



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL.: 842 8777

FRIDAY, MAY 27, 1994

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RENEWAL OF CHINA'S MFN STATUS

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THE DEPUTY TO THE GOVERNOR, MRS ANSON CHAN, TODAY (FRIDAY) HAS WELCOMED PRESIDENT CLINTON'S DECISION TO RENEW CHINA'S MOST FAVOURED NATION (MFN) TRADING STATUS FOR ANOTHER YEAR.

"PRESIDENT CLINTON'S DECISION TO RENEW CHINA'S MFN STATUS WITHOUT ATTACHING CONDITIONS FOR NEXT YEAR'S RENEWAL AND TO DELINK HUMAN RIGHTS FROM THE ANNUAL EXTENSION OF CHINA'S MFN STATUS IS GOOD NEWS FOR HONG KONG. THE DECISION HAS REMOVED A SIGNIFICANT AREA OF UNCERTAINTY IN THE IMMEDIATE FUTURE," SHE SAID.

"WE KNOW THAT THE U.S. ADMINISTRATION TOOK INTO ACCOUNT HONG KONG'S CONCERNS AND WE ARE GRATEFUL FOR THAT.

"BUT WE ARE CONCERNED ABOUT THE INTRODUCTION OF AN IMPORT BAN AGAINST CERTAIN CHINESE PRODUCTS," MRS CHAN SAID.

"WE HOPE THAT, BECAUSE OF ITS VERY LIMITED SCOPE, THE IMPORT BAN WILL NOT CAUSE SIGNIFICANT DAMAGE TO CHINA'S TRADE AND ECONOMY AND WILL NOT LEAD TO A DETERIORATION IN U.S.-CHINA RELATIONS.

"THE UNITED STATES AND CHINA ARE HONG KONG'S TWO LARGEST TRADING PARTNERS AND GOOD RELATIONS BETWEEN THEM ARE A VITAL FACTOR IN OUR LONG-TERM SUCCESS," SHE SAID.

"THE GOVERNMENT IS COMMITTED TO FREE TRADE AS A GENERAL PRINCIPLE AND BELIEVES THAT FREE TRADE AND OPEN MARKETS HELP TO PROMOTE ECONOMIC AND SOCIAL PROGRESS.

"WE HOPE THAT PRESIDENT CLINTON'S DECISION WILL PAVE THE WAY FOR A MORE CONSTRUCTIVE AND A MUTUALLY BENEFICIAL RELATIONSHIP BETWEEN OUR TWO LARGEST TRADING PARTNERS," MRS CHAN SAID.

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DEPUTY TO GOVERNOR MEETS MEDIA

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FOLLOWING IS THE TRANSCRIPT OF THE MEDIA SESSION BY THE DEPUTY TO THE GOVERNOR, MRS ANSON CHAN, AT CENTRAL GOVERNMENT OFFICES' LOBBY AT NOON TODAY (FRIDAY):

MRS CHAN : THE PRESIDENT'S DECISION TO RENEW MFN AND TO DELINK THE HUMAN RIGHTS ISSUE FROM THE MFN ISSUE IS GREAT NEWS FOR HONG KONG AND WE WARMLY WELCOME THE PRESIDENT'S DECISION. I THINK THAT THE PRESIDENT HAS SHOWN REAL LEADERSHIP AND GREAT COURAGE IN MAKING THIS DECISION. IT WILL MOVE THE US-CHINA RELATIONSHIP ON TO A MUCH BROADER FRONT AND I BELIEVE IN THE LONGER RUN WILL ENABLE BOTH SIDES TO DEVELOP A MORE CONSTRUCTIVE AND MORE LONG LASTING RELATIONSHIP, AND THIS MUST BE GOOD NOT ONLY FOR THE UNITED STATES AND CHINA BUT ALSO FOR HONG KONG AND FOR THE ENTIRE EAST ASIAN REGION.

/REPORTER :

REPORTER : CAN THE PEOPLE HONG KONG NOW SIT BACK AND RELAX ABOUT THIS ISSUE THEN ?

MRS CHAN : WELL, CERTAINLY DELINKING MEANS IT IS NO LONGER AN ANNUAL IRRITANT AND WILL NO LONGER DOMINATE THE US-CHINA RELATIONSHIP. OF COURSE, WE ENTIRELY AGREE WITH THE CONTINUED CONCERN ABOUT HUMAN RIGHTS SITUATION IN CHINA BUT I ALSO AGREE WITH THE PRESIDENT THAT WE ARE MORE LIKELY TO ADVANCE THE CAUSE OF HUMAN RIGHTS SITUATION IN CHINA BY DELINKING THE TWO THAN BY LINKING IT AND I AM SURE, AS THE PRESIDENT HAS SAID, THAT HE WILL CONTINUE TO PURSUE THE HUMAN RIGHTS CONCERNS THROUGH OTHER CHANNELS.

REPORTER : WHAT DO YOU THINK ABOUT SETTING UP A HUMAN RIGHTS COMMISSION ? WILL THIS BE AS EFFECTIVE AS HAVING THE THREAT OVER MFN RENEWAL ?

MRS CHAN : WE BELIEVE THAT CONTINUOUS TRADE, THE ABILITY TO BE ABLE TO CONTINUE TO ENGAGE THE CHINESE IN THE CONSTRUCTIVE DIALOGUE AND TO HAVE A MEANS OF INFLUENCING CHINA IS LIKELY TO DO MORE TO SECURE HUMAN RIGHTS IMPROVEMENT IN CHINA THAN BY ISOLATING CHINA AND REFUSING TO DEAL WITH IT.

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FS SPEAKS TO MEDIA

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FOLLOWING IS THE TRANSCRIPT OF FINANCIAL SECRETARY SIR HAMISH MACLEOD'S MEDIA SESSION AT CENTRAL GOVERNMENT OFFICES TODAY (FRIDAY) ON THE ISSUE OF MOST FAVOURED NATION (MFN) RENEWAL:

Q: CAN YOU COMMENT ON THE RENEWAL OF MFN?

FS: I THINK MFN RENEWAL IS GREAT NEWS, I THINK WE SHOULD BE GRATEFUL TO THE U.S. GOVERNMENT, CLEARLY THEY'VE LISTENED TO HK'S REPRESENTATIONS AND HAVE BORNE THEM VERY MUCH IN MIND, SO I THINK THE OUTCOME IS EXCELLENT. I DON'T THINK WE SHOULD GET TOO HUNG UP ON ALL THE DETAILS, THE EIGHT POINTS AND SO ON, I THINK THE BASIC DECISION IS VERY CLEAR, HUMAN RIGHTS IS TO BE TREATED SEPARATELY FROM MFN DECISIONS. I THINK THAT'S ABSOLUTELY MADE A STEP FORWARD, AND OF COURSE IN ESSENCE, MFN IS RENEWED. SO THE EFFECT ON HONG KONG... IS NOT ONLY THAT OUR TRADE WILL NOT BE AFFECTED BUT A LOT OF UNCERTAINTY IS REMOVED.

Q: THERE IS SOME CONCERNS THAT CHINA MIGHT REACT HARSHLY TOWARDS THE SANCTIONS ON MILITARY PRODUCT, DO YOU THINK THE PEOPLE OF HK COULD DO SOMETHING, ESPECIALLY THOSE WITH THE CONNECTIONS WITH BEIJING TO ALLAY THESE CONCERNS....

FS: I THINK THAT HAS BEEN PLAYED UP MUCH TOO HARD. THE PRODUCTS WHICH ARE COVERED BY THE EXCEPTION... I UNDERSTAND IS A VERY SMALL AMOUNT OF TRADE, I DON'T SEE ANY SERIOUS SIDE EFFECT FROM THAT AT ALL. AND AGAIN, I THINK OF COURSE FROM HK'S POINT OF VIEW, NONE OF OUR TRADE WILL BE AFFECTED BY THAT.

/Q: BUT

Q: BUT THE TRADE SEPARATED FROM THE HUMAN RIGHTS, DON'T YOU THINK THAT THAT WILL GIVE LESS PRESSURE FOR CHINA TO IMPROVE ITS HUMAN RIGHTS RECORD?

FS: WELL, I HAVE TO FOCUS VERY MUCH ON THE ISSUE BEFORE US WHICH IS MFN RENEWAL. I THINK THE PRESIDENT MADE CLEAR THERE ARE OTHER WAYS IN WHICH HE IS PURSUING HUMAN RIGHTS, I THINK THAT IS A MATTER BETWEEN, MAINLY FOR THE PRESIDENT AND CHINA TO PURSUE. I THINK FOR HONG KONG ON THE MFN ISSUE, THE RESULT IS, AS I'VE SAID, GREAT NEWS. THANK YOU VERY MUCH.

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NEW PROPOSALS ON TRANSFER TO LOCAL TERMS

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THE FOLLOWING IS ISSUED BY A SPOKESMAN FOR THE CIVIL SERVICE BRANCH:

"AFTER REFLECTING ON THE SITUATION CAREFULLY, THE ADMINISTRATION HAS COME UP WITH A NEW PACKAGE ON THE QUESTION OF TRANSFER TO LOCAL TERMS WHICH WE THINK WOULD ADDRESS THE INTERESTS AND CONCERNS OF BOTH LOCAL AND OVERSEAS OFFICERS.

"THE DETAILS OF THE PACKAGE WERE DISCUSSED TODAY AT MEETINGS BETWEEN SENIOR OFFICIALS OF THE CIVIL SERVICE BRANCH AND REPRESENTATIVES OF THE SENIOR NON-EXPATRIATE OFFICERS ASSOCIATION AND THE ASSOCIATION OF EXPATRIATE CIVIL SERVANTS.

"THE PACKAGE INVOLVES EMPLOYING CERTAIN OVERSEAS OFFICERS AT ONE RANK BELOW THEIR EXISTING RANK BUT ALLOWING THEM TO KEEP THEIR SALARY AND BENEFITS AT THEIR ORIGINAL RANK ON LOCAL CONDITIONS OF SERVICE.

"THIS WOULD GIVE SUITABLE LOCAL OFFICERS AN OPPORTUNITY TO RISE TO A HIGHER RANK, THEREBY ADDRESSING THE REASONABLE EXPECTATIONS OF LOCAL OFFICERS UNDER THE LOCALISATION POLICY.

"ON THE OTHER HAND THE OVERSEAS OFFICERS WOULD BE ABLE TO OBTAIN CONTINUED EMPLOYMENT IN THE CIVIL SERVICE WITH THE SAME TAKE-HOME PAY AS BEFORE.

"STARTING FROM NEXT YEAR, THE ADMINISTRATION INTENDS TO OPEN UP THE POSITIONS OF ALL AGREEMENT OFFICERS - OVERSEAS AND LOCAL ALIKE - FOR COMPETITION WHEN THEIR AGREEMENTS EXPIRE. THE INCUMBENTS WILL BE CONSIDERED ON AN EQUAL BASIS WITH OFFICERS ONE RANK BELOW THEM.

"THE ADMINISTRATION HAS RESUMED DISCUSSIONS WITH THE STAFF ASSOCIATIONS WITH A VIEW TO REACHING A SETTLEMENT. WE HOPE THAT THE STAFF ASSOCIATIONS WILL LOOK AT THE PACKAGE POSITIVELY AND COME TO AN EARLY AGREEMENT.

"IT IS IN THE INTERESTS OF BOTH LOCAL AND OVERSEAS STAFF, AND THE CIVIL SERVICE AS A WHOLE, TO SETTLE THE MATTER."

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HK AND MANCHESTER FIGHT FOR FREE TRADE MOVEMENT

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HONG KONG AND MANCHESTER HAVE BEEN ON THE SAME SIDE IN THE FIGHT FOR FREE TRADE AND OPEN MARKET, THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID DURING HIS VISIT IN MANCHESTER TODAY (THURSDAY).

THE FREE TRADE MOVEMENT WHICH MANCHESTER CHAMPIONED IN THE 1830S AND 1840S IS TODAY THE VERY ESSENCE OF HONG KONG'S WAY OF LIFE.

DELIVERING THE MANCHESTER LECTURE 1994 "MANCHESTER AND HONG KONG - A TALE OF TWO CITIES", MR PATTEN SAID FREE TRADE MEANT HIGHER INCOMES AND MORE JOBS WHILE PROTECTIONISM REDUCED INCOMES AND DESTROYED JOBS ON BOTH SIDES OF THE TRADE BARRIERS.

NOTING THAT NO MEMBER STATE OF THE EUROPEAN UNION WAS MORE COMMITTED TO LIBERALISING TRADE THAN THE UNITED KINGDOM, HE SAID HONG KONG LOOKED TO THE UNITED KINGDOM FOR SUPPORT AND LEADERSHIP IN COUNTERING PROTECTIONISM.

ASIA ALSO LOOKS TO BRITAIN TO CONTINUE TO CHAMPION THE CAUSE OF FREE TRADE, TO CHAMPION IT IN THE GATT AND ELSEWHERE.

HE SAID: "IN HONG KONG AND IN THE OTHER BOOMING ECONOMIES OF THE REGION, THE CASE FOR AN EXTROVERT, OPEN, FREE-TRADING EUROPE IS REGARDED AS SELF-EVIDENT.

