



DAILY INFORMATION BULLETIN

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MONDAY, MAY 9, 1994

<u>CONTENTS</u>	<u>PAGE NO.</u>
TRANSCRIPT OF THE GOVERNOR'S MEDIA SESSION	1
MORE VISITS WILL REASSURE PEOPLE	3
BETTER UNDERSTANDING ON HK HOPED	4
ACP TUNNEL BREAKTHROUGH IS A BIG MILESTONE: CS	4
CHANNELS OF COMMUNICATION ADEQUATE: CS	6
PROPOSALS ON FINANCIAL ARRANGEMENTS WITH THE HA	7
HUMAN RESOURCE REVIEW IN THE CIVIL SERVICE	8
39 INDUSTRIAL PROJECTS GRANTED FUNDS	10
GDP FOR THE FOURTH QUARTER OF 1993	11
CO-OPERATION IN INVESTIGATING MARINE ACCIDENTS VITAL	15
TENDER FOR THE FIFTH ISSUE OF TWO-YEAR EXCHANGE FUND NOTES TO BE HELD NEXT MONDAY	16
CUSTOMS DELEGATION MEETS GUANGDONG CUSTOMS AT ZHANGJIANG	16

/RE-OPENING OF

CONTENTS

PAGE NO.

RE-OPENING OF CITY HALL MARRIAGE REGISTRY	17
LEAFLETS ON MATERNITY PROTECTION AVAILABLE IN PUBLIC HOSPITALS	17
WATER ENQUIRY CENTRE IN SHA TIN CLOSED FOR RENOVATION	18
WATER STORAGE FIGURE	19
PROMOTE DISTRICT AFFAIRS CALL BY DO	20
ENQUIRY CENTRE'S RENOVATION COMPLETED	20
HONG KONG MONETARY AUTHORITY MONEY MARKET OPERATIONS	21

MONDAY, MAY 9, 1994

- 1 -

TRANSCRIPT OF THE GOVERNOR'S MEDIA SESSION

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THE FOLLOWING IS THE TRANSCRIPT OF THE MEDIA SESSION BY THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, AFTER ATTENDING THE PACIFIC ASIA TRAVEL ASSOCIATION LUNCHEON THIS (MONDAY) AFTERNOON:-

QUESTION: GOVERNOR, DO YOU GET ANY RESPONSE FROM THE CHINESE SIDE ON THE PROPOSALS OF THE AIRPORT COMMITTEE MEETING?

GOVERNOR: NOT YET. I MEAN, NOT AS WHEN I LEFT THE OFFICE AT QUARTER TO ONE.

QUESTION: WILL YOU BE DISAPPOINTED?

GOVERNOR: NO, I HOPE WE'LL GET ONE SOON.

QUESTION: GOVERNOR, WHAT IS YOUR REACTION TO THE POLL IN THE SOUTH CHINA MORNING POST THAT SHOWS..... LESS CONFIDENCE AS A RESULT OF LU PING'S VISIT?

GOVERNOR: I THINK IT WOULD BE A PITY, IF THAT WERE THE CASE, BUT I VERY MUCH HOPE THAT THE MORE DIRECTOR LU IS ABLE TO VISIT HONG KONG, THE MORE PEOPLE WILL FEEL REASSURED ABOUT THE FUTURE. I THINK THAT THE CHALLENGE TO ALL OF US AND I AM SURE DIRECTOR LU MUST HAVE FELT IT AS KEENLY LAST WEEK AS I HAVE IS THAT WE SHOULD DEMONSTRATE OUR COMMITMENT TO CO-OPERATE AS MUCH AS POSSIBLE. I THINK THAT'S WHAT PEOPLE IN HONG KONG WANT TO SEE AND I THINK THEY'VE GOT A RIGHT TO WANT TO SEE THAT. SO, I HOPE THAT WE ARE ABLE TO DEMONSTRATE OUR COMMITMENT TO CO-OPERATION IN THE FUTURE, IT WILL ENCOURAGE PEOPLE TO HAVE MORE CONFIDENCE IN THE FUTURE RATHER THAN LESS BECAUSE HONG KONG HAS ALWAYS BEEN NOTED, I THINK, FOR ITS EBULLIENCE, FOR ITS VIGOUR AND FOR ITS SELF-CONFIDENCE.

QUESTION: HOW ARE YOU GOING TO DEMONSTRATE THAT CO-OPERATION? HOW CAN YOU DEMONSTRATE THAT CO-OPERATION?

GOVERNOR: I THINK THAT WE ARE DEMONSTRATING IT EXTREMELY POSITIVELY. WE WANT TO HAVE A DIALOGUE. WE WANT TO HAVE A DIALOGUE WITH DIRECTOR LU. WE WANT TO SEE MORE WORK FLOWING UP AND DOWN THE CHANNELS OF THE JOINT LIAISON GROUP, THE AIRPORT COMMITTEE, THE LAND COMMISSION AND SO ON. THERE ARE SOME GOOD SIGNS. I THINK THAT THE MEETING OF THE LAND COMMISSION RECENTLY WAS A POSITIVE DEVELOPMENT AND SHOWED COMMITMENT ON ALL SIDES TO THE WELL-BEING OF HONG KONG. I THINK WE'D LIKE TO SEE, ALL OF US, THE NEXT JOINT LIAISON GROUP MEETING AS SUCCESSFUL AND I KNOW THAT THE WHOLE COMMUNITY WOULD LIKE TO SEE THE DAY WOULD PRAY FOR THE DAY WHEN WE DIDN'T HAVE WRANGLE ABOUT AIRPORT FINANCING. I WAS ENCOURAGED BY WHAT THE DIRECTOR OF THE HONG KONG AND MACAO AFFAIRS OFFICE HAS TO SAY ABOUT THAT.

/QUESTION:

QUESTION: DURING THE PAST WEEK, WHILE MR LU PING HAS BEEN HERE, APART FROM THE FACT THE OPINION POLL SHOWS THAT CONFIDENCE ACTUALLY DROPPED, WE HAVE ACTUALLY SEEN MORE OF YOU THAN WE HAVE... DESPITE THE FACT YOU HAVE BEEN HERE FOR TWO YEARS, HOW MUCH DO YOU THINK IS TO DO WITH THE DIFFERENT WAYS THE TWO OF YOU HANDLE YOUR PR? PEOPLE HAVE SOME QUESTIONS OF DIRECTOR LU PING AND COMPLAINED LAST NIGHT THAT HE HAS NOT BEEN VERY ACCESSIBLE. HOW MUCH DO YOU THINK HAS TO DO WITH THE WAY YOU HANDLE PR?

GOVERNOR: I THINK THAT YOU WILL KNOW THAT SINCE I CAME TO HONG KONG AS GOVERNOR, I'VE TRIED TO BE AS ACCESSIBLE AS POSSIBLE. SOMETIMES, I HAVE MORE ENGAGEMENTS THAN OTHERS BUT I'VE BEEN OUT AND ABOUT EVERY WEEK SINCE I'VE BEEN HERE. THAT MAY HAVE BEEN DIFFERENT FROM THE PAST IN HONG KONG TO SOME EXTENT BUT REFLECTS, I GUESS, BOTH MY OWN BACKGROUND AS A DEMOCRATIC POLITICIAN AND MY FEELING THAT PEOPLE IN HONG KONG WANTED THAT, WANTED TO SEE THEIR GOVERNMENT PREPARED TO ANSWER QUESTIONS AND SHOWING ITSELF TO BE ACCESSIBLE AND ACCOUNTABLE. DIFFERENT PEOPLE HAVE DIFFERENT BACKGROUNDS AND TRADITIONS BUT I AM ABSOLUTELY CONVINCED THAT THAT IS THE SORT OF OPENNESS WHICH HONG KONG NOW EXPECTS, NOW TAKES FOR GRANTED. I HOPE THAT ALL OF US, WHETHER PRC OFFICIALS OR HONG KONG GOVERNMENT OFFICIALS, CAN RECOGNISE THAT PEOPLE IN HONG KONG HAVE CONCERNS, HAVE QUESTIONS. THEY WANT TO EXPRESS THOSE CONCERNS DIRECTLY TO US AND THEY WANT TO HAVE THOSE QUESTIONS ANSWERED BUT WHILE I AM RESPONSIBLE FOR THE HONG KONG GOVERNMENT, I AM NOT YET RESPONSIBLE FOR THE NEW CHINA NEWS AGENCY.

QUESTION: MR PATTEN, WILL YOU TRY TO INVESTIGATE THE CASE OR THE REPORTING CONCERNING THE LEGISLATOR TIMOTHY HA. THERE ARE DISPUTES AND DISCONTENT ABOUT HIS MIS-SPENDING ABOUT HIS ALLOWANCES?

