



# DAILY INFORMATION BULLETIN

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WEDNESDAY, AUGUST 28, 1991

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WEDNESDAY, AUGUST 28, 1991

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PRIME MINISTER ARRIVES IN HK ON SEPT 4

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THE PRIME MINISTER, MR JOHN MAJOR, WILL ARRIVE IN HONG KONG FROM CHINA ON SEPTEMBER 4 FOR A TWO-DAY VISIT.

HE WILL BE ACCOMPANIED BY MRS MAJOR AND THE SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS, MR DOUGLAS HURD.

DURING HIS VISIT TO CHINA FROM SEPTEMBER 2 TO 4, MR MAJOR WILL FORMALLY SIGN THE MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENTS OF THE UNITED KINGDOM AND CHINA RELATING TO THE NEW AIRPORT IN HONG KONG.

THE GOVERNOR, SIR DAVID WILSON, WILL ALSO ATTEND THE SIGNING CEREMONY, WHICH WILL TAKE PLACE ON SEPTEMBER 3. HE WILL BE ACCOMPANIED BY MRS ANSON CHAN, SECRETARY FOR ECONOMIC SERVICES, AND MR RAFAEL HUI, DIRECTOR OF NAPCO.

AFTER HIS VISIT TO CHINA, MR MAJOR WILL ARRIVE IN HONG KONG IN THE AFTERNOON OF SEPTEMBER 4.

HE WILL IMMEDIATELY EMBARK UPON HIS BUSY SCHEDULE BY TAKING A HELICOPTER TOUR TO SEE THE LATEST DEVELOPMENTS IN THE TERRITORY, INCLUDING CHEK LAP KOK, THE SITE OF THE FUTURE AIRPORT.

BEFORE COMPLETING THE TOUR, HE WILL LAND AT HIGH ISLAND, SAI KUNG TO VISIT A DETENTION CENTRE FOR VIETNAMESE MIGRANTS.

LATER IN THE EVENING, THE PRIME MINISTER WILL ATTEND A DINNER IN GOVERNMENT HOUSE HOSTED BY THE GOVERNOR AND LADY WILSON FOR BUSINESS AND POLITICAL LEADERS.

ON THE FOLLOWING DAY, THE PRIME MINISTER WILL FIRST ATTEND AN EXECUTIVE COUNCIL MEETING BEFORE PAYING A VISIT TO HENG ON ESTATE IN MA ON SHAN.

IN HENG ON ESTATE, HE WILL SEE THE VARIOUS FACILITIES PROVIDED FOR THE RESIDENTS AND HE WILL BE VISITING A FAMILY. HE WILL ALSO BE BRIEFED ON DEVELOPMENTS IN SHA TIN.

MR MAJOR WILL ATTEND A COMMUNITY LUNCH HOSTED BY THE CHIEF SECRETARY AT THE HONG KONG CONVENTION AND EXHIBITION CENTRE AT WHICH HE WILL MAKE A SPEECH.

AFTER THE COMMUNITY LUNCH, HE WILL TAKE A RIDE ON AN MTR TRAIN TO VISIT THE CITY POLYTECHNIC IN KOWLOON TONG.

MR MAJOR WILL HOLD A PRESS CONFERENCE BEFORE DEPARTING HONG KONG LATER IN THE EVENING.

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WEDNESDAY, AUGUST 28, 1991

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STI WELCOMES APEC OFFICIALS' RECOMMENDATION  
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THE SECRETARY FOR TRADE AND INDUSTRY, MR T.H. CHAU, WELCOMED THE ANNOUNCEMENT MADE BY SENIOR OFFICIALS OF THE ASIA PACIFIC ECONOMIC CO-OPERATION (APEC) IN KOREA TODAY (WEDNESDAY) THAT THEY WOULD RECOMMEND TO THEIR MINISTERS THAT HONG KONG, TOGETHER WITH CHINA AND TAIWAN, SHOULD BE ADMITTED INTO APEC AND INVITED TO PARTICIPATE AT THE THIRD APEC MINISTERIAL MEETING TO BE HELD IN SEOUL IN NOVEMBER THIS YEAR.

"THIS IS VERY ENCOURAGING NEWS," MR CHAU SAID.

"HONG KONG STANDS READY TO PARTICIPATE FULLY IN ALL APEC MEETINGS AND ACTIVITIES.

"AS AN ECONOMY WITH STRONG AND INCREASING ECONOMIC AND TRADE TIES IN THE ASIA PACIFIC REGION, HONG KONG IS WELL PLACED TO CONTRIBUTE TO THE DELIBERATIONS OF APEC," HE SAID.

MR CHAU ACKNOWLEDGED THE IMPORTANT PART PLAYED BY THE GOVERNMENT OF THE REPUBLIC OF KOREA, ACTING IN THE CAPACITY OF THE HOST OF THIS YEAR'S APEC MINISTERIAL MEETING, IN BRINGING ABOUT THE SATISFACTORY OUTCOME.

"I AM PARTICULARLY GRATEFUL TO AMBASSADOR LEE SEE-YOUNG, ASSISTANT MINISTER OF FOREIGN AFFAIRS OF THE KOREAN GOVERNMENT, FOR THE GREAT SKILL AND PATIENCE WITH WHICH HE ACHIEVED THIS IMPORTANT RESULT," HE SAID.

APEC IS AN INTER-GOVERNMENTAL FORUM TO HELP STRENGTHEN THE MULTILATERAL TRADING SYSTEM; PROVIDE AN OPPORTUNITY TO ASSESS PROSPECTS FOR, AND OBSTACLES TO, INCREASED TRADE AND INVESTMENT FLOWS WITHIN THE ASIA PACIFIC REGION; AND IDENTIFY THE RANGE OF PRACTICAL COMMON ECONOMIC INTERESTS.