"SO TOO THE CASE FOR ENSURING THAT EUROPE AVOIDS INDUSTRIAL AND COMMERCIAL SCLEROSIS.

"ASIAN COUNTRIES COULD BE EXPECTED TO CHEER ON THE PROPONENTS OF A COMPETITIVE, DECENTRALISED EUROPEAN UNION. AND, THEY WOULD LOOK, NATURALLY ENOUGH, TO BRITAIN, OF ALL COUNTRIES, TO BE AT THE HEAD OF THOSE ARGUING FOR SUCH A EUROPE.

"THAT APPROACH IS SO OBVIOUSLY IN BRITAIN'S SELF-INTEREST - AS WELL AS EUROPE'S - THAT THEY WOULD FIND ANY OTHER VERY HARD TO COMPREHEND," HE SAID.

THE GOVERNOR MADE IT CLEAR THAT FREE TRADE ENSURED THAT GLOBAL ECONOMIC GROWTH WAS NOT A ZERO-SUM GAME.

"IT WAS PROTECTIONISM, NOT FREE TRADE, WHICH RESULTS IN BEGGAR-MY-NEIGHBOUR ECONOMICS."

HE HOPED EUROPE AND NORTH AMERICA WERE BEGINNING TO UNDERSTAND THAT THE SUCCESS OF HONG KONG AND MANY OTHER PARTS OF ASIA WAS NO THREAT TO THEIR OWN PROSPERITY AND THEIR OWN WAY OF LIFE.

ON THE FUTURE OF HONG KONG, MR PATTEN SAID HE BELIEVED IF THE JOINT DECLARATION WAS IMPLEMENTED IN FULL, HONG KONG WOULD HAVE A SPECTACULAR FUTURE.

"IT WILL PLAY THE ROLE IN RELATION TO THE CHINESE ECONOMY WHICH MANCHESTER PLAYED IN THE BRITISH INDUSTRIAL REVOLUTION AND WHICH NEW YORK PLAYED IN THE OPENING UP OF THE AMERICAN CONTINENT.

/ "IF THE

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"IF THE JOINT DECLARATION IS NOT IMPLEMENTED IN FULL, HONG KONG WILL PUT IN JEOPARDY THE CHARACTERISTICS WHICH MAKE IT SPECIAL - THE RULE OF LAW, A FREE PRESS, A HIGH LEVEL OF RESISTANCE TO CORRUPTION," HE SAID.

"HONG KONG WILL NO LONGER BE SPECIAL AND THE POTENTIAL OFFERED BY THE HISTORIC 'ONE COUNTRY, TWO SYSTEMS' CONCEPT WILL HAVE BEEN SQUANDERED," HE ADDED.

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WARM MANCUNIAN WELCOME FOR GOVERNOR

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AND MRS PATTEN, RECEIVED A WARM WELCOME FROM THE HONG KONG CHINESE COMMUNITY IN THE NORTH WEST OF ENGLAND WHEN THEY VISITED MANCHESTER ON THURSDAY (MAY 26).

MORE THAN 100 BUSINESSMEN, ACADEMICS, COMMUNITY LEADERS AND STUDENTS LIVING IN THE REGION ATTENDED A RECEPTION HELD TO MARK MR PATTEN'S FIRST VISIT TO THE CITY AS GOVERNOR OF HONG KONG.

EARLIER, ACCOMPANIED BY THE HONG KONG COMMISSIONER IN LONDON, SIR DAVID FORD, THE GOVERNOR VISITED THE CHINESE SECTION OF THE CITY COUNCIL LIBRARY WHERE HE PRESENTED A COLLECTION OF BOOKS AND COMPACT DISCS FROM HONG KONG.

MR PATTEN HAD A BUSY SCHEDULE IN MANCHESTER, WHICH BOASTS THE SECOND LARGEST HONG KONG COMMUNITY IN THE UK AFTER LONDON.

HE VISITED A MULTI-STOREY RESIDENTIAL HOME FOR THE ELDERLY IN MANCHESTER'S CHINATOWN AND MET THE RESIDENTS WHO ARE MAINLY FROM HONG KONG. THE HOME, ESTABLISHED FIVE YEARS AGO WITH GOVERNMENT AND PRIVATE FUNDING, PROVIDES ACCOMMODATION FOR ABOUT 60 TENANTS.

THE GOVERNOR ALSO CALLED AT THE MANCHESTER CHINESE ARTS CENTRE NEARBY WHERE HE VIEWED PAINTINGS BY HONG KONG ARTISTS. HE PRESENTED THE CENTRE WITH A SET OF URBAN COUNCIL PUBLICATIONS ON CHINESE ART.

LATER IN THE EVENING MORE THAN 500 GUESTS, INCLUDING LEADING INDUSTRIALISTS, BUSINESSMEN, AND ACADEMICS IN THE NORTH WEST, HEARD THE GOVERNOR DELIVER THE FIFTH MANCHESTER LECTURE OF THE MANCHESTER LITERARY AND PHILOSOPHICAL SOCIETY. THE TITLE OF HIS LECTURE WAS "MANCHESTER AND HONG KONG - A TALE OF TWO CITIES".

THE MANCHESTER LECTURE IS A PRESTIGIOUS OCCASION THAT MARKS THE LINKS BETWEEN THE SOCIETY AND MAJOR ORGANISATIONS IN GREAT MANCHESTER, WHOSE LEADERS ATTEND AS GUESTS OF THE SOCIETY.

THIS WAS FOLLOWED BY A DINNER HOSTED BY THE LORD MAYOR OF MANCHESTER COUNCILLOR SHEILA SMITH.

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1ST QUARTER ECONOMIC REPORT

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THE FIRST QUARTER ECONOMIC REPORT 1994 WAS RELEASED BY THE GOVERNMENT TODAY (FRIDAY).

FOLLOWING IS A SUMMARY OF THE MAIN POINTS:

- * THE HONG KONG ECONOMY CONTINUED TO GROW STEADILY IN THE FIRST QUARTER OF 1994. THE GROSS DOMESTIC PRODUCT (GDP) PROBABLY GREW BY 5% - 5.5% IN REAL TERMS IN THE FIRST QUARTER, BROADLY SIMILAR TO THE GROWTH RATES IN RECENT QUARTERS.
- * EXTERNALLY, RE-EXPORTS CONTINUED TO RECORD A NOTABLE INCREASE, ALBEIT AT A LESS RAPID RATE THAN IN THE PRECEDING QUARTERS. THE PERFORMANCE OF DOMESTIC EXPORTS HOWEVER REMAINED SLACK.
- * LOCALLY, CONSUMER SPENDING ROSE STRONGLY, AND THE GROWTH RATE OF INVESTMENT SPENDING PICKED UP SOMEWHAT.
- * NOTWITHSTANDING A RELATIVELY RAPID INCREASE IN LABOUR SUPPLY, THE DEMAND FOR LABOUR MATCHED CLOSELY AND THE LABOUR MARKET REMAINED GENERALLY TIGHT.
- * THE PROPERTY MARKET WAS BUOYANT IN THE FIRST QUARTER. THE PRICE UPSURGES PARTICULARLY IN THE RESIDENTIAL PROPERTY AND OFFICE SPACE SUB-SECTORS HAD REINFORCED CONCERN, PROMPTING THE GOVERNMENT TO SET UP A TASK FORCE TO TACKLE THE SITUATION.
- * CONSUMER PRICE INFLATION MODERATED SIGNIFICANTLY IN THE FIRST QUARTER OF 1994 FROM THE PRECEDING QUARTER. BUT THE INCREASES IN HOUSING RENTALS, TRANSPORT FARES AND IN PRICES OF CONSUMER SERVICES REMAINED RAPID.
- * THE ECONOMIC FORECASTS FOR 1994 HAS BEEN REVIEWED AND UPDATED. OVERALL, THE FORECAST GDP GROWTH RATE IN REAL TERMS FOR 1994 IS MAINTAINED, AT 5.5%. THE FORECAST RATES OF INCREASE IN THE CONSUMER PRICE INDEX (A) AND THE GDP DEFLATOR ARE ALSO KEPT UNCHANGED, AT 8.5% AND 8% RESPECTIVELY.

THE EXTERNAL SECTOR

TOTAL EXPORTS RECORDED A FURTHER GROWTH OF ABOUT 8% IN REAL TERMS IN THE FIRST QUARTER OF 1994 OVER A YEAR EARLIER.

RE-EXPORTS CONTINUED TO PROVIDE THE MAIN DRIVING FORCE FOR THE OVERALL GROWTH IN EXPORTS AND HAD A NOTABLE INCREASE OF ABOUT 13% IN REAL TERMS.

IN CONTRAST, DOMESTIC EXPORTS WEAKENED FURTHER TO SHOW A DECLINE OF ABOUT 9% IN REAL TERMS.

THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS THUS ROSE FURTHER, TO 82% IN THE FIRST QUARTER OF 1994, FROM 78% IN THE SAME QUARTER IN 1993.

RE-EXPORTS TO MOST OF THE MAJOR OVERSEAS MARKETS REMAINED ROBUST IN THE FIRST QUARTER OF 1994, THOUGH WITH SOME DECELERATION IN GROWTH.

ON RE-EXPORTS TO CHINA, THE LESS RAPID GROWTH WAS MAINLY DUE TO CHINA'S LOCAL DEMAND SLOWING DOWN AS THE IMPACT OF THE EARLIER ECONOMIC RESTRAINT MEASURES BY THE CHINESE GOVERNMENT FILTERED THROUGH.

DOMESTIC EXPORTS TO MOST OF THE MAJOR MARKETS WERE ON A DOWNTREND, AFFECTED PARTLY BY THE ONGOING SHIFT TO RE-EXPORTS AND PARTLY BY SLACK DEMAND.

SUPPORTED MAINLY BY THE GROWTH IN RE-EXPORTS, IMPORTS ROSE BY ABOUT 9% IN REAL TERMS IN THE FIRST QUARTER OF 1994 OVER A YEAR EARLIER. RETAINED IMPORTS, HOWEVER, SHOWED ONLY A MODERATE INCREASE OF ABOUT 2% IN REAL TERMS.

A VISIBLE TRADE DEFICIT OF \$13.9 BILLION, EQUIVALENT TO 5% OF THE VALUE OF IMPORTS, WAS RECORDED IN THE FIRST QUARTER OF THIS YEAR. THIS COMPARED WITH A DEFICIT OF \$10.1 BILLION, EQUIVALENT TO 4% OF THE VALUE OF IMPORTS, IN THE SAME QUARTER LAST YEAR.

DOMESTIC DEMAND

DOMESTIC DEMAND CONTINUED TO BE UNDERPINNED BY THE STRONG GROWTH IN CONSUMER SPENDING AMIDST VIRTUALLY FULL EMPLOYMENT AND RISING REAL INCOMES.

THE VOLUME OF RETAIL SALES ROSE MARKEDLY, BY 12% IN THE FIRST QUARTER OF 1994 OVER A YEAR EARLIER.

RETAINED IMPORTS OF CONSUMER GOODS HOWEVER CONSOLIDATED, SHOWING A 1% FALL IN REAL TERMS.

THIS SITUATION SUGGESTS THAT THERE WAS PROBABLY SOME DEPLETION IN STOCKS OF CONSUMER GOODS IN RECENT MONTHS. THE DEMAND FOR CONSUMER SERVICES WAS ROBUST IN THE LOCAL MARKET.

THE GROWTH IN FIXED CAPITAL INVESTMENT PICKED UP SOMEWHAT IN THE FIRST QUARTER.

ON BUILDING AND CONSTRUCTION, ALTHOUGH PRIVATE SECTOR BUILDING ACTIVITY REMAINED SUBDUED, PUBLIC SECTOR CONSTRUCTION ACTIVITY WAS INTENSE AS WORK ON A NUMBER OF MAJOR INFRASTRUCTURAL PROJECTS PROGRESSED.

ON MACHINERY AND EQUIPMENT, FOLLOWING A 4% DECLINE IN THE SECOND HALF OF 1993, RETAINED IMPORTS OF CAPITAL GOODS RECORDED VIRTUALLY NO CHANGE IN REAL TERMS IN THE FIRST QUARTER OF 1994 OVER A YEAR EARLIER.

OVERALL, THE SUSTAINED RISE IN EXPENDITURE ON BUILDING AND CONSTRUCTION SHOULD HAVE ADEQUATELY OFFSET THE CONSOLIDATION IN EXPENDITURE ON MACHINERY AND EQUIPMENT.

THE LABOUR MARKET

THE LABOUR MARKET REMAINED GENERALLY TIGHT IN THE FIRST QUARTER. BOTH THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE AND THE UNDEREMPLOYMENT RATE STAYED AT A LOW LEVEL, AT 2.2% AND 1.7% RESPECTIVELY.

A RELATIVELY RAPID INCREASE IN LABOUR SUPPLY, ATTRIBUTABLE AT LEAST IN PART TO REDUCED NET OUTFLOW OF HONG KONG RESIDENTS, WAS MATCHED BY A CONCURRENT GROWTH IN JOB OPPORTUNITIES.