GOVERNOR: I THINK THAT MATTER HAS BEEN HANDLED BY THE LEGISLATIVE COUNCIL ITSELF IN THE USUAL WAY AND I THINK IT IS TRADITIONAL FOR LEGISLATURES AROUND THE WORLD TO HANDLE THOSE SORTS OF ISSUES REGARDING EXPENSES AND SO ON THEMSELVES. NOBODY'S SUGGESTED TO THE LEGISLATIVE COUNCIL THAT I SHOULD GET INVOLVED AND I WOULD HAVE SOME RESERVATIONS AND DOUBTS ABOUT DOING SO. I AM SURE THAT THE LEGISLATIVE COUNCIL ITSELF WILL BE ABLE TO HANDLE IT. ONE MORE

QUESTION: ABOUT THE EARLIER SURVEY POINT, ARE YOU ADMITTING THAT THE HONG KONG GOVERNMENT IS BASICALLY POWERLESS TO STOP THE OUTFLOW OF POLITICAL CONFIDENCE IN HONG KONG WITHOUT CHINESE CO-OPERATION?

GOVERNOR: NO. WHAT I AM SAYING IS THAT THERE WILL BE MORE CONFIDENCE IN THE FUTURE. THE MORE CLEARLY PEOPLE HAVE CONFIDENCE IN THE PRC'S COMMITMENT TO THE JOINT DECLARATION AND TO A SMOOTH TRANSITION, 1997 IS A RING IN THE DIARY, RING BY HISTORY IN THE BRIGHTEST COLOURS AND THERE IS NOTHING I OR ANY OTHER MEMBER OF THE HONG KONG GOVERNMENT CAN DO ABOUT THAT OR WOULD CHOOSE TO DO ABOUT THAT. WE CAN, I HOPE, EARN CONFIDENCE BY THE WAY WE BEHAVE BEFORE JUNE 30, 1997 AND BY THE AMOUNT WE DO BEFORE JUNE 30, 1997 TO ENSURE THAT THE FOUNDATIONS OF THE JOINT DECLARATION ARE AS SECURE AS POSSIBLE. BUT, THERE ARE OTHERS WHO'LL BE BUILDING ON THOSE FOUNDATIONS AFTER 1997. WITH, I HOPE, HONG KONG HAVING THAT HIGH DEGREE OF AUTONOMY WHICH DIRECTOR LU SPOKE ABOUT VERY WARMLY LAST FRIDAY, AND I THINK THAT THAT WAS THE POINT IN HIS SPEECH WHICH PEOPLE FELT MOST SUPPORTIVE OF, AND WHICH PEOPLE WARM TO WITH THE GREATEST ENTHUSIASM. THAT WAS AN IMPORTANT POINT HE MADE. HE MADE IT VERY ELOQUENTLY AND I THINK IT'S SOMETHING WHICH WILL, I HOPE, AS IT SINKS IN, REASSURE PEOPLE.

MONDAY, MAY 9, 1994

- 3 -

QUESTION: THERE IS A GUY, A HONG KONG MAN WHO IS STUCK IN A THAI PRISON, HE HAS AIDS. APPARENTLY HONG KONG AND THAILAND HAVE A FEDERAL EXCHANGE OF PRISONERS, BUT THIS GUY HAD A TERRIBLE WAIT AND TRYING TO GET OUT. WHAT DO YOU THINK ABOUT THIS BUREAUCRACY IN.....?

GOVERNOR: WHAT I THINK ABOUT IT IS, SINCE YOU MENTION THE MATTER TO ME, I WILL GO BACK AND FIND OUT MORE ABOUT IT. IT HASN'T BEEN RAISED WITH ME BEFORE AND IT WOULD OBVIOUSLY BE UNHELPFUL BOTH TO THE MAN IN QUESTION AND TO THE AUTHORITY WHO'S PRESUMABLY BEEN DEALING WITH HIS CASE. IF I WERE TO SOUND OFF ABOUT IT WITHOUT KNOWING SOME OF THE BACKGROUND, I AM SURE WHEN I GET BACK TO THE OFFICE, SOMEBODY WILL BE ABLE TO TELL ME EXACTLY WHAT YOU HAVE IN MIND AND EXACTLY WHAT THE AUTHORITY IS DOING ABOUT IT. THANK YOU VERY MUCH.

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MORE VISITS WILL REASSURE PEOPLE

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, HOPED THAT THE MORE DIRECTOR LU PING WAS ABLE TO VISIT HONG KONG, THE MORE PEOPLE WOULD FEEL REASSURED ABOUT THE FUTURE.

SPEAKING TO REPORTERS AFTER ATTENDING A LUNCHEON HOSTED BY THE PACIFIC ASIA TRAVEL ASSOCIATION THIS (MONDAY) AFTERNOON, MR PATTEN SAID: "I THINK THAT THE CHALLENGE TO ALL OF US IS THAT WE SHOULD DEMONSTRATE OUR COMMITMENT TO CO-OPERATE AS MUCH AS POSSIBLE.

"I THINK THAT'S WHAT PEOPLE IN HONG KONG WANT TO SEE AND I THINK THEY'VE GOT A RIGHT TO WANT TO SEE THAT.

"I HOPE THAT IF WE ARE ABLE TO DEMONSTRATE OUR COMMITMENT TO CO-OPERATION IN THE FUTURE, IT WILL ENCOURAGE PEOPLE TO HAVE MORE CONFIDENCE IN THE FUTURE RATHER THAN LESS BECAUSE HONG KONG HAS ALWAYS BEEN NOTED FOR ITS EBULLIENCE, FOR ITS VIGOUR AND FOR ITS SELF-CONFIDENCE."

ASKED TO ELABORATE ON THE WAY TO DEMONSTRATE CO-OPERATION, THE GOVERNOR SAID: "I THINK THAT WE ARE DEMONSTRATING IT EXTREMELY POSITIVELY. WE WANT TO HAVE A DIALOGUE WITH DIRECTOR LU. WE WANT TO SEE MORE WORK FLOWING UP AND DOWN THE CHANNELS OF THE JOINT LIAISON GROUP, THE AIRPORT COMMITTEE, THE LAND COMMISSION AND SO ON."

MR PATTEN SAID THERE WERE SOME GOOD SIGNS AND THE MEETING OF THE LAND COMMISSION RECENTLY WAS A POSITIVE DEVELOPMENT AND SHOWED COMMITMENT ON ALL SIDES TO THE WELL-BEING OF HONG KONG.

"I THINK WE'D LIKE TO SEE, ALL OF US, THE NEXT JOINT LIAISON GROUP MEETING AS SUCCESSFUL AND I KNOW THAT THE WHOLE COMMUNITY WOULD LIKE TO SEE THE DAY, WOULD PRAY FOR THE DAY WHEN WE DIDN'T HAVE WRANGLES ABOUT AIRPORT FINANCING," HE ADDED.

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MONDAY, MAY 9, 1994

- 4 -

BETTER UNDERSTANDING ON HK HOPED

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THE GOVERNOR, THE RT HON CHRISTOPHER PATTEN, SAID TODAY (MONDAY) HE HOPED THE DIRECTOR OF THE HONG KONG AND MACAU AFFAIRS OFFICE, MR LU PING, WOULD COME TO A DEEPER UNDERSTANDING OF WHAT IT WAS THAT MADE HONG KONG SPECIAL AFTER HIS RECENT VISIT.

MR PATTEN SAID: "IT IS NOT A CITY RUN BY AND FOR CAPITALISTS, BUT A COMMUNAL ENTERPRISE IN WHICH, UNDER A FRAMEWORK OF LAW THAT APPLIES IMPARTIALLY TO ALL, EACH PERSON, EACH INSTITUTION HAS A PART TO PLAY AND A SHARE TO RECEIVE."

SPEAKING AT A LUNCHEON OF HONG KONG PACIFIC ASIA TRAVEL ASSOCIATION, MR PATTEN SAID HE HOPED THAT DIRECTOR LU AND HIS COLLEAGUES REALISED THE NEED TO WORK IN TRUST WITH THE WHOLE COMMUNITY AND ALL ITS INSTITUTIONS TO ENSURE THE IMPLEMENTATION OF THE JOINT DECLARATION.

TALKING ABOUT THE TOURIST INDUSTRY IN HONG KONG, MR PATTEN SAID HE WAS AWARE OF A SHORTAGE OF HOTEL ROOMS.

HE SAID VISITOR ARRIVALS OF 17 MILLION IN 2001 WERE FORECAST, REQUIRING INVESTMENT IN 20,000 MORE HOTEL ROOM.

"OUR TOWN PLANNERS HAVE IDENTIFIED ENOUGH SITES TO PROVIDE 22,000 ROOMS BY THAT YEAR," HE SAID.

THE GOVERNOR NOTED THAT A CONSULTANCY STUDY HAD BEEN COMMISSIONED BY THE HONG KONG TOURIST ASSOCIATION, TO ASSESS THE ABILITY OF THE TERRITORY'S PLANNED INFRASTRUCTURE TO HANDLE THIS HUGE BUILDING DEMAND.

"WHEN WE HAVE THE RESULTS OF THE STUDY, WE WILL BE BETTER EQUIPPED TO JUDGE WHETHER ANY OTHER MEASURES ARE GOING TO BE NEEDED TO ENSURE THAT DEMAND IS MET," HE ADDED.

