



## DAILY INFORMATION BULLETIN

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

FRIDAY, NOVEMBER 25, 1994

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/OVER 1,700 .....

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## THIRD QUARTER ECONOMIC REPORT 1994

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THE THIRD QUARTER ECONOMIC REPORT 1994 WAS RELEASED BY THE GOVERNMENT TODAY (FRIDAY). FOLLOWING IS A SUMMARY OF THE MAIN POINTS:

- \* THE HONG KONG ECONOMY MAINTAINED ITS GROWTH MOMENTUM IN THE THIRD QUARTER OF 1994. GDP GREW BY 5.4% IN REAL TERMS IN THE SECOND QUARTER OVER A YEAR EARLIER, FOLLOWING A 5.7% INCREASE IN THE FIRST QUARTER. THE GROWTH RATE IN THE THIRD QUARTER SHOULD HAVE BEEN SLIGHTLY FASTER THAN IN THE SECOND QUARTER, PROBABLY CLOSER TO THAT IN THE FIRST QUARTER.
- \* EXTERNALLY, RE-EXPORTS CONTINUED TO PROVIDE THE KEY IMPETUS TO OVERALL EXPORT GROWTH IN THE THIRD QUARTER. DOMESTIC EXPORTS CEASED TO DECLINE, AFTER FALLING FOR FIVE CONSECUTIVE QUARTERS. IMPORTS ROSE MARKEDLY, SUPPORTED BY THE STRONG GROWTH IN RE-EXPORTS AND A FURTHER SHARP INCREASE IN RETAINED IMPORTS. EXPORTS AND IMPORTS OF SERVICES CONTINUED TO INCREASE, ALONG WITH THE EXPANSION IN OVERALL VISIBLE TRADE.
- \* DOMESTICALLY, WHILE CONSUMER SPENDING ROSE MORE SLOWLY IN RECENT MONTHS, INVESTMENT SPENDING SURGED STRONGLY, UNDERPINNED BY ACCELERATED INVESTMENT IN MACHINERY AND EQUIPMENT AND INTENSIVE CONSTRUCTION ACTIVITY NOTABLY ON INFRASTRUCTURE.
- \* IN LINE WITH THE STEADY ECONOMIC GROWTH, THERE WAS A SUSTAINED MARKED INCREASE IN OVERALL EMPLOYMENT. LABOUR MARKET CONDITIONS REMAINED GENERALLY TIGHT. WHILE A CONTINUED MORE RAPID INCREASE IN THE LABOUR FORCE IN RECENT QUARTERS MIGHT HAVE CAUSED THE UNEMPLOYMENT RATE TO EDGE UP SLIGHTLY, THE UNDEREMPLOYMENT RATE FELL FURTHER. THE AVERAGE DURATION OF UNEMPLOYMENT NEVERTHELESS HAD NOT WORSENE.
- \* THE RESIDENTIAL PROPERTY MARKET CONSOLIDATED FURTHER IN THE THIRD QUARTER, AS THE PACKAGE OF MEASURES ANNOUNCED BY THE GOVERNMENT'S TASK FORCE IN EARLY JUNE AND THE SUCCESSIVE INCREASES IN MORTGAGE RATE SINCE MARCH TOOK EFFECT. SPECULATIVE ACTIVITIES HAD SUBSIDED. FLAT PRICES HAD FALLEN BY AROUND 10-20% FROM THEIR PEAK LEVEL IN MARCH/APRIL. FLAT RENTALS NEVERTHELESS CONTINUED TO RISE STEADILY REFLECTING SUSTAINED END-USER DEMAND.
- \* ON INFLATION, THE YEAR-ON-YEAR RATE OF INCREASE IN THE CONSUMER PRICE INDEX (A) ACCELERATED TO 8.9% IN THE THIRD QUARTER, FROM 7.3% IN THE FIRST QUARTER AND 7.7% IN THE SECOND QUARTER. THIS ACCELERATION WAS CAUSED BY A TEMPORARY UPSURGE IN THE PRICES OF CERTAIN FRESH FOOD ITEMS, MAINLY VEGETABLES, IN JULY AND AUGUST, DUE TO THE SERIOUS FLOODING IN SOUTH CHINA AND SEVERAL RAINSTORMS IN HONG KONG. AS THE SUPPLY AND HENCE PRICES OF VEGETABLES RETURNED TO NORMAL THEREAFTER, THE INCREASE IN THE CPI(A) EASED BACK FROM THE PEAK OF 9.8% IN AUGUST TO 8.6% IN SEPTEMBER AND FURTHER TO 7.9% IN OCTOBER. TAKING THE FIRST TEN MONTHS OF 1994 TOGETHER, THE INCREASE IN THE CPI(A) AVERAGED AT 8.0%, APPRECIABLY SLOWER THAN THAT OF 8.5% FOR 1993 AS A WHOLE.

- \* HAVING REGARD TO THE LATEST DEVELOPMENTS IN THE ECONOMY, THE ECONOMIC FORECASTS FOR 1994 HAVE BEEN REVIEWED AND UPDATED. OVERALL, THE FORECAST GDP GROWTH RATE IN REAL TERMS IS MAINTAINED AT 5.7%. THIS IMPLIES A SLIGHTLY FASTER ECONOMIC GROWTH IN THE SECOND HALF OF THE YEAR THAN IN THE FIRST HALF.
- \* THE FORECAST RATE OF INCREASE IN THE CPI(A) IS REVISED DOWNWARDS FROM 8.5% TO 8%, CONSISTENT WITH THE OUTTURN IN THE FIRST TEN MONTHS OF THIS YEAR. THE FORECAST RATE OF INCREASE IN THE GDP DEFLATOR IS KEPT UNCHANGED AT 8%.

#### THE EXTERNAL SECTOR

OVERALL EXPORT GROWTH IMPROVED SLIGHTLY, FROM 10% IN REAL TERMS IN THE FIRST HALF OF 1994 OVER A YEAR EARLIER TO ABOUT 11% IN THE THIRD QUARTER. RE-EXPORTS, WITH A GROWTH RATE OF ABOUT 14% IN REAL TERMS IN THE THIRD QUARTER, CONTINUED TO PROVIDE THE MAIN IMPETUS TO OVERALL EXPORT GROWTH. WHILE RE-EXPORTS TO CHINA, THE UNITED STATES AND JAPAN MAINTAINED A STEADY SIGNIFICANT INCREASE, THOSE TO GERMANY AND THE UNITED KINGDOM MODERATED.

DOMESTIC EXPORTS CEASED TO DECLINE IN REAL TERMS IN THE THIRD QUARTER. A POSITIVE GROWTH WAS RECORDED MOST RECENTLY. THE FALL IN DOMESTIC EXPORTS TO CHINA HAD BECOME SMALLER. DOMESTIC EXPORTS TO THE UNITED STATES AND SINGAPORE PICKED UP FURTHER, BUT THOSE TO JAPAN SLACKENED. DOMESTIC EXPORTS TO GERMANY AND THE UNITED KINGDOM WERE STILL WEAK.

AS THE GROWTH OF RE-EXPORTS WAS PERSISTENTLY FASTER THAN THAT OF DOMESTIC EXPORTS, THE SHARE OF RE-EXPORTS IN THE VALUE OF TOTAL EXPORTS ROSE FURTHER TO 81% IN THE THIRD QUARTER OF 1994, FROM 79% IN THE SAME QUARTER IN 1993.

IMPORTS ROSE MARKEDLY. THE GROWTH RATE IN REAL TERMS IN THE THIRD QUARTER WAS ABOUT 15%, FURTHER UP FROM THE 12% INCREASE IN THE FIRST HALF OF THE YEAR. WITHIN TOTAL IMPORTS, THE GROWTH RATE OF RETAINED IMPORTS SURGED TO ABOUT 19% IN REAL TERMS IN THE THIRD QUARTER, FROM 4% IN THE FIRST QUARTER AND 17% IN THE SECOND QUARTER. THERE WERE GREATER IMPORTS OF A VARIETY OF ITEMS FOR LOCAL USE, INCLUDING BOTH CAPITAL GOODS AND CONSUMER GOODS.

IN THE THIRD QUARTER, BOTH EXPORTS AND IMPORTS OF SERVICES SHOULD HAVE CONTINUED TO GROW STEADILY IN OVERALL TERMS. THE SLOWER GROWTH IN TOURISM IN RECENT MONTHS SHOULD HAVE BEEN COMPENSATED TO A GOOD EXTENT BY THE FURTHER GROWTH IN TRADE-RELATED SERVICES. EXPORTS OF VARIOUS OTHER PROFESSIONAL AND SUPPORT SERVICES SHOULD HAVE ALSO BEEN ROBUST. OVERALL, THERE SHOULD HAVE BEEN A SUSTAINED SURPLUS IN INVISIBLE TRADE.

A VISIBLE TRADE DEFICIT OF \$57.9 BILLION WAS RECORDED IN THE FIRST NINE MONTHS OF 1994, EQUIVALENT TO 6.4% OF THE VALUE OF IMPORTS. THIS COMPARED WITH A DEFICIT OF \$26.5 BILLION, EQUIVALENT TO 3.3% OF THE VALUE OF IMPORTS, IN THE SAME PERIOD LAST YEAR. THE LARGER VISIBLE TRADE DEFICIT THIS YEAR WAS PROBABLY DUE TO THE REPLENISHMENT OF STOCKS FOLLOWING THE REDUCTION TO A VERY LOW LEVEL IN THE LATTER PART OF LAST YEAR WHEN RETAINED IMPORTS SLOWED DOWN DRASTICALLY, AND TO A LESSER EXTENT ALSO THE IMPORT REQUIREMENTS FOR INFRASTRUCTURE CONSTRUCTION.

## DOMESTIC DEMAND

ON CONSUMER SPENDING, THE GROWTH IN RECENT MONTHS WAS MORE MODERATE THAN IN THE EARLY PART OF THE YEAR. THERE WAS A MARKED SLOW-DOWN IN RETAIL SALES, CONCENTRATING MAINLY IN WEAKER SALES OF CONSUMER DURABLES. SALES OF CLOTHING AND FOOTWEAR NEVERTHELESS REMAINED STRONG. IN CONTRAST, RETAINED IMPORTS OF CONSUMER GOODS CONTINUED TO SHOW A STRONG INCREASE, BY ABOUT 24% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER, FOLLOWING AN 11% RISE IN THE FIRST HALF OF THE YEAR. THE PROGRESSIVE RELOCATION OF MANUFACTURING PROCESSES ACROSS THE BORDER MIGHT HAVE LED TO A DECLINE IN LOCAL PRODUCTION FOR LOCAL USE, WITH THE NEED FOR MORE RETAINED IMPORTS IN ORDER TO MAKE UP FOR THE LOCAL SUPPLY SHORTFALL. MEANWHILE, THERE WAS PROBABLY A LARGER BUILD-UP IN STOCKS OF CONSUMER GOODS IN RECENT MONTHS.

THERE WAS APPARENTLY A SHARP ACCELERATION IN INVESTMENT SPENDING IN THE THIRD QUARTER. THE GROWTH RATE OF RETAINED IMPORTS OF CAPITAL GOODS PICKED UP TO ABOUT 17% IN REAL TERMS IN THE THIRD QUARTER OVER A YEAR EARLIER, FOLLOWING AN INCREASE OF 6% IN THE FIRST HALF OF THE YEAR. AMONGST THE VARIOUS TYPES OF MACHINERY AND EQUIPMENT, RETAINED IMPORTS OF OFFICE EQUIPMENT CONTINUED TO SHOW THE FASTEST INCREASE IN THE THIRD QUARTER, WHILE THOSE OF CONSTRUCTION MACHINERY RETURNED TO POSITIVE GROWTH. RETAINED IMPORTS OF INDUSTRIAL MACHINERY FOR MANUFACTURING USE HOWEVER REMAINED ON A DOWNTREND. MEANWHILE, EXPENDITURE ON BUILDING AND CONSTRUCTION SHOULD HAVE ALSO REGISTERED STRONG GROWTH IN RECENT MONTHS.