LABOUR MARKET CONDITIONS IN THE VARIOUS SERVICE SECTORS WERE GENERALLY TIGHTER THAN IN THE MANUFACTURING AND THE BUILDING AND CONSTRUCTION SECTORS.

REFLECTING THE ONGOING SHIFT IN LABOUR RESOURCES TOWARDS SERVICES IN PARALLEL WITH THE ONGOING RELOCATION OF PRODUCTION PROCESSES TO CHINA, EMPLOYMENT IN MOST OF THE MAJOR SERVICE SECTORS ROSE FURTHER IN THE 12 MONTHS ENDING DECEMBER 1993, WHILE THAT IN THE MANUFACTURING SECTOR CONTINUED TO FALL MARKEDLY.

THE WEAK PERFORMANCE OF DOMESTIC EXPORTS ALSO CONTRIBUTED.

EMPLOYMENT ON BUILDING AND CONSTRUCTION SITES SHRANK FURTHER, AS PRIVATE SECTOR BUILDING ACTIVITY, BEING STILL RELATIVELY LABOUR-INTENSIVE, REMAINED SLUGGISH.

AVERAGE EARNINGS IN MOST OF THE MAJOR SERVICE SECTORS RECORDED FURTHER NOTABLE INCREASES IN MONEY TERMS AS WELL AS IN REAL TERMS IN THE 12 MONTHS ENDING DECEMBER 1993.

MAINLY OWING TO A HIGH BASE OF COMPARISON IN DECEMBER 1992, AVERAGE EARNINGS OF MANUFACTURING WORKERS FELL IN REAL TERMS. CONSTRUCTION WAGE RATES SHOWED LITTLE CHANGE IN REAL TERMS.

THE PROPERTY SECTOR

BUYING INTEREST IN RESIDENTIAL PROPERTY REMAINED STRONG AND FLAT PRICES AGAIN SHOWED MORE RAPID INCREASES DURING THE FIRST QUARTER.

WARY OF A HEATED MARKET, A NUMBER OF BANKS TIGHTENED THEIR MORTGAGE LENDING POLICIES FURTHER IN JANUARY.

IN LATE MARCH, AS LOCAL INTEREST RATES ROSE FOLLOWING HIGHER INTEREST RATES IN THE UNITED STATES, THE MORTGAGE RATE WAS RAISED IN PARALLEL.

PARTLY BECAUSE OF REDUCED AFFORDABILITY AND PARTLY IN ANTICIPATION OF NEW MEASURES LIKELY TO BE TAKEN BY THE GOVERNMENT TO STABILISE THE MARKET, TRADING ACTIVITY IN RESIDENTIAL FLATS HAD COOLED DOWN LATELY.

MEANWHILE, THE RENTAL MARKET REMAINED ACTIVE, WITH RENTALS SHOWING A FURTHER INCREASE.

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AMIDST A KEEN INVESTOR AND END-USER INTEREST, PRICES AND RENTALS OF OFFICE SPACE SURGED FURTHER IN THE FIRST QUARTER.

ON SHOPPING SPACE, PRICES AND RENTALS CONTINUED TO RISE DUE TO THE SUSTAINED GROWTH IN BOTH LOCAL CONSUMER AND TOURIST SPENDINGS.

THE DEMAND FOR CONVENTIONAL FLATTED FACTORY SPACE CONTINUED TO BE DAMPENED BY THE ONGOING RELOCATION OF MANUFACTURING PROCESSES ACROSS THE BORDER.

BUT NEW INDUSTRIAL BUILDINGS DESIGNED ALSO FOR OFFICE USE REMAINED WELL-RECEIVED. WHILE PRICES FOR MODERN INDUSTRIAL PREMISES WERE STILL ON AN UPTREND, RENTALS WERE GENERALLY STABLE.

THE FINANCIAL SECTOR

THE MARKET EXCHANGE RATE OF THE HONG KONG DOLLAR AGAINST THE U.S. DOLLAR REMAINED STABLE DURING THE FIRST QUARTER, MOVING WITHIN A NARROW RANGE OF HK\$7.723 TO HK\$7.749 TO US\$1 ON THE STRONG SIDE OF THE LINK.

FOLLOWING THE MOVEMENTS OF THE U.S. DOLLAR, THE HONG KONG DOLLAR EASED SLIGHTLY AGAINST THE MAJOR EUROPEAN CURRENCIES DURING THE FIRST QUARTER. AGAINST THE JAPANESE YEN, IT WEAKENED FURTHER.

UPON THE UNIFICATION OF THE RENMINBI EXCHANGE RATE AND CONSEQUENTIALLY THE USE OF THE MARKET RATE IN PLACE OF THE PREVIOUS OFFICIAL RATE IN CALCULATING THE TRADE-WEIGHTED EFFECTIVE EXCHANGE RATE INDEX OF THE HONG KONG DOLLAR, THE INDEX INCREASED SHARPLY FROM 114.3 AT END-DECEMBER TO 127.8 IN EARLY JANUARY BEFORE CLOSING THE FIRST QUARTER AT 125.0.

ALONG WITH THE RISE IN THE U.S. FEDERAL FUNDS RATE, LOCAL MONEY MARKET INTEREST RATES GENERALLY MOVED HIGHER.

DEPOSIT RATES ADMINISTERED BY THE HONG KONG ASSOCIATION OF BANKS AND THE BEST LENDING RATE WERE ADJUSTED UPWARDS IN LATE MARCH, FOR THE FIRST TIME SINCE MAY 1991.

AFFECTED IN PART BY A SLOWER NET INFLOW OF FUNDS, THE GROWTH RATES OF BOTH HONG KONG DOLLAR DEPOSITS AND THE BROADER DEFINITIONS OF THE HONG KONG DOLLAR MONEY SUPPLY, HK\$M2 AND HK\$M3 MODERATED MARKEDLY, TO 2.5%, 3% AND 3% RESPECTIVELY DURING THE FIRST QUARTER.

THE GROWTH RATE OF HONG KONG DOLLAR LOANS, ON THE OTHER HAND, PICKED UP TO 5.7% DURING THE FIRST QUARTER. AS A RESULT, THE HONG KONG DOLLAR LOAN-TO-DEPOSIT RATIO ROSE.

THE HANG SENG INDEX, AFTER RALLYING TO A NEW RECORD HIGH OF 12,201 IN EARLY JANUARY, CONSOLIDATED THEREAFTER NOTWITHSTANDING THE ANNOUNCEMENT OF FAVOURABLE CORPORATE RESULTS.

THE THREAT OF AN IMMINENT RISE IN INTEREST RATES COUPLED WITH PROFIT-TAKING BY INVESTORS CONTRIBUTED TO THIS MARKET CORRECTION. A 24% DROP IN THE INDEX WAS RECORDED DURING THE FIRST QUARTER.

/INFLATION

INFLATION

CONSUMER PRICE INFLATION MODERATED SIGNIFICANTLY IN THE FIRST QUARTER OF 1994. THE YEAR-ON-YEAR RATE OF INCREASE IN THE CONSUMER PRICE INDEX (A) DECELERATED FROM 8.7% IN THE FOURTH QUARTER OF 1993 TO 7.3% IN THE FIRST QUARTER OF 1994.

THE CPI(B), HANG SENG CPI AND COMPOSITE CPI SHOWED A BROADLY SIMILAR MODERATING TREND, WITH INCREASES OF 7.7%, 9.3% AND 7.9% RESPECTIVELY IN THE FIRST QUARTER OF 1994, COMPARED WITH INCREASES OF 8.6%, 9.7% AND 8.9% IN THE FOURTH QUARTER OF 1993.

THE GDP DEFLATOR, AS A BROAD MEASURE OF OVERALL INFLATION IN THE ECONOMY, ALSO EXHIBITED A MODERATING TREND MORE RECENTLY. ITS YEAR-ON-YEAR RATE OF INCREASE DECELERATED MARKEDLY TO 6.0% IN THE FOURTH QUARTER OF 1993, FROM 7.7% IN THE THIRD QUARTER.

UPDATED FORECASTS

THE GDP AND PRICE FORECASTS FOR 1994 HAVE BEEN REVIEWED BY INDIVIDUAL COMPONENTS. THE UPDATED FORECASTS ARE SUMMARISED IN TABLE 1.

IN THE EXTERNAL SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF RE-EXPORTS IN 1994 IS REVISED DOWNWARDS, FROM 22% TO 17%. THIS HAS TAKEN INTO ACCOUNT THE RECENT SLOW-DOWN IN GROWTH IN RE-EXPORTS TO A NUMBER OF MARKETS.

LOOKING AHEAD, THE PERFORMANCE OF RE-EXPORTS WILL HINGE ON THE PACE OF ECONOMIC RECOVERY AND THE STRENGTH OF DEMAND FOR IMPORTS IN THE MAJOR INDUSTRIALISED COUNTRIES.

IN CHINA, CONTINUATION OF THE ECONOMIC RESTRAINT MEASURES IS LIKELY TO DAMPEN FURTHER THE DEMAND FOR IMPORTS FOR CHINA'S OWN USE.

ON DOMESTIC EXPORTS, PERFORMANCE WILL CONTINUE TO BE AFFECTED BY SLACK DEMAND FOR SUCH EXPORTS IN THE MAJOR MARKETS AND THE ONGOING SHIFT TO RE-EXPORTS.

IN THE LIGHT OF THE RECENT TREND, DOMESTIC EXPORTS IN 1994 ARE EXPECTED TO SHOW A LARGER DECLINE, BY 5% IN REAL TERMS INSTEAD OF 2% AS FORECAST EARLIER.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE FORECAST GROWTH RATE IN REAL TERMS OF TOTAL EXPORTS IN 1994 IS ACCORDINGLY LOWERED, FROM 16.5% TO 12%.

THE FORECAST GROWTH RATE IN REAL TERMS OF IMPORTS IN 1994 IS REDUCED FROM 16.7% TO 12.2%, HAVING REGARD TO THE ACTUAL OUTTURN OF BOTH RE-EXPORTS AND RETAINED IMPORTS IN THE FIRST QUARTER.

LOOKING AHEAD, RETAINED IMPORTS OF MACHINERY AND EQUIPMENT WILL PROBABLY PICK UP SOMEWHAT, WHILE RETAINED IMPORTS OF CONSUMER GOODS CAN BE EXPECTED TO RISE IN LINE WITH THE STEADY GROWTH IN CONSUMER SPENDING.

THE FORECAST GROWTH RATES IN REAL TERMS OF EXPORTS AND IMPORTS OF SERVICES IN 1994 ARE BOTH KEPT UNCHANGED, AT 9% AND 8% RESPECTIVELY.

ALTHOUGH THE GROWTH IN DEMAND FOR TRADE-RELATED SERVICES ARE LIKELY TO BE SLOWER, IN LINE WITH THE TREND ENVISAGED FOR VISIBLE TRADE, THE GROWTH IN DEMAND IN THE AREAS OF TRAVEL, TOURISM AND VARIOUS BUSINESS SERVICES WILL PROBABLY BE SOMEWHAT FASTER THAN IN THE EARLIER FORECAST.

IN THE DOMESTIC SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE CONSUMPTION EXPENDITURE IN 1994 IS KEPT UNCHANGED, AT 7%.

NOTWITHSTANDING ANY POSSIBLE NEGATIVE WEALTH EFFECT THAT MAY HAVE BEEN BROUGHT ABOUT BY CONSOLIDATION IN THE LOCAL STOCK MARKET, THE GROWTH IN CONSUMER SPENDING, AS REFLECTED BY RETAIL SALES IN THE FIRST QUARTER, SUGGESTS A SOLID TREND.

LARGELY OWING TO INCREASED GOVERNMENT PURCHASES OF SUPPLIES AND SUNDRY EQUIPMENT, THE FORECAST GROWTH RATE IN REAL TERMS OF GOVERNMENT CONSUMPTION EXPENDITURE IN 1994 IS RAISED, FROM 3.5% TO 4.4%.

ON INVESTMENT SPENDING, AS WORK ON A NUMBER OF MAJOR PUBLIC SECTOR INFRASTRUCTURAL PROJECTS PROCEEDED APACE, THE FORECAST GROWTH RATE IN REAL TERMS OF PUBLIC SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION IS REVISED UPWARDS, FROM 22% TO 27.5%.

ON THE OTHER HAND, THE FORECAST RATE OF DECLINE IN REAL TERMS IN PRIVATE SECTOR EXPENDITURE ON BUILDING AND CONSTRUCTION REMAINS UNCHANGED AT 2%.

TAKEN TOGETHER, OVERALL EXPENDITURE ON BUILDING AND CONSTRUCTION IS EXPECTED TO RISE BY 10.4% IN REAL TERMS IN 1994, FASTER THAN THE INCREASE OF 8.7% IN THE EARLIER FORECAST.

CONCURRENTLY, THE FORECAST GROWTH RATES IN REAL TERMS OF PUBLIC SECTOR AND PRIVATE SECTOR EXPENDITURES ON MACHINERY AND EQUIPMENT ARE KEPT UNCHANGED, AT 35% AND 5% RESPECTIVELY.