THE EXISTING PARTICIPANTS COMPRISE THE USA, CANADA, AUSTRALIA, NEW ZEALAND, JAPAN, SOUTH KOREA AND THE ASEAN COUNTRIES.

IN AN EFFORT TO STRENGTHEN ITS TIES WITH ASIA PACIFIC ECONOMIES, HONG KONG ALSO BECAME A MEMBER OF THE PACIFIC ECONOMIC CO-OPERATION CONFERENCE (PECC) IN MAY THIS YEAR.

THE PECC IS A NON-GOVERNMENTAL ORGANISATION BRINGING TOGETHER ACADEMIC, BUSINESS AND GOVERNMENT LEADERS TO PROMOTE ECONOMIC CO-OPERATION IN THE REGION.

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## PROVISIONAL TRADE FIGURES FOR JULY RELEASED

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IN JULY, RE-EXPORTS CONTINUED TO INCREASE SUBSTANTIALLY, WHILE DOMESTIC EXPORTS SHOWED A MODERATE GROWTH, ACCORDING TO THE PROVISIONAL TRADE FIGURES RELEASED TODAY (WEDNESDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THE GROWTH IN IMPORTS WAS BOOSTED NOT ONLY BY THE RISE IN RE-EXPORTS BUT ALSO BY THE MARKED INCREASE IN RETAINED IMPORTS.

THE VALUE OF RE-EXPORTS IN JULY ROSE BY \$12,311 MILLION OR 34.0% OVER A YEAR EARLIER TO \$48,505 MILLION. THE VALUE OF DOMESTIC EXPORTS IN JULY, AT \$21,180 MILLION, WAS \$771 MILLION OR 3.8% HIGHER.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE VALUE OF TOTAL EXPORTS GREW BY \$13,082 MILLION OR 23.1% OVER A YEAR EARLIER TO \$69,685 MILLION IN JULY.

OVER THE SAME PERIOD, THE VALUE OF IMPORTS ROSE BY \$14,603 MILLION OR 26.8% TO \$69,082 MILLION.

AS THE VALUE OF TOTAL EXPORTS WAS LARGER THAN THAT OF TOTAL IMPORTS, A VISIBLE TRADE SURPLUS OF \$603 MILLION, EQUIVALENT TO 0.9% OF THE VALUE OF IMPORTS, WAS RECORDED IN JULY 1991.

THE SURPLUS RECORDED IN JULY LAST YEAR WAS \$2,124 MILLION, EQUIVALENT TO 3.9% OF THE VALUE OF IMPORTS.

PUTTING THESE FIGURES IN PERSPECTIVE, THE VALUE OF RE-EXPORTS IN THE FIRST SEVEN MONTHS OF THIS YEAR, AT \$281,618 MILLION, INCREASED BY \$62,328 MILLION OR 28.4% OVER THE FIRST SEVEN MONTHS OF 1990.

OVER THE SAME PERIOD, THE VALUE OF DOMESTIC EXPORTS INCREASED BY \$5,158 MILLION OR 4.3% TO \$126,105 MILLION.

THE VALUE OF TOTAL EXPORTS IN THE FIRST SEVEN MONTHS OF THIS YEAR, AT \$407,723 MILLION, WAS THUS \$67,485 MILLION OR 19.8% HIGHER THAN IN THE FIRST SEVEN MONTHS OF LAST YEAR. MEANWHILE, IMPORTS GREW BY \$81,991 MILLION OR 23.7% TO \$428,303 MILLION.

A VISIBLE TRADE DEFICIT OF \$20,580 MILLION, EQUIVALENT TO 4.8% OF THE VALUE OF IMPORTS, WAS RECORDED IN THE FIRST SEVEN MONTHS OF 1991.

THIS COMPARES WITH A DEFICIT OF \$6,074 MILLION, EQUIVALENT TO 1.8% OF THE VALUE OF IMPORTS, RECORDED IN THE FIRST SEVEN MONTHS OF LAST YEAR.

A GOVERNMENT SPOKESMAN COMMENTED THAT THE ROBUST GROWTH IN RE-EXPORTS INVOLVING CHINA IN BOTH DIRECTIONS WAS THE MAIN REASON UNDERLYING THE SUSTAINED GOOD PERFORMANCE OF RE-EXPORTS.

THE POSITIVE GROWTH IN DOMESTIC EXPORTS IN JULY WAS A REVERSAL OF THE DECLINE RECORDED IN JUNE.

THE STRONG GROWTH IN RETAINED IMPORTS IN THE FIRST SEVEN MONTHS OF THIS YEAR, AT 17.7% IN VALUE TERMS OVER THE SAME PERIOD LAST YEAR, WAS CONSISTENT WITH THE IMPROVED DOMESTIC DEMAND AND MANUFACTURING ACTIVITY SO FAR THIS YEAR.

THE FOLLOWING TABLE PRESENTS THE PROVISIONAL TRADE FIGURES FOR JULY THIS YEAR:

MERCHANDISE:	DOMESTIC EXPORTS :	\$21,180 MILLION	
	RE-EXPORTS :	\$48,505 MILLION	
	TOTAL EXPORTS :	\$69,685 MILLION	
	IMPORTS :	\$69,082 MILLION	
	TRADE BALANCE :	\$603 MILLION	[IN SURPLUS]

## COMPARATIVE FIGURES

LATEST 3 MONTHS	MAY 91 TO	MAY 90 TO	INCREASE	
	JUL 91	JUL 90	HK\$ MN.	%
	HK\$ MN.	HK\$ MN.		
DOMESTIC EXPORTS	59,423	58,081	1,342	2.3
RE-EXPORTS	135,744	105,281	30,463	28.9
TOTAL EXPORTS	195,167	163,362	31,805	19.5
IMPORTS	199,812	162,992	36,820	22.6
TRADE BALANCE	-4,645	370	-5,015	