## THE LABOUR MARKET

THE LABOUR MARKET REMAINED GENERALLY TIGHT. THERE WAS A CONTINUED MARKED INCREASE IN OVERALL EMPLOYMENT. WHILE A SUSTAINED NET INFLOW OF PEOPLE INTO HONG KONG CONTRIBUTED TO A FURTHER SIGNIFICANT GROWTH IN THE LABOUR FORCE IN RECENT QUARTERS, THE UNEMPLOYMENT RATE EDGED UP ONLY SLIGHTLY, TO 2.3% IN THE THIRD QUARTER, AND THE UNDEREMPLOYMENT RATE FELL TO 1.1%. A CLOSER EXAMINATION OF THE DATA SHOWED THAT THE AVERAGE DURATION OF UNEMPLOYMENT HAD NOT LENGTHENED. THE FALL IN THE UNDEREMPLOYMENT RATE SIGNIFIED AN EVEN GREATER UTILISATION OF THE EMPLOYED WORKFORCE.

THE SHIFT IN EMPLOYMENT FROM THE MANUFACTURING SECTOR TO THE SERVICE SECTORS CONTINUED. AMIDST SUSTAINED FULL EMPLOYMENT, THE LOCAL WORKFORCE GENERALLY ENJOYED CONTINUED RISES IN INCOME. BETWEEN JUNE 1993 AND JUNE 1994, AVERAGE EARNINGS IN THE SERVICE SECTORS AS A WHOLE AS WELL AS IN MANUFACTURING REGISTERED FURTHER INCREASES IN REAL TERMS. CONSTRUCTION WAGE RATES ALSO HAD A SMALL INCREASE IN REAL TERMS.

## THE PROPERTY MARKET

TRADING ACTIVITY IN THE RESIDENTIAL PROPERTY MARKET REMAINED MODERATE IN THE THIRD QUARTER. THE PACKAGE OF MEASURES ANNOUNCED BY THE GOVERNMENT'S TASK FORCE IN EARLY JUNE, TOGETHER WITH THE SUCCESSIVE INCREASES IN LOCAL INTEREST RATES, CONTINUED TO TAKE EFFECT. SPECULATIVE ACTIVITIES HAD SUBSIDED. FLAT PRICES HAD FALLEN BY AROUND 10-20% FROM THEIR PEAK LEVEL IN MARCH/APRIL. DESPITE THE MORE FLEXIBLE PAYMENT TERMS BEING OFFERED BY SOME DEVELOPERS ALONG WITH REDUCED PRICES, RESPONSE TO SALES OF FLATS WAS GENERALLY LESS ENTHUSIASTIC THAN IN THE EARLIER PART OF THE YEAR. MEANWHILE, FLAT RENTALS CONTINUED TO RISE STEADILY, REFLECTING SUSTAINED END-USER DEMAND.

ON COMMERCIAL PREMISES, THE PRICES OF OFFICE SPACE GENERALLY STABILISED IN THE THIRD QUARTER. HOWEVER, DUE TO LIMITED SUPPLY AGAINST THE STRONG END-USER DEMAND, RENTALS OF GRADE A OFFICE SPACE IN PRIME LOCATIONS INCREASED FURTHER. THE DEMAND FOR SHOPPING SPACE WAS SUPPORTED BY CONTINUED GROWTH IN CONSUMER SPENDING, WITH BOTH PRICES AND RENTALS SHOWING FURTHER INCREASES. AS TO INDUSTRIAL PROPERTY, THE ON-GOING RELOCATION OF MANUFACTURING PROCESSES TO CHINA CONTINUED TO DAMPEN THE SALES AND RENTAL MARKETS FOR CONVENTIONAL FLATTED FACTORY PREMISES. BUT MODERN MULTI-PURPOSE INDUSTRIAL PREMISES DESIGNED ALSO FOR OFFICE USE FARED MUCH BETTER. THERE WAS ALSO A KEEN INTEREST IN THE ACQUISITION OF OLD INDUSTRIAL BUILDINGS WITH POTENTIAL FOR REDEVELOPMENT INTO MODERN INDUSTRIAL-CUM-OFFICE BUILDINGS.

## THE FINANCIAL SECTOR

THE MARKET EXCHANGE RATE OF THE HONG KONG DOLLAR AGAINST THE U.S. DOLLAR REMAINED STABLE ON THE STRONG SIDE OF THE LINKED RATE DURING THE THIRD QUARTER. FOLLOWING CLOSELY THE MOVEMENT IN US DOLLAR INTEREST RATES, HONG KONG DOLLAR INTEREST RATES WERE RAISED BY 0.5 OF A PERCENTAGE POINT IN THE LATTER PART OF AUGUST. DESPITE THE INTEREST RATE INCREASE, THE HONG KONG DOLLAR IN LINE WITH THE U.S. DOLLAR CONTINUED TO WEAKEN AGAINST THE JAPANESE YEN AND THE MAJOR EUROPEAN CURRENCIES DURING THE THIRD QUARTER. AS A RESULT, THE EFFECTIVE EXCHANGE RATE INDEX OF THE HONG KONG DOLLAR REMAINED ON A DOWNTREND, CLOSING THE THIRD QUARTER AT 121.6.

THE GROWTH RATES OF BOTH HONG KONG DOLLAR DEPOSITS AND HONG KONG DOLLAR LOANS SHOWED FURTHER INCREASES DURING THE THIRD QUARTER, ALBEIT AT A SLOWER PACE THAN DURING THE SECOND QUARTER. IN PARTICULAR, THE GROWTH IN LOANS TO PURCHASE RESIDENTIAL PROPERTY MODERATED, AS THE RESIDENTIAL PROPERTY MARKET QUIETENED IN THE MORE RECENT MONTHS. THE NARROW MONEY SUPPLY, HK\$M1, RETURNED TO A MODERATE INCREASE DURING THE THIRD QUARTER, WHILE THE BROADER MONEY SUPPLY, HK\$M2 AND HK\$M3, MAINTAINED STEADY GROWTH.

THE HANG SENG INDEX REACHED A LOW OF 8,395 ON JULY 11, FOLLOWING THE DOWNTREND IN THE SECOND QUARTER. THE STOCK MARKET THEN EXPERIENCED A CONSIDERABLE REBOUND, NOTWITHSTANDING THE LESS FAVOURABLE CORPORATE RESULTS ANNOUNCED BY SOME BLUE-CHIP COMPANIES AND THE CONSOLIDATION IN THE PROPERTY MARKET. STIMULATED FURTHER BY THE IMPROVED BILATERAL ECONOMIC RELATIONSHIP SUBSEQUENT TO THE U.S. SECRETARY FOR COMMERCE'S VISIT TO CHINA, THE HANG SENG INDEX BROKE THE 10,000 MARK AT THE BEGINNING OF SEPTEMBER. THE MARKET HOWEVER LOST SOME GROUND TOWARDS THE END OF SEPTEMBER, AMIDST CONCERN ABOUT A FURTHER RISE IN INTEREST RATES. NEVERTHELESS, THE HANG SENG INDEX STILL CLOSED THE THIRD QUARTER HIGHER THAN AT END-JUNE, AT 9,521. INFLUENCED BY THE SETBACK IN NEW YORK STOCK MARKET, THE HANG SENG INDEX FELL SHARPLY DURING THE PAST FEW DAYS. IT STOOD AT 8,648 ON THE CLOSE OF MARKET ON NOVEMBER 24.

#### INFLATION

CONSUMER PRICE INFLATION, MEASURED IN TERMS OF THE CONSUMER PRICE INDEX (A); ACCELERATED TO 8.9% IN THE THIRD QUARTER, FROM 7.3% IN THE FIRST QUARTER AND 7.7% IN THE SECOND QUARTER. THIS WAS MAINLY DUE TO A TEMPORARY UPSURGE IN VEGETABLE PRICES DURING JULY AND AUGUST, CONSEQUENTIAL TO THE SERIOUS FLOODING IN SOUTH CHINA AND SEVERAL RAINSTORMS IN HONG KONG. AS VEGETABLE SUPPLY AND HENCE PRICES RETURNED TO NORMAL, THE INCREASE IN THE CPI(A) EASED BACK IN SEPTEMBER. BOTH THE CPI(B) AND HANG SENG CPI SHOWED BROADLY SIMILAR MOVEMENTS, BUT THE EXTENT OF FLUCTUATION WAS SMALLER THAN IN THE CPI(A).

THE VOLATILE FOOD COMPONENT APART, THOSE COMPONENTS IN THE CPI RECORDING MORE RAPID PRICE INCREASES THAN AVERAGE, THEREBY CONTRIBUTING MUCH TO THE OVERALL INFLATION RATE, WERE STILL HOUSING, VARIOUS CONSUMER SERVICES, TRANSPORT, AND MORE RECENTLY CLOTHING AS WELL. WHILE DOMESTICALLY GENERATED INFLATIONARY PRESSURES REMAINED THE PRIMARY FACTOR UNDERLYING HONG KONG'S INFLATION, A GENERALLY FASTER INCREASE IN THE PRICES OF IMPORTS HAD GIVEN RISE TO RELATIVELY GREATER IMPORTED INFLATION LATELY.

FOR THE FIRST NINE MONTHS OF 1994 AS A WHOLE, THE INCREASE IN THE CPI(A) AVERAGED AT 8.0%. THIS WAS APPRECIABLY SLOWER THAN THE INCREASE OF 8.5% IN 1993. THE AVERAGE INCREASES IN THE CPI(B) AND HANG SENG CPI IN THE FIRST NINE MONTHS OF THIS YEAR WERE 8.3% AND 9.8%. THE COMPOSITE CPI, AS AN AGGREGATE MEASURE OF CONSUMER PRICE INFLATION COVERING THESE THREE INDICES, HAD A CORRESPONDING INCREASE OF 8.6%.

THE GDP DEFLATOR, AS A BROAD MEASURE OF OVERALL INFLATION IN THE ECONOMY, ROSE BY 8.0% IN THE SECOND QUARTER OF 1994 OVER A YEAR EARLIER, REPRESENTING A SLOW-DOWN FROM THE INCREASE OF 8.9% IN THE FIRST QUARTER.

#### UPDATED FORECASTS

THE GDP FORECAST FOR 1994 HAS BEEN REVIEWED BY INDIVIDUAL COMPONENTS BASED ON THE NEWLY REVISED SERIES OF GDP ESTIMATES. THE CORRESPONDING PRICE FORECAST HAS ALSO BEEN EXAMINED. THE UPDATED FORECASTS ARE SUMMARISED IN THE TABLE ANNEXED.

IN THE EXTERNAL SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF RE-EXPORTS IN 1994 IS MAINTAINED AT 15%. THE GROWTH RATE OF RE-EXPORTS IN THE FIRST NINE MONTHS OF THE YEAR WAS ABOUT 14% IN REAL TERMS. THE FORECAST THUS IMPLIES A SIMILAR OR SLIGHTLY BETTER PERFORMANCE IN THE FOURTH QUARTER. RE-EXPORTS TO CHINA ARE LIKELY TO MAINTAIN ROBUST GROWTH AS THE EFFECT OF THE ECONOMIC RESTRAINT MEASURES IN CHINA IS GRADUALLY BEING ABSORBED. A STRONGER U.S. IMPORT DEMAND SHOULD CONTINUE TO HELP RE-EXPORTS TO THE U.S. MARKET. MEANWHILE, THE STRENGTHENING OF THE CURRENCIES OF SEVERAL EAST ASIAN ECONOMIES AGAINST THE HONG KONG DOLLAR IN RECENT QUARTERS, THEREBY GIVING HONG KONG'S EXPORTS A GREATER RELATIVE PRICE COMPETITIVENESS, SHOULD ALSO UNDERPIN THE GROWTH IN EXPORTS TO THE MAJOR OVERSEAS MARKETS.