OVERALL EXPENDITURE ON MACHINERY AND EQUIPMENT, WITH AN EXPECTED GROWTH RATE IN REAL TERMS OF 5.8%, IS LARGELY UNCHANGED FROM THE EARLIER FORECAST.

THERE WERE SIGNS THAT THE DECLINE IN RETAINED IMPORTS OF CAPITAL GOODS HAD BOTTOMED OUT IN THE FIRST QUARTER, AND CAPITAL SUBSTITUTION SHOULD CONTINUE TO TAKE PLACE AMIDST THE TIGHT LABOUR MARKET SITUATION.

COMBINING ALL RELEVANT COMPONENTS, THE FORECAST GROWTH RATE IN REAL TERMS OF GROSS DOMESTIC FIXED CAPITAL FORMATION IN 1994 IS RAISED SLIGHTLY, FROM 5.2% TO 5.6%.

OVERALL, THE FORECAST GROWTH RATE IN REAL TERMS OF THE GDP FOR 1994 IS MAINTAINED AT 5.5%.

WHILE THE FORECASTS IN REGARD TO THE MAIN DOMESTIC DEMAND COMPONENTS REMAIN BROADLY ON TRACK, THE SLOWER THAN EXPECTED GROWTH IN EXPORTS IS ENVISAGED TO BE OFFSET BY A CORRESPONDING DECELERATION IN ABSORPTION OF IMPORTS.

ON INFLATION, THE FORECAST RATES OF INCREASE IN BOTH THE CPI(A) AND THE GDP DEFLATOR ARE KEPT UNCHANGED FOR THE TIME BEING, AT 8.5% AND 8% RESPECTIVELY, NOTWITHSTANDING THE MODERATION IN INFLATION IN THE FIRST QUARTER.

LOOKING AHEAD, IMPORT PRICES ARE EXPECTED TO REMAIN LARGELY STABLE.

NOTWITHSTANDING THE INFLATION SITUATION IN CHINA, THE PRICES OF IMPORTS FROM CHINA WILL PROBABLY REMAIN SOFT.

LOCALLY, THE RELATIVELY MORE ABUNDANT LABOUR SUPPLY, IF IT CAN BE SUSTAINED, SHOULD BE ABLE TO PROVIDE SOME RELIEF TO THE CURRENT CAPACITY CONSTRAINTS.

HOWEVER, INFLATIONARY PRESSURES NOTABLY ON THE HOUSING RENTALS, TRANSPORT AND CONSUMER SERVICES FRONTS ARE LIKELY TO REMAIN STRONG.

THE FIRST QUARTER ECONOMIC REPORT 1994 IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE IN CONNAUGHT PLACE, CENTRAL, AT \$44 A COPY.

TABLE 1

	FORECAST FOR 1994 AS RELEASED ON 2.3.1994	CURRENT UPDATE RELEASED ON 27.5.1994
	(%)	(%)
GROWTH RATE IN REAL TERMS OF:		
PRIVATE CONSUMPTION EXPENDITURE	7	7
GOVERNMENT CONSUMPTION EXPENDITURE	3.5	4.4
GROSS DOMESTIC FIXED CAPITAL FORMATION	5.2	5.6
TRANSFER COSTS OF LAND AND BUILDINGS	0	0
BUILDING AND CONSTRUCTION	8.7	10.4
PRIVATE SECTOR	-2	-2
PUBLIC SECTOR	22	27.5
REAL ESTATE DEVELOPERS' MARGIN	-2	-2
MACHINERY AND EQUIPMENT	5.9	5.8
PRIVATE SECTOR	5	5
PUBLIC SECTOR	35	35
TOTAL EXPORTS OF GOODS	16.5	12
DOMESTIC EXPORTS	-2	-5
RE-EXPORTS	22	17
IMPORTS OF GOODS	16.7	12.2
EXPORTS OF SERVICES	9	9
IMPORTS OF SERVICES	8	8
GROSS DOMESTIC PRODUCT (GDP)	5.5	5.5
PER CAPITA GDP	3.8	3.8

/GROWTH RATE

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GROWTH RATE IN MONEY TERMS OF:

GDP	13.9	13.9
PER CAPITA GDP	12.1	12.1

RATE OF INCREASE IN:

GDP DEFLATOR	8	8
CONSUMER PRICE INDEX (A)	8.5	8.5

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DEPARTMENTS READY TO DEAL WITH LANDSLIPS AND FLOODING

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EMERGENCY CONTROL CENTRES HAVE BEEN SET UP WITHIN VARIOUS LANDS AND WORKS GROUP OF DEPARTMENTS WHICH WILL ACTIVATE CONTINGENCY PLANS TO DEAL WITH NATURAL DISASTERS.

THE DEPUTY SECRETARY FOR WORKS, MISS ELAINE CHUNG, SAID AT A PRESS CONFERENCE TODAY (FRIDAY) THE WORKS BRANCH HAD ESTABLISHED A STANDING COMMITTEE TO REVIEW EMERGENCY PROCEDURES ON A REGULAR BASIS.

OF MORE DIRECT CONCERN TO THE PUBLIC, SHE POINTED OUT, WERE THE PROJECTS UNDER THE FLOOD MITIGATION PROGRAMME AND THE LANDSLIP PREVENTION PROGRAMME.

"WE ARE IMPLEMENTING AND DRIVING THESE PROGRAMMES FORWARD WITH DETERMINATION AND VIGOUR," SHE NOTED.

"FIRSTLY, THE LANDSLIP PREVENTION PROGRAMME. SINCE 1977 WHEN THE GEOTECHNICAL CONTROL OFFICE WAS SET UP, THE GOVERNMENT HAS COMPILED A CATALOGUE OF MAN-MADE SLOPES.

"WE HAVE UPGRADED A TOTAL OF 525 OLD SUB-STANDARD SLOPES ON PUBLIC LAND AT A COST OF \$1 BILLION AND ISSUED NOTICES TO PRIVATE OWNERS REGARDING 379 SLOPES.

"MORE THAN 65,000 PERSONS HAVE MOVED FROM HUTS ON STEEP SLOPES TO PUBLIC HOUSING.

"LAST YEAR, WE CONTINUED THIS WORK, AND UPGRADED 76 GOVERNMENT SLOPES. MORE THAN 1,000 SQUATTERS WERE REHOUSED.

"BUT THERE IS MORE TO LANDSLIP PREVENTION. MAN-MADE SLOPES MUST BE KEPT IN GOOD REPAIR. TO ALERT OWNERS TO THIS WE LAUNCHED A PUBLICITY CAMPAIGN IN 1992," SHE ADDED.

TURNING TO FLOOD MITIGATION, MISS CHUNG SAID, NORTH AND NORTH-WEST NEW TERRITORIES HAD BEEN MORE VULNERABLE TO FLOODS IN RECENT YEARS BECAUSE OF THE QUICK PACE OF DEVELOPMENT WHICH TOOK AWAY THE FLOOD STORAGE CAPACITY AND BECAUSE MANY OF THE NATURAL RIVER COURSES HAD BEEN BLOCKED.

"THE GOVERNMENT IS NOW TRYING TO RATIONALISE LAND USE, CONSTRUCT DRAINAGE CHANNELS AND CLEAR BLOCKAGES IN RIVER COURSES WITH A VIEW TO ALLEVIATING FLOODING," SHE NOTED.

MISS CHUNG SAID THE MOST CRITICAL PROJECT FOR THE NORTH DISTRICT IS THE SHENZHEN RIVER TRAINING SCHEME.

LAST YEAR, PREPARATION FOR LAND RESUMPTION WAS MADE AND DETAILED DESIGN WAS ABOUT TO COMPLETE.

"AT PRESENT, WE ARE CARRYING OUT AN ENVIRONMENTAL IMPACT ASSESSMENT STUDY.

"THE PROJECT, COSTING A TOTAL OF \$1,065 MILLION, IS DUE TO START IN 1995. THE FIRST TWO STAGES OF THE SCHEME WOULD BE COMPLETED IN 2001.

"WHEN COMPLETED, THERE WILL BE VERY SIGNIFICANT IMPROVEMENT IN NORTH DISTRICT," SHE ADDED.

A CONTRACT FOR TRAINING SHAN PUI RIVER COSTING \$275 MILLION, COMMENCED IN OCTOBER 1993.

ANOTHER CONTRACT TO TRAIN THE LOWER REACHES OF KAM TIN RIVER, COSTING \$284 MILLION, COMMENCED IN APRIL 1994.

WHEN COMPLETED IN 1996, THERE WOULD BE SIGNIFICANT IMPROVEMENT IN NORTH-WEST NEW TERRITORIES.

IN THE MEANTIME, MISS CHUNG SAID THE DRAINAGE SERVICES DEPARTMENT WAS IMPLEMENTING POLDER FLOOD PUMPING SCHEMES IN FLOOD PRONE AREAS SUCH AS SHEUNG SHUI TSUEN AND TSUNG PAK LONG, KAM TIN, NGAM TAM MEI AND SAN TIN.

FURTHERMORE, A PLAN WAS IN HAND TO REHABILITATE CERTAIN RIVERS IN THE NEW TERRITORIES TO RESTORE TO THEIR NATURAL STATE.

"WE PLAN TO SPEND A TOTAL OF \$3.7 BILLION ON ANTI-FLOODING MEASURES," SHE ADDED.

OVER \$88 MILLION WERE SPENT BY DRAINAGE SERVICES DEPARTMENT AND HIGHWAYS DEPARTMENT ON CLEARING BLOCKED DRAINS AND OTHER PREVENTIVE MAINTENANCE WORK PRIOR TO THE ONSET OF THE WET SEASON.

THE WATER SUPPLIES DEPARTMENT HAD REVIEWED THE RISK OF THE WATERWORKS INSTALLATIONS PRONE TO FLOODING AND THE NECESSARY PREVENTIVE MEASURES HAVE ALL BEEN COMPLETED.

UTILITIES COMPANIES HAD DONE THE SAME FOR ALL THEIR IMPORTANT INSTALLATIONS.

THE HIGHWAYS DEPARTMENT HAD ALSO PREPARED ITSELF FOR THE COMING WET SEASON.

MAINTENANCE STAFF OF THE DEPARTMENT HAVE TAKEN PREVENTIVE MEASURES PRIOR TO THE ONSET OF THE WET SEASON, INCLUDING CLEARANCE AND MAINTENANCE OF ROAD/SLOPE DRAINS, CHANNELS, CATCHPITS, GULLIES AND GULLY CONNECTIONS.

THE DEPARTMENT HAD ALSO SET UP AN EMERGENCY CENTRE WHICH WILL CO-ORDINATE REMOVAL OF FALLEN TREES, BOULDERS AND LANDSLIP MATERIAL.

MISS CHUNG ALSO APPEALED TO THE PUBLIC TO HELP BY:

- * KEEPING HONG KONG CLEAN. IN PARTICULAR, DON'T THROW RUBBISH, ESPECIALLY PLASTIC BAGS, INTO GULLIES, DRAINAGE INLETS, OPEN CHANNELS, CATCHPITS;
- * REFRAINING FROM ILLEGAL DUMPING OF CONSTRUCTION MATERIAL, ESPECIALLY IN THE NEW TERRITORIES, AT OR NEAR CULVERT INLETS AND OUTLETS AND INDISCRIMINATE FILLING UP OF NATURAL STREAMS;
- * REFRAINING FROM ILLEGAL EXCAVATION OF NATURAL SLOPES AND SITE FORMATION AS IT IS A VERY DANGEROUS PRACTICE; AND
- * REGULAR INSPECTION OF PRIVATE SLOPES BY OWNERS. PAY PARTICULAR ATTENTION TO BLOCKED DRAINS.

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LAND AUCTION ARRANGEMENTS

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THE FOLLOWING STATEMENT IS ISSUED BY THE SECRETARY FOR PLANNING, ENVIRONMENT AND LANDS, MR TONY EASON:

"WE WILL BE REVIEWING THE ARRANGEMENTS FOR THE CONDUCT OF LAND AUCTIONS IN THE LIGHT OF YESTERDAY'S EXPERIENCE TO SEE WHETHER ANY CHANGES SHOULD BE INTRODUCED BEFORE THE NEXT ONE.

"IT IS FUNDAMENTAL TO ANY AUCTION - AND PARTICULARLY AUCTIONS OF LAND IN HONG KONG - THAT THERE SHOULD BE REAL COMPETITION.

"THE PREMIA OBTAINED AT YESTERDAY'S AUCTION WAS WITHIN THE GOVERNMENT'S EXPECTATIONS.

"WE DO NOT CONSIDER THERE WAS A CHALLENGE TO THE GOVERNMENT YESTERDAY. CERTAINLY THE PACKAGE OF MEASURES BEING PUT TOGETHER BY THE TASK FORCE WOULD NOT BE AFFECTED BY ANY SUCH CHALLENGE.