SAME MONTH LAST YEAR	JULY	JULY	INCREASE	
	1991	1990	HK\$ MN.	%
	HK\$ MN.	HK\$ MN.		
DOMESTIC EXPORTS	21,180	20,409	771	3.8
(% OF TOTAL EXPORTS)	(30.4%)	(36.1%)		
RE-EXPORTS	48,505	36,194	12,311	34.0
TOTAL EXPORTS	69,685	56,603	13,082	23.1
IMPORTS	69,082	54,479	14,603	26.8
TRADE BALANCE	603	2,124	-1,521	

LAST MONTH	JULY	JUNE	INCREASE	
	1991	1991	HK\$ MN.	%
	HK\$ MN.	HK\$ MN.		
DOMESTIC EXPORTS	21,180	18,812	2,368	12.6
(% OF TOTAL EXPORTS)	(30.4%)	(30.8%)		
RE-EXPORTS	48,505	42,315	6,190	14.6
TOTAL EXPORTS	69,685	61,127	8,558	14.0
IMPORTS	69,082	63,592	5,490	8.6
TRADE BALANCE	603	-2,465	3,068	

/CALENDAR YEAR .....

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CALENDAR YEAR TO DATE	JAN-JUL	JAN-JUL	INCREASE	
	1991	1990	HK\$ MN.	%
	HK\$ MN.	HK\$ MN.		
DOMESTIC EXPORTS	126,105	120,947	5,158	4.3
(% OF TOTAL EXPORTS)	(30.9%)	(35.5%)		
RE-EXPORTS	281,618	219,290	62,328	28.4
TOTAL EXPORTS	407,723	340,238	67,485	19.8
IMPORTS	428,303	346,312	81,991	23.7
TRADE BALANCE	-20,580	-6,074	-14,506	

LAST 12 MONTHS	AUG 90 TO	AUG 89 TO	INCREASE	
	JUL 91	JUL 90	HK\$ MN.	%
	HK\$ MN.	HK\$ MN.		
DOMESTIC EXPORTS	231,034	221,890	9,144	4.1
RE-EXPORTS	476,326	373,169	103,157	27.6
TOTAL EXPORTS	707,360	595,059	112,301	18.9
IMPORTS	724,521	583,747	140,774	24.1
TRADE BALANCE	-17,161	11,312	-28,473	

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## CONSUMER PRICE INDEXES FOR JULY RELEASED

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## 1984/85-BASED CPI'S (SEE TABLE 1)

THE 1984/85-BASED CPI(A) AND CPI(B) WERE 12.6% AND 11.9% RESPECTIVELY HIGHER IN JULY 1991 THAN IN JULY 1990, ACCORDING TO FIGURES RELEASED BY THE CENSUS AND STATISTICS DEPARTMENT TODAY (WEDNESDAY).

ALTHOUGH THESE RATES OF INCREASE WERE SLIGHTLY HIGHER THAN THOSE RECORDED IN JUNE 1991 (12.3% AND 11.8% RESPECTIVELY FOR CPI(A) AND CPI(B)), THEY WERE STILL LOWER THAN THE CORRESPONDING RATES OF INCREASE IN APRIL (13.9% AND 13.0% RESPECTIVELY) AND MAY (13.0% AND 12.4% RESPECTIVELY).

THESE RATES OF INCREASE WERE MAINLY DUE TO HIGHER PRICES FOR THE FOODSTUFFS, SERVICES AND HOUSING COMPONENTS. AS REGARDS THE FOODSTUFFS COMPONENT, THE FLOOD IN CHINA HAD CAUSED A TEMPORARY RISE IN THE PRICES OF CERTAIN ESSENTIAL FOODSTUFFS WHILE CHARGES FOR MEALS AT RESTAURANTS SHOWED FURTHER INCREASES.

AS FOR SERVICES, HIGHER CHARGES WERE RECORDED FOR CINEMA ENTERTAINMENT, PACKAGE TOURS AND MEDICAL SERVICES. MEANWHILE, HIGHER RENTS WERE ALSO RECORDED FOR SOME PRIVATE HOUSING UNITS IN THE HOUSING COMPONENT.

AS THE COMPILATION OF THE 1989/90-BASED CPI(A) AND CPI(B) SERIES ONLY BEGAN FROM OCTOBER 1990, REFERENCE HAS TO BE MADE TO THE 1984/85-BASED CPI'S FOR YEAR-ON-YEAR COMPARISON OF PRICE MOVEMENTS.

ON A YEAR-ON-YEAR COMPARISON, FASTER RATES OF INCREASE IN CPI(A) IN JULY 1991 WERE RECORDED FOR ALCOHOLIC DRINKS AND TOBACCO FOR HOME CONSUMPTION (41.6%), SERVICES (15.1%), HOUSING (13.4%), FOODSTUFFS (12.4%) AND TRANSPORT AND VEHICLES (12.3%). THE CORRESPONDING RATES OF INCREASE FOR THE SAME COMPONENTS IN CPI(B) WERE 39.3%, 13.9%, 11.9%, 12.6% AND 11.8% RESPECTIVELY.

THESE FIVE COMPONENTS TOGETHER ACCOUNTED FOR OVER 89% OF THE OVERALL INCREASE IN THE CPI(A) AND 88% OF THE INCREASE IN THE CPI(B).

FOR THE PERIOD OF JANUARY TO JULY 1991, THE AVERAGE CPI(A) AND AVERAGE CPI(B) INCREASED BY 12.5% AND 12.0% RESPECTIVELY OVER THE CORRESPONDING PERIOD OF 1990.

FOR THE 12 MONTHS ENDING JULY 1991, THE CPI(A) AND CPI(B) WERE 11.6% AND 11.4% RESPECTIVELY HIGHER THAN IN THE 12 MONTHS ENDING JULY 1990.