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ACP TUNNEL BREAKTHROUGH IS A BIG MILESTONE: CS

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ANOTHER MAJOR MILESTONE IN THE AIRPORT CORE PROGRAMME (ACP) WAS REACHED TODAY (MONDAY) WITH THE BREAKTHROUGH OF THE CHEUNG CHING TUNNEL ON TSING YI ISLAND.

THE 1.6 KILOMETRE TUNNEL, WHICH RUNS THROUGH THE MIDDLE OF TSING YI ISLAND, FORMS PART OF THE NEW ROAD NETWORK LEADING TO THE NEW AIRPORT AT CHEK LAP KOK AND THE NEW TOWN IN TUNG CHUNG.

THE BREAKTHROUGH WAS ACHIEVED TWO MONTHS AHEAD OF SCHEDULE AND JUST A YEAR AFTER BLASTING WORKS BEGAN, AND A CEREMONY TO MARK THE OCCASION WAS PERFORMED TODAY BY THE CHIEF SECRETARY, MRS ANSON CHAN.

/SAID MRS

SAID MRS CHAN: "WE ARE CELEBRATING THE FACT THAT WE HAVE REACHED A SIGNIFICANT MILESTONE IN THE CONSTRUCTION OF OUR NEW HIGHWAYS."

SHE SAID THE BREATHROUGH ALSO ILLUSTRATED THE EXTREMELY GOOD PROGRESS THAT WAS BEING MADE ON THE AIRPORT CORE PROGRAMME.

"CONSTRUCTION CONTRACTS TOTALLING SOME \$48 BILLION HAVE BEEN AWARDED, ALL WITHIN BUDGET AND PROGRESSING WELL. THAT IS A REMARKABLE ACHIEVEMENT BY INTERNATIONAL STANDARDS, OF WHICH HONG KONG, AND ALL THE CONTRACTORS INVOLVED, CAN BE PROUD," MRS CHAN SAID.

THE TUNNEL IS AN IMPORTANT SECTION OF ROUTE 3. THIS SECTION OF ROUTE 3 IS A MAJOR LINK IN THE AIRPORT CORE PROGRAMME'S HIGHWAYS NETWORK CONNECTING THE NEW AIRPORT AT CHEK LAP KOK AND TUNG CHUNG NEW TOWN TO KOWLOON AND CENTRAL HONG KONG. ROUTE 3 WILL ALSO BE EXTENDED NORTHWARDS TO THE NEW TERRITORIES NEAR THE BORDER WITH CHINA.

MRS CHAN SAID THE TUNNEL WHEN OPENED WILL BRING WELCOME IMPROVEMENTS TO LOCAL TRAFFIC CONDITIONS.

IT WILL PROVIDE MUCH NEEDED ADDITIONAL CAPACITY FOR THE KWAI CHUNG ROAD NETWORK BY CHANNELLING THE CROSS-BORDER TRAFFIC VIA THE NEW RAMBLER CHANNEL BRIDGE AND KWAI CHUNG VIADUCT, THUS RELIEVING THE CURRENT HEAVY TRAFFIC CONGESTION IN KWAI CHUNG AND TSUEN WAN.

MRS CHAN SAID: "ALONG WITH OTHER ACP CONTRACTS, THE CONSTRUCTION WORK IS BEING CARRIED OUT ACCORDING TO STRICT ENVIRONMENTAL STANDARDS, WITH THE MINIMUM DISRUPTION TO EXISTING SERVICES AND RESIDENTS.

"I AM HAPPY TO HEAR THAT THESE STANDARDS ARE BEING MET, ALONG WITH THE SAFETY STANDARDS THAT WE HAVE SET FOR THE ACP."

THE CHEUNG CHING TUNNEL WILL BE HONG KONG'S WIDEST ROAD TUNNEL. ITS TWIN TUBES RUNNING UNDER THE CENTRAL RIDGE OF TSING YI WILL EACH BE 17 METRES WIDE AND ACCOMMODATE THREE LANES OF TRAFFIC - OTHER ROAD TUNNELS IN HONG KONG ONLY HAVE TWO LANES.

WORK ON THE TUNNEL BEGAN ON MARCH 5 LAST YEAR FOLLOWING THE AWARD OF AN \$856 MILLION CONTRACT TO DRAGAGES ET TRAVAUX PUBLICS WITH THE FIRST BLAST TAKING PLACE TWO MONTHS LATER.

THE MAJOR PART OF THE TUNNEL WAS EXCAVATED BY BLASTING THROUGH SOLID VOLCANIC ROCK AND GRANITE WORKING INWARDS FROM EITHER ENDS.

MR C K WONG, THE CHIEF ENGINEER OF THE ROUTE 3 DIVISION OF THE HIGHWAYS DEPARTMENT WHICH IS SUPERVISING THE WORKS, SAID THE PROJECT BROUGHT ADVANCED TUNNELLING TECHNOLOGY TO HONG KONG.

FOR THE FIRST TIME IN HONG KONG, HOLES FOR EXPLOSIVES WERE DRILLED USING COMPUTERS AND LASERS.

"TWO DRILLING MACHINES OF A TYPE KNOWN AS AN 'AUTOMATIC JUMBO', WHICH ARE EQUIPPED WITH COMPUTERS AND OPERATED WITH THE AID OF LASER BEAMS, WERE USED TO DRILL THE HOLES FOR EXPLOSIVES, FURTHER IMPROVING ACCURACY IN BLASTING AND IN THE AMOUNT OF EXPLOSIVES NEEDED," SAID MR WONG.

IN ADDITION, HE SAID THE CONTRACTOR USED AN EMULSION EXPLOSIVE TO CARRY OUT THE BLASTS WHICH WAS ALSO A "FIRST" FOR TUNNELLING WORK IN HONG KONG.

MR WONG EXPLAINED THAT AS THIS MATERIAL WAS INERT IT HAD THE ADVANTAGE OF PROVIDING SAFER HANDLING AS WELL AS BEING EASIER TO LOAD.

EXCAVATION OF THE TUNNEL IS EXPECTED TO TAKE ANOTHER 12 MONTHS. AS THE EXCAVATION PROCEEDS, THE CONTRACTOR WILL ALSO HAVE TO INSTALL CONCRETE TUNNEL LININGS.

ABOUT 400,000 CUBIC METRES OF SPOIL WILL BE PRODUCED BY THE EXCAVATION AND BARGES WILL SHIP THIS FROM TSING YI TO CHEK LAP KOK AND OTHER GOVERNMENT WORKS SITES TO BE USED AS FILL FOR RECLAMATION WORK THERE.

THE CHEUNG CHING TUNNEL WILL BE OPENED TO TRAFFIC IN 1997.

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CHANNELS OF COMMUNICATION ADEQUATE: CS

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THERE WERE ADEQUATE AND VERY EFFECTIVE CHANNELS OF COMMUNICATION WHICH BOTH THE BRITISH AND CHINESE SIDES SHOULD USE TO DISCUSS MATTERS OF MUTUAL CONCERN, THE CHIEF SECRETARY, MRS ANSON CHAN, SAID TODAY (MONDAY).

RESPONDING MEDIA QUESTIONS AFTER OFFICIATING AT THE BREAKTHROUGH CEREMONY OF THE CHEUNG CHING TUNNEL, MRS CHAN SAID: "IF THE CHINESE WISH TO SEEK OUR VIEWS OR TO SEEK CLARIFICATION ON ANY ISSUE THAT ARE OF MUTUAL CONCERN, WE WOULD VIEW THAT THEY SHOULD DO IT THROUGH RECOGNISED CHANNELS."

IN REPLY TO A QUESTION ABOUT THE CHEUNG CHING TUNNEL, MRS CHAN DESCRIBED IT AS A VERY SIGNIFICANT BREAKTHROUGH.

"WE ARE DELIGHTED THAT WE HAVE MADE SUCH GOOD PROGRESS AND WE HOPE THAT THE AIRPORT COMMITTEE WILL BE ABLE TO MEET VERY SOON.

"IN THIS CONNECTION, WE VERY MUCH WELCOME MR LU PING AND AMBASSADOR GUO'S VIEW THAT THERE SHOULD BE AN EARLY MEETING OF THE AIRPORT COMMITTEE.

"WE HOPE IT WOULD BE POSSIBLE TO AGREE ON THE DATE AND THAT AT THIS MEETING, WE WILL BE ABLE FINALLY TO REACH AGREEMENT WITH THE CHINESE TO ALLOW BOTH THE AIRPORT PROJECT AND THE AIRPORT RAILWAY TO PROCEED.

"THIS IS REALLY THE WISH OF THE COMMUNITY."

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PROPOSALS ON FINANCIAL ARRANGEMENTS WITH THE HA

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THE GOVERNMENT TODAY (MONDAY) SET OUT A PACKAGE OF PROPOSALS ON FINANCIAL ARRANGEMENTS WITH THE HOUSING AUTHORITY (HA) AIMED AT ENABLING THE AUTHORITY TO MAKE BETTER USE OF ITS SURPLUS CASH TO SPEED UP THE SUPPLY OF PUBLIC HOUSING AND UPGRADE ITS EXISTING ESTATES.