"THE AIM OF OUR PACKAGE REMAINS AS IT HAS ALWAYS BEEN: TO BRING ABOUT A MODERATION OF PROPERTY PRICES WITHOUT CAUSING THE MARKET TO LOSE ITS EQUILIBRIUM."

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PUBLIC MEETINGS ON ELECTION GUIDELINE PROPOSALS
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THE BOUNDARY AND ELECTION COMMISSION WILL HOLD A SERIES OF PUBLIC MEETINGS FROM NEXT MONDAY (MAY 30) TO RECEIVE REPRESENTATIONS FROM THE PUBLIC ON ITS PROPOSED GUIDELINES ON ELECTION-RELATED ACTIVITIES FOR GEOGRAPHICAL CONSTITUENCY ELECTIONS.

THE MEETINGS SCHEDULED FOR NEXT WEEK WILL BE HELD AT THE COMMISSION'S CONFERENCE ROOM, 10TH FLOOR, HARBOUR CENTRE, 25 HARBOUR ROAD, WAN CHAI.

THE MEETINGS ARE PART OF THE PUBLIC CONSULTATION EXERCISE THE COMMISSION IS HOLDING UNTIL JUNE 15 TO SOLICIT VIEWS ON ITS RECOMMENDATIONS.

MEMBERS OF THE PUBLIC ARE WELCOME TO ATTEND. THEY MAY SUBMIT THEIR VIEWS IN WRITING TO THE COMMISSION SECRETARIAT BEFORE THE JUNE 15 DEADLINE.

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LANDS TRIBUNAL TO HANDLE BUILDING MANAGEMENT DISPUTES
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THE JURISDICTION OF THE LANDS TRIBUNAL WILL BE EXTENDED TO HANDLE DISPUTES ON BUILDING MANAGEMENT MATTERS AS FROM JUNE 1.

SECTIONS OF THE MULTI-STOREY BUILDINGS (OWNERS INCORPORATION) (AMENDMENT) ORDINANCE 1993 RELATING TO THE TRIBUNAL'S ADDITIONAL POWER WILL ALSO COME INTO FORCE ON THAT DATE.

A SCHEDULE OF THESE SECTIONS IN THE MULTI-STOREY BUILDINGS (OWNERS INCORPORATION) (AMENDMENT) ORDINANCE 1993 (27 OF 1993) (COMMENCEMENT) NOTICE 1994 WAS GAZETTED TODAY (FRIDAY).

A GOVERNMENT SPOKESMAN SAID THE ORDINANCE WAS ENACTED AND PUT INTO EFFECT IN MAY LAST YEAR, EXCEPT FOR THOSE SECTIONS AND SCHEDULE RELATING TO THE JURISDICTION OF THE LANDS TRIBUNAL OVER BUILDING MANAGEMENT.

ITS OBJECTIVES INCLUDE FACILITATING THE CREATION OF OWNERS' CORPORATION, INCREASING CONTROLS OVER THE MANAGEMENT COMMITTEE OF AN OWNERS' CORPORATION AND INTRODUCING MEASURES RELATING TO THE MANAGEMENT OF BUILDINGS SUBJECT TO DEEDS OF MUTUAL COVENANTS.

MEANWHILE, THE CITY AND NEW TERRITORIES ADMINISTRATION HAS PUBLISHED A PAMPHLET WHICH SERVES AS A GUIDE TO THE MAIN PROVISIONS OF THE ORDINANCE.

THE PAMPHLET, ENTITLED "HOW TO FORM AN OWNERS' CORPORATION AND TO ACHIEVE EFFECTIVE BUILDING MANAGEMENT", ALSO COVERS TOPICS SUCH AS THE PROCEDURES OF FORMING AN OWNERS' CORPORATION, THE APPOINTMENT OF A MANAGEMENT COMMITTEE AND REQUIREMENTS GOVERNING THE PROCUREMENT OF SUPPLIES, GOODS AND SERVICES.

THE PAMPHLETS, IN ENGLISH AND CHINESE, ARE AVAILABLE FREE OF CHARGE FROM ALL DISTRICT OFFICES.

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HK AND SWEDEN SIGN INVESTMENT PROMOTION
AND PROTECTION AGREEMENT

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AN AGREEMENT ON THE PROMOTION AND PROTECTION OF INVESTMENTS
WAS SIGNED BETWEEN HONG KONG AND SWEDEN TODAY (FRIDAY).

THE AGREEMENT WAS SIGNED IN HONG KONG BY THE SECRETARY FOR
TRADE AND INDUSTRY, MR T H CHAU, ON BEHALF OF THE HONG KONG
GOVERNMENT, AND THE SWEDISH CONSUL-GENERAL, MR MIKAEL WESTERLIND, ON
BEHALF OF THE GOVERNMENT OF THE KINGDOM OF SWEDEN.

THIS IS THE FOURTH AGREEMENT HONG KONG HAS SIGNED IN THIS
IMPORTANT AREA OF INVESTMENT PROMOTION AND PROTECTION. OTHER
AGREEMENTS HAVE BEEN MADE WITH THE NETHERLANDS, AUSTRALIA AND DENMARK.

SUCH AGREEMENTS ARE BILATERAL AGREEMENTS BINDING UNDER
INTERNATIONAL LAW WHICH AIM TO ENCOURAGE AND PROTECT, ON A RECIPROCAL
BASIS, INVESTMENTS BY INVESTORS OF ONE CONTRACTING PARTY IN THE
OTHER'S AREA.

SPEAKING AT THE SIGNING CEREMONY, MR CHAU SAID THE AGREEMENT
WOULD FURTHER STRENGTHEN THE EXCELLENT ECONOMIC TIES BETWEEN HONG
KONG AND SWEDEN.

"THE AGREEMENT PROVIDES INVESTORS WITH GUARANTEES OF FAIR
TREATMENT, THE UNRESTRICTED RIGHT TO TRANSFER INVESTMENTS AND
RETURNS, AND PROPER COMPENSATION IN THE EVENT OF LOSSES OWING TO
EXPROPRIATION."

"IT ALSO PROVIDES FOR INVESTMENT DISPUTES TO BE SETTLED IN
ACCORDANCE WITH LAID-DOWN PROCEDURES."

ALSO SPEAKING AT THE CEREMONY, MR WESTERLIND POINTED TO THE
SOPHISTICATED ECONOMIES AND OPEN MARKETS OF BOTH SWEDEN AND HONG KONG.

EVEN THOUGH SECURE PROPERTY RIGHTS ARE ALREADY EMBODIED IN THE
LEGAL FRAMEWORKS OF THE TWO SOCIETIES, MR WESTERLIND DREW THE
ATTENTION TO THE AGREEMENT AS A WAY TO ENHANCE BUSINESS INITIATIVES
AND TO FOSTER BILATERAL ECONOMIC CO-OPERATION, AS WELL AS BEING A
LANDMARK OF THE FRIENDLY TIES BETWEEN SWEDEN AND HONG KONG.

THE AGREEMENT WILL ENTER INTO FORCE 30 DAYS AFTER SIGNATURE,
AND WILL REMAIN EFFECTIVE FOR AN INITIAL PERIOD OF 15 YEARS.
THEREAFTER, IT WILL REMAIN IN FORCE INDEFINITELY, UNLESS TERMINATED
BY EITHER PARTY BY GIVING ONE YEAR'S WRITTEN NOTICE.

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FEEES ON DISTRAINTS FOR RENT TO RISE

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THE FEES TO BE LEVIED ON DISTRAINT FOR RENT AND ON THE ISSUE OF SUBPOENAS UNDER THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE WILL GO UP BY 10 PER CENT FROM JUNE 30.

THIS MEANS THAT THE FEE FOR USING A WATCHMAN TO KEEP CHARGE OF PROPERTIES HELD IN ARREAR OF RENT WILL BE INCREASED FROM \$300 TO \$330 PER DAY.

IN CASES WHERE A TENANT DISPUTES THE LANDLORD'S CLAIM AND WITNESSES HAVE TO BE SUBPOENAED, ADDITIONAL FEES FOR EACH SUBPOENA WILL BE RAISED FROM \$50 TO \$55.

DETAILS OF THE INCREASES ARE GIVEN IN THE LANDLORD AND TENANT (CONSOLIDATION) ORDINANCE (AMENDMENT OF FOURTH SCHEDULE) NOTICE 1994 GAZETTED TODAY (FRIDAY).

EXPLAINING THE NEED FOR THE INCREASES, A GOVERNMENT SPOKESMAN POINTED OUT THAT THE FEES WERE LAST REVISED IN 1992.

THE NEW RATES WERE THEREFORE IN LINE WITH THE GOVERNMENT'S POLICY TO SET FEES AT LEVELS SUFFICIENT TO RECOVER THE FULL COST OF PROVIDING THE SERVICES, HE ADDED.

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REPORT ON ASIA SECURITIES INTERNATIONAL LTD PUBLISHED

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THE REPORT OF THE INVESTIGATION CARRIED OUT UNDER THE SECURITIES (DISCLOSURE OF INTERESTS) ORDINANCE (SDIO) REGARDING THE MEMBERSHIP OF ASIA SECURITIES INTERNATIONAL LIMITED (ASIL) FROM FEBRUARY 1991 TO EARLY JUNE 1993 HAS BEEN PUBLISHED TODAY (FRIDAY).

SECRETARY FOR FINANCIAL SERVICES, MR MICHAEL CARTLAND, SAID THE GOVERNMENT HAD FORWARDED A COPY OF THE REPORT TO ASIL AND REFERRED THE FINDINGS OF THE INVESTIGATION TO THE SECURITIES AND FUTURES COMMISSION (SFC) FOR POSSIBLE FOLLOW-UP ACTION.

ON JUNE 22, 1993, THE FINANCIAL SECRETARY APPOINTED MR STUART CROSBY OF THE SFC AN INSPECTOR UNDER SECTION 33 OF THE SDIO TO INVESTIGATE AND REPORT ON THE MEMBERSHIP OF ASIL IN ORDER TO DETERMINE THE TRUE PERSONS WHO ARE OR HAVE BEEN FINANCIALLY INTERESTED IN THE SUCCESS AND FAILURE OF THE COMPANY OR ABLE TO CONTROL OR MATERIALLY INFLUENCE ITS POLICY DURING FEBRUARY 1, 1991 TO JUNE 1, 1993, AND ON ANY SUBSEQUENT TRANSACTIONS IN SHARES MATERIAL TO THE INVESTIGATION.

MR CROSBY SUBMITTED HIS REPORT TO THE FINANCIAL SECRETARY IN LATE MARCH THIS YEAR.

THE SCOPE OF THE INVESTIGATION WAS LIMITED TO 60 MILLION SHARES IN ASIL SOLD BY ASIA SECURITIES LIMITED AND QUATRO ENTERPRISES LIMITED PURPORTEDLY TO MR WONG SHEU CHUI PURSUANT TO AN AGREEMENT DATED JUNE 28, 1991.

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THE SHARES WERE SUBSEQUENTLY ACQUIRED BY THE HONGKONG CHINA/EIE GROUP DURING A TAKEOVER BID FOR ASIL IN MID-1993.

"THE INSPECTOR MADE A NUMBER OF OBSERVATIONS REGARDING THE TRUE PERSONS WHO WERE FINANCIALLY INTERESTED IN THE SHARES IN QUESTION DURING THE PERIOD COVERED BY THE INVESTIGATION.

"HE RECOMMENDED TO THE FINANCIAL SECRETARY THAT THE CASE SHOULD BE REFERRED TO THE EXECUTIVE TO THE PANEL ON TAKEOVERS AND MERGERS TO EXAMINE THE ROLE OF CERTAIN PARTIES INVOLVED IN SOME OF THE TRANSACTIONS COVERED BY THE INVESTIGATION," MR CARTLAND SAID.

THE INSPECTOR ALSO CONCLUDED THAT THERE REMAIN 39,000 SHARES, THE TRUE OWNERSHIP OF WHICH IS UNCLEAR. THE QUANTITY OF THESE SHARES IS CONSIDERED TOO SMALL TO WARRANT A FREEZING ORDER TO BE MADE UNDER THE SDIO TO RESTRICT THE TRANSFERABILITY OF SUCH SHARES.

"THE NEXT STEP WILL BE FOR THE SFC, AS THE EXECUTIVE TO THE PANEL ON TAKEOVERS AND MERGERS, TO DECIDE WHAT, IF ANY, FOLLOW-UP ACTION SHOULD BE TAKEN," MR CARTLAND SAID.

COPIES OF THE REPORT ARE NOW AVAILABLE FOR SALE AT THE GOVERNMENT PUBLICATIONS CENTRE.

"I WOULD LEAVE IT TO THOSE INTERESTED IN THIS CASE TO READ THE DETAILS SET OUT IN THE REPORT," MR CARTLAND SAID.

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PROVISIONAL FIGURES OF EXTERNAL TRADE FOR LAST MONTH

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BOTH RE-EXPORTS AND IMPORTS RECORDED FURTHER INCREASE IN APRIL 1994 OVER THE SAME MONTH IN 1993, WHILE DOMESTIC EXPORTS REMAINED SLACK.