DOMESTIC EXPORTS ARE LIKELY TO YIELD A SMALLER DECLINE IN REAL TERMS THAN EARLIER EXPECTED FOR 1994 AS A WHOLE. THE FORECAST RATE OF DECLINE IS THUS ADJUSTED FROM 4% TO 2%. DOMESTIC EXPORTS SHOWED CLEAR SIGNS OF IMPROVEMENT IN RECENT MONTHS. THE EXCHANGE RATE AND DEMAND FACTORS SHOULD HELP TO SUSTAIN THIS TREND. THE ORDERS POSITION AND RETAINED IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES AS FORWARD INDICATORS ALSO SUGGEST IMPROVEMENT IN THE COMING MONTHS.

TAKING RE-EXPORTS AND DOMESTIC EXPORTS TOGETHER, THE GROWTH RATE IN REAL TERMS OF TOTAL EXPORTS IN 1994 IS FORECAST AT 11.4%.

IMPORTS ARE FORECAST TO GROW BY 14.7% IN REAL TERMS IN 1994. FOLLOWING A MARKED INCREASE OF ABOUT 13% IN REAL TERMS IN THE FIRST NINE MONTHS, A FURTHER PICK-UP IN GROWTH IN THE FOURTH QUARTER IS EXPECTED. IN ADDITION TO THE CONTINUED ROBUST GROWTH ENVISAGED FOR RE-EXPORTS WHICH UNDERPINS THE FORECAST IMPORT GROWTH, RETAINED IMPORTS ARE LIKELY TO FOLLOW THE STRONG UPTREND ESTABLISHED IN THE PAST TWO QUARTERS.

BOTH EXPORTS AND IMPORTS OF SERVICES ARE FORECAST TO GROW BY 7% IN REAL TERMS IN 1994, AS COMPARED TO THEIR EARLIER FORECAST GROWTH RATES OF 9% AND 8%. THIS ADJUSTMENT HAS TAKEN INTO ACCOUNT THE SLOWER EXPANSION IN TOURISM SINCE THE SECOND QUARTER. BUT TRADE-RELATED SERVICES AND OTHER EXTERNALLY ORIENTED PROFESSIONAL AND SUPPORT SERVICES SHOULD CONTINUE TO UNDERPIN THE PERFORMANCE OF INVISIBLE TRADE.

IN THE DOMESTIC SECTOR, THE FORECAST GROWTH RATE IN REAL TERMS OF PRIVATE CONSUMPTION EXPENDITURE IN 1994 IS KEPT UNCHANGED AT 7%, AND THAT OF GOVERNMENT CONSUMPTION EXPENDITURE ALSO KEPT UNCHANGED AT 4.4%. FOLLOWING THE SHARP INCREASE IN CONSUMER SPENDING IN THE FIRST QUARTER, THE FORECAST PREDICATES A LESS RAPID INCREASE IN THE LATTER PART OF THE YEAR. THE CONSOLIDATION IN THE PROPERTY AND STOCK MARKETS COULD HAVE SOME DAMPENING EFFECT ON SENTIMENT IN THE CONSUMER MARKET, IN REGARD TO MAJOR PURCHASES RATHER THAN DAILY NECESSITIES. NEVERTHELESS, CONTINUED FULL EMPLOYMENT AND RISING REAL INCOMES SHOULD STILL BE PROVIDING FIRM SUPPORT TO CONSUMPTION GROWTH.

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ON INVESTMENT SPENDING, EXPENDITURE ON BUILDING AND CONSTRUCTION BY THE PUBLIC SECTOR IS FORECAST TO GROW BY 26% IN REAL TERMS IN 1994, WHILE THAT BY THE PRIVATE SECTOR IS FORECAST TO GROW BY 13% IN REAL TERMS. THESE FORECASTS HAVE TAKEN INTO ACCOUNT THE OUTTURN IN THE FIRST HALF OF THE YEAR, PARTICULARLY THE MARKED ACCELERATION IN PRIVATE SECTOR CONSTRUCTION ACTIVITY DURING THE PERIOD. TAKING BOTH SECTORS TOGETHER, OVERALL EXPENDITURE ON BUILDING AND CONSTRUCTION IS FORECAST TO GROW BY AROUND 18% IN REAL TERMS IN 1994, UP FROM THE EARLIER FORECAST OF AROUND 15%. INFRASTRUCTURAL PROJECTS ARE THE MAIN CONSTITUENT OF THIS ROBUST GROWTH. AS TO EXPENDITURE ON MACHINERY AND EQUIPMENT, THE FORECAST GROWTH RATE IN REAL TERMS IN 1994 IS ALSO RAISED, FROM 5.8% TO 10.6%, MAINLY IN THE LIGHT OF THE SHARP INCREASE IN RETAINED IMPORTS OF CAPITAL GOODS IN RECENT QUARTERS. COMBINING ALL RELEVANT COMPONENTS, GROSS DOMESTIC FIXED CAPITAL FORMATION IN 1994 IS FORECAST TO GROW BY ABOUT 11% IN REAL TERMS.

OVERALL, THE GROWTH RATE IN REAL TERMS OF THE GDP IN 1994 IS FORECAST AT 5.7%, SAME AS IN THE AUGUST UPDATE. THE IMPROVED PERFORMANCE OF DOMESTIC EXPORTS AND FASTER CAPITAL FORMATION LOCALLY ARE EXPECTED TO BE OFFSET BY INCREASED ABSORPTION OF IMPORTS, GIVEN THE CAPACITY CONSTRAINTS IN THE ECONOMY. THE FORECAST ALSO EMBRACES A SIGNIFICANT REPLENISHMENT OF STOCKS TO MAKE UP FOR A LARGE DEPLETION OF STOCKS APPARENT IN THE LATTER PART OF LAST YEAR.

ON INFLATION, THE FORECAST RATE OF INCREASE IN THE CPI(A) IS REVISED DOWNWARDS TO 8%, WHILE THAT IN THE GDP DEFLATOR IS KEPT UNCHANGED AT 8%. THE DOWNWARD ADJUSTMENT IN THE CPI FORECAST HAS GIVEN REGARD TO THE ACTUAL INFLATION LEVEL SO FAR THIS YEAR. THE PRICES OF FOODSTUFFS, WHICH HAVE THE HEAVIEST WEIGHTING IN THE CPI(A), ARE EXPECTED TO REMAIN GENERALLY STABLE FOR THE REST OF THE YEAR. ON THE OTHER HAND, DOMESTICALLY GENERATED INFLATIONARY PRESSURES WILL CONTINUE TO AFFECT HOUSING RENTALS, TRANSPORT FARES, AND CHARGES FOR VARIOUS CONSUMER SERVICES. ALSO, IMPORT PRICES ARE EXPECTED TO FACE GREATER UPWARD PRESSURES THEREBY AFFECTING THE PRICES OF SUCH ITEMS AS CLOTHING. THUS NOTWITHSTANDING THE DOWNWARD ADJUSTMENT IN THE FORECAST, CONSUMER PRICE INFLATION IS LIKELY TO STAY RELATIVELY HIGH.

THE THIRD QUARTER ECONOMIC REPORT 1994 IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE IN CONNAUGHT PLACE, CENTRAL AT \$52 A COPY.

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/FORECAST FOR .....

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	FORECAST FOR 1994 AS RELEASED ON 26.8.1994 (%)	CURRENT UPDATE RELEASED ON 25.11.1994 (%)
GROWTH RATE IN REAL TERMS OF :		
PRIVATE CONSUMPTION EXPENDITURE	7	7
GOVERNMENT CONSUMPTION EXPENDITURE	4.4	4.4
GROSS DOMESTIC FIXED CAPITAL FORMATION	7.8	11.2
TRANSFER COSTS OF LAND AND BUILDINGS	0	-10
BUILDING AND CONSTRUCTION	15.2	18.3
PRIVATE SECTOR	5	13
PUBLIC SECTOR	30	26
REAL ESTATE DEVELOPERS' MARGIN	0	6
MACHINERY AND EQUIPMENT	5.8	10.6
PRIVATE SECTOR	5	10
PUBLIC SECTOR	35	30
TOTAL EXPORTS OF GOODS	11	11.4
DOMESTIC EXPORTS	-4	-2
RE-EXPORTS	15	15
IMPORTS OF GOODS	12.5	14.7
EXPORTS OF SERVICES	9	7
IMPORTS OF SERVICES	8	7
GROSS DOMESTIC PRODUCT (GDP)	5.7	5.7
PER CAPITA GDP	4	4.1
GROWTH RATE IN MONEY TERMS OF :		
GDP	14.1	14.1
PER CAPITA GDP	12.3	12.3
RATE OF INCREASE IN :		
GDP DEFLATOR	8	8
CONSUMER PRICE INDEX (A)	8.5	8

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MONETARY AUTHORITY WELCOMES HK ASSOCIATION OF BANKS' PROPOSAL

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THE HONG KONG MONETARY AUTHORITY WELCOMES THE PROPOSAL FROM THE COMMITTEE OF THE HONG KONG ASSOCIATION OF BANKS (HKAB) TODAY (FRIDAY) THAT THE BANK OF CHINA (BOC) SHOULD ROTATE AS CHAIRMAN BANK OF HKAB, ALONG WITH THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) AND STANDARD CHARTERED BANK (SCB).

CURRENTLY, THE THREE BANKS ARE THE CONTINUING MEMBERS ON THE COMMITTEE OF HKAB, BUT ONLY HSBC AND SCB ALTERNATE AS CHAIRMAN BANK EVERY TWO YEARS.

UNDER HKAB'S PROPOSAL, BOC WOULD BE INCLUDED AS A ROTATING CHAIRMAN WITH ITS FIRST TERM TO COMMENCE IN 1996.

IT IS FURTHER PROPOSED BY HKAB THAT THE CHAIRMANSHIP SHOULD ROTATE ON AN ANNUAL BASIS RATHER THAN EVERY TWO YEARS AS AT PRESENT.

THE PROPOSED CHANGES REQUIRE THE ENACTMENT OF AMENDMENTS TO THE HONG KONG ASSOCIATION OF BANKS ORDINANCE.

IN SUPPORTING THE PROPOSAL, MR JOSEPH YAM, CHIEF EXECUTIVE OF THE HONG KONG MONETARY AUTHORITY, SAID: "THIS IS A NATURAL DEVELOPMENT REFLECTING BOC'S INCREASINGLY IMPORTANT ROLE IN THE BANKING SECTOR. THE BOC GROUP IS THE SECOND LARGEST BANKING GROUP IN HONG KONG AND BOC HAS RECENTLY BECOME THE THIRD NOTE-ISSUING BANK.

"BY ROTATING AS CHAIRMAN BANK, BOC WILL BE AS WELL PLACED AS HSBC AND SCB TO CONTRIBUTE TO ACHIEVING THE OBJECTS OF HKAB. THE HONG KONG MONETARY AUTHORITY LOOKS FORWARD TO WORKING WITH BOC IN ITS PROPOSED NEW ROLE," HE SAID.