PRESENTING THE PROPOSALS TO MEMBERS OF THE HOUSING AUTHORITY TODAY, THE SECRETARY FOR THE TREASURY, MR DONALD TSANG, SAID THE AUTHORITY WAS NOW FINANCIALLY VERY ROBUST.

"THE AUTHORITY ESTIMATES THAT IT HAS A POSITIVE GROSS CASH BALANCE OF \$18.2 BILLION AS AT MARCH 31, 1994. OF THIS, WE ESTIMATE THAT THE NET CASH SURPLUS TO THE AUTHORITY'S OPERATIONAL REQUIREMENTS IS ABOUT \$9.5 BILLION. THIS WILL RISE TO \$17 BILLION BY THE END OF 1997/98," HE SAID.

MR TSANG SAID: "CLEARLY WE SHOULD PUT THESE HUGE SUMS TO PRODUCTIVE USE.

"ALTHOUGH THE GOVERNMENT IS ENTITLED TO TAKE BACK THIS SURPLUS INTO GENERAL REVENUE, WE FEEL IT IS IN THE PUBLIC INTEREST TO LEAVE THE MONEY WITH THE AUTHORITY TO FUND MORE HOUSING AND HOUSING-RELATED PROJECTS.

"WE HAVE THEREFORE PROPOSED THAT THE BULK OF THE SURPLUS SHOULD GO TOWARDS SETTING UP A DEVELOPMENT FUND TO SPEED UP THE SUPPLY OF ASSISTED HOUSING FOR THOSE IN NEED.

"WE ESTIMATE THAT A DEVELOPMENT FUND COULD BE SET UP WITH AN INITIAL CASH BALANCE OF \$7.5 BILLION. DISBURSEMENT WILL REQUIRE THE AGREEMENT OF THE AUTHORITY AND THE GOVERNMENT," HE SAID.

MR TSANG SAID THE GOVERNMENT REMAINED FULLY COMMITTED TO THE LONG-TERM HOUSING STRATEGY.

"WE WILL CONTINUE TO PROVIDE FREE LAND FOR RENTAL PUBLIC HOUSING AND SUBSIDISED LAND FOR THE HOME OWNERSHIP SCHEME.

"THE COST OF THIS FOR THIS YEAR ALONE WILL BE \$21 BILLION. WE WILL ALSO PROVIDE FURTHER CAPITAL INJECTIONS TO THE HOUSING AUTHORITY IF NECESSARY."

MR TSANG SAID WITH THE ESTABLISHMENT OF THE DEVELOPMENT FUND, AND ASSUMING THAT THE AUTHORITY WILL HAVE A NET CASH SURPLUS OF \$17 BILLION BY 1997/98, IT SHOULD BE ABLE TO SPEED UP THE PRODUCTION OF HOUSING BY UP TO 10,000 FLATS PER YEAR OVER THE NEXT FIVE YEARS. THIS WILL BE ON TOP OF THE CURRENT PUBLIC HOUSING PRODUCTION TARGETS.

"THESE EXTRA FLATS, TOGETHER WITH PARALLEL EFFORTS BY THE GOVERNMENT TASK FORCE SET UP TO TACKLE PRIVATE HOUSING PRICES, SHOULD HAVE A STABILISING EFFECT ON ALL SECTORS OF THE HOUSING MARKET," HE SAID.

IN ADDITION TO THE DEVELOPMENT FUND, THE PROPOSALS PUT TO THE HOUSING AUTHORITY TODAY INCLUDED USING THE REMAINING PART OF THE SURPLUSES TO SET UP OF A NEW \$2 BILLION IMPROVEMENT ACCOUNT WITHIN THE HA'S EXISTING CAPITAL WORKS FUND.

"THE IMPROVEMENT ACCOUNT IS TO PROVIDE FOR THE UPGRADING OF THE STANDARDS AND COMMUNITY FACILITIES OF EXISTING ESTATES.

"EXPENDITURE FROM THIS ACCOUNT WILL BE DECIDED BY THE HOUSING AUTHORITY.

"THE WHOLE PACKAGE WILL BENEFIT BOTH EXISTING AND NEW PUBLIC HOUSING TENANTS," HE SAID.

ANOTHER KEY PART OF THE GOVERNMENT'S PROPOSALS IS THAT THE HOUSING AUTHORITY WOULD NO LONGER HAVE TO PAY INTEREST ON THE \$13.5 BILLION WHICH REPRESENTED THE GOVERNMENT'S CAPITALISED LOANS MADE TO THE AUTHORITY BEFORE 1988.

"WE ALSO PROPOSE THAT THE \$12.8 BILLION CASH RECEIVED BY THE AUTHORITY SINCE 1988 BE REPAID TO GOVERNMENT OVER A PERIOD OF TIME.

"THESE PAYMENTS WILL COME OUT OF THE AUTHORITY'S OPERATING SURPLUSES AND THE ANNUAL AMOUNT WILL BE NO HIGHER THAN THE CURRENT LEVEL OF INTEREST PAYMENTS.

"THIS, TOGETHER WITH THE WAIVING OF INTEREST ON THE REMAINING \$13.5 BILLION, WILL LEAVE THE AUTHORITY IN AN EVEN STRONGER FINANCIAL POSITION IN FUTURE," HE SAID.

MR TSANG SAID THAT APART FROM THESE PROPOSALS, THE BASIC PRINCIPLES OF THE CURRENT FINANCIAL ARRANGEMENTS BETWEEN GOVERNMENT AND THE AUTHORITY WOULD REMAIN UNCHANGED.

"THESE PROPOSALS HAVE BEEN DRAWN UP AFTER WE HAVE LISTENED TO A WIDE SPECTRUM OF VIEWS INCLUDING MEMBERS OF LEGCO, DISTRICT BOARDS, THE CHAIRMAN AND MEMBERS OF THE HOUSING AUTHORITY, AND REPRESENTATIVES OF VARIOUS HOUSING INTEREST GROUPS," HE ADDED.

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HUMAN RESOURCE REVIEW IN THE CIVIL SERVICE

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THE HUMAN RESOURCE MANAGEMENT (HRM) REVIEW CARRIED OUT BY THE CIVIL SERVICE BRANCH (CSB) LAST YEAR RECOMMENDED GOVERNMENT DEPARTMENTS TO TAKE A MORE INTEGRATED APPROACH IN MANPOWER PLANNING, PERFORMANCE MANAGEMENT AND CAREER DEVELOPMENT.

"AS A RESULT OF THE REVIEW, MORE OPERATIONAL RESPONSIBILITIES ARE NOW BEING DEVOLVED TO DEPARTMENTS, ENABLING THEM TO RESPOND MORE QUICKLY TO SERVICE NEED," THE DEPUTY SECRETARY FOR THE CIVIL SERVICE, MS LOLLY CHIU, SAID TODAY (MONDAY).

SPEAKING AT A MEET-THE-MEDIA SESSION, MS CHIU POINTED OUT THAT THE HRM REVIEW WAS AIMED AT DEVELOPING A MORE DYNAMIC MANAGEMENT ENVIRONMENT THROUGH WHICH STAFF COULD BE MOTIVATED TO MAXIMISE THEIR CONTRIBUTION TO THE CIVIL SERVICE.

/SHE SAID

SHE SAID OVER THE YEARS, THE RESPONSIBILITIES FOR VARIOUS PERSONNEL FUNCTIONS, SUCH AS RECRUITMENT AND PROMOTION, CREATION OF MOST NEW POSTS, DISCIPLINE MATTERS FOR JUNIOR STAFF, VOCATIONAL TRAINING AND APPROVAL OF VARIOUS ALLOWANCES AND LEAVE ARRANGEMENTS, HAD BEEN DELEGATED TO HEADS OF DEPARTMENTS.

MS CHIU SAID IN INTRODUCING THE CHANGES UNDER THE HRM REVIEW, THE GOVERNMENT FOUND AUSTRALIAN EXPERIENCE AS USEFUL REFERENCE.

"AT THE INVITATION OF THE GOVERNMENT, AN OFFICER FROM THE AUSTRALIAN PUBLIC SERVICE COMMISSION, MR JOHN HAMILTON, IS ON A ONE YEAR ATTACHMENT TO THE CIVIL SERVICE BRANCH SINCE MID-JANUARY THIS YEAR.

"MR HAMILTON, WHO IS VERY EXPERIENCED IN HUMAN RESOURCE MANAGEMENT, IS ASSISTING THE CSB TO DEVELOP A COMMON SET OF CRITERIA FOR DIRECTORATE STAFF. THESE CRITERIA WHICH ARE BEING DRAWN UP IN CONSULTATION WITH DEPARTMENTS, RELATE TO THE DEFINED KNOWLEDGE, SKILL AND ATTITUDE REQUIRED FOR THE DIRECTORATE.