FOR JULY 1991, THE 1984/85-BASED HANG SENG CPI WAS 11.0% HIGHER THAN IN JULY 1990. FOR THE 12 MONTHS ENDING JULY 1991, THE HANG SENG CPI WAS UP BY 11.7% COMPARED WITH THE 12 MONTHS ENDING JULY 1990.

#### 1989/90-BASED CPI'S (SEE TABLE 2)

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THE 1989/90-BASED CPI(A) AND CPI(B) FOR JULY 1991 INCREASED BY 0.7% AND 0.6% RESPECTIVELY COMPARED WITH JUNE 1991. FOODSTUFFS ACCOUNTED FOR THE LARGEST PROPORTION OF THE INCREASES IN BOTH INDEXES. WITHIN THIS COMPONENT, INCREASES WERE RECORDED FOR THE CHARGES FOR MEALS AT RESTAURANTS. THE RETAIL PRICES OF PORK AND BEEF INCREASED, PARTLY REFLECTING THE EFFECT OF THE FLOOD IN CHINA.

INCREASES WERE ALSO RECORDED IN THE RETAIL PRICES OF LIVE POULTRY, SALT-WATER FISH, EDIBLE OIL AND FRESH FRUIT. THIS WAS FOLLOWED BY HOUSING, IN WHICH HIGHER RENTS WERE RECORDED FOR SOME PRIVATE HOUSING UNITS, AND SERVICES, IN WHICH HIGHER CHARGES WERE RECORDED FOR CINEMA ENTERTAINMENT, PACKAGE TOURS AND MEDICAL SERVICES.

HOWEVER, THE PRICES OF CLOTHING AND FOOTWEAR DECREASED IN JULY 1991 AS A RESULT OF THE SUMMER SALE IN DEPARTMENT STORES.

THE 1989/90-BASED HANG SENG CPI FOR JULY 1991 WAS AT THE SAME LEVEL AS THAT FOR JUNE 1991.

THE CENSUS AND STATISTICS DEPARTMENT WILL CONTINUE TO RELEASE THE 1984/85-BASED CPI(A) AND CPI(B) IN PARALLEL WITH THE NEW SERIES OF 1989/90-BASED CPI(A) AND CPI(B) UNTIL MARCH 1992, AFTER WHICH THE FORMER SERIES WILL BE DISCONTINUED.

MORE DETAILS ARE GIVEN IN THE "CONSUMER PRICE INDEX REPORT" FOR JULY 1991, WHICH IS AVAILABLE AT \$7 PER COPY FROM THE GOVERNMENT PUBLICATIONS CENTRE, GROUND FLOOR, GPO BUILDING, CONNAUGHT PLACE, CENTRAL; OR FROM THE CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER 1, 12 HARBOUR ROAD, WAN CHAI; OR FROM THE INFORMATION SERVICES DEPARTMENT, FRENCH MISSION BUILDING, 1 BATTERY PATH, CENTRAL FOR LOCAL AND OVERSEAS MAILINGS.

FOR ENQUIRIES ABOUT THE INDEXES, PLEASE TELEPHONE THE CONSUMER PRICE INDEX SECTION OF THE CENSUS AND STATISTICS DEPARTMENT AT 805 6403.

DETAILS REGARDING THE HANG SENG CPI ARE CONTAINED IN THE HANG SENG CPI REPORT ISSUED BY THE ECONOMIC RESEARCH DEPARTMENT OF HANG SENG BANK LTD.

TABLE 1 CONSUMER PRICE INDEXES (A) AND (B) (OCT. 84 - SEP. 85 = 100) FOR JULY 1991 COMPARED WITH JULY 1990

SECTION	(OCTOBER 1984 TO SEPTEMBER 1985 = 100) CPI(A)		CPI(B)	
	INDEX FOR JULY 91	% CHANGE OVER JULY 90	INDEX FOR JULY 91	% CHANGE OVER JULY 90
FOODSTUFFS	162.7	+12.4	165.0	+12.6
MEALS BOUGHT AWAY FROM HOME	181.9	+13.5	182.5	+13.4
FOODSTUFFS, EXCLUDING MEALS BOUGHT AWAY FROM HOME	146.3	+11.2	147.7	+11.6
HOUSING	150.1	+13.4	143.2	+11.9
FUEL AND LIGHT	111.5	+7.5	111.0	+6.9
ALCOHOLIC DRINKS AND TOBACCO (FOR HOME CONSUMPTION)	223.6	+41.6	221.4	+39.3
CLOTHING AND FOOTWEAR	157.1	+7.5	161.5	+8.2
DURABLE GOODS	131.2	+3.9	129.7	+3.6
MISCELLANEOUS GOODS	149.4	+8.7	149.3	+8.4
TRANSPORT AND VEHICLES	175.1	+12.3	173.6	+11.8
SERVICES	181.7	+15.1	180.4	+13.9
ALL ITEMS	160.4	+12.6	159.2	+11.9

THE 1984/85-BASED CONSUMER PRICE INDEXES ARE BASED ON THE EXPENDITURE PATTERNS DERIVED FROM THE 1984/85 HOUSEHOLD EXPENDITURE SURVEY.

THE CPI(A) IS BASED ON THE EXPENDITURE PATTERN OF ABOUT 50% OF URBAN HOUSEHOLDS IN HONG KONG, WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$2,000-\$6,499 A MONTH IN 1984/85.

THE CPI(B) IS BASED ON THE EXPENDITURE PATTERN OF THE NEXT 30% OF URBAN HOUSEHOLDS, WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$6,500-\$9,999 IN THE SAME PERIOD.

(THE 1984/85-BASED HANG SENG CPI IS BASED ON THE EXPENDITURE PATTERN OF ABOUT 10% OF URBAN HOUSEHOLDS WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$10,000-\$24,999 IN 1984/85.)