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70 VIETNAMESE DEPART ON ORDERLY REPATRIATION FLIGHT

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A GROUP OF 70 VIETNAMESE MIGRANTS RETURNED TO VIETNAM TODAY (FRIDAY) ON THE 19TH FLIGHT UNDER THE ORDERLY REPATRIATION PROGRAMME (ORP).

THE RETURNEES, COMPRISING 29 MEN, 28 WOMEN, EIGHT BOYS AND FIVE GIRLS, WERE MOSTLY FROM HIGH ISLAND DETENTION CENTRE. THE OLDEST WAS 54 AND THE YOUNGEST EIGHT MONTHS.

MOST OF THEM ARRIVED IN HONG KONG IN 1988 AND 1989 WITH FIVE OF THEM COMING TO THE TERRITORY IN 1993 AND 1994.

THE GROUP WAS THE LARGEST ON A SINGLE FLIGHT SINCE THE PROGRAMME STARTED IN NOVEMBER 1991 AND BROUGHT THE TOTAL NUMBER REPATRIATED ON ORP FLIGHTS TO 985.

/THE RETURNEES .....

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THE RETURNEES WERE TRANSPORTED TO THE AIRPORT EARLY THIS MORNING FOR PRE-DEPARTURE SECURITY CHECKS BEFORE BOARDING THEIR FLIGHT FOR HANOI.

THE REFUGEE CO-ORDINATOR, MR BRIAN BRESNIHAN, SAID HE WAS PLEASED THAT THIS MORNING'S OPERATION WENT SMOOTHLY.

"IT REMAINS OUR OBJECTIVE TO REPATRIATE ALL SCREENED-OUT VIETNAMESE MIGRANTS TO VIETNAM. THERE IS NO FUTURE FOR THEM IN HONG KONG AND THE BEST OPTION FOR THEM IS TO VOLUNTEER TO GO BACK TO VIETNAM," HE SAID.

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MONITORS' REPORT ON VIETNAMESE ORP OPERATION SUBMITTED TO CS

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THE GOVERNMENT ANNOUNCED THAT THE INDEPENDENT MONITORS WHO OBSERVED THE ORDERLY REPATRIATION PROGRAMME OPERATION THIS (FRIDAY) MORNING HAD SUBMITTED THEIR REPORT TO THE CHIEF SECRETARY.

A GOVERNMENT SPOKESMAN SAID THE MONITORING TEAM COMPRISED A JUSTICE OF THE PEACE, MR ALEXANDER AU, MISS JANE GOODWIN FROM CHRISTIAN ACTION AND MISS SHERMAN TANG FROM OXFAM.

THE SPOKESMAN SAID THE CHIEF SECRETARY WAS GRATEFUL TO THE MONITORS FOR OBSERVING THE OPERATION AND PRODUCING THE REPORT.

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GOVT CONTINUES TO MANAGE FINANCES RESPONSIBLY AND PRUDENTLY

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THE FINANCIAL SECRETARY, SIR HAMISH MACLEOD, TODAY (FRIDAY) ASSURED BUSINESSMEN THAT THE GOVERNMENT WOULD CONTINUE TO MANAGE ITS FINANCES IN A RESPONSIBLE AND PRUDENT MANNER.

SPEAKING AT THE HONG KONG BUSINESS SUMMIT '94 TODAY (FRIDAY), SIR HAMISH NOTED THAT WITH CHANGES IN THE LEGISLATURE, SOME BUSINESSMEN MIGHT BECOME UNEASY WHEN A SUBSTANTIAL PORTION OF THE LEGISLATIVE COUNCIL BEGAN DEMANDING MORE WELFARE.

HE POINTED OUT, HOWEVER, THAT TO PLOUGH MORE BACK INTO SOCIAL SERVICES, AND INTO HELPING THE LESS FORTUNATE AS THE COMMUNITY GOT BETTER OFF, WAS NOT AN ABANDONMENT OF THE PHILOSOPHY HONG KONG HAD BEEN ADHERING TO.

"THE HONG KONG PHILOSOPHY," HE SAID, "INCLUDES RECOGNITION THAT THE KEY TO ALL ELSE IS ECONOMIC GROWTH, AND HENCE A BUSINESS FRIENDLY GOVERNMENT, AND LOW AND PREDICTABLE TAX SYSTEM.

"IT INCLUDES A FERVENT BELIEF IN THE MERITS OF FREE TRADE AND COMPETITION; AND IN SMALL GOVERNMENT - KEEPING SPENDING UNDER CONTROL, AND HAVING SERVICES PROVIDED BY THE PRIVATE SECTOR WHEREVER POSSIBLE.

/"IT INCLUDES .....

"IT INCLUDES ADMIRATION OF SUCCESSFUL ENTREPRENEURS, AND A DESIRE TO EMULATE THEM, NOT TO JEALOUSLY CUT THEM DOWN TO SIZE," HE SAID.

SIR HAMISH SAID THIS BASIC PHILOSOPHY WAS ALSO ENSHRINED IN THE JOINT DECLARATION AND THE BASIC LAW.

"IT IS A COMPLETE MISREPRESENTATION TO CRITICISE THIS WILLINGNESS TO SPEND SOME OF OUR INCREASING WEALTH ON SOCIAL SERVICES AS MOVING HONG KONG TOWARDS A WELFARE STATE, WITH THE IMPLICATION THAT WE ARE ACCUMULATING WELFARE OBLIGATIONS BEYOND OUR MEANS TO MEET AT SOME TIME IN THE FUTURE.

"ON THE CONTRARY, WE HAVE BEEN SCRUPULOUS IN ENSURING THAT WE HAVE ADEQUATE RESERVES - TO HAVE THE SIXTH LARGEST FOREIGN CURRENCY HOLDINGS IN THE WORLD HARDLY SUGGESTS A SPENDTHRIFT GOVERNMENT - THAT THE NEW INITIATIVES ARE PROPERLY FUNDED, AND THAT WE ARE NOT LEAVING LARGE BILLS FOR OUR SUCCESSORS.

"OUR FINANCES, AND OUR FOREIGN CURRENCY RESERVES ARE THE ENVY OF THE WORLD. IT IS MY JOB TO ENSURE THAT THIS CONTINUES TO BE THE CASE," HE SAID.

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TRANSCRIPT OF FINANCIAL SECRETARY'S REMARKS

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FOLLOWING IS THE TRANSCRIPT OF THE REMARKS MADE BY THE FINANCIAL SECRETARY, SIR HAMISH MACLEOD AT THE HONG KONG CONVENTION AND EXHIBITION CENTRE THIS (FRIDAY) MORNING:

Q: I THINK YOU MIGHT WANT TO COMMENT ON THIS CASE INVOLVING GAMMON BECAUSE PAA INSIDERS ARE REPORTED TO HAVE ADMITTED THAT THEY WERE CONCERNED ABOUT THE EFFECT THE DECISION TO EXCLUDE OR INCLUDE THIS COMPANY WOULD HAVE ON LEGISLATORS, CHINA WATCHERS AND MEDIA, AND SOME HAVE JUMPED TO A CONCLUSION THAT MEANS THERE MIGHT BE A POLITICAL ANGLE THE DECISION TO EXCLUDE THIS COMPANY. WHAT HAVE YOU TO SAY?

FS : WELL, IT'S ABSURD, FRANKLY. WE HAVE A SITUATION HERE WHERE IF WE AWARD A CONTRACT TO A JARDINE'S COMPANY, WE ARE ACCUSED OF POLITICAL BIAS, IF WE DON'T AWARD A CONTRACT TO JARDINE'S COMPANY, WE'RE ALSO ACCUSED FOR POLITICAL BIAS. YOU ONLY HAVE TO STATE IT LIKE THAT TO REALISE THAT IT'S AN ABSURD SITUATION. I, OF COURSE, AM THE CHAIRMAN OF THE PAA, SO I WAS FULLY INVOLVED AND AWARE OF THAT DECISION. IT'S A CONTINUATION OF ENTIRELY NORMAL TENDER PROCEDURE. THE FACT IS, GAMMON'S LIKE ANY OTHER CONTRACTORS, WILL SOMETIMES WIN AND SOMETIMES LOSE. AND IT WILL DO THAT DEPENDING ON HOW GOOD ITS BID IS. I REALLY DEPLORE THIS ATTEMPT TO POLITICISE TENDER DECISIONS.

Q: SIR HAMISH, ONE OF THE CONCERNS ABOUT IS THE MANAGING CHANGES SOME PEOPLE IN THE BUSINESS COMMUNITY HAVE ABOUT THE LINKED EXCHANGE RATE, WHAT IS THE LATEST YOU HAVE FROM CHINA THAT THE LINKED EXCHANGE RATE WILL BE CONTINUED AFTER 1997 AND ALSO DO YOU SEE ANY SIGNS THAT INTERNATIONAL CURRENCY SPECULATORS WOULD GO OUT FOR THE HONG KONG DOLLARS AND TRY TO MAKE THE .....?

FS: ACTUALLY, HARDLY ANYONE HAS ANY CONCERN ABOUT LINKED EXCHANGE RATE. I DON'T KNOW WHY IT KEEPS COMING OUT. THE HONG KONG GOVERNMENT AND SPOKESMAN FOR CHINA HAVE ALL MADE IT CLEAR INDEED VERY RECENTLY AT THE PWC SEMINAR THAT THERE IS NO DIFFERENCE OF VIEWS WHATSOEVER BETWEEN US ON THAT ISSUE. THE LINKED EXCHANGE RATE WILL GO BEYOND 97. THE BUSINESS COMMUNITY HERE SUPPORT IT, THE OVERWHELMING MAJORITY SUPPORT IT ABSOLUTELY. IT'S BROUGHT PREDICTABILITY AND IT'S BROUGHT STABILITY. SO THAT IS NOT AN ISSUE NOR THERE IS ANY SIGNS OF SPECULATION ON THE HONG KONG DOLLAR. IT IS ALSO I MUST SAY FORTUNATE RATHER THAN CLEVER OF ME, BUT IT IS FORTUNATE THAT INTEREST RATES IN THE U.S. ARE GOING UP HENCE IN HONG KONG THEY'RE GOING UP, SO THAT THE ONE DRAWBACK OF THE LINKED RATE WHICH WE'VE ADMITTED FROM THE BEGINNING THAT WE DON'T HAVE ENTIRE CONTROL OVER INTEREST RATES. ITS CURRENTLY NOT A SERIOUS DRAWBACK, THE INTEREST RATES ARE GOING UP, AND THAT WILL HELP, NOT DRAMATICALLY, BUT IT WILL HELP COMBAT INFLATION. SO THAT'S A RATHER WELCOME.

Q: WHAT'RE YOUR COMMENTS ON THE MODERATE INCREASE IN THE MORTGAGE LOANS?

FS: WELL, AS WITH ALL STATISTICS, ITS DEPEND ON WHICH FIGURES YOU LOOK AT. THE FIGURE THAT I THOUGHT WAS INTERESTING IS PROPERLY A FAIR REFLECTION OF WHAT'S GOING ON IS THAT THE AMOUNT OF MORTGAGE LOANS OUTSTANDING IS MORE OR LESS STABLE. IT'S GONE UP 0.025, WELL SOME INSIGNIFICANT PERCENTAGE, SO THE AMOUNT OF MORTGAGE LENDING IS MORE OR LESS STABLE. I THINK THAT'S QUITE A GOOD SIGN. AT THE MOMENT I THINK BOTH ON THE DOMESTIC SIDE AND THE OFFICE SIDE, THINGS ARE GOING ON QUITE WELL, FROM MY PERSPECTIVE. THE RECENT REPORT WHICH WE ISSUED ON OFFICE ACCOMMODATION, I THINK SET OUT FAIRLY CONVINCINGLY THAT THE SUPPLY SITUATION WILL BE INCREASING QUITE NICELY IN THE NEXT YEAR OR TWO. SO I DON'T SEE ANY NEED AT THE MOMENT FOR ANY NEW INITIATIVES ON PROPERTY.