"THE CRITERIA CAN BE USED TO ASSIST IN PERFORMANCE APPRAISAL, CAREER DEVELOPMENT AND TRAINING," MS CHIU SAID.

SHE SAID THE ATTACHMENT OF MR HAMILTON WAS PART OF THE GOVERNMENT'S ON-GOING EXCHANGE PROGRAMME DESIGNED TO MAINTAIN CONTACT AND STRENGTHEN LINKS AND UNDERSTANDING WITH COUNTERPARTS IN THE REGION.

"HONG KONG GOVERNMENT HAS ALSO SENT OFFICERS TO WORK IN ORGANISATIONS SUCH AS THE ASIAN DEVELOPMENT BANK IN MANILA AND APEC IN SINGAPORE," SHE ADDED.

MS CHIU EXPLAINED THAT THE HRM REVIEW WHICH EXAMINED IN DETAILS, THE PERSONNEL POLICY AND PRACTICES WITHIN THE CIVIL SERVICE, WAS TO SUPPORT THE EARLIER CHANGES INTRODUCED UNDER THE GOVERNMENT'S PUBLIC SECTOR REFORM SINCE THE 1980S.

"OVER THE YEARS, MUCH PROGRESS HAS BEEN MADE IN STREAMLINING INSTITUTIONAL AND FINANCIAL ARRANGEMENTS. FOR EXAMPLE, THE INTRODUCTION OF AN ANNUAL RESOURCE ALLOCATION SYSTEM, CREATION OF TRADING FUNDS FOR CERTAIN DEPARTMENTS, PRIVATISATION OF SOME PUBLIC SERVICES AND DELEGATION OF FINANCIAL ARRANGEMENTS TO POLICY SECRETARIES.

"THIS MOVEMENT HAS GATHERED FURTHER MOMENTUM WITH THE ESTABLISHMENT OF THE EFFICIENCY UNIT IN 1993," MS CHIU SAID.

39 INDUSTRIAL PROJECTS GRANTED FUNDS

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THE INDUSTRY AND TECHNOLOGY DEVELOPMENT COUNCIL (ITDC) TODAY (MONDAY) APPROVED 39 PROJECTS TO BE FINANCED BY THE GOVERNMENT'S \$180 MILLION ADDITIONAL FUNDS FOR INDUSTRIAL SUPPORT THIS FINANCIAL YEAR.

THE FUNDS, TO BE PROVIDED ON A YEARLY BASIS, AIM AT SUPPORTING INDUSTRIAL PROJECTS WHICH CAN CONTRIBUTE TO THE OVERALL INDUSTRIAL OR TECHNOLOGICAL DEVELOPMENT OF HONG KONG AND TO THE COMPETITIVENESS OF HONG KONG'S MANUFACTURING INDUSTRIES.

SPEAKING AT A PRESS CONFERENCE, THE ASSISTANT DIRECTOR-GENERAL OF INDUSTRY, MR RAYMOND YOUNG, SAID THAT ALL THE 39 APPROVED PROJECTS COULD FULFILL THIS OBJECTIVE.

HE SAID THE NATURE OF THE PROJECTS COULD BE CATEGORISED AS INFRASTRUCTURE SUPPORT, MANPOWER TRAINING, ENVIRONMENTAL CONTROL, PROMOTION OF NEW TECHNOLOGY AND INDUSTRIAL DATA BASE DEVELOPMENT.

"THE VETTING PROCESS WAS NOT EASY BECAUSE OF THE VOLUME AND TECHNICAL NATURE OF THE APPLICATIONS.

"EXPERT OPINIONS FROM MEMBERS OF VARIOUS SECTORS OF INDUSTRY WERE SOUGHT IN THE VETTING PROCESS, AND THE MAIN CRITERION ADOPTED BY MEMBERS OF THE PROJECTS VETTING COMMITTEE (PVC) OF THE ITDC WAS WHETHER THE APPLICATION WAS 'MARKET DRIVEN', THAT IS, WHETHER THERE WAS A GENUINE NEED IN THE INDUSTRY FOR THE DELIVERABLES OF THE PROPOSED PROJECT," HE SAID.

THE TOTAL PROJECT COST, AMOUNTING TO SOME \$289 MILLION OVER A PERIOD OF THREE YEARS, WOULD BE DISBURSED TO THE APPLICANT ORGANISATIONS ACCORDING TO THE YEARLY COST ESTIMATES OF INDIVIDUAL PROJECTS.

FUNDS REQUIRED IN THE 1994/95 FINANCIAL YEAR WOULD BE AROUND \$139 MILLION, WITH A COMMITMENT OF \$91 MILLION AND \$59 MILLION FOR FISCAL YEARS 1995/96 AND 1996/97 RESPECTIVELY.

OF THESE SUCCESSFUL APPLICATIONS, 21 ARE FROM INDUSTRIAL SUPPORT BODIES SUCH AS THE HONG KONG PRODUCTIVITY COUNCIL, 12 FROM HIGHER EDUCATION INSTITUTIONS, FIVE FROM TRADE AND INDUSTRIAL ORGANISATIONS AND ONE FROM A RESEARCH INSTITUTE.

"THE SUCCESSFUL APPLICANTS WILL BE INFORMED OF THE DECISION OF THE ITDC SHORTLY AND FUNDS WILL BE DISBURSED AS SOON AS POSSIBLE FOR PROJECTS WHICH COST LESS THAN \$10 MILLION," MR YOUNG SAID.

"HOWEVER, THREE OF THE APPROVED PROJECTS WILL HAVE TO BE SUBMITTED TO THE FINANCE COMMITTEE OF THE LEGISLATIVE COUNCIL FOR APPROVAL BECAUSE THEIR PROJECT COST EXCEEDS \$10 MILLION," HE SAID.

THEY ARE, NAMELY, THE PRODUCT DEVELOPMENT CENTRE IN TELECOMMUNICATIONS, THE RAPID PROTOTYPING TECHNOLOGY CENTRE AND THE CENTRE FOR LIQUID CRYSTAL DISPLAY RESEARCH.

/MR YOUNG

MR YOUNG SAID THE ITDC HAS ALSO DECIDED TO PASS AN ADDITIONAL EIGHT PROJECTS, EACH COSTING LESS THAN \$1 MILLION, TO THE RELEVANT COMMITTEES OF THE ITDC FOR CONSIDERATION. THESE PROJECTS COULD BE FUNDED FROM THE \$30 MILLION SET ASIDE FOR THE COMMITTEES.

NOTING THAT THERE WAS STILL ABOUT \$10 MILLION UNCOMMITTED FUNDS FOR THIS FINANCIAL YEAR, MR YOUNG SAID THE PVC WOULD SOON CONSIDER SOME APPLICATIONS IN THE BORDERLINE CATEGORY.

ANY FUNDS WHICH REMAINED UNCOMMITTED AFTER THE SECOND ROUND OF VETTING WOULD BE RESERVED FOR CONTINGENCY PURPOSES OR WOULD SUPPLEMENT, WHERE NECESSARY, THE SET-ASIDE FUNDS OF THE ITDC COMMITTEES, HE SAID.

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GDP FOR THE FOURTH QUARTER OF 1993

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IN THE FOURTH QUARTER OF 1993, HONG KONG'S GROSS DOMESTIC PRODUCT (GDP) GREW BY 5.5% IN REAL TERMS OVER THE SAME QUARTER IN 1992, ACCORDING TO THE PRELIMINARY ESTIMATES RELEASED BY THE CENSUS AND STATISTICS DEPARTMENT TODAY (MONDAY).

AMONG THE MAIN COMPONENTS OF THE GDP ESTIMATES, PRIVATE CONSUMPTION EXPENDITURE GREW BY 9.5% IN REAL TERMS IN THE FOURTH QUARTER OF 1993 OVER THE SAME QUARTER IN 1992. UNDERLYING THIS GROWTH WAS A SIGNIFICANT INCREASE IN EXPENDITURE ON BOTH CONSUMER GOODS AND SERVICES.

ON THE SAME BASIS OF COMPARISON, GOVERNMENT CONSUMPTION EXPENDITURE (DEFINED IN NATIONAL ACCOUNTS TERMS) DECLINED MARGINALLY BY 0.1% IN REAL TERMS IN THE FOURTH QUARTER OF 1993 OVER THE SAME QUARTER IN 1992.

THE DECLINE IN GOVERNMENT CONSUMPTION EXPENDITURE REFLECTED IN PART THE GOVERNMENT'S EFFORTS TO RESTRAIN GROWTH IN THE NUMBER OF CIVIL SERVANTS, AND IN PART THE DECREASE IN GOVERNMENT EXPENDITURE ON PURCHASE OF GOODS AND SERVICES.

GROSS DOMESTIC FIXED CAPITAL FORMATION DECLINED SLIGHTLY BY 0.5% IN REAL TERMS IN THE FOURTH QUARTER OF 1993 OVER THE SAME QUARTER IN 1992. WITHIN THIS COMPONENT, EXPENDITURE ON MACHINERY AND EQUIPMENT DECREASED BY 0.8% WHILST EXPENDITURE ON CONSTRUCTION GREW BY 2.3%.