TABLE 2 CONSUMER PRICE INDEXES (A) AND (B) (OCT. 89 - SEP. 90 = 100)  
FOR JULY 1991 COMPARED WITH JUNE 1991

SECTION	(OCTOBER 1989 TO SEPTEMBER 1990 = 100)			
	CPI(A)		CPI(B)	
	INDEX FOR JULY 91	% CHANGE OVER JUNE 91	INDEX FOR JULY 91	% CHANGE OVER JUNE 91
FOODSTUFFS	115.7	+1.0	116.2	+1.1
MEALS BOUGHT AWAY FROM HOME	118.1	+1.2	118.2	+1.3
FOODSTUFFS, EXCLUDING MEALS BOUGHT AWAY FROM HOME	113.4	+0.8	113.5	+0.7
HOUSING	117.2	+0.8	116.4	+0.7
FUEL AND LIGHT	108.7	+0.3	108.3	+0.1
ALCOHOLIC DRINKS AND TOBACCO (FOR HOME CONSUMPTION)	145.4	+0.1	138.5	+0.3
CLOTHING AND FOOTWEAR	109.4	-1.6	110.5	-1.7
DURABLE GOODS	104.7	-0.3	103.8	-0.8
MISCELLANEOUS GOODS	108.0	+0.3	107.3	+0.2
TRANSPORT AND VEHICLES	117.9	+0.6	117.5	+0.7
SERVICES	115.0	+0.8	114.4	+1.1
ALL ITEMS	115.4	+0.7	114.8	+0.6

THE 1989/90-BASED CONSUMER PRICE INDEXES ARE BASED ON THE EXPENDITURE PATTERNS DERIVED FROM THE 1989/90 HOUSEHOLD EXPENDITURE SURVEY.

THE CPI(A) IS BASED ON THE EXPENDITURE PATTERN OF ABOUT 50% OF URBAN HOUSEHOLDS IN HONG KONG, WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$2,500-\$9,999 A MONTH IN 1989/90.

THE CPI(B) IS BASED ON THE EXPENDITURE PATTERN OF THE NEXT 30% OF URBAN HOUSEHOLDS, WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$10,000-\$17,499 IN THE SAME PERIOD.

(THE 1989/90-BASED HANG SENG CPI IS BASED ON THE EXPENDITURE PATTERN OF ABOUT 10% OF URBAN HOUSEHOLDS WHICH HAD AN AVERAGE MONTHLY EXPENDITURE OF \$17,500-\$37,499 IN 1989/90.)

WEDNESDAY, AUGUST 28, 1991

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JLG SUB-GROUP ON IRO MEETING

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THE JOINT LIAISON GROUP SUB-GROUP ON INTERNATIONAL RIGHTS AND OBLIGATIONS WILL HOLD EXPERT TALKS IN HONG KONG ON AUGUST 29 AND 30, 1991 TO DISCUSS THE CONTINUED APPLICATION OF INTERNATIONAL TREATIES TO HONG KONG AFTER 1991.

THE BRITISH TEAM WILL BE LED BY THE LAW OFFICER (INTERNATIONAL LAW), MR DAVID EDWARDS.

THE CHINESE TEAM WILL BE LED BY THE CHINESE REPRESENTATIVE, JLG, MR LIU JUNBAO.

THEY WILL BE ASSISTED BY OTHER EXPERTS FROM THE TWO SIDES.

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MODERN, COMPREHENSIVE QUALITY PROGRAMMES IMPORTANT

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THE INTRODUCTION OF MORE MODERN, COMPREHENSIVE QUALITY PROGRAMMES ARE NOW REGARDED AS PRE-REQUISITES FOR SUCCESSFUL BUSINESS OPERATIONS, THE DIRECTOR OF INDUSTRY, MR T.H. BARMA, SAID TODAY (WEDNESDAY).

SPEAKING AT AN ISO 9001 CERTIFICATE PRESENTATION CEREMONY, MR BARMA SAID THIS WAS BECAUSE HONG KONG'S OVERSEAS CUSTOMERS HAD BECOME EVER MORE DISCERNING AND TRADITIONAL QUALITY SYSTEMS, RELYING HEAVILY ON INSPECTION AFTER PRODUCTION, HAD BEEN FOUND INADEQUATE TO GUARANTEE THE QUALITY AND RELIABILITY OF PRODUCTS.

PRESENTING THE CERTIFICATE TO COMPUTER PRODUCTS ASIA-PACIFIC LIMITED, MR BARMA SAID MANY COMPANIES IN HONG KONG WERE IN THE PROCESS OF ADDRESSING VITAL QUALITY ISSUES TO MEET THE CHALLENGES OF THE QUALITY CONSCIOUS 1990'S, AND WERE DISCOVERING JUST HOW MUCH EFFORT WAS REQUIRED TO ACHIEVE ISO 9000 CERTIFICATION.

"COMPUTER PRODUCTS ASIA-PACIFIC LIMITED HAS ALWAYS HAD A HIGH REPUTATION FOR THE QUALITY OF THEIR PRODUCTS AND HAS PUT IN A LOT OF EFFORT TO FURTHER UPGRADE ITS MANAGEMENT SYSTEMS TO MATCH THE ISO 9000 REQUIREMENTS.

"THIS ACHIEVEMENT IS INDEED COMMENDABLE AS COMPUTER PRODUCTS ASIA-PACIFIC LIMITED IS THE FIRST COMPANY IN HONG KONG TO HAVE DESIGN CAPABILITY INCLUDED WITHIN THE SCOPE OF THE CERTIFICATION," HE SAID.

MR BARMA NOTED THAT IT WAS JUST 18 MONTHS AGO THAT THE GOVERNMENT LAUNCHED ITS QUALITY AWARENESS CAMPAIGN.

