ON LAST THURSDAY (FEBRUARY 14).

/AMONG THE

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AMONG THE 350 GUESTS ATTENDING WERE BUSINESS AND FINANCIAL CORPORATE EXECUTIVES, CONSULAR OFFICIALS, BANKERS, AND MEMBERS OF THE MEDIA.

GUESTS OF HONOUR WERE MEMBERS OF HONG KONG'S EDUCATION COMMISSION WHO WERE IN NEW YORK AS PART OF A U.S. GOVERNMENT SPONSORED TOUR.

MR MCGLYNN SAID WHILE THE NEW AIRPORT AND PORT PROJECTS HAD NATURALLY ATTRACTED A LOT OF ATTENTION, IT WAS EASY TO OVERLOOK THE FACT THAT HONG KONG HAS ESTABLISHED A LONG-TERM BLUEPRINT FOR SPECTACULAR AND ENDURING PROGRAMMES IN THE FIELDS OF PRIMARY, SECONDARY AND TERTIARY EDUCATION, THE ENVIRONMENT AND HEALTH AND WELFARE SERVICES.

HE SAID THE VISIT TO NEW YORK BY EXECUTIVE AND LEGISLATIVE COUNCIL MEMBER AND THE EDUCATION COMMISSION CHAIRMAN, MRS RITA FAN; THE SECRETARY FOR EDUCATION AND MANPOWER, MR K.Y. YEUNG; DIRECTOR OF EDUCATION, DR Y.T. LI AND OTHER MEMBERS OF THE COMMISSION WAS REMINDER OF JUST HOW MUCH PROGRESS HAD BEEN ACHIEVED AND HOW MUCH MORE REMAINED TO BE DONE.

OTHER MEMBERS OF THE EDUCATION COMMISSION IN THE TOUR, WHICH WAS SPONSORED BY THE UNITED STATES INFORMATION AGENCY'S BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, WERE LEGISLATIVE COUNCIL MEMBER MR SZETO WAH AND THE CHAIRMAN OF THE BOARD OF EDUCATION, MR TIMOTHY HA.

DURING THEIR VISIT, WHICH ALSO COVERED THE WEST COAST AND WASHINGTON, D.C., THE GROUP'S ENGAGEMENTS INCLUDED MEETING TEACHERS TO DISCUSS PROFESSIONAL DEVELOPMENTS INCLUDING TEACHER TRAINING AND CURRICULUM DEVELOPMENT, VISITING UNIVERSITIES, DISCUSSION ON VARIOUS ASPECTS OF THE U.S. EDUCATIONAL SYSTEM INCLUDING PARENTAL INVOLVEMENT IN PRIMARY AND SECONDARY EDUCATION AND IN NEW YORK, TALKS WITH THE CITY'S BOARD OF EDUCATION.

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REPROVISIONING OF IMMIGRATION OFFICE

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THE IMMIGRATION DEPARTMENT ANNOUNCED TODAY (MONDAY) THAT THE CAUSEWAY BAY RE-ENTRY PERMIT OFFICE CURRENTLY SITUATED ON THE GROUND FLOOR, PARK COMMERCIAL CENTRE, 10 SHELTER STREET WILL BE REPROVISIONED TO THE SECOND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL, EFFECTIVE FROM MARCH 4.

A SPOKESMAN FOR THE IMMIGRATION DEPARTMENT SAID UPON REMOVAL THE OFFICE WILL BE RENAMED AS HONG KONG ISLAND RE-ENTRY PERMIT OFFICE.

/THE OFFICE

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THE OFFICE HOUR OF THE NEW OFFICE WILL REMAIN UNCHANGED:

MONDAY TO FRIDAY	9 AM TO 12.45 PM 2 PM TO 4.30 PM
SATURDAY	9 AM TO 12.30 PM
SUNDAY AND PUBLIC HOLIDAYS	CLOSED

MEMBERS OF THE PUBLIC MAY TELEPHONE 824 6111 FOR ENQUIRIES.

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NEW AIRPORT POST OFFICE TO OPEN SOON

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THE POSTMASTER GENERAL, MR DOMINIC S.W. WONG, ANNOUNCED TODAY (MONDAY) THAT THE NEW AIRPORT POST OFFICE, LOCATED IN THE EAST LANDSIDE DEPARTURE HALL ON THE FIRST FLOOR OF THE PASSENGER TERMINAL BUILDING, HONG KONG INTERNATIONAL AIRPORT, WILL OPEN AT 8 AM ON FEBRUARY 25.

THE EXISTING POST OFFICE IN THE WEST LANDSIDE DEPARTURE HALL WILL CLOSE FOR BUSINESS WITH EFFECT FROM 9 PM ON FEBRUARY 23.

THE HOURS OF BUSINESS AND TELEPHONE NUMBER OF THE NEW OFFICE WILL BE THE SAME AS THOSE OF THE EXISTING OFFICE.

A SPECIAL HAND-BACK SERVICE WILL BE AVAILABLE TO LOCAL PHILATELISTS ON FEBRUARY 25.

UNREGISTERED FULL POSTAGE PREPAID FIRST DAY COVERS, PREPARED PRIVATELY AND BEARING A LOCAL ADDRESS, WILL BE ACCEPTED OVER THE COUNTER, IMPRESSED WITH THE NORMAL POST OFFICE DATESTAMP AND HANDED BACK TO THE PERSON PRESENTING THEM.

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ELECTION FORUMS IN WAN CHAI DISTRICT

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DISTRICT BOARD ELECTION FORUMS WILL BE HELD IN THE WAN CHAI DISTRICT FROM TOMORROW (TUESDAY) TO THURSDAY FOR LOCAL RESIDENTS TO FAMILIARISE THE CANDIDATES OF THEIR CONSTITUENCIES.

ORGANISED BY THE WAN CHAI DISTRICT OFFICE, THE FORUMS WILL ALSO PROVIDE THE ELECTORS WITH AN OPPORTUNITY TO BETTER UNDERSTAND THE CANDIDATES BEFORE CASTING THEIR VOTES IN THE ELECTIONS ON MARCH 3.

CANDIDATES WILL INTRODUCE THEMSELVES AND THEIR PLATFORMS IN A THREE-PART FORUM, EXPRESS THEIR VIEWS ON DISTRICT ISSUES, AND ANSWER QUESTIONS FROM THE FLOOR.

RESIDENTS ARE WELCOME TO ATTEND THE FORUMS.

DETAILS OF THE FORUMS ARE AS FOLLOWS:

CONSTITUENCY -----	DATE ----	TIME ----	VENUE -----
CAUSEWAY BAY CENTRAL	FEBRUARY 19	8 PM	SUNG LAN MIDDLE SCHOOL, 44 JARDINE'S CRESCENT
TAI HANG & SO KON PO	FEBRUARY 20	8 PM	CHOW HUNG PUI COMMUNITY ACTIVITIES CENTRE, MORETON TERRACE, TAI HANG
HAPPY VALLEY	FEBRUARY 21	8 PM	SING WO CHILDREN & YOUTH CENTRE, 18 KWAI SING LANE, HAPPY VALLEY

NO FORUMS WILL BE HELD FOR THE WAN CHAI WEST AND THE WAN CHAI EAST CONSTITUENCIES WHERE THE CANDIDATES WERE UNCONTESTED AND AUTOMATICALLY ELECTED.

ATTENTION NEWS EDITORS:

YOU ARE INVITED TO COVER THE FORUMS.