THE SLOW-DOWN IN THESE TWO ITEMS WERE AFFECTED PARTLY BY THE HIGH BASE OF COMPARISON IN THE FOURTH QUARTER OF 1992. THE FORMER STAGED A MARKED PICK-UP SINCE THE SECOND QUARTER OF 1992 WHEREAS THE LATTER ALSO BEGAN TO REVIVE SINCE THE FOURTH QUARTER OF 1992. IN TERMS OF LEVELS, THEY WERE COMPARABLE TO THOSE RECORDED IN THE PRECEDING QUARTERS.

FOLLOWING NOTABLE GROWTH IN PREVIOUS QUARTERS, THE YEAR-ON-YEAR GROWTH RATE OF EXTERNAL TRADE SLOWED DOWN SOMEWHAT IN THE FOURTH QUARTER OF 1993.

/TOTAL EXPORTS

TOTAL EXPORTS OF GOODS GREW BY 9.1% IN REAL TERMS, WHILST IMPORTS GREW BY 6.5% IN REAL TERMS OVER THE SAME PERIOD. THE CORRESPONDING FIGURES FOR THE THIRD QUARTER OF 1993 WERE 14.2% AND 15.2% RESPECTIVELY.

AS REGARDS EXPORTS OF SERVICES, THE GROWTH RATE IN REAL TERMS WAS 6.5% IN THE FOURTH QUARTER OF 1993 OVER THE SAME PERIOD OF 1992. THIS WAS LARGER THAN THE CORRESPONDING GROWTH RATE OF 5.9% FOR IMPORTS OF SERVICES. AS A RESULT, NET EXPORTS OF SERVICES ROSE BY 8.4% IN THE FOURTH QUARTER OF 1993.

THE RATE OF INCREASE IN THE IMPLICIT PRICE DEFLATOR OF GDP MODERATED FURTHER, FROM 7.7% IN THE THIRD QUARTER TO 6.0% IN THE FOURTH QUARTER. FOR 1993 AS A WHOLE, THE RATE OF INCREASE WAS 7.9%.

THIS WAS SIGNIFICANTLY BELOW THE CORRESPONDING INCREASES OF 10.5% RECORDED IN 1991 AND 10.1% IN 1992, AND WAS CONSISTENT WITH THE MODERATION IN CONSUMER PRICE INFLATION.

THE RATE OF CHANGE IN THE IMPLICIT PRICE DEFLATOR OF GDP IS A BROAD MEASURE OF INFLATION IN THE WHOLE ECONOMY.

ACCORDING TO THE REVISED (MAY 94) ESTIMATES, THE YEAR-ON-YEAR GROWTH RATE OF GDP IN REAL TERMS FOR THE FIRST QUARTER OF 1993 WAS ADJUSTED SLIGHTLY UPWARDS, FROM 5.5% TO 5.6%, WHILST THAT FOR THE SECOND QUARTER REMAINED UNCHANGED AT 5.3% AND THAT FOR THE THIRD QUARTER WAS REVISED DOWNWARDS FROM 5.6% TO 5.5%.

BASED ON THE LATEST GDP ESTIMATES, GDP GREW BY 5.5% IN REAL TERMS IN 1993 OVER 1992.

THE LATEST GDP FIGURES FROM THE FIRST QUARTER OF 1992 TO THE FOURTH QUARTER OF 1993 ARE PRESENTED IN TABLES 1 AND 2.

THE LATEST QUARTERLY ESTIMATES OF GDP FROM THE FIRST QUARTER OF 1992 TO THE FOURTH QUARTER OF 1993 ARE PUBLISHED IN A REPORT ENTITLED "QUARTERLY ESTIMATES OF GROSS DOMESTIC PRODUCT, 4TH QUARTER 1993".

THE REPORT IS NOW ON SALE AT \$4.5 PER COPY AT THE GOVERNMENT PUBLICATIONS CENTRE, HONG KONG; AND AT THE PUBLICATIONS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT, 19TH FLOOR, WANCHAI TOWER, 12 HARBOUR ROAD, WAN CHAI. TELEPHONE ENQUIRIES MAY BE DIRECTED TO THE NATIONAL INCOME BRANCH OF THE CENSUS AND STATISTICS DEPARTMENT AT 582 5077.

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Table 1 Expenditure-based GDP Estimates.
first quarter of 1992 to fourth quarter of 1993

<u>Year/quarter</u>	<u>HK\$ Mn</u>	<u>GDP at Current</u>	<u>GDP at Constant (1980)</u>
		<u>Market Prices</u>	<u>Market Prices</u>
		<u>% change over</u> <u>same period of</u> <u>the preceding year</u>	<u>% change over</u> <u>same period of</u> <u>the preceding year</u>
1992	745,364	15.9	287,980 5.3
1993	848,455	13.8	303,761 5.5
1992 Q1	163,615	17.1	64,799 5.3
Q2	176,556	16.2	67,665 5.2
Q3	198,905	15.3	77,573 5.8
Q4	206,288	15.4	77,943 5.1
1993 Q1	188,822	15.4	68,430 5.6
Q2	202,763	14.8	71,239 5.3
Q3	226,062	13.7	81,833 5.5
Q4	230,808	11.9	82,259 5.5

/Table 2

Table 2 Expenditure-based GDP Estimates
Quarterly Year-on-year Growth Rates, first quarter of 1992 to fourth quarter of 1993

Expenditure Components of GDP	% change over same period of the preceding year																			
	At current market prices										At constant (1980) market prices									
	1992					1993					1992					1993				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Private consumption expenditure	17.1	15.3	17.1	13.9	15.8	14.4	14.9	11.8	15.2	14.1	9.1	8.0	9.4	6.7	8.3	7.6	8.0	5.7	9.5	7.7
Government consumption expenditure	16.0	17.9	20.0	17.4	17.8	10.1	13.4	11.8	10.3	11.4	6.0	7.5	9.0	6.1	7.1	-0.8	3.2	1.3	-0.1	0.9
Gross domestic fixed capital formation	13.8	18.9	18.9	12.6	16.0	10.3	10.0	10.5	5.3	8.9	7.5	10.7	11.6	8.4	9.6	6.4	6.3	4.0	-0.5	3.9
of which : Construction	3.3	-2.6	-1.1	9.0	2.3	10.0	14.5	17.8	8.9	12.6	0.9	-5.7	-3.0	7.1	⊙	7.8	13.5	12.0	2.3	8.6
Machinery and equipment	11.6	24.8	32.8	26.3	24.6	19.5	16.1	7.5	1.8	10.4	11.2	22.3	28.2	24.1	22.1	16.9	11.2	3.8	-0.8	6.9
Total exports of goods	23.2	23.0	20.0	17.9	20.8	18.4	12.4	14.3	8.8	13.1	20.8	21.5	18.3	16.8	19.2	18.8	11.5	14.2	9.1	13.1
Imports of goods	21.6	24.4	21.9	22.2	22.6	17.7	11.8	14.7	6.3	12.2	21.9	23.9	20.7	22.9	22.3	19.5	12.0	15.2	6.5	12.8
Exports of services	15.3	21.9	15.2	19.0	18.0	17.3	14.4	13.9	12.1	14.2	10.9	14.5	8.1	10.8	11.0	9.9	6.8	8.6	6.5	7.8
Imports of services	10.3	11.0	16.3	9.3	11.8	6.1	7.4	5.6	6.5	6.4	8.2	6.3	8.9	4.9	7.0	8.3	6.6	6.9	5.9	6.9
Gross Domestic Product	17.1	16.2	15.3	15.4	15.9	15.4	14.8	13.7	11.9	13.8	5.3	5.2	5.8	5.1	5.3	5.6	5.3	5.5	5.5	5.5

⊙ Less than 0.05

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CO-OPERATION IN INVESTIGATING MARINE ACCIDENTS VITAL

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CO-OPERATION AMONG NATIONAL MARITIME ADMINISTRATIONS IN INVESTIGATIONS INTO MARINE ACCIDENTS WAS ESSENTIAL IF THESE INVESTIGATIONS WERE TO BE SUCCESSFUL, THE DIRECTOR OF MARINE, MR ALLAN PYRKE, SAID TODAY (MONDAY).

ADDRESSING THE OPENING OF THE THIRD MEETING OF THE MARINE ACCIDENT INVESTIGATORS INTERNATIONAL FORUM (MAIIF), MR PYRKE NOTED ONE OF THE OBJECTIVES OF THE FORUM, POSSIBLY THE MOST IMPORTANT ONE, WAS TO DEVELOP AND SUSTAIN A CO-OPERATIVE RELATIONSHIP AMONG MARITIME INVESTIGATORS OF DIFFERENT MARINE ADMINISTRATIONS.

HE SAID CO-OPERATION WAS VITAL AS AN ACCIDENT HAPPENED TO A SHIP TODAY WAS MORE LIKELY TO INVOLVE A NUMBER OF ADMINISTRATIONS.