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"JUDGING FROM THE LARGE NUMBER OF CERTIFICATION APPLICATIONS BEING PROCESSED BY THE HONG KONG QUALITY ASSURANCE AGENCY (HKQAA) AND THE KEEN INTEREST AND ATTENDANCE AT MAJOR QUALITY SEMINARS AND TRAINING SESSIONS THAT HAVE BEEN ORGANISED, IT IS EVIDENT THAT OUR INDUSTRIALISTS HAVE TAKEN ON BOARD THE IMPORTANT MESSAGE THAT QUALITY MANAGEMENT AND PRODUCTION SYSTEMS HOLD THE KEY TO OUR CONTINUING SUCCESS," HE SAID.

MR BARMA SAID BEFORE EMBARKING ON THE QUALITY AWARENESS CAMPAIGN, THE INDUSTRY DEPARTMENT SYSTEMATICALLY ESTABLISHED A FULL RANGE OF SUPPORT SERVICES TO ASSIST COMPANIES IN ADDRESSING QUALITY ISSUES.

"THE STANDARDS AND CALIBRATION LABORATORY HAS AN EXCELLENT INTERNATIONAL REPUTATION FOR THE QUALITY OF ITS SERVICES.

"IT HOLDS HONG KONG'S OFFICIAL MEASUREMENT STANDARDS AND PROVIDES A CONVENIENT AND COST EFFECTIVE SERVICE FOR CALIBRATION OF COMPANIES' PRECISION MEASURING INSTRUMENTS," HE SAID.

MR BARMA ADDED THAT HOKLAS, THE LABORATORY ACCREDITATION SCHEME, WAS NOW A LEADING CONTRIBUTOR TO INTERNATIONAL EXPERTISE IN THIS AREA AND HAD NEGOTIATED MUTUAL RECOGNITION AGREEMENTS WITH MAJOR OVERSEAS SCHEMES.

"IT HAS DONE A GREAT DEAL TO ASSIST IN UPGRADING THE QUALITY OF HONG KONG'S TESTING SERVICES AND MANY LABORATORIES HAVE TAKEN ADVANTAGE OF THE BENEFITS OF ACCREDITATION UNDER THE SCHEME," HE SAID.

MR BARMA SAID ALL THESE FACILITIES CONTINUED TO BE DEVELOPED IN LINE WITH THE CHANGING NEEDS OF HONG KONG.

"THE PRINCIPAL OBJECTIVE OF THE HEAVY INVESTMENT BY GOVERNMENT IN PROVIDING SUCH FACILITIES IS TO ENSURE THE CONTINUED ECONOMIC SUCCESS OF HONG KONG," HE SAID.

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MARICULTURE IN OPEN SEA UNDER TRIAL  
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THE AGRICULTURE AND FISHERIES DEPARTMENT (AFD), IN COLLABORATION WITH A LOCAL FISH FARMING COMPANY, HAS BEEN EXPERIMENTING A NEW CAGE SYSTEM OFF CLEAR WATER BAY SINCE MAY THIS YEAR AS PART OF A PROGRAMME TO DEVELOP MARICULTURE IN THE OPEN SEA.

ABOUT 5,000 TAILS OF PURPLE AMBERJACK HAVE BEEN STOCKED INTO A 10-METRE BY 10-METRE CAGE FOR A TEST CULTURE TRIAL.

/THE CAGE .....

THE CAGE HAS BEEN PROVEN TO BE ABLE TO WITHSTAND STRONG CURRENTS AND WAVE ACTIONS EVEN UNDER GALE CONDITION.

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ATTENTION NEWS EDITORS:

A PRESS TOUR WILL BE HELD TOMORROW (THURSDAY) FOR MEDIA REPRESENTATIVES TO LOOK AT THE CAGE AND FEEDING OF THE FISH.

YOU ARE INVITED TO SEND A REPRESENTATIVE TO JOIN THE TOUR. TRANSPORT WILL BE PROVIDED AND WILL LEAVE AFD HEADQUARTERS, 393 CANTON ROAD, CANTON ROAD GOVERNMENT OFFICES, KOWLOON AT 12.15 PM TOMORROW.

MEDIA REPRESENTATIVES ARE ADVISED TO BRING ALONG TELEPHOTO LENSES.

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VOLUNTARY RETURN OF VM'S REACH 1,000 MONTHLY TARGET

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THE GOVERNMENT TODAY (WEDNESDAY) WELCOMED THE UNHCR'S SUCCESS IN ACHIEVING THE RETURN OF 1,000 VOLUNTEERS TO VIETNAM IN AUGUST, THE FIRST TIME THIS FIGURE HAS BEEN REACHED SINCE THE VOLUNTARY REPATRIATION PROGRAMME BEGAN IN MARCH 1989.

COMMENTING ON TODAY'S FLIGHT, WHICH BROUGHT TO 1,009 THE NUMBER RETURNED THIS MONTH, THE ACTING DEPUTY SECRETARY FOR SECURITY, MR CLINTON LEEKS, SAID: "THIS IS A VERY POSITIVE STEP IN GETTING THE MESSAGE THROUGH TO THOSE IN DETENTION CENTRES AND THOSE THINKING OF LEAVING VIETNAM THAT, FOR NON-REFUGEES, THEIR ONLY REAL FUTURE LIES BACK HOME IN VIETNAM.

"WE HAVE BEEN LOOKING TO THE UNHCR TO ACHIEVE 1,000 RETURNS A MONTH SINCE THE VISIT OF THE THEN MINISTER OF STATE, MR FRANCIS MAUDE, TO HANOI IN FEBRUARY LAST YEAR, WHEN IMPROVEMENTS TO THE VOLUNTARY SCHEME WERE FIRST AGREED WITH THE VIETNAMESE GOVERNMENT.

"THIS SHOULD NOW HELP TO BOOST THE NUMBERS VOLUNTEERING TO GO HOME IN FUTURE MONTHS."

MR LEEKS POINTED OUT THAT THERE WERE STILL A TOTAL OF 57,000 SCREENED OUT NON-REFUGEES AND UNSCREENED ASYLUM SEEKERS IN THE DETENTION CENTRES.