THESE ARE SHOWN IN THE PROVISIONAL FIGURES OF EXTERNAL TRADE FOR APRIL RELEASED TODAY (FRIDAY) BY THE CENSUS AND STATISTICS DEPARTMENT.

THE VALUE OF RE-EXPORTS, AT \$74.8 BILLION IN APRIL 1994, WAS \$7.2 BILLION OR 11% HIGHER THAN A YEAR EARLIER. ON THE OTHER HAND, THE VALUE OF DOMESTIC EXPORTS FELL BY \$1.2 BILLION OR 6.7% OVER A YEAR EARLIER TO \$16.6 BILLION IN APRIL.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE VALUE OF TOTAL EXPORTS INCREASED BY \$6.0 BILLION OR 7.0% TO \$91.4 BILLION IN APRIL 1994. MEANWHILE, THE VALUE OF IMPORTS INCREASED BY \$8.3 BILLION OR 8.8% TO \$101.9 BILLION.

AS THE VALUE OF TOTAL EXPORTS IN APRIL WAS SMALLER THAN THAT OF TOTAL IMPORTS, A VISIBLE TRADE DEFICIT OF \$10.5 BILLION, EQUIVALENT TO 10% OF THE VALUE OF IMPORTS, WAS RECORDED.

/THIS COMPARED

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THIS COMPARED WITH A DEFICIT OF \$8.2 BILLION, EQUIVALENT TO 8.8% OF THE VALUE OF IMPORTS, IN APRIL 1993.

IN THE FIRST FOUR MONTHS OF 1994, THE VALUE OF TOTAL EXPORTS GREW BY 8.1% OVER THE SAME PERIOD OF LAST YEAR. AMONGST THIS, THE VALUE OF RE-EXPORTS ROSE BY 13%, WHILE THAT OF DOMESTIC EXPORTS FELL BY 7.8%.

SUPPORTED LARGELY BY THE CONTINUED EXPANSION IN HONG KONG'S RE-EXPORT TRADE, THE VALUE OF IMPORTS SHOWED AN INCREASE OF 9.5%.

IN THE FIRST FOUR MONTHS OF 1994, A VISIBLE TRADE DEFICIT OF \$24.4 BILLION, EQUIVALENT TO 6.8% OF THE VALUE OF IMPORTS, WAS RECORDED.

THIS COMPARED WITH A DEFICIT OF \$18.4 BILLION, EQUIVALENT TO 5.6% OF THE VALUE OF IMPORTS, RECORDED IN THE FIRST FOUR MONTHS OF 1993.

COMMENTING ON THE TRADE FIGURES, A GOVERNMENT SPOKESMAN SAID THAT THE PERFORMANCE OF RE-EXPORTS WAS STILL QUITE ROBUST, ALTHOUGH THE GROWTH RATE HAD MODERATED SOMEWHAT FROM LAST YEAR.

THE MODERATION WAS MAINLY ATTRIBUTABLE TO SLOWER GROWTH IN RE-EXPORTS TO CHINA, THE UNITED STATES AND GERMANY.

MEANWHILE, AFFECTED IN PART BY THE SHIFT TO RE-EXPORTS, THE PERFORMANCE OF DOMESTIC EXPORTS REMAINED SLUGGISH. THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS ROSE TO 82% IN THE FIRST FOUR MONTHS OF 1994 FROM 78% IN THE SAME PERIOD LAST YEAR.

RETAINED IMPORTS IN APRIL 1994 RECORDED AN INCREASE OF 6.1% OVER APRIL 1993. FOR THE FIRST FOUR MONTHS AS A WHOLE, RETAINED IMPORTS WAS 4.9% HIGHER THAN A YEAR EARLIER.

A MORE DETAILED ANALYSIS OF HONG KONG'S EXTERNAL TRADE FOR APRIL 1994, BY COMMODITY AND COUNTRY, WILL BE RELEASED IN MID-JUNE 1994.

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/PROVISIONAL FIGURES

PROVISIONAL FIGURES OF EXTERNAL TRADE FOR APRIL 1994

MERCHANDISE: Domestic Exports :	\$16,623 million
Re-exports :	\$74,821 million
Total Exports :	\$91,444 million
Imports :	\$101,905 million
Trade balance :	-\$10,461 million

COMPARATIVE FIGURES

Latest 3 months	Feb 94 to	Feb 93 to	Change	
	Apr 94	Apr 93	HK\$ Mn.	%
	HK\$ Mn.	HK\$ Mn.		
Domestic Exports	46,018	51,964	-5,947	-11.4
(% of Total Exports)	(18.3%)	(21.2%)		
Re-exports	205,307	192,648	+12,659	+6.6
Total Exports	251,324	244,612	+6,712	+2.7
Imports	277,443	263,357	+14,086	+5.3
Trade balance	-26,119	-18,745	-7,374	
Same month last year	April	April	Change	
	1994	1993	HK\$ Mn.	%
	HK\$ Mn.	HK\$ Mn.		
Domestic Exports	16,623	17,814	-1,192	-6.7
(% of Total Exports)	(18.2%)	(20.9%)		
Re-exports	74,821	67,615	+7,206	+10.7
Total Exports	91,444	85,429	+6,014	+7.0
Imports	101,905	93,654	+8,251	+8.8
Trade balance	-10,461	-8,224	-2,237	
Last month	April	March	Change	
	1994	1994	HK\$ Mn.	%
	HK\$ Mn.	HK\$ Mn.		
Domestic Exports	16,623	15,930	+693	+4.4
(% of Total Exports)	(18.2%)	(18.3%)		
Re-exports	74,821	71,120	+3,701	+5.2
Total Exports	91,444	87,050	+4,394	+5.0
Imports	101,905	96,238	+5,667	+5.9
Trade balance	-10,461	-9,188	-1,274	
Calendar year to-date	Jan-Apr	Jan-Apr	Change	
	1994	1993	HK\$ Mn.	%
	HK\$ Mn.	HK\$ Mn.		
Domestic Exports	61,358	66,524	-5,166	-7.8
(% of Total Exports)	(18.4%)	(21.6%)		
Re-exports	272,078	241,813	+30,265	+12.5
Total Exports	333,436	308,337	+25,099	+8.1
Imports	357,821	326,708	+31,113	+9.5
Trade balance	-24,385	-18,371	-6,014	
Last 12 months	May 93 to	May 92 to	Change	
	Apr 94	Apr 93	HK\$ Mn.	%
	HK\$ Mn.	HK\$ Mn.		
Domestic Exports	217,861	234,223	-16,362	-7.0
(% of Total Exports)	(20.3%)	(24.0%)		
Re-exports	853,489	739,701	+113,788	+15.4
Total Exports	1,071,350	973,924	+97,426	+10.0
Imports	1,103,711	1,005,496	+98,215	+9.8
Trade balance	-32,361	-31,572	-789	

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NOTICES SENT TO VOTERS

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THE REGISTRATION AND ELECTORAL OFFICE IS ISSUING NOTICES TO REGISTERED ELECTORS ON THE 1993 ELECTORAL ROLL INFORMING THEM THE NEW DISTRICT BOARD CONSTITUENCY AND THE POLLING STATION TO WHICH THEY HAVE BEEN REALLOCATED.

A SPOKESMAN FOR THE REGISTRATION AND ELECTORAL OFFICE SAID TODAY (FRIDAY) THAT IF THEY DID NOT RECEIVE THE NOTICES IN TWO WEEKS TIME, THEY SHOULD INFORM THE OFFICE ON TEL 827 1122.

THERE WILL BE A TOTAL OF 440 POLLING STATIONS FOR 346 CONSTITUENCIES IN THE DISTRICT BOARD ELECTIONS TO BE HELD ON SEPTEMBER 18.

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RS APPEALS TO COMMUNITY TO REGISTER AS VOTERS

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THE SUCCESSFUL IMPLEMENTATION OF THE REPRESENTATIVE GOVERNMENT IN HONG KONG HINGES ON THE COMMUNITY'S REGISTERING AS VOTERS AND CASTING THEIR BALLOTS IN THE THREE-TIER ELECTIONS.

THIS WAS STATED BY THE REGIONAL SECRETARY FOR HONG KONG AND KOWLOON, MISS CHRISTINE CHOW, TODAY (FRIDAY) AT THE INAUGURATION OF THE RENOVATED ABERDEEN KAIFONG WELFARE ASSOCIATION SOCIAL SERVICE CENTRE BUILDING CUM OPENING CEREMONY OF THE JOCKEY CLUB WONG CHI-KEUNG MULTI-SERVICE CENTRE FOR THE ELDERLY.

MISS CHOW SAID COMMUNITY BUILDING REQUIRED THE FULL SUPPORT OF RESIDENTS.

SHE THEREFORE CALLED ON EVERYONE IN THE DISTRICT TO ACTIVELY TAKE PART IN SEPTEMBER'S DISTRICT BOARD ELECTIONS AS WELL AS THE MUNICIPAL COUNCIL AND LEGISLATIVE COUNCIL ELECTIONS NEXT YEAR.

"IN ORDER TO VOTE, YOU MUST FIRST REGISTER YOURSELF AS AN ELECTOR. THAT IS WHY THE GOVERNMENT IS ENGAGED IN A LARGE-SCALE VOTER REGISTRATION CAMPAIGN TO ENCOURAGE THOSE WHO ARE ELIGIBLE TO REGISTER," SHE SAID.

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\$5 MILLION APPROVED FOR SCIENCE PARK

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THE FINANCE COMMITTEE TODAY (FRIDAY) APPROVED FUNDS OF \$5 MILLION FOR A STUDY TO EXAMINE HOW A SCIENCE PARK COULD BE ESTABLISHED IN HONG KONG.

THIS FOLLOWS AN EARLIER STUDY COMMISSIONED BY THE DIRECTOR-GENERAL OF INDUSTRY TO EXAMINE THE NEED FOR A SCIENCE PARK, TO FURTHER UPGRADE THE TECHNOLOGY OF HONG KONG'S INDUSTRIES.

THAT STUDY CONCLUDED THAT ADDITIONAL INFRASTRUCTURAL SUPPORT WAS REQUIRED TO PROMOTE TECHNOLOGICAL ADVANCEMENT IN ORDER TO MEET THE CHANGING NEEDS OF THE HONG KONG MANUFACTURING INDUSTRY AND TO MAINTAIN AND ENHANCE ITS COMPETITIVENESS.

A SPOKESMAN FOR THE INDUSTRY DEPARTMENT SAID A SCIENCE PARK WOULD FOSTER TECHNOLOGY DEVELOPMENT AND TRANSFER BY PROVIDING A FOCUS FOR CO-OPERATION BETWEEN TECHNOLOGY-BASED BUSINESSES AND HIGHER EDUCATION AND RESEARCH INSTITUTIONS.

THE STUDY SHOWED THERE WAS KEEN INTEREST ON THE PART OF INDUSTRY IN LOCATING THEIR BUSINESSES IN A SCIENCE PARK.

"THE LOCAL AND OVERSEAS FIRMS WHICH WERE SURVEYED FELT THAT A SCIENCE PARK WOULD HELP IN THE RECRUITMENT OF QUALIFIED STAFF, FACILITATE CONTACT WITH HIGH-TECHNOLOGY FIRMS AND PROVIDE MORE APPROPRIATE ACCOMMODATION FOR THEIR OPERATIONS," THE SPOKESMAN SAID.

"A SCIENCE PARK WOULD ALSO HELP TO ESTABLISH HONG KONG'S REPUTATION AS A TECHNOLOGY-BASED INDUSTRIAL CENTRE, AS WELL AS ATTRACT TECHNOLOGY-BASED FOREIGN INVESTMENT IN HONG KONG," HE ADDED.

THE PURPOSE OF THE SECOND STAGE OF THE STUDY IS TO CONSIDER THE SIZE AND LOCATION OF THE SCIENCE PARK, THE TIMING AND PHASING OF ITS ESTABLISHMENT AND OTHER NECESSARY REQUIREMENTS SUCH AS THE OPERATIONAL, ADMINISTRATIVE AND FUNDING ARRANGEMENTS.

AS PART OF THE STUDY, CONSULTATIONS WITH THE INDUSTRY AND TRADE ORGANISATIONS, HIGHER EDUCATION INSTITUTIONS AND OTHER INTERESTED BODIES WILL BE CARRIED OUT.

THE PROCESS FOR SELECTING A CONSULTANT FOR THE STUDY IS EXPECTED TO BE COMPLETED BY OCTOBER. THE STUDY IS LIKELY TO TAKE ABOUT SIX MONTHS.

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HILLSIDE ESCALATOR MANAGEMENT TENDERS INVITED

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THE TRANSPORT DEPARTMENT IS INVITING TENDERS FOR A CONTRACT TO MANAGE AND OPERATE THE CENTRAL TO MID-LEVELS ESCALATOR AND WALKWAY SYSTEM.

THE INVITATION TO TENDER WAS GAZETTED TODAY (FRIDAY).

DETAILS ARE CONTAINED IN THE TENDER DOCUMENTS AVAILABLE FROM THE TRANSPORT DEPARTMENT ON 41ST FLOOR, IMMIGRATION TOWER, 7 GLOUCESTER ROAD, WAN CHAI, UPON THE PRODUCTION OF A COMPANY LETTER.