MORE THAN 40 DELEGATES FROM 30 COUNTRIES ATTENDED THE THREE-DAY MAIIF MEETING HOSTED BY THE MARINE DEPARTMENT.

MR PYRKE SAID THE PRESENCE OF MARINE ACCIDENT INVESTIGATORS WAS A TESTIMONY TO THE APPRECIATION OF THE NEED OF CO-OPERATION.

HE SAID: "WE IN HONG KONG CANNOT EMPHASISE THE NEED FURTHER. WE HAD 31,000 SHIPS CALLING AT THIS PORT LAST YEAR. THEY BELONGED TO 108 DIFFERENT NATIONALITIES. OUR OWN SHIPS TRADE ALL OVER THE WORLD."

MR PYRKE SAW TWO BASIC REQUIREMENTS WHICH MUST BE MET IF EFFECTIVE INTERNATIONAL CO-OPERATION IN MARINE ACCIDENT INVESTIGATIONS WAS TO BE ACHIEVED.

FIRSTLY, THE BUREAUCRATIC INERTIA OF THE GOVERNMENT MACHINE SHOULD BE ELIMINATED THROUGH PERSONAL CONTACTS DEVELOPED IN FORUMS SUCH AS THE MAIIF.

"INFORMAL DIALOGUES ALSO HELP UNDERSTAND THE LEGAL AND PROCEDURAL RESTRAINTS UNDER WHICH DIFFERENT ADMINISTRATIONS WORK," HE ADDED.

SECONDLY, THE INVESTIGATION SYSTEMS OF DIFFERENT ADMINISTRATIONS SHOULD BE HARMONISED SO THAT LEGAL RESTRAINTS ON EXCHANGE OF INFORMATION OR PARTICIPATION IN INVESTIGATION PROCESSES ARE REMOVED.

MR PYRKE ASSERTED THAT ALTHOUGH THE SECOND TASK WAS HARDER AND MIGHT TAKE A LONG TIME TO ACCOMPLISH, THE FORUM COULD BE AN IDEAL CATALYST TO BRING ABOUT THE CHANGES NEEDED.

DURING THE THREE-DAY MEETING, THE MARITIME INVESTIGATORS WILL GIVE FINISHING TOUCHES TO THE TERMS OF REFERENCE AND CHARTER OF THE MAIIF.

THE INVESTIGATORS WILL FINALISE THE PROPOSALS FOR THE MODIFICATION OF THE INTERNATIONAL MARITIME ORGANISATION (IMO) RESOLUTION A637(16) TO OBTAIN BETTER CO-OPERATION AMONG MARITIME ADMINISTRATIONS AND TO DEVELOP A DIRECTORY OF CASUALTY INVESTIGATION PRACTICES OF DIFFERENT ADMINISTRATIONS.

THEY WILL ALSO LOOK AT WAYS TO DEVELOP A NEW CHAPTER FOR THE IMO CONVENTION ON SAFETY OF LIFE AT SEA TO ESTABLISH UNIFORM PRINCIPLES AND PROCEDURES FOR MARINE ACCIDENT INVESTIGATIONS.

MONDAY, MAY 9, 1994

- 16 -

TENDER FOR THE FIFTH ISSUE OF TWO-YEAR EXCHANGE FUND NOTES
TO BE HELD NEXT MONDAY

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THE HONG KONG MONETARY AUTHORITY ANNOUNCED TODAY (MONDAY) THE TENDER FOR THE FIFTH ISSUE OF TWO-YEAR EXCHANGE FUND NOTES WOULD BE HELD NEXT MONDAY (MAY 16) FOR SETTLEMENT THE FOLLOWING DAY (MAY 17).

SIMILAR TO THE PREVIOUS ISSUE, AN AMOUNT OF \$500 MILLION TWO-YEAR NOTES WILL BE ON OFFER.

IN ADDITION TO THAT, ANOTHER \$100 MILLION WILL BE HELD AS RESERVE BY THE HONG KONG MONETARY AUTHORITY FOR SUPPLY TO MARKET MAKERS IN THE SECONDARY MARKET.

THE NOTES WILL MATURE ON MAY 17, 1996 AND WILL CARRY INTEREST AT THE RATE OF 6.35% PER ANNUM PAYABLE SEMI-ANNUALLY IN ARREARS.

MEMBERS OF THE PUBLIC WHO WISH TO TENDER FOR THE NOTES MAY DO SO THROUGH ANY OF THE MARKET MAKERS OR RECOGNISED DEALERS ON THE PUBLISHED LIST WHICH CAN BE OBTAINED FROM THE HONG KONG MONETARY AUTHORITY AT 30TH FLOOR, 3 GARDEN ROAD, HONG KONG, OR TELEPHONE 878 8150. EACH TENDER MUST BE FOR AN AMOUNT OF \$50,000 OR INTEGRAL MULTIPLES THEREOF.

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CUSTOMS DELEGATION MEETS GUANGDONG CUSTOMS AT ZHANGJIANG

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A SEVEN-MEMBER DELEGATION OF HONG KONG CUSTOMS AND EXCISE DEPARTMENT LED BY COMMISSIONER MR D M WATSON DEPARTED FOR ZHANGJIANG, GUANGDONG THIS (MONDAY) MORNING FOR A MEETING WITH SENIOR OFFICIALS OF THE GUANGDONG CUSTOMS.

THIS IS THE TWELFTH ANNUAL MEETING TO REVIEW LIAISON ARRANGEMENTS AND ACHIEVEMENTS OF THE TWO ADMINISTRATIONS IN THE AREAS OF EXCHANGE OF INTELLIGENCE ON NARCOTIC AND SMUGGLING AS WELL AS ON ANTI-SMUGGLING ACTIVITIES.

BOTH SIDES WILL DISCUSS ON TOPICS OF MUTUAL INTERESTS INCLUDING DRUG TRAFFICKING, CIGARETTE SMUGGLING, TRAINING, PIRATED CD AND PRACTICAL WAYS TO ENHANCE CO-OPERATION IN ANTI-SMUGGLING.

AFTER THE MEETING, HONG KONG CUSTOMS DELEGATION WILL TRAVEL TO HAINAN AND VISIT CUSTOMS SET-UPS AND FACILITIES THERE.

THE DELEGATION WILL RETURN TO HONG KONG ON THE MORNING OF MAY 16.

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/17

RE-OPENING OF CITY HALL MARRIAGE REGISTRY

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THE IMMIGRATION DEPARTMENT ANNOUNCED TODAY (MONDAY) THAT THE CITY HALL MARRIAGE REGISTRY WILL BE RE-OPENED FOR MARRIAGE CEREMONIES ON AUGUST 1.

"THE FOUR-MONTH RENOVATION AT THE CITY HALL MARRIAGE REGISTRY WILL BE COMPLETED BY THE END OF JULY. AFTER THAT THE CITY HALL MARRIAGE REGISTRY WILL BE A MORE SPACIOUS AND NICE PLACE FOR MARRIAGES TO TAKE PLACE," A SPOKESMAN FOR THE DEPARTMENT SAID.

THE MARRIAGE REGISTRATION AND RECORDS OFFICES AT THE GENERAL REGISTER OFFICE IN QUEENSWAY IS READY TO ACCEPT NOTICES FOR MARRIAGE CEREMONIES TO BE HELD AT THE CITY HALL MARRIAGE REGISTRY IN AUGUST AND ONWARDS.

"IN ORDER TO ENSURE THAT MEMBERS OF THE PUBLIC DO HAVE A FAIR CHANCE TO CHOOSE THEIR PREFERRED DAYS FOR SERVICES, APPOINTMENTS FOR MARRIAGE CEREMONIES WILL BE GIVEN ON A FIRST-COME-FIRST-SERVED BASIS," THE SPOKESMAN ADDED.

FOR ENQUIRIES, MEMBERS OF THE PUBLIC PLEASE TELEPHONE 824 6111.

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LEAFLETS ON MATERNITY PROTECTION AVAILABLE
IN PUBLIC HOSPITALS

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FEMALE EMPLOYEES SEEKING MATERNITY PROTECTION ARE REMINDED THAT COPIES OF A LEAFLET EXPLAINING THE MATERNITY PROVISIONS OF THE EMPLOYMENT ORDINANCE IN SIMPLE TERMS ARE AVAILABLE AT ALL PUBLIC HOSPITALS, MATERNAL AND CHILD HEALTH CENTRES AND LABOUR RELATIONS SERVICE OFFICES.

A LABOUR DEPARTMENT SPOKESMAN SAID THE LEAFLET WAS ATTACHED WITH A STANDARD FORM OF NOTICE, SPECIFYING THE EXPECTED DATE OF CONFINEMENT AND THE DATE ON WHICH THE MATERNITY LEAVE WAS TO COMMENCE, TO FACILITATE EMPLOYEES TO COMPLY WITH THEIR OBLIGATION UNDER THE LAW.