"THE ACHIEVEMENT OF THE 1,000 TARGET HAS DONE LITTLE TO OFFSET THE ALMOST 17,000 ARRIVALS WE HAVE SEEN SO FAR THIS YEAR," HE SAID.

"BUT IT IS ENCOURAGING THAT THE VOLUNTARY PROGRAMME HAS PICKED UP SO WELL FROM THE DIFFICULTIES IT FACED EARLY THIS YEAR, WHEN FOR A WHILE WE WERE RETURNING ONLY A FEW DOZEN PEOPLE EACH MONTH."

/HE SAID .....

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HE SAID THE LEVEL OF INTEREST IN DETENTION CENTRES IN VOLUNTARY RETURN REMAINED HIGH AND THIS SHOULD ENSURE A CONTINUING FLOW OF RETURNEES OVER THE NEXT FEW MONTHS.

THE AVAILABILITY OF UNHCR REINTEGRATION ASSISTANCE, PLUS THE OPERATION OF THE EUROPEAN COMMUNITY'S ASSISTANCE SCHEME FOR RETURNEES IN VIETNAM, WERE STILL USEFUL CONTRIBUTIONS.

"IT APPEARS THAT THE MESSAGE OF THE COMPREHENSIVE PLAN OF ACTION MAY NOW BE BEGINNING TO GET THROUGH: FIRST THAT THERE IS NO POINT IN ECONOMIC MIGRANTS COMING TO HONG KONG AND SECONDLY THAT THOSE HERE MUST RETURN TO VIETNAM," MR LEEKS SAID.

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263 VM'S RETURN TO VIETNAM  
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A GROUP OF 263 VIETNAMESE MIGRANTS TODAY (WEDNESDAY) RETURNED TO VIETNAM UNDER THE UNHCR'S VOLUNTARY REPATRIATION PROGRAMME.

COMPRISING 132 MEN, 57 WOMEN, 43 BOYS AND 31 GIRLS, THEY WERE THE 65TH BATCH TO GO BACK UNDER THE PROGRAMME.

THIS GROUP BROUGHT TO 3,019 THE TOTAL NUMBER OF VIETNAMESE MIGRANTS WHO HAVE RETURNED VOLUNTARILY THIS YEAR AND 9,315 WHO HAVE RETURNED SINCE THE PROGRAMME STARTED IN MARCH 1989.

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SPONSORS OF GOVERNOR'S AWARD FOR INDUSTRY PRAISED  
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SPONSORS OF THIS YEAR'S GOVERNOR'S AWARD FOR INDUSTRY WERE PRAISED BY THE DIRECTOR OF INDUSTRY, MR T.H. BARMA, AT A CHEQUE PRESENTATION CEREMONY TODAY (WEDNESDAY).

THE 13 SPONSORS HAVE DONATED \$100,000 EACH TOWARDS THE COSTS OF ORGANISING THE AWARD WHICH WILL BE PRESENTED AT A CEREMONY AT THE CONVENTION AND EXHIBITION CENTRE ON NOVEMBER 5.

"I WOULD LIKE TO ACKNOWLEDGE WITH GRATITUDE YOUR GENEROSITY," MR BARMA, CHAIRMAN OF THE AWARD ORGANISING COMMITTEE, SAID.

"THE TOTAL CONTRIBUTION OF \$1.3 MILLION IS MANIFESTATION OF YOUR KEEN SUPPORT OF HONG KONG'S CONTINUING SEARCH FOR INDUSTRIAL EXCELLENCE.

"I AM CONFIDENT THAT WITH SUCH WIDE COMMUNITY SUPPORT THIS IMPORTANT EVENT WILL CONTINUE TO GROW FROM STRENGTH TO STRENGTH IN FUTURE YEARS," HE SAID.

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THE 13 SPONSORS ARE: A. FAI ENGINEERS AND SHIPREPAIRERS LTD; BANK OF CHINA GROUP; CHEKIANG FIRST BANK LTD; CHIAPHUA-SHINKO COPPER ALLOY CO LTD; THE CHINESE GENERAL CHAMBER OF COMMERCE, HONG KONG; DHL INTERNATIONAL LTD; GOLD PEAK INDUSTRIES (HOLDINGS) LTD; HANG SENG BANK LTD; THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD; HONG KONG TELECOM; LIPPO GROUP; SHANGHAI COMMERCIAL BANK LTD; AND STANDARD CHARTERED BANK.

THE GOVERNOR'S AWARD FOR INDUSTRY, LAUNCHED IN 1989, IS THE MOST PRESTIGIOUS AWARD SCHEME IN HONG KONG. IT RECOGNISES AND ENCOURAGES EXCELLENCE IN CONSUMER PRODUCT DESIGN, MACHINERY AND EQUIPMENT DESIGN, PRODUCTIVITY, AND QUALITY.

WINNERS RECEIVE THE GOVERNOR'S AWARD TROPHY AND ARE ENTITLED TO DISPLAY AN OFFICIAL LOGO FOR A PERIOD OF THREE YEARS.

SPONSORSHIP WAS INTRODUCED LAST YEAR WHEN A TOTAL OF \$1.2 MILLION WAS CONTRIBUTED. THE COST OF ORGANISING THE 1991 AWARD IS ESTIMATED AT \$2 MILLION.

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HOTEL AND GUESTHOUSE OPERATORS  
REMINDED TO APPLY FOR CERTIFICATE  
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THE CITY AND NEW TERRITORIES ADMINISTRATION (CNTA) TODAY (WEDNESDAY) REMINDED OPERATORS OF HOTELS, GUESTHOUSES AND SIMILAR ACCOMMODATIONS TO APPLY FOR A CERTIFICATE OF EXEMPTION FOR THEIR BUSINESS BEFORE THE DEADLINE ON SATURDAY (AUGUST 31).