A RECEIPT SHOWING THE SPECIFIED DEPOSIT AMOUNT WITH THE GOVERNMENT MUST BE ATTACHED TO EACH TENDER.

TENDERS MUST BE ADDRESSED TO THE CHAIRMAN OF CENTRAL TENDER BOARD AND PLACED IN THE GOVERNMENT SECRETARIAT TENDER BOX AT THE LIFT LOBBY ON THE LOWER GROUND FLOOR OF THE CENTRAL GOVERNMENT OFFICES (EAST WING), LOWER ALBERT ROAD BEFORE NOON ON JUNE 24.

LATE TENDERS WILL NOT BE ACCEPTED.

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TEMPORARY CLOSURE OF QUEEN'S PIER LANDING STEPS

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THE MARINE DEPARTMENT ANNOUNCED TODAY (FRIDAY) THAT A SET OF LANDING STEPS IN THE NORTH-EAST CORNER OF QUEEN'S PIER WILL BE TEMPORARILY CLOSED FROM SUNDAY (MAY 29) TO FACILITATE REPAIR WORKS.

WITH THE CLOSURE OF ONE SET OF LANDING STEPS, MARINE TRAFFIC IN THE VICINITY OF THE PIER IS EXPECTED TO BE EXTREMELY CONGESTED, A MARINE DEPARTMENT SPOKESMAN SAID.

HE URGED COXSWAINS AND OPERATORS OF SMALL CRAFT NOT TO USE QUEEN'S PIER IF THEY CAN USE PUBLIC LANDING AT ANOTHER LOCATION.

"SHOULD THERE BE AN ABSOLUTE NEED, THEY ARE ADVISED TO TAKE EXTRA CARE. THEY ARE ALSO URGED TO WAIT IN THE SMALL CRAFT HOLDING AREA ABOUT 200 METRES OFF QUEEN'S PIER WHEN THE PIER IS OCCUPIED OR IF PASSENGERS ARE NOT READY TO BOARD OR DISEMBARK," HE SAID.

THE CLOSURE IS EXPECTED TO LAST ABOUT TWO WEEKS.

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CLIMBING LANES TO HELP EASE CONGESTION

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THE COMPLETION OF CLIMBING LANES AT FOUR SECTIONS OF THE KOWLOON-BOUND CARRIAGEWAY OF TUEN MUN ROAD WILL RAISE THE OVERALL CAPACITY OF THE ROAD BY 15 PER CENT, REDUCING THE CHANCE AND DEGREE OF TRAFFIC CONGESTION ON THE ROAD.

CONSTRUCTION WORK WILL START AT THE END OF THIS MONTH FOR COMPLETION IN MID-1996.

THE CONTRACT FOR THE WORK WAS SIGNED TODAY (FRIDAY) BETWEEN THE ACTING DIRECTOR OF HIGHWAYS, MR YEUNG KIM-CHOY AND REPRESENTATIVES OF THE CONTRACTOR.

SPEAKING AFTER THE CONTRACT-SIGNING CEREMONY, THE REGIONAL HIGHWAY ENGINEER/NEW TERRITORIES, MR YEUNG YU-CHEONG, SAID TUEN MUN ROAD WAS NOW NEAR CAPACITY AND CONGESTION WOULD OCCUR WHEN THERE WAS A TRAFFIC ACCIDENT, EMERGENCY MAINTENANCE WORK AND EVEN WHEN A LARGE NUMBER OF HEAVY VEHICLES WERE USING THE LONG UPHILL SECTIONS OF THE KOWLOON-BOUND CARRIAGEWAY.

"THIS SITUATION WILL DETERIORATE FURTHER AS NORTHWEST NEW TERRITORIES CONTINUES TO GROW. HOWEVER, THE SITUATION WILL BE MUCH IMPROVED AFTER COMPLETION OF THE COUNTRY PARK SECTION OF ROUTE 3," HE SAID.

IN ORDER TO SOLVE THE PROBLEM, MR YEUNG SAID GOVERNMENT DECIDED TO CONSTRUCT CLIMBING LANES WITH A WIDE HARD SHOULDER IN THE KOWLOON-BOUND CARRIAGEWAY OF TUEN MUN ROAD AT FOUR SECTIONS, SAM SHING HUI, SO KWUN WAT, TAI LAM AND TING KAU.

"THE CONSTRUCTION OF THE CLIMBING LANES WILL INCREASE THE DESIGN CAPACITY OF THE HILLY SECTION TO MATCH WITH THAT OF THE LEVEL SECTIONS WHICH IS ABOUT 4,000 VEHICLES PER HOUR, INCREASING THE OVERALL CAPACITY OF THE ROAD BY 15 PER CENT," HE SAID.

"THIS WILL SIGNIFICANTLY REDUCE THE CHANCE AND DEGREE OF TRAFFIC CONGESTION ON THE KOWLOON-BOUND CARRIAGEWAY. ON THE OTHER HAND, TRAFFIC CAN BE DIVERTED TO THE WIDE HARD SHOULDER AT THE HILLY SECTIONS IN CASE OF ROAD WORKS OR TRAFFIC ACCIDENT," HE ADDED.

WORKS UNDER THIS \$500-MILLION CONTRACT WILL INCLUDE:

- * CUTTING AND FILLING OF EXISTING SLOPES TO PROVIDE SPACE FOR AN ADDITIONAL LANE WITH A 3.3-METRE WIDE HARD SHOULDER AND A TWO-METRE WIDE VERGE;
- * THE ASSOCIATED SLOPE AND GEOTECHNICAL WORKS;
- * WIDENING EXISTING BRIDGES AND SUBWAYS;
- * CONSTRUCTION OF EARTH-RETAINING STRUCTURES; AND
- * INSTALLATION OF ADDITIONAL STREET LIGHTS;

/MR YEUNG

MR YEUNG SAID DURING CONSTRUCTION, STRICT CONTROL WOULD BE EXERCISED BY ALL RELEVANT DEPARTMENTS SO THAT THE TRAFFIC FLOW ON TUEN MUN ROAD WOULD NOT BE AFFECTED BY CONSTRUCTION ACTIVITIES.

HE SAID THE INCREASE IN CONSTRUCTION TRAFFIC ON CASTLE PEAK ROAD WOULD BE CLOSELY MONITORED BY THE HIGHWAYS DEPARTMENT, TRANSPORT DEPARTMENT AND THE POLICE SO THAT PROMPT ACTIONS COULD BE TAKEN TO MINIMISE DISRUPTION OR INCONVENIENCE TO THE PUBLIC.

THE ENVIRONMENTAL PROTECTION DEPARTMENT WAS CONSULTED DURING THE PRELIMINARY DESIGN STAGE. THE DEPARTMENT'S ENVIRONMENTAL REVIEW FOUND THAT THE ENVIRONMENTAL IMPACT DUE TO THIS PROJECT WAS MINIMAL AND AIR QUALITY WOULD NOT BE AFFECTED.

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FARMERS URGED TO USE LESS AGRICULTURAL PESTICIDES

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LOCAL FARMERS, PARTICULARLY THOSE GROWING VEGETABLES, ARE URGED TO USE AGRICULTURAL PESTICIDES ONLY WHEN NECESSARY.

THE APPEAL WAS ISSUED BY THE AGRICULTURE AND FISHERIES DEPARTMENT'S SENIOR CROP DEVELOPMENT OFFICER MR FONG CHUN-WAH AFTER A SEMINAR ON THE SAFE AND PROPER USE OF PESTICIDES THIS (FRIDAY) AFTERNOON.

MR FONG STRESSED THAT THERE WERE MANY OPTIONS SUCH AS CULTURE CONTROL, PHYSICAL CONTROL AND BIOLOGICAL CONTROL METHODS AVAILABLE TO FARMERS, OTHER THAN RELYING ON AGRICULTURAL PESTICIDES ALONE TO SOLVE THEIR PEST PROBLEMS.

THE WHOLE STRATEGY WAS KNOWN AS INTEGRATED PEST MANAGEMENT, HE SAID.

"BY REDUCING THE AMOUNT OF PESTICIDES USED, FARMERS COULD ALSO HELP CONSTITUTE TOWARDS THE BETTERMENT OF THEIR FIELDS AND THE ENVIRONMENT AS A WHOLE," HE ADDED.

COMMENTING ON TODAY'S SEMINAR, MR FONG SAID IT WAS WELL RECEIVED BY ABOUT 50 PARTICIPATING FARMERS.

DURING THE SEMINAR, THE MESSAGE OF "USE LESS OR NO AGRICULTURAL PESTICIDES" WAS CONVEYED TO THEM.

THEY WERE ALSO TOLD TO EXERCISE EXTRA CARE IN HANDLING PESTICIDES WHEN THEY HAD NO OTHER ALTERNATIVES BUT TO USE THESE SUBSTANCES.

"DEMONSTRATIONS AND PRACTICES ON TECHNIQUES OF PREPARING A SPRAY SOLUTION, AND ON THE MAINTENANCE AND REPAIR OF SPRAYERS, WERE ALSO GIVEN TO FARMERS," MR FONG SAID.

THE LECTURES AND DEMONSTRATIONS WERE FOLLOWED BY A QUESTION-AND-ANSWER SESSION.

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MR FONG ALSO REMINDED FARMERS AND OTHER MEMBERS OF THE COMMUNITY NOT TO BUY UNREGISTERED OR IMPROPERLY LABELLED PESTICIDES, AND TO REPORT TO HIS DEPARTMENT WHEN THEY SPOT SUCH INCIDENTS.

UNDER THE PESTICIDES ORDINANCE, ANY PERSON IN POSSESSION OF AN UNREGISTERED PESTICIDE WITHOUT A PERMIT SHALL CONSTITUTE AN OFFENCE AND IS LIABLE ON CONVICTION TO A MAXIMUM FINE OF \$50,000 AND ONE YEAR'S IMPRISONMENT.

THE HALF-DAY SEMINAR WAS ORGANISED BY THE DEPARTMENT AS PART OF AN ONGOING LIAISON AND TECHNICAL BACKUP EXERCISE FOR LOCAL FARMERS.

FURTHER ENQUIRIES ON THE SAFE AND PROPER USE OF PESTICIDES CAN BE MADE OF THE DEPARTMENT'S VARIOUS AGRICULTURAL EXTENSION OFFICES OR THE PLANT PROTECTION SECTION AT TAI LUNG EXPERIMENTAL STATION, SHEUNG SHUI.

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PUBLIC WORKS EXHIBITION

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A ROVING EXHIBITION ON HONG KONG'S PUBLIC WORKS WILL BE STAGED AT THE WEST BRIDGE OF CITYPLAZA, TAIKOO SHING IN QUARRY BAY TOMORROW (SATURDAY).

THE TWO-DAY EXHIBITION IS THE SECOND OF A SERIES JOINTLY ORGANISED BY THE WORKS BRANCH AND THE WORKS GROUP OF DEPARTMENTS TO MARK THE 150TH ANNIVERSARY OF PUBLIC WORKS IN HONG KONG.

MEMBERS OF THE PUBLIC WILL BE ABLE TO SEE HOW HONG KONG HAS TRANSFORMED FROM A SMALL FISHING VILLAGE 150 YEARS AGO INTO AN INTERNATIONAL TRADE AND FINANCIAL CENTRE IN THE EXHIBITION.

SHORT FILMS WILL BE SHOWN ON A FULL-SIZE VIDEO WALL TO ILLUSTRATE HOW PUBLIC MONEY IS SPENT ON BUILDING MORE HOSPITALS, SCHOOLS, PARKS, ROADS AND OTHER INFRASTRUCTURAL PROJECTS TO IMPROVE THE QUALITY OF LIFE OF HONG KONG PEOPLE.

CHARTS AND PHOTOGRAPHS WILL BE ON DISPLAY TO DEPICT THE MAIN ACTIVITIES UNDERTAKEN BY THE WORKS BRANCH, THE NEW AIRPORT PROJECTS CO-ORDINATING OFFICE, AND SEVEN WORKS DEPARTMENTS, NAMELY ARCHITECTURAL SERVICES DEPARTMENT, CIVIL ENGINEERING DEPARTMENT, DRAINAGE SERVICES DEPARTMENT, ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT, HIGHWAYS DEPARTMENT, TERRITORY DEVELOPMENT DEPARTMENT AND WATER SUPPLIES DEPARTMENT.

ALSO ON DISPLAY WILL BE A SET OF FIVE PANORAMIC-VIEW PHOTOGRAPHS WHICH SHOW THE CHANGES THAT HAVE TAKEN PLACE IN THE SKYLINE OF KOWLOON PENINSULA AND HONG KONG ISLAND OVER THE PAST 150 YEARS.

/THE EXHIBITION

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THE EXHIBITION WILL BE OPENED FROM 11 AM TO 8 PM TOMORROW AND 10 AM TO 8 PM ON SUNDAY.