Q: SIR HAMISH, THE GRADUAL INCREASE IN INTEREST RATES HAVE LED THE STOCK MARKET FALL, WILL THIS CHANGES THE ECONOMIC OUTLOOK OF HONG KONG AND WILL THE GOVERNMENT ADJUST ITS PROJECTION ON INFLATION RATE AND GDP GROWTH?

FS: NO. IT'S A SHORT ANSWER. STOCK MARKETS ARE THEIR NATURE GO UP AND DOWN. IT DOESN'T GREATLY AFFECT OR HARDLY AFFECT AT ALL ECONOMIC GROWTH UNLESS IT'S A DRAMATIC CHANGE. IT DOES AFFECT OF COURSE A BIT THE QUEUE OF COMPANIES WHICH WISH TO RAISE MORE MONEY ON THE STOCK MARKET USUALLY THAT SLOW DOWN A BIT. BUT IN ESSENCE THE ECONOMY GOES ON, AND YOU'LL BE AWARE THAT WE ARE STILL FORECASTING GOOD GROWTH RATES FOR THIS YEAR AND BEYOND.

Q: THE LATEST FIGURES SHOWS RETAIL SERVICE HAD BEEN CONTINUING SLUGGISH AND ACCORDING TO MORGAN ... NOW HONG KONG IS NOW THE MOST EXPENSIVE RETAIL LOCATION IN THE WORLD. ARE YOU CONCERNED ABOUT THIS AND CAN YOU DO SOMETHING ABOUT IT?

FS: I THINK WE ARE QUITE EXPENSIVE, AND I DON'T THINK IF I CAN ARGUE WITH THAT. AND OF COURSE ITS RELATED TO RENTS. VERY LARGELY RELATED TO RENTS. AND I HOPE AS THE SUPPLY OF NON-RESIDENTIAL PROPERTY INCREASES WE WILL SEE SOME ADJUSTMENT THERE. BUT IT IS A CONCERN, WE ARE CERTAINLY NOT AS CHEAP AS A SHOPPERS' PARADISE AS WE USED TO BE. LAST QUESTION.

Q: HAS THE GOVERNMENT FINISHED THE LIST OF GOVERNMENT PROPERTY ASSET AND HANDED IT OVER TO THE CHINESE SIDE. IF NOT WHY, WHAT SORT OF DIFFICULTIES?

FS: I DON'T HAVE AN UPDATE ON THAT. I KNOW THAT WORK HAS BEEN PROCEEDING. AS FAR AS I KNOW, IT'S NOT BEEN FINISHED. THANK YOU VERY MUCH.

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MUCH SCOPE FOR HK TO DEVELOP VIETNAM TRADE TIES

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THE SECRETARY FOR TRADE AND INDUSTRY, MR CHAU TAK-HAY, SAID TONIGHT THERE WAS MUCH SCOPE FOR HONG KONG TO FURTHER DEVELOP ITS TRADE AND ECONOMIC TIES WITH VIETNAM.

HE MADE THE COMMENTS ON HIS RETURN TO HONG KONG AFTER LEADING AN ALL-GOVERNMENT ECONOMIC AND TRADE DELEGATION ON A WEEK-LONG VISIT TO HANOI AND HO CHI MINH CITY - THE FIRST OF ITS KIND ORGANISED BY THE HONG KONG GOVERNMENT.

MR CHAU DESCRIBED THE VISIT AS VERY SUCCESSFUL.

"VIETNAM IS AT A STAGE IN ITS TRANSFORMATION INTO A MARKET ECONOMY WHERE NOT JUST INVESTMENTS, BUT ALSO EXPERTISE FROM HONG KONG, IN MANY AREAS, COULD PLAY AN IMPORTANT ROLE IN HELPING THIS DEVELOPMENT.

"WITH OUR CLOSE PROXIMITY TO THE KEY CITIES OF HANOI AND HO CHI MINH CITY COUPLED WITH OUR HIGHLY DEVELOPED PORT AND AIRPORT FACILITIES, FINANCIAL SERVICES SECTOR AND SKILLS IN TRADING, INFRASTRUCTURE DEVELOPMENT AND MANAGEMENT, HONG KONG IS IDEALLY PLACED TO BECOME THE GATEWAY FOR VIETNAM," MR CHAU SAID.

HE SAID THERE WAS A GENUINE DESIRE ON THE PART OF THE VIETNAMESE OFFICIALS HE HAD MET TO STRENGTHEN AND DEEPEN RELATIONS WITH HONG KONG.

AT MEETINGS IN BOTH CITIES, THEY HAD SPOKEN OF THE LONG-STANDING TRADING RELATIONS WITH HONG KONG AND HAD EXPRESSED A KEEN INTEREST IN ATTRACTING FURTHER INVESTMENT FROM HONG KONG.

MR CHAU SAID BOTH SIDES AGREED THERE WERE MUTUAL BENEFITS TO BE GAINED FROM DEVELOPING CLOSER RELATIONS.

THIS COULD BE ACHIEVED THROUGH A VARIETY OF WAYS INCLUDING INCREASING THE NUMBER OF VISITS, IN BOTH DIRECTIONS, OF OFFICIALS FROM THE HONG KONG AND VIETNAMESE GOVERNMENTS.

MR CHAU SAID HE WAS PREPARED TO HELP FACILITATE VISITS SO VIETNAMESE OFFICIALS COULD SEE HOW THE HONG KONG GOVERNMENT ARRIVED AT DECISIONS RELATING TO A RANGE OF ECONOMIC ACTIVITIES.

/HOWEVER, HE .....

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HOWEVER, HE STRESSED THAT THE HONG KONG GOVERNMENT DID NOT INTERFERE IN THE DECISION-MAKING PROCESS OF BUSINESS, COMMERCIAL DECISIONS WERE LEFT FOR BUSINESS TO TAKE, ALTHOUGH THE GOVERNMENT PROVIDED THE RIGHT INFRASTRUCTURE AND BUSINESS-FRIENDLY ENVIRONMENT.

HONG KONG IS ALREADY THE BIGGEST SOURCE OF FOREIGN INVESTMENT IN VIETNAM WITH MORE THAN 200 PROJECTS AND A TOTAL APPROVED INVESTMENT OF SOME US\$1.75 BILLION.

DURING HIS MEETINGS, MR CHAU REITERATED HONG KONG'S SERIOUS CONCERN OVER THE PROBLEM INVOLVING 125 VIETNAMESE MIGRANTS AND HOPED A SOLUTION COULD BE FOUND QUICKLY.

HE ALSO STRESSED IN GENERAL TERMS THE NEED TO REPATRIATE AS SOON AS POSSIBLE THE MORE THAN 20,000 VIETNAMESE MIGRANTS STILL REMAINING IN HONG KONG, SO THAT VIETNAM'S IMAGE IN HONG KONG WOULD IMPROVE, THEREBY RESULTING IN MORE HONG KONG INVESTMENT IN VIETNAM AND MORE HONG KONG TOURISTS GOING TO VIETNAM.

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## 12 MORE HIV-INFECTED CASES CONFIRMED

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TWELVE MEN WERE FOUND TO BE POSITIVE FOR THE HIV ANTIBODY TEST LAST MONTH, THE DEPARTMENT OF HEALTH ANNOUNCED TODAY (FRIDAY).

THIS BRINGS THE NUMBER OF HIV INFECTED PERSONS IN HONG KONG TO 505.

FOUR NEW AIDS CASES WERE REPORTED DURING THE MONTH.

THE TOTAL NUMBER OF CONFIRMED AIDS CASES IS 122 WITH 71 DEATHS REPORTED.

OF THE 505 HIV-INFECTED, 188 ACQUIRED THE INFECTION THROUGH HOMOSEXUAL OR BISEXUAL SEX AND 199 THROUGH HETEROSEXUAL SEX; 11 WERE INJECTING DRUG USERS; ONE WAS A MOTHER-TO-CHILD TRANSMISSION AROUND THE TIME OF BIRTH; AND 66 ACQUIRED THE INFECTION THROUGH CONTAMINATED BLOOD OR BLOOD PRODUCTS BEFORE 1985 WHEN HIV ANTIBODY TEST AND SAFE HEAT TREATED CLOTTING CONCENTRATES WERE NOT AVAILABLE.

AS FOR THE REMAINING 40, THE INFORMATION AVAILABLE WAS INADEQUATE FOR CLASSIFICATION.

UNDER THE HIV SURVEILLANCE PROGRAMME WHICH STARTED IN 1985, A TOTAL OF 343,226 BLOOD SPECIMENS HAVE BEEN TESTED FOR THE HIV ANTIBODY.

THE HONG KONG RED CROSS BLOOD TRANSFUSION SERVICE HAS ALSO SCREENED ALL BLOOD DONORS FOR THE ANTIBODY.

UP TO LAST MONTH, 1,490,094 UNITS OF BLOOD HAD BEEN TESTED AND 35 DONORS WERE FOUND POSITIVE.

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RATING (AMENDMENT) BILL 1994

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THE RATING (AMENDMENT) BILL 1994 WAS GAZETTED TODAY (FRIDAY).

THE BILL SEEKS TO TRANSFER THE RESPONSIBILITY FOR RATES BILLING AND COLLECTION FROM THE DIRECTOR OF ACCOUNTING SERVICES TO THE COMMISSIONER OF RATING AND VALUATION, AND TO ABOLISH HALF-REFUND OF RATES FOR VACANT NON-DOMESTIC PROPERTIES.

IT ALSO PROPOSES A NUMBER OF AMENDMENTS TO STREAMLINE THE PROCEDURES RELATING TO THE ADMINISTRATION OF THE RATING SYSTEM.

UNDER THE RATING ORDINANCE, THE COMMISSIONER OF RATING AND VALUATION IS RESPONSIBLE FOR THE ASSESSMENT OF RATEABLE VALUES AND THE DIRECTOR OF ACCOUNTING SERVICES (AS THE COLLECTOR OF RATES) FOR THE BILLING AND COLLECTION OF RATES.

"THIS SEGREGATION OF RESPONSIBILITIES RESULTS IN AN UNNECESSARY AND WASTEFUL DUPLICATION OF EFFORT. RATEPAYERS ARE ALSO OFTEN UNSURE AS TO WHICH DEPARTMENT THEY SHOULD CONTACT IN CASE OF ENQUIRIES," A GOVERNMENT SPOKESMAN SAID.

"THE TRANSFER OF THE RESPONSIBILITY FOR RATES BILLING AND COLLECTION FROM THE DIRECTOR OF ACCOUNTING SERVICES TO THE COMMISSIONER OF RATING AND VALUATION WILL ENABLE THE COMMISSIONER TO PROVIDE A ONE-STOP SERVICE FOR RATEPAYERS.

"IT WILL ALSO MAKE BETTER USE OF THE RESOURCES OF THE TREASURY AND THE RATING AND VALUATION DEPARTMENT.

"THE BILL ALSO REMOVES AN ANOMALY UNDER EXISTING LAW WHEREBY HALF-REFUNDS OF RATES CONTINUE TO BE AVAILABLE IN RESPECT OF VACANT NON-DOMESTIC PREMISES ALTHOUGH REFUNDS FOR VACANT DOMESTIC PREMISES CEASED IN 1974.