A CNTA SPOKESMAN POINTED OUT THAT AFTER THIS DATE, A VALID LICENCE WOULD BE REQUIRED FOR THEIR PRESENT OPERATIONS IF THEY FAILED TO GET AN EXEMPTION CERTIFICATE.

"THE REQUIREMENTS OF A VALID LICENCE OR A CERTIFICATE OF EXEMPTION ARE PROVIDED UNDER THE HOTEL AND GUESTHOUSE ACCOMMODATION ORDINANCE 1991.

"MOTELS, YOUTH HOSTELS AND HOLIDAY FLATS ALSO FALL WITHIN THE SCOPE OF CONTROL UNDER THE ORDINANCE," THE SPOKESMAN SAID.

"ANY PROPRIETOR WHO IGNORES THE NEW REGULATIONS WILL BE LIABLE TO A FINE OF \$200,000 AND TWO YEARS' IMPRISONMENT, AND TO A FURTHER FINE OF \$20,000 FOR EACH DAY DURING WHICH THE OFFENCE CONTINUES," HE ADDED.

INFORMATION PAMPHLETS AND APPLICATION FORMS ARE AVAILABLE AT ALL DISTRICT OFFICES AND THE OFFICE OF THE LICENSING AUTHORITY AT EAST WING, SEVENTH FLOOR, HENNESSY CENTRE, 500 HENNESSY ROAD, CAUSEWAY BAY.

TELEPHONE ENQUIRIES CAN BE MADE ON 881 7034.

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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 TENANCY OF A GOVERNMENT LAND LOT IN THE NEW TERRITORIES.

MEASURING ABOUT 11,600 SQUARE METRES, THE SITE, LOCATED IN AREA 47, TUEN MUN, IS INTENDED FOR OPEN STORAGE AND LOADING, UNLOADING AND REPAIRING OF CONTAINERS.

THE TENANCY IS FOR ONE YEAR, RENEWABLE QUARTERLY AFTERWARDS.

THE CLOSING DATE FOR SUBMISSION OF TENDERS IS NOON ON SEPTEMBER 13.

FORM OF TENDER, TENDER NOTICE AND CONDITIONS MAY BE OBTAINED FROM AND TENDER PLAN INSPECTED AT THE TUEN MUN DISTRICT LANDS OFFICE, TUEN MUN GOVERNMENT OFFICES, SIXTH FLOOR, 1 TUEN HI ROAD, TUEN MUN; THE BUILDINGS AND LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG; AND THE KOWLOON DISTRICT LANDS OFFICES, 10TH FLOOR, YAU MA TEI CARPARK BUILDING, 250 SHANGHAI STREET, KOWLOON.

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UNAUTHORISED STRUCTURES TO BE CLOSED

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THE BUILDING AUTHORITY IS SEEKING TO CLOSE THE UNAUTHORISED STRUCTURES AT A BUILDING IN SHAM SHUI PO, KOWLOON, SO THAT THEY CAN BE DEMOLISHED WITHOUT DANGER TO THE OCCUPIERS AND THE PUBLIC.

THE UNAUTHORISED STRUCTURES ARE ON THE ROOF OF 41 UN CHAU STREET.

NOTICE OF INTENTION TO APPLY FOR A CLOSURE ORDER UNDER THE BUILDINGS ORDINANCE FROM THE HONG KONG DISTRICT COURT ON OCTOBER 23 WAS POSTED ON THE PREMISES TODAY (WEDNESDAY).

THE AUTHORITY IS ALSO SEEKING TO CLOSE AN UNAUTHORISED STRUCTURE ON THE FLAT ROOF ADJACENT TO FLAT B6 ON THE SECOND FLOOR OF 90-98D MA TAU CHUNG ROAD, KOWLOON CITY.

NOTICE OF INTENTION TO APPLY FOR A CLOSURE ORDER FROM THE HONG KONG DISTRICT COURT ON NOVEMBER 27 WAS POSTED ON THE PREMISES TODAY.

DEMOLITION OF THESE STRUCTURES IS EXPECTED TO START ONCE THE CLOSURE ORDERS ARE ISSUED.

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WEDNESDAY, AUGUST 28, 1991

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FRESH WATER CUT IN TO KWA WAN  
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FRESH WATER SUPPLY TO CERTAIN PREMISES IN TO KWA WAN, KOWLOON WILL BE SUSPENDED ON FRIDAY (AUGUST 30), FROM 9.30 AM TO 4 PM, TO FACILITATE MAINS CONNECTION WORKS.

THE AREA TO BE AFFECTED IS BOUNDED BY KOWLOON CITY ROAD, MOK CHEONG STREET, HUNG WAN STREET AND MA TAU KOK ROAD AND INCLUDING 3-17 MOK CHEONG STREET, THE MA TAU KOK LARGE ANIMAL QUARANTINE DEPOT AND THE PUBLIC TOILET AT MA TAU KOK ROAD.

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

	DATE	\$ MILLION
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CLOSING BALANCE IN THE ACCOUNT ON	27.8.91	600
EFFECT OF FORWARDS TO BE SETTLED ON	28.8.91	+483
EFFECT OF OPERATIONS THIS MORNING		-483
EFFECT OF OPERATIONS THIS AFTERNOON		NEUTRAL
TRADE WEIGHTED INDEX 113.2 *+0.0* 28.8.91		

HONG KONG GOVERNMENT EXCHANGE FUND

CLOSING YIELDS OF EXCHANGE FUND BILLS

	27.8.91	28.8.91
MATURING IN 1 WEEK	5.02 PCT	5.34 PCT
1 MONTH	5.03 PCT	5.18 PCT
3 MONTHS	5.65 PCT	5.59 PCT
6 MONTHS	6.02 PCT	5.98 PCT
12 MONTHS	6.45 PCT	6.43 PCT
TOTAL BILLS TRANSFERRED	4,535 MN	10,594 MN*

\*RECORD HIGH

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