ATTENTION NEWS EDITORS:

AN OPENING CEREMONY FOR THE PUBLIC WORKS EXHIBITION WILL BE HELD AT THE WEST BRIDGE OF CITYPLAZA, TAIKOO SHING, QUARRY BAY AT 10.30 AM TOMORROW (SATURDAY).

OFFICIATING WILL BE THE DIRECTOR OF ELECTRICAL AND MECHANICAL SERVICES, MR HUGH PHILLIPSON; DEPUTY SECRETARY FOR WORKS, MR LEE SHING-SEE; THE EASTERN DISTRICT BOARD CHAIRMAN, MR SHUM CHOI-SANG; THE EASTERN DISTRICT OFFICER, MR LUI HAU-TUEN; THE CHAIRMAN OF EASTERN DISTRICT BOARD'S COMMUNITY BUILDING COMMITTEE, MR WONG PO-LAM; THE CHAIRMAN OF EASTERN DISTRICT BOARD'S TRAFFIC AND TRANSPORT COMMITTEE, MR KONG TZE-WING; AND THE CHAIRMAN OF EASTERN DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE, MR FU YUEN-CHEUNG.

YOU ARE INVITED TO SEND A REPRESENTATIVE TO COVER THE OPENING CEREMONY.

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TWO RURAL OUTLINE ZONING PLANS PUBLISHED

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THE TOWN PLANNING BOARD TODAY (FRIDAY) ANNOUNCED THE PUBLICATION OF THE MAN UK PIN AND KWU TUNG NORTH OUTLINE ZONING PLANS (OZPS).

THE PLANS COVER THE RURAL AREAS IN MAN UK PIN AND KWU TUNG TO THE NORTHEAST AND NORTHWEST OF THE FANLING/SHEUNG SHUI NEW TOWN RESPECTIVELY.

A SPOKESMAN FOR THE TOWN PLANNING BOARD SAID: "THESE OZPS ARE TO REPLACE THE EXISTING DEVELOPMENT PERMISSION AREA (DPA) PLANS.

"THEY INDICATE DEFINITE AND COMPREHENSIVE LAND USE ZONES TO GUIDE AND CONTROL DEVELOPMENT IN THE AREAS."

"SIMILAR TO DPA PLANS, UNAUTHORISED DEVELOPMENTS WITHIN THE OZPS ARE ALSO SUBJECT TO ENFORCEMENT ACTIONS," THE SPOKESMAN ADDED.

THE MAN UK PIN PLAN COVERS AN AREA OF ABOUT 206 HECTARES. THE AREA IS CHARACTERISED BY A MIXTURE OF AGRICULTURAL, RESIDENTIAL AND OPEN STORAGE USES.

AGRICULTURAL ACTIVITIES, WHICH MAINLY CONSIST OF CASH CROP FARMING, ARE CONCENTRATED AT THE CENTRAL PART OF THE AREA.

OTHER AREAS WITH DIRECT VEHICULAR ACCESS TO SHA TAU KOK ROAD HAVE BEEN CONVERTED TO OPEN STORAGE USES AND A CARGO-WEIGHING STATION.

/EXISTING RESIDENTIAL

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EXISTING RESIDENTIAL DEVELOPMENT MAINLY CONCENTRATES IN THE MAN UK PIN, LOI TUNG AND TAI TONG WU VILLAGES.

ON THE PLAN, ABOUT 98 HECTARES HAVE BEEN ZONED 'AGRICULTURE' TO PRESERVE AND SUPPORT THE EXISTING AGRICULTURAL USES.

ABOUT 12 HECTARES OF LAND HAVE BEEN ZONED 'VILLAGE TYPE DEVELOPMENT' FOR EXISTING AND FUTURE VILLAGE DEVELOPMENT.

ABOUT THREE HECTARES OF LAND AT THE SOUTHERN SIDE OF SHA TAU KOK ROAD HAVE ALSO BEEN ZONED 'RESIDENTIAL (GROUP D)' WITH A VIEW TO UPGRADING THE LIVING ENVIRONMENT OF THE EXISTING TEMPORARY HOUSES.

MEANWHILE, THERE IS ABOUT ONE HECTARE OF LAND NEAR MAN UK PIN VILLAGE WHICH HAS BEEN ZONED 'GOVERNMENT/INSTITUTION/COMMUNITY' FOR THE REPROVISIONING OF THE LENG TSAI KINDERGARTEN.

TO RETAIN THE EXISTING NATURAL CHARACTER AND TO DELINEATE LIMITS OF URBAN GROWTH, ABOUT 26 HECTARES HAVE BEEN RESERVED FOR 'CONSERVATION AREA' AND ABOUT 64 HECTARES FOR 'GREEN BELT' ON THE PLAN.

THE KWU TUNG NORTH PLAN COVERS 378 HECTARES OF LAND. THE AREA IS RURAL, INTERMIXED WITH AGRICULTURAL, OPEN STORAGE AND INFORMAL INDUSTRIAL USES.

ON THE PLAN, ABOUT 137 HECTARES HAVE BEEN ZONED 'AGRICULTURE' TO PRESERVE AND SUPPORT THE EXISTING AGRICULTURAL USES.

A SITE OF ABOUT 10 HECTARES TO THE NORTH OF THE NEW TERRITORIES CIRCULAR ROAD - KWU TUNG AND THE ADJOINING CASTLE PEAK ROAD - HAS BEEN ZONED 'COMPREHENSIVE DEVELOPMENT AREA' FOR RESIDENTIAL DEVELOPMENT.

DEVELOPMENT IN THIS ZONE IS RESTRICTED TO A MAXIMUM PLOT RATIO OF 0.4, MAXIMUM SITE COVERAGE OF 20 PER CENT AND MAXIMUM BUILDING HEIGHT OF THREE STOREYS, INCLUDING ONE LEVEL OF CARPORT.

TWO PIECES OF LAND OF ABOUT 14 HECTARES HAVE ALSO BEEN ZONED 'VILLAGE TYPE DEVELOPMENT' TO INCLUDE EXISTING VILLAGES AND AREAS SUITABLE FOR VILLAGE EXPANSION.

FOUR PIECES OF LAND OF ABOUT 25 HECTARES HAVE BEEN ZONED 'INDUSTRIAL (GROUP D)' TO PROVIDE IMPROVEMENT AND EXPANSION OPPORTUNITIES TO THE EXISTING INDUSTRIES ACCOMMODATED IN TEMPORARY STRUCTURES.

A TOTAL OF ABOUT 43 HECTARES HAVE BEEN ZONED 'OPEN STORAGE' TO CATER FOR THE DEMAND OF THIS KIND OF USE IN THE AREA.

OTHER LAND USES INCLUDE ABOUT 12 HECTARES OF LAND FOR 'GOVERNMENT/INSTITUTION/COMMUNITY', SIX HECTARES FOR 'OPEN SPACE' AND 108 HECTARES FOR 'GREEN BELT'.

THE TWO DRAFT OZPS (NO. S/NE-MUP/1 AND NO. S/NE-KTN/1) ARE AVAILABLE FOR PUBLIC INSPECTION UNTIL JULY 27 AT:

/* PLANNING DEPARTMENT

- * PLANNING DEPARTMENT,
16TH FLOOR, MURRAY BUILDING,
GARDEN ROAD,
HONG KONG;
- * SHA TIN AND NORTH EAST DISTRICT PLANNING OFFICE,
GROUND FLOOR, SHA TIN GOVERNMENT OFFICE,
6 TUNG LO WAN HILL ROAD,
SHA TIN,
NEW TERRITORIES;
- * NORTH DISTRICT OFFICE,
3RD FLOOR,
NORTH DISTRICT GOVERNMENT OFFICES,
3 PIK FUNG ROAD,
FANLING,
NEW TERRITORIES.

ANY PERSON AFFECTED BY THE DRAFT PLANS MAY SUBMIT WRITTEN OBJECTION TO THE SECRETARY OF THE TOWN PLANNING BOARD, C/O PLANNING DEPARTMENT, 13TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG ON OR BEFORE JULY 27.

COPIES OF THE DRAFT PLANS ARE AVAILABLE FOR SALE AT THE SURVEY AND MAPPING OFFICE, LANDS DEPARTMENT, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG AND KOWLOON MAP SALES OFFICE, 382 NATHAN ROAD, KOWLOON.

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COURTESY CALL ON SOCIAL WELFARE DIRECTOR

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THE NEW BOARD OF DIRECTORS OF YAN OI TONG TODAY (FRIDAY) PAID COURTESY CALL ON THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, TO DISCUSS THE ORGANISATION'S WELFARE SERVICES IN THE COMING YEAR.

THE CHAIRMAN OF THE BOARD, MR WONG SING, SAID THE TONG HAD MADE GREAT EFFORTS IN PROVIDING ELDERLY, EDUCATION, SPORTS AND MEDICAL SERVICES TO THE COMMUNITY.

"FURTHERMORE, THE ELDERLY CENTRE AT SAM SHING ESTATE, TUEN MUN, THE HOME HELP SERVICES CENTRE AT TIN SHUI WAI AND THE DENTAL CLINIC AT TUEN MUN WILL START OPERATION THIS YEAR," MR WONG SAID.

AT THE MEETING, MR STRACHAN PLEDGED THAT THE SOCIAL WELFARE DEPARTMENT WOULD CONTINUE TO RENDER ASSISTANCE AND SUPPORT TO YAN OI TONG IN REALISING ITS PLANS.

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SALT WATER SERVICE RESERVOIR FOR TAI PO

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THE WATER SUPPLIES DEPARTMENT IS INVITING TENDERS FOR BUILDING A SALT WATER SERVICE RESERVOIR WITH A CAPACITY OF 3,200 CUBIC METRES AND LAYING ASSOCIATED WATER MAINS AND DRAINAGE PIPES IN HA HANG, TAI PO.

WORKS ARE EXPECTED TO BEGIN IN SEPTEMBER. WHEN THE WORKS ARE COMPLETED IN OCTOBER NEXT YEAR, THE RESERVOIR CAN SERVE TAI YUEN ESTATE, FU SHIN ESTATE AND TAI PO INDUSTRIAL ESTATE.

TENDER FORMS AND FURTHER PARTICULARS CAN BE OBTAINED FROM THE WATER SUPPLIES DEPARTMENT, IMMIGRATION TOWER, 44TH FLOOR, 7 GLOUCESTER ROAD, WAN CHAI, HONG KONG.

TENDER OFFER WILL CLOSE AT NOON ON JUNE 17.

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ROAD WORKS FOR TUEN MUN PROPOSED

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THE GOVERNMENT HAS GIVEN APPROVAL FOR A DEVELOPER TO CARRY OUT ROAD WORKS IN CONNECTION WITH HIS PRIVATE RESIDENTIAL DEVELOPMENT IN TUEN TSZ WAI, TUEN MUN.

THE WORKS INVOLVE CONSTRUCTION OF A TEMPORARY VEHICULAR ACCESS OVER PRIVATE LOTS AND GOVERNMENT LAND, AND UPGRADING OF AN EXISTING FOOTBRIDGE ACROSS A NULLAH TO A 6.75-METRE WIDE CARRIAGEWAY AND A 1.6-METRE WIDE FOOTPATH.

A PORTION OF ROAD A4 AND A NEW FOOTPATH WILL ALSO BE BUILT.

A NOTICE OF THE PROPOSED ROAD WORKS WAS GAZETTED TODAY (FRIDAY).

THE PLAN AND SCHEME SHOWING THE PROPOSED WORKS CAN BE SEEN AT THE PUBLIC ENQUIRY SERVICE CENTRE OF THE CENTRAL AND WESTERN DISTRICT OFFICE, THE TUEN MUN DISTRICT LANDS OFFICE AND TUEN MUN DISTRICT OFFICE.

ANY PERSON WISHING TO OBJECT TO THE PROPOSED WORKS SHOULD WRITE TO THE SECRETARY FOR TRANSPORT, CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, HONG KONG BEFORE JULY 26, DESCRIBING HIS INTEREST AND MANNER IN WHICH HE WILL BE AFFECTED.

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FRIDAY, MAY 27, 1994

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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	1,497	0930	+274
CLOSING BALANCE IN THE ACCOUNT	3,043	1000	+274
CHANGE ATTRIBUTABLE TO :		1100	+254
MONEY MARKET ACTIVITY	+254	1200	+254
LAF TODAY	+1,292	1500	+254
		1600	+254

LAF RATE 2.50 BID/4.50 OFFER TWI 124.9 *+0.2* 27.5.94

HONG KONG MONETARY AUTHORITY

EF BILLS

EF NOTES/HONG KONG GOVERNMENT BONDS

TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.69	18 MONTHS	2511	4.15	97.87	5.74
1 MONTH	3.76	24 MONTHS	2605	6.35	100.52	6.16
3 MONTHS	4.06	29 MONTHS	3610	4.20	95.15	6.49
6 MONTHS	4.56	32 MONTHS	3701	4.60	95.35	6.63
12 MONTHS	5.20	35 MONTHS	3704	6.15	98.75	6.74

TOTAL TURNOVER OF BILLS AND BONDS - 20,833 MN

CLOSED 27 MAY 1994

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