"VACANT LAND AND WHERE THE VACANCY RESULTS FROM A COURT ORDER UPON THE APPLICATION OF THE GOVERNMENT WILL CONTINUE TO BE ELIGIBLE FOR FULL REFUND OF RATES.

"FOR THESE PROPERTIES, WE PROPOSE TO AMEND THE ORDINANCE SO THAT RATEPAYERS CAN CLAIM REFUNDS FOR THE ENTIRE VACANT PERIOD, INSTEAD OF WHOLE CALENDAR MONTHS ONLY.

"WE HAVE ALSO TAKEN THE OPPORTUNITY TO INTRODUCE A NUMBER OF TECHNICAL AMENDMENTS TO STREAMLINE THE PROCEDURES FOR RATES ASSESSMENT, SERVICE OF NOTICES AND RATING APPEALS.

"FOR INSTANCE, WE PROPOSE TO STANDARDISE THE EFFECTIVE DATE FROM WHICH NEWLY CONSTRUCTED PROPERTIES OF DIFFERENT TYPE, FOR EXAMPLE, DOMESTIC PROPERTIES, NON-DOMESTIC PROPERTIES AND HOME OWNERSHIP SCHEME, BECOME LIABLE TO PAYMENT OF RATES.

"UNDER THE EXISTING SYSTEM, THE MANNER IN WHICH SUCH EFFECTIVE DATES ARE DETERMINED IS RATHER COMPLICATED AND ADMINISTRATIVELY DIFFICULT.

"THE PROPOSALS WILL RESULT IN TOTAL SAVINGS OF \$4.7 MILLION A YEAR AND THE DELETION OF 12 POSTS IN THE TREASURY AND THE RATING AND VALUATION DEPARTMENT.

"THE PROPOSAL TO ABOLISH HALF-REFUND OF RATES FOR NON-DOMESTIC PROPERTIES IS EXPECTED TO GENERATE ADDITIONAL REVENUE OF ABOUT \$94 MILLION A YEAR."

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HONG KONG PEOPLE ENJOY FREE SPEECH: SHA

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HONG KONG IS A CITY WHERE ITS PEOPLE ENJOY FREE SPEECH AND WHERE DIVERSE OPINIONS CAN BE COMFORTABLY ACCOMMODATED, THE SECRETARY FOR HOME AFFAIRS, MR MICHAEL SUEN, SAID THIS (FRIDAY) MORNING.

ADDRESSING THE 27TH ASSEMBLY OF THE CHINESE-LANGUAGE PRESS INSTITUTE, MR SUEN SAID THIS WAS ALSO BEST DEMONSTRATED BY THE FACT THAT THERE WERE CURRENTLY 78 NEWSPAPERS AND 653 PERIODICALS REGISTERED IN THE TERRITORY, INCLUDING 45 CHINESE LANGUAGE DAILIES.

HE SAID: "THE LARGER PAPERS INCLUDE OVERSEAS CHINESE COMMUNITIES IN THEIR DISTRIBUTION NETWORKS, AND SOME HAVE EDITIONS PRINTED OUTSIDE HONG KONG, IN PARTICULAR IN THE UNITED STATES, CANADA, THE UNITED KINGDOM AND AUSTRALIA.

"HONG KONG IS ALSO THE SOUTHEAST ASIA BASE FOR MANY NEWSPAPERS, MAGAZINES, NEWS AGENCIES AND ELECTRONIC MEDIA."

WHILE THE FREE MARKET POLICY HAS ATTRIBUTED TO THE GROWTH OF THE NEWSPAPER INDUSTRY, THE MEDIA HAD ALSO SPARED NO EFFORT IN REPORTING TO THE COMMUNITY UP-TO-DATE FINANCIAL NEWS FROM ALL OVER THE WORLD TO ENABLE THE BUSINESS SECTOR TO GAIN AN UPPER HAND IN THEIR BUSINESSES, HE SAID.

"THIS CERTAINLY HAS A POSITIVE EFFECT ON THE DEVELOPMENT OF THE ECONOMY OF HONG KONG," HE ADDED.

ON THE TRAINING SIDE, MR SUEN SAID THE TERTIARY INSTITUTIONS GROOMED QUITE A NUMBER OF QUALIFIED PEOPLE FOR THE PROFESSION EVERY YEAR.

UPGRADING COURSES, SEMINARS AND WORKSHOPS ARE ALSO CONDUCTED BY THE JOURNALISM TRAINING BOARD AND THE HONG KONG JOURNALISTS ASSOCIATION TO BEEF UP THE STANDARDS OF WORKING JOURNALISTS.

"IN ADDITION, THEY CAN FULLY AVAIL THEMSELVES OF THE MANY CHANCES TO EXCHANGE EXPERIENCE WITH THEIR OVERSEAS COUNTERPARTS IN ORDER TO BROADEN THEIR HORIZON," HE SAID.

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HK PRAISED FOR PROMOTING COVENANT ON ECONOMIC,  
SOCIAL AND CULTURAL RIGHTS

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THE HONG KONG GOVERNMENT WAS PRAISED YESTERDAY (THURSDAY, GENEVA TIME) IN GENEVA BY MEMBERS OF THE UNITED NATIONS COMMITTEE ON ECONOMIC, SOCIAL, AND CULTURAL RIGHTS FOR ITS EXEMPLARY ACHIEVEMENTS IN THE PROMOTION AND DISSEMINATION OF THE PROVISIONS OF THE INTERNATIONAL COVENANT ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS (ICESCR).

AFTER LEARNING FROM THE SOLICITOR GENERAL, MR DANIEL R FUNG, QC, LEADER OF THE HONG KONG GOVERNMENT TEAM FORMING PART OF THE UNITED KINGDOM DELEGATION, THAT COPIES IN ENGLISH AND IN CHINESE OF THE INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS (ICCPR) AND THE ICESCR WERE WIDELY DISTRIBUTED TO ALL WALKS OF THE COMMUNITY, A MEMBER OF THE UN COMMITTEE, JUDGE PHILIPPE TEXIER OF FRANCE, SAID HONG KONG "HAD DONE INFINITELY MORE THAN THE 129 SIGNATORIES OF THE ICESCR".

HE FURTHER EXPRESSED THE HOPE THAT OTHER TERRITORIES MIGHT FOLLOW SUIT.

ANOTHER MEMBER OF THE COMMITTEE, PROFESSOR BRUNO SIMMA OF GERMANY, SAID SINCE HE JOINED THE COMMITTEE IN 1987, NO OTHER DEPENDENT TERRITORY OR COUNTRY HAD GONE TO SUCH PAINS TO DISSEMINATE COPIES OF THE COVENANT. HE CONGRATULATED THE HONG KONG GOVERNMENT FOR THE EFFORTS.

MR FUNG EARLIER TOLD THE COMMITTEE DURING THE SECOND DAY OF ITS HEARING ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS IN HONG KONG, THAT A LARGE QUANTITY OF THE COVENANTS WERE PRINTED AND MADE AVAILABLE, FREE OF CHARGE, ON DEMAND TO MEMBERS OF THE PUBLIC, DISTRICT BOARDS, MUNICIPAL COUNCILS, AND THE LEGISLATIVE COUNCIL.

DURING YESTERDAY'S MEETING, MR FUNG ALSO ANSWERED QUESTIONS RAISED BY THE COMMITTEE ON A RANGE OF ISSUES INCLUDING BEDSPACE APARTMENTS, THE VARIOUS ANTI-DISCRIMINATION BILLS PUT BEFORE THE LEGISLATIVE COUNCIL, DRUG ABUSE AMONG THE YOUNG, CHILD ABUSE AND THE TAKING INTO ACCOUNT VIEWS OF NON-GOVERNMENTAL ORGANISATIONS (NGO) BEFORE REPORTS UNDER THE ICESCR WERE SUBMITTED TO THE UN HUMAN RIGHTS COMMITTEE.

AS TO THE QUESTION OF GAUGING NGOS' VIEWS, MR FUNG SAID THE GOVERNMENT WAS CONSIDERING WAYS OF ESTABLISHING A FORMALISED SYSTEM TO SEEK THE VIEWS OF NGOS BEFORE SUBMITTING FUTURE REPORTS TO THE UN.

HE SAID THE GOVERNMENT HAD ALWAYS VALUED THE VIEWS EXPRESSED BY THE NGOS IN THE PROMOTION OF HUMAN RIGHTS IN HONG KONG, AND HOPED THAT THE NEW SYSTEM WOULD ENHANCE THE GOVERNMENT'S WORK IN THIS AREA.

BECAUSE OF THE LARGE NUMBER OF QUESTIONS RAISED BY MEMBERS OF THE COMMITTEE, THE HEARING WAS EXTENDED FOR A HALF-DAY TODAY (FRIDAY).

FRIDAY, NOVEMBER 25, 1994

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GOVT VALUES NGOS' VIEWS ON HUMAN RIGHTS

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THE UNITED KINGDOM DELEGATION HAD A USEFUL AND CONSTRUCTIVE FINAL HEARING BEFORE THE UNITED NATIONS COMMITTEE ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS WHICH ENDED TODAY (FRIDAY) IN GENEVA.

THE SOLICITOR GENERAL, MR DANIEL R FUNG, QC, LEADER OF THE HONG KONG TEAM WHICH FORMS PART OF THE UK DELEGATION, SAID HE WAS CONFIDENT THAT THE UN COMMITTEE NOW HAVE A BETTER UNDERSTANDING OF THE SITUATION CONCERNING ECONOMIC, SOCIAL AND CULTURAL RIGHTS IN HONG KONG AFTER THE THREE-DAY HEARING.

MR FUNG SAID HE WAS ALSO PLEASED THAT NON-GOVERNMENTAL ORGANISATIONS (NGOS) FROM HONG KONG HAD HAD AN OPPORTUNITY TO EXPRESS THEIR CONCERNS ON A NUMBER OF ISSUES.

"I WAS PLEASED TO HAVE THE OPPORTUNITY TO ADDRESS CONCERNS RAISED BY NGOS ON MONDAY, AND FOLLOW UP QUESTIONS RAISED BY COMMITTEE MEMBERS DURING THEIR MEETINGS WITH THE UK DELEGATION ON WEDNESDAY, THURSDAY AND TODAY," HE SAID.

"THIS GAVE THE HONG KONG GOVERNMENT TEAM AN OPPORTUNITY TO REPORT TO THE COMMITTEE THE WORK THE HONG KONG GOVERNMENT HAD DONE IN THESE AREAS, CLARIFY SOME MISCONCEPTIONS AND PRESENT THE HONG KONG CASE IN THE RIGHT PERSPECTIVE," HE ADDED.

MR FUNG ADDED THAT HE WAS GRATEFUL FOR THE VIEWS EXPRESSED BY THE UN COMMITTEE AND SAID THAT THE GOVERNMENT WOULD STRIVE TO ADDRESS THESE CONCERNS AS APPROPRIATE.

HE SAID ALTHOUGH HONG KONG HAD A VERY IMPRESSIVE HUMAN RIGHTS RECORD, WHICH MUST BE RANKED AMONG THE BEST IN ASIA, THE GOVERNMENT WAS NOT COMPLACENT AND WAS AWARE THAT THERE WERE AREAS WHERE IMPROVEMENTS COULD BE MADE.

MR FUNG ALSO SAID THAT THE GOVERNMENT WAS ACTIVELY WORKING TO STRENGTHEN CONTACTS WITH NGOS TO ENSURE THEIR VIEWS WERE FULLY TAKEN INTO ACCOUNT IN FUTURE REPORTS SUBMITTED TO THE UN.

"WE ALWAYS VALUE THE VIEWS EXPRESSED BY NGOS IN THE PROMOTION OF HUMAN RIGHTS IN HONG KONG AND HOPE THAT THE NEW SYSTEM WOULD ENHANCE OUR WORK IN THIS AREA," HE SAID.

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TOKYO TOMIN BANK GRANTED LICENCE

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A GOVERNMENT SPOKESMAN SAID TODAY (FRIDAY) THE TOKYO TOMIN BANK, LTD (TTB) HAD BEEN GRANTED A BANKING LICENCE TO CONDUCT BUSINESS IN HONG KONG.

TTB WAS ESTABLISHED IN 1951. IT IS A REGIONAL BANK BASED IN TOKYO WITH 81 BRANCHES IN JAPAN AND AN OVERSEAS BRANCH IN NEW YORK. IT IS THE 55TH LARGEST BANK IN JAPAN AND RANKS 238TH IN THE WORLD IN TERMS OF CAPITAL.

IN HONG KONG, TTB HAS BEEN OPERATING A REPRESENTATIVE OFFICE SINCE 1987. IT ALSO HAS A DEPOSIT-TAKING COMPANY SUBSIDIARY WHICH WAS ESTABLISHED IN 1990.

THE BANK WISHES TO UPGRADE THE REPRESENTATIVE OFFICE TO A BRANCH TO OFFER A WIDER RANGE OF BANKING SERVICES TO ITS CLIENTS, WHO HAVE BUSINESS TRANSACTIONS IN HONG KONG, CHINA AND OTHER SOUTHEAST ASIAN COUNTRIES.

THE PRINCIPAL BUSINESS OF THE PROPOSED BRANCH INCLUDES CORPORATE FINANCE, LOAN SYNDICATION, FOREIGN EXCHANGE TRANSACTIONS AND SECURITIES INVESTMENTS.

THE SPOKESMAN SAID THE CONTINUING INTEREST OF FOREIGN BANKS IN ENTERING THE LOCAL MARKET REFLECTED HONG KONG'S CONTINUED IMPORTANCE AND ATTRACTIVENESS AS A MAJOR INTERNATIONAL FINANCIAL CENTRE.

THE LICENCE FOR TTB IS THE NINTH BANKING LICENCE GRANTED IN 1994.

THERE ARE NOW 179 LICENSED BANKS IN HONG KONG, OF WHICH 147 ARE INCORPORATED OUTSIDE THE TERRITORY. OF THESE, 42 ARE FROM JAPAN.

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LANDS TO BE RESUMED FOR AIRPORT RAILWAY WORKS

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THE GOVERNMENT WILL ACQUIRE PRIVATE PROPERTY IN CENTRAL FOR CONSTRUCTING THE CENTRAL SUBWAY WHICH IS AN ESSENTIAL PASSENGER LINK BETWEEN THE EXISTING MASS TRANSIT RAILWAY CENTRAL STATION AND THE NEW HONG KONG CENTRAL STATION AT CENTRAL RECLAMATION, THE GOVERNMENT GAZETTE NOTIFIED TODAY (FRIDAY).

A GOVERNMENT SPOKESMAN SAID THE PRIVATE LAND TO BE ACQUIRED WAS ONLY A PORTION OF THE UNDERGROUND STRATUM BENEATH EXCHANGE SQUARE IN CENTRAL AND WAS THE MINIMUM NECESSARY TO IMPLEMENT THE PROJECT.

ANY PERSON ENTITLED TO COMPENSATION UNDER THE MASS TRANSIT RAILWAY (LAND RESUMPTION AND RELATED PROVISIONS) ORDINANCE MAY SUBMIT A WRITTEN CLAIM TO THE DIRECTOR OF LANDS WITHIN ONE YEAR AFTER RESUMPTION NOTICE.

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OVER 1,700 OUTLETS FOR SENIOR CITIZEN CARDS  
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THERE ARE 1,775 OUTLETS IN THE TERRITORY OFFERING CONCESSIONS OR PRIORITY SERVICES TO SENIOR CITIZEN CARD HOLDERS, THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, SAID TODAY (FRIDAY).

SPEAKING AT THE CERTIFICATE-PRESENTATION CEREMONY OF THE SENIOR CITIZEN CARD SCHEME, HE SAID MORE AND MORE COMPANIES AND ESTABLISHMENTS AT THE LOCAL DISTRICT LEVEL PARTICIPATED IN THE SCHEME.

THEY INCLUDE PUBLIC LIGHT BUS COMPANIES, NOODLE SHOPS, HERBAL TEA SHOPS, OPTICAL SHOPS AND PRIVATE MEDICAL PRACTITIONERS.

"AS ONE OF THE NEW INITIATIVES TO PROMOTE COMMUNITY SUPPORT FOR SENIOR CITIZENS, WE HAVE LAUNCHED THE SENIOR CITIZEN CARD SCHEME SINCE MARCH 10, 1994.

"SENIOR CITIZEN CARDS ARE ISSUED FREE OF CHARGE TO ALL HONG KONG RESIDENTS AGED 65 OR ABOVE AT FIRST ISSUE. THE CARD IS A GENERAL RECOGNISED PROOF OF AGE AND WILL FACILITATE SENIOR CITIZENS TO HAVE ACCESS TO CONCESSIONARY FARES, DISCOUNT AND PRIORITY SERVICES," MR STRACHAN SAID.

HE SAID THE SOCIAL WELFARE DEPARTMENT HAD RECEIVED A TOTAL OF 341,000 APPLICATIONS UP TO THE END OF OCTOBER AND 334,000 SENIOR CITIZEN CARDS HAD BEEN ISSUED AND MAILED TO THE APPLICANTS.

"WE ARE ABLE TO PROCESS SO MANY CARDS WITHIN SUCH A SHORT PERIOD OF TIME NOT ONLY BECAUSE WE HAVE A TEAM OF VERY EFFICIENT STAFF, BUT A GROUP OF OVER 70 VERY ENTHUSIASTIC VOLUNTEERS FROM SCHOOLS AND COMMUNITY CENTRES, WHO HAD DEVOTED THEIR TIME IN HELPING US PROCESS SOME OF THE CARDS," HE ADDED.

MR STRACHAN LATER PRESENTED CERTIFICATES OF APPRECIATION TO MORE THAN 50 COMPANIES THAT HAD TAKEN PART IN THE SCHEME.

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NO PLAN TO TERMINATE NEIGHBOURHOOD PROJECTS  
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THE GOVERNMENT HAS NO INTENTION TO TERMINATE NEIGHBOURHOOD LEVEL COMMUNITY DEVELOPMENT PROJECTS (NLCDP) AS LONG AS THERE ARE AREAS TO BE SERVED BY THESE TEAMS UNDER THE EXISTING CRITERION AND POLICY.

AT A MEETING OF THE LEGISLATIVE COUNCIL WELFARE SERVICES PANEL, THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, THE DEPUTY SECRETARY FOR HOME AFFAIRS, MRS BRENDA FUNG AND OTHER GOVERNMENT OFFICIALS BRIEFED MEMBERS ON THE BACKGROUND AND LATEST DEVELOPMENTS CONCERNING THE SERVICE.

MEMBERS WERE TOLD THAT NLCDPs WERE INTRODUCED IN THE 1970s TO DEPRIVED AND TRANSIENT COMMUNITIES WHERE THE PROVISION OF WELFARE SERVICES WERE INADEQUATE OR NON-EXISTENT.

THESE TEMPORARY COMMUNITIES INCLUDE SQUATTER AREAS, TEMPORARY HOUSING ESTATES, BOAT SQUATTERS AND PUBLIC HOUSING ESTATES UNDER REDEVELOPMENT.

"OWING TO THE EXPANSION IN PROVISION OF WELFARE SERVICES AND HOUSING DEPARTMENT'S REDEVELOPMENT PROGRAMMES OVER THE YEARS, THE NUMBER OF AREAS TO BE SERVED BY NLCDPS HAS BEEN ON THE DECLINE," THEY POINTED OUT.

WHILE ACKNOWLEDGING THAT NLCDPS HAVE PLAYED THEIR PART IN THE DEVELOPMENT OF SUCH COMMUNITIES, GOVERNMENT OFFICIALS SAID SUCH SERVICE HAD TO BE VIEWED AGAINST THE BACKGROUND OF THE DWINDLING NUMBER OF SERVICE TARGETS AND THE INCREASING DEVELOPMENT OF WELFARE SERVICES AND COMMUNITY BUILDING EFFORTS.

QUOTING EXAMPLES OF THE EXPANSION OF WELFARE SERVICES, MR STRACHAN SAID THERE WAS NO TEMPORARY SHELTER FOR STREET SLEEPERS AND NO SOCIAL CENTRE FOR THE ELDERLY IN THE 70S WHEN NLCDPS WERE INTRODUCED. THERE ARE AT PRESENT 482 PLACES FOR STREET SLEEPERS AND 142 SOCIAL CENTRES FOR THE ELDERLY.

THE OFFICIALS NOTED THAT FULL IMPLEMENTATION OF THE DISTRICT ADMINISTRATION SCHEME PROVIDED A LOT OF CHANNELS FOR THE PUBLIC TO VOICE THEIR OPINIONS AND TO PARTICIPATE IN THE PROCESS OF PUBLIC ADMINISTRATION.

IN ADDITION TO THE DISTRICT BOARDS WHICH CONSTITUTE A FORUM FOR PUBLIC CONSULTATION ON GOVERNMENT POLICIES AND PUBLIC PARTICIPATION IN DISTRICT ADMINISTRATION, THERE ARE A LARGE NUMBER OF ORGANISATIONS SERVING AS AN EXTENSIVE AND EFFECTIVE NETWORK OF COMMUNICATION BETWEEN THE GOVERNMENT AND RESIDENTS AT THE LOCAL GRASS-ROOT LEVEL.

THE OFFICIALS POINTED OUT THAT TO CATER FOR THE SPECIAL NEEDS OF ELDERLY TENANTS IN PUBLIC HOUSING ESTATES, THE HOUSING AUTHORITY HAS ALSO LAUNCHED AN ESTATE LIAISON OFFICER SCHEME WHICH AIMS AT SERVING ELDERLY TENANTS IN SELECTED ESTATES. IT WAS NOTED THAT A TOTAL OF \$7.2 MILLION WAS SPENT DURING THE YEAR 1993/94 FOR THE IMPLEMENTATION OF THE SCHEME.

MRS FUNG ADVISED THE PANEL THAT THE HOME AFFAIRS BRANCH HAD DISCUSSED PROPOSALS FROM THE HONG KONG COUNCIL OF SOCIAL SERVICE TO EXPAND NLCDPS. "DIALOGUE WITH THE COUNCIL ON THE FUTURE DEVELOPMENT OF NLCDPS WILL CONTINUE," SAID MRS FUNG.

FRIDAY, NOVEMBER 25, 1994

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BOILERS AND PRESSURE VESSELS AMENDMENT REGULATION GAZETTED

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FEEES FOR THE ISSUE OF A CERTIFICATE OF COMPETENCY AND THE EXAMINATION FEE FOR THE ISSUE OF CERTIFICATE OF COMPETENCE WILL BE REVISED UNDER THE BOILERS AND PRESSURE VESSELS (AMENDMENT) (NO.2) REGULATION 1994 GAZETTED TODAY (FRIDAY).

A GOVERNMENT SPOKESMAN SAID IT WAS GOVERNMENT POLICY THAT FEES SHOULD IN GENERAL BE SET AT LEVELS SUFFICIENT TO RECOVER THE FULL COSTS OF PROVIDING THE SERVICES.

FROM JANUARY 1 NEXT YEAR, THE FEE FOR THE ISSUE OF A CERTIFICATE OF COMPETENCY WILL BE REVISED TO \$275 AND THE EXAMINATION FEE FOR ISSUE OF CERTIFICATE OF COMPETENCY WILL BE ADJUSTED TO \$510.

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BA PUBLISHES RECORDS OF PUBLIC HEARINGS

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THE BROADCASTING AUTHORITY HAS PRODUCED A RECORD OF THE THREE PUBLIC HEARINGS HELD EARLIER THIS YEAR AS PART OF ITS MID-TERM REVIEW OF THE COMMERCIAL TELEVISION LICENCES HELD BY ATV AND TVB.

COPIES OF THE RECORD WILL BE PLACED IN PUBLIC LIBRARIES AND MAY BE OBTAINED FREE OF CHARGE FROM DISTRICT OFFICES. THE BROADCASTING AUTHORITY WILL ENSURE THAT PARTIES WITH A KEEN INTEREST IN THE PUBLIC HEARINGS WILL RECEIVE COPIES OF THE RECORD.

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TUEN MUN ELDERLY HOME OPENS

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THE GOAL OF GOVERNMENT'S SERVICES FOR THE ELDERLY IS TO IMPROVE THE QUALITY OF LIFE OF OLD PEOPLE SO THAT THEY CAN ENJOY A COMFORTABLE AND DIGNIFIED OLD AGE.

THIS WAS STATED BY THE DIRECTOR OF SOCIAL WELFARE, MR IAN STRACHAN, WHEN HE OFFICIATED AT THE OPENING CEREMONY OF THE CARITAS LI KA SHING CARE AND ATTENTION HOME IN TUEN MUN THIS (FRIDAY) AFTERNOON.

NOTING THAT THERE WAS A GROWING DEMAND FOR SERVICES FOR SENIOR CITIZENS IN HONG KONG, MR STRACHAN SAID THE EXECUTIVE COUNCIL HAD ENDORSED THE REPORT OF THE WORKING GROUP ON CARE FOR THE ELDERLY IN OCTOBER.

"OVER THE NEXT FEW YEARS WE WILL IMPLEMENT THE 71 RECOMMENDATIONS OF THE WORKING GROUP WHICH WILL COST OVER \$800 MILLION.

"WE WILL DEVELOP A COMPREHENSIVE APPROACH TO THE CARE AND THE WELFARE OF OUR ELDERLY CITIZENS," HE SAID.

/POINTING OUT .....

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POINTING OUT THAT THE CARITAS LI KA SHING CARE AND ATTENTION HOME HAD A CAPACITY OF 248 RESIDENTIAL PLACES FOR ELDERLY PERSONS, MR STRACHAN SAID THESE PLACES WERE TARGET PROVISIONS MEETING THE GOVERNOR'S PLEDGE OF PROVIDING 5,000 ADDITIONAL CARE-AND-ATTENTION PLACES BY 1997.

THE CARITAS LI KA SHING CARE AND ATTENTION HOME IS THE SECOND HOME FOR THE ELDERLY SUPPORTED BY A GENEROUS DONATION FROM MR LI. A THIRD HOME WILL COME INTO OPERATION IN KOWLOON EARLY NEXT YEAR.

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CODE OF PRACTICE FOR BEDSPACE APARTMENT OPERATORS

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THE CITY AND NEW TERRITORIES ADMINISTRATION (CNTA) HAS PUBLISHED A CODE OF PRACTICE FOR OPERATORS OF BEDSPACE APARTMENTS.

THE CODE OF PRACTICE, WHICH WAS GAZETTED TODAY (FRIDAY), SETS OUT TECHNICAL REQUIREMENTS ON SANITATION AND FIRE AND BUILDING SAFETY FOR THE OPERATION OF THESE PREMISES.

A SPOKESMAN FOR CNTA SAID THE CODE WAS ONLY A GENERAL GUIDELINE FOR OPERATORS TO FOLLOW.

HE SAID OTHER ALTERNATIVES MAY ALSO BE ACCEPTABLE IF THEY PROVIDED AN EQUIVALENT LEVEL OF SAFETY.

"INDIVIDUAL OPERATORS WILL BE INFORMED OF THE TYPE OF UPGRADING WORK WHICH HAS TO BE CARRIED OUT BEFORE THEY CAN BE ISSUED WITH A LICENCE," HE ADDED.

THE CODE OF PRACTICE COVERS A WIDE VARIETY OF AREAS INCLUDING FIRE RESISTANT CONSTRUCTION, MEANS OF ESCAPE, KITCHENS, LIGHTING, VENTILATION, PROVISION OF SANITARY REQUIREMENTS AND PLUMBING.

COPIES OF THE CODE ARE NOW AVAILABLE AT CNTA'S OFFICE OF THE LICENSING AUTHORITY ON THE SEVENTH FLOOR, HENNESSY CENTRE, EAST WING, 500 HENNESSY ROAD, CAUSEWAY BAY, HONG KONG.

ENQUIRIES CAN BE MADE ON TELEPHONE 881 7498.

THE BEDSPACE APARTMENTS ORDINANCE, ENACTED IN APRIL THIS YEAR, IS AIMED AT PROVIDING A LICENSING SCHEME TO REGULATE THE FIRE AND BUILDING SAFETY OF BEDSPACE APARTMENTS.

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RECLAMATION AND CONSTRUCTION OF SEAWALL AND PIER AT STANLEY BAY

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ABOUT 4,000 SQUARE METRES OF FORESHORE AND SEABED WILL BE RECLAIMED AND A SEAWALL, A PUBLIC PIER AND A CULVERT OUTFALL WILL BE CONSTRUCTED AT STANLEY BAY.

THE PROJECT IS PART OF THE HOUSING AUTHORITY'S MA HANG VILLAGE REDEVELOPMENT. IT INCLUDES THE RECONSTRUCTION OF MURRAY HOUSE, WHICH WOULD ENHANCE THE POPULARITY OF MA HANG VILLAGE AS AN EXTENSION OF THE TOURIST AREA IN STANLEY.

THE SEAWALL WILL PROTECT THE WATERFRONT AGAINST DAMAGE BY THE SEA, ESPECIALLY IN THE VICINITY OF TIN HAU TEMPLE AND TAI WONG TEMPLE.

THE MA HANG VILLAGE REDEVELOPMENT PROVIDES PUBLIC HOUSING AND RELATED COMMERCIAL, EDUCATIONAL AND COMMUNITY WELFARE FACILITIES WHICH IS BENEFICIAL TO THE COMMUNITY AS A WHOLE.

THE EXTENT OF THE AREA AFFECTED IS DESCRIBED IN A GAZETTE NOTICE PUBLISHED TODAY (FRIDAY).

THE NOTICE AND ITS RELATED PLAN CAN BE SEEN AT THE LANDS DEPARTMENT'S SURVEY AND MAPPING OFFICE, 14TH FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG; THE SOUTHERN DISTRICT OFFICE, SHOP 25, GROUND FLOOR, ABERDEEN CENTRE, 7-11 NAM NING STREET, ABERDEEN, HONG KONG; AND AT THE STANLEY SUB-OFFICE OF SOUTHERN DISTRICT, FIRST FLOOR, 14 WONG MA KOK ROAD, STANLEY, HONG KONG DURING NORMAL OFFICE HOURS.

ANY PERSON WHO CONSIDERS THAT HIS INTEREST, RIGHT OR EASEMENT IN OR OVER THE FORESHORE AND SEA-BED INVOLVED WILL BE INJURIOUSLY AFFECTED BY THE ABOVE UNDERTAKING MAY SEND A WRITTEN CLAIM FOR COMPENSATION TO THE DIRECTOR OF LANDS BEFORE NOVEMBER 25, 1995.

HE SHOULD STATE IN HIS SUBMISSION THE SUM OF MONEY HE IS WILLING TO ACCEPT IN FULL AND FINAL SETTLEMENT OF HIS CLAIM AND SUBMIT SUCH PARTICULARS WHICH HE POSSESSES TO SUBSTANTIATE HIS CLAIM.

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ENTRANCE TOWER OF MA WAT WAI A HISTORICAL BUILDING

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THE ENTRANCE TOWER OF MA WAT WAI IN LUNG YEUK TAU, FANLING WAS TODAY (FRIDAY) GAZETTED AS A HISTORICAL BUILDING UNDER THE ANTIQUITIES AND MONUMENTS ORDINANCE.

MA WAT WAI IS ONE OF THE FIVE RENOWNED WALLED VILLAGES IN LUNG YEUK TAU ESTABLISHED BY THE TANG CLAN WHOSE ANCESTORS BRANCHED OUT FROM THE MAIN TANG SETTLEMENT IN KAM TIN IN THE 13TH CENTURY.

THE TANGS IN LUNG YEUK TAU, AMONGST THEIR FELLOW CLANSMEN IN THE TERRITORY, HAVE THE STRONGEST CLAIMS TO ROYAL DESCENT. THEY ARE DESCENDANTS FROM THE ELDEST SON OF THE SOUTHERN SONG. (1127-1279) PRINCESS WHO WAS MARRIED TO TANG WAI-KAP, ALIAS CHI-MING, IN KAM TIN.

A SOUL TABLET OF THE PRINCESS IS STILL WORSHIPPED AT THE ALTAR OF THEIR MAIN ANCESTRAL HALL, THE TANG CHUNG-LING ANCESTRAL HALL.

MA WAT WAI WAS BUILT DURING THE QIAN LONG REIGN (1736-1796) AND TOGETHER WITH FOUR OTHER WALLED VILLAGES IN THE AREA, THAT IS, LO WAI, TUNG KOK WAI, WING LING WAI AND SAN WAI (OR KUN LUNG WAI) ARE WIDELY-KNOWN AS THE "FIVE WAIS".

OF THE FIVE WAIS, SAN WAI IS THE FIRST TO HAVE BEEN DECLARED A MONUMENT. ITS GATE TOWER AND WALLS WERE DECLARED AS MONUMENTS IN 1988 AND 1991 RESPECTIVELY.

MA WAT WAI WAS ORIGINALLY A VILLAGE ENCLOSED BY BRICK WALLS ON FOUR SIDES WITH A TOWER AT EACH CORNER.

ROWS OF HOUSES OCCUPIED THE INSIDE OF THE VILLAGE WITH A SHRINE AT THE FARTHEST END TO THE ENTRANCE GATE.

LARGE PARTS OF THE WALLS AND ALL THE CORNER TOWERS, HOWEVER, HAVE EITHER COLLAPSED OR BEEN DEMOLISHED TO MAKE WAY FOR NEW CONSTRUCTIONS, LEAVING ONLY THE ENTRANCE GATE AND PART OF THE WALLS.

THE ENTRANCE TOWER IS IN FAIRLY GOOD CONDITION.

IT HAS A FINE FACADE OF GRANITE BLOCKS SURMOUNTED WITH A RED SAND STONE LINTEL CARVED WITH THE CHARACTERS LITERALLY MEANING A PLACE OF LONGEVITY IN CHINESE.

THE DECLARATION OF THE ENTRANCE TOWER OF MA WAT WAI AS A MONUMENT WAS RECOMMENDED BY THE ANTIQUITIES ADVISORY BOARD AND HAS THE FULL SUPPORT OF THE TANG CLAN IN LUNG YEUK TAU.

RESTORATION OF THE ENTRANCE TOWER WILL COMMENCE SOON WITH FUNDING FROM THE GOVERNMENT.

THE WORKS WILL BE SUPERVISED BY THE ANTIQUITIES SECTION OF THE ARCHITECTURAL SERVICES DEPARTMENT AND THE ANTIQUITIES AND MONUMENT OFFICE OF THE RECREATION AND CULTURE BRANCH.