"THERE IS ALSO A DECLARATION FORM TO FACILITATE FEMALE WORKERS TO MAKE STATUTORY DECLARATION TO VERIFY THE NUMBER OF CHILDREN SHE HAS IN ORDER TO CLAIM MATERNITY LEAVE PAY," THE SPOKESMAN SAID.

RESPONDING TO PRESS ENQUIRIES ON THE QUESTION OF PUBLICITY RELATING TO MATERNITY PROTECTION, THE SPOKESMAN SAID IN ADDITION TO THE DISSEMINATION OF INFORMATION ON MATERNITY PROVISIONS THROUGH PRESS RELEASES AND RADIO BROADCASTS, THE LABOUR RELATIONS PROMOTION UNIT ORGANISED EXHIBITIONS, SEMINARS AND LECTURES ON A REGULAR BASIS TO PROMOTE THE EMPLOYMENT LAW.

"MATERNITY PROTECTION TO FEMALE WORKERS IS AMONG THE MAJOR TOPICS OF PROMOTION IN OUR PUBLICITY ACTIVITIES," THE SPOKESMAN ADDED.

HE SAID OFFICERS FROM THE DEPARTMENT OFTEN ATTENDED INTERVIEWS REQUESTED BY THE ELECTRONIC MEDIA TO EXPLAIN DETAILS OF THE LAW ON MATERNITY BENEFITS FOR PREGNANT EMPLOYEES.

HE REMINDED EMPLOYERS THAT IT WAS AN OFFENCE UNDER THE LAW TO TERMINATE THE EMPLOYMENT OF A FEMALE WORKER AFTER SHE HAD GIVEN HER EMPLOYER A NOTICE OF HER INTENTION TO TAKE MATERNITY LEAVE.

"EMPLOYERS BREACHING THE PROVISIONS WOULD BE LIABLE TO A MAXIMUM FINE OF \$10,000," HE SAID.

PUBLIC ENQUIRIES ON DETAILS OF THE PROVISIONS ON MATERNITY PROTECTION CAN BE MADE TO THE LABOUR DEPARTMENT'S GENERAL ENQUIRY TELEPHONE SERVICE ON TEL 717 1771.

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WATER ENQUIRY CENTRE IN SHA TIN CLOSED FOR RENOVATION

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THE WATER SUPPLIES DEPARTMENT IS RENOVATING ITS SEVEN CUSTOMER ENQUIRY CENTRES TO IMPROVE THEIR SERVICE ENVIRONMENT.

THE CENTRE ON THE FIRST FLOOR, KCR HOUSE, SHA TIN STATION, SHA TIN, WILL BE TEMPORARILY CLOSED FOR RENOVATION STARTING ON FRIDAY (MAY 13).

A SPOKESMAN FOR THE DEPARTMENT SAID TODAY (MONDAY) THAT FULL SERVICES AT THIS CENTRE WOULD RESUME ON JUNE 27 UPON COMPLETION OF RENOVATION.

WORKS FOR OTHER CUSTOMER ENQUIRY CENTRES WILL BE CARRIED OUT IN PHASES THIS YEAR.

THE SPOKESMAN SAID PUBLIC ENQUIRIES COULD BE MADE ON HOTLINE 824 5000.

THE PUBLIC CAN ALSO MAKE USE OF THE NEWLY INTRODUCED 24-HOUR WATER INFOLINK SERVICE TO OBTAIN INFORMATION ABOUT WATER ACCOUNT AND SUPPLY MATTERS. THE TELEPHONE NUMBER OF THE SERVICE IS 802 9966.

MEANWHILE, CUSTOMERS MAY VISIT ANY OF THE FOLLOWING CUSTOMER ENQUIRY CENTRES:

- * WAN CHAI CUSTOMER ENQUIRY CENTRE,
FIRST FLOOR,
IMMIGRATION TOWER,
7 GLOUCESTER ROAD,
WAN CHAI,
HONG KONG.

- * SHAU KEI WAN CUSTOMER ENQUIRY CENTRE,
GROUND FLOOR,
PERFECT MOUNT GARDENS,
PO MAN STREET,
SHAU KEI WAN,
HONG KONG.

- * KWUN TONG CUSTOMER ENQUIRY CENTRE,
SECOND FLOOR,
NGAU TAU KOK GOVERNMENT OFFICES,
21 ON WAH STREET,
NGAU TAU KOK,
KOWLOON.

- * MONG KOK CUSTOMER ENQUIRY CENTRE,
GROUND FLOOR,
128 SAI YEE STREET,
MONG KOK,
KOWLOON.

- * TSUEN WAN CUSTOMER ENQUIRY CENTRE,
FIFTH FLOOR,
KWAI HING GOVERNMENT OFFICES,
166-174 HING FONG ROAD,
KWAI CHUNG,
NEW TERRITORIES; AND

- * TAI PO CUSTOMER ENQUIRY CENTRE,
FOURTH FLOOR,
TAI PO GOVERNMENT OFFICES BUILDING,
TING KOK ROAD,
TAI PO MARKET,
NEW TERRITORIES.

THE SPOKESMAN SAID CUSTOMERS COULD PAY WATER CHARGES AT ANY COLLECTION OFFICES AS USUAL. THE ADDRESSES AND OPENING HOURS OF THESE OFFICES ARE SHOWN ON WATER BILLS.

CUSTOMERS CAN ALSO USE THE "PAYMENT BY PHONE SERVICE". DETAILS CAN BE OBTAINED BY CALLING SERVICE HOTLINES 170 222 328 (CANTONESE) OR 170 222 329 (ENGLISH).

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WATER STORAGE FIGURE

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STORAGE IN HONG KONG'S RESERVOIRS AT 9 AM TODAY (MONDAY) STOOD AT 65.8 PER CENT OF CAPACITY OR 385.709 MILLION CUBIC METRES.

THIS TIME LAST YEAR THE RESERVOIRS CONTAINED 309.039 MILLION CUBIC METRES OF WATER, REPRESENTING 52.7 PER CENT OF CAPACITY.

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PROMOTE DISTRICT AFFAIRS CALL BY DO
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THE EASTERN DISTRICT OFFICER, MR H T LUI, CALLED ON COMMUNITY LEADERS IN HIS DISTRICT TO CONTINUE THEIR SUPPORT IN PROMOTING DISTRICT AFFAIRS.

SPEAKING AT A DINNER HOSTED BY VARIOUS COMMUNITY ORGANISATIONS TONIGHT (MONDAY), MR LUI SAID HIS OFFICE WOULD BE FACING MANY NEW CHALLENGES IN THE YEARS AHEAD.

HE SAID: "THE MOST IMPORTANT ISSUE BEFORE US NOW IS THE FORTHCOMING THREE-TIER ELECTIONS WHICH WILL BE VERY DECISIVE IN SHAPING OUR FUTURE COMMUNITY.

"AND ONE OF THEM IS THE FIRST DIRECT DISTRICT BOARD ELECTIONS IN SEPTEMBER.

"MY FIRST PRIORITY IS TO ENCOURAGE RESIDENTS TO REGISTER AS VOTERS AND TO CAST THEIR VOTES SO AS TO ENSURE THAT THE ELECTIONS WILL BE CONDUCTED IN A FAIR AND APPROPRIATE WAY."

"I HOPE YOU CAN ALSO LEND YOUR UNSTINTING SUPPORT IN THIS REGARD," HE SAID.

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ENQUIRY CENTRE'S RENOVATION COMPLETED
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THE RENOVATION OF THE PUBLIC ENQUIRY SERVICE CENTRE OF THE CENTRAL AND WESTERN DISTRICT OFFICE HAS BEEN COMPLETED.

STARTING FROM TOMORROW (TUESDAY), THE CENTRE WILL BE MOVED BACK TO ITS ORIGINAL OFFICE ON THE GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL.

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- 21 -

HONG KONG MONETARY AUTHORITY
MONEY MARKET OPERATIONS
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	\$ MILLION -----	TIME (HOURS) -----	CUMULATIVE CHANGE (\$ MILLION) -----
OPENING BALANCE IN THE ACCOUNT	1,434	0930	+1,057
CLOSING BALANCE IN THE ACCOUNT	1,170	1000	+1,057
CHANGE ATTRIBUTABLE TO :		1100	+1,257
MONEY MARKET ACTIVITY	+1,256	1200	+1,257
LAF TODAY	-1,520	1500	+1,257
		1600	+1,256
LAF RATE 2.00 BJD/4.00 OFFER	TWI 124.6	*+0.0*	9.5.94

HONG KONG MONETARY AUTHORITY

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	3.31	19 MONTHS	2511	4.15	97.31	6.10
1 MONTH	3.71	22 MONTHS	2602	4.40	96.91	6.36
3 MONTHS	4.21	30 MONTHS	3610	4.20	94.20	6.91
6 MONTHS	4.73	33 MONTHS	3701	4.60	94.30	7.05
12 MONTHS	5.36	36 MONTHS	3704	6.15	97.69	7.15

TOTAL TURNOVER OF BILLS AND BONDS - 12,055 MN

CLOSED 9 MAY 1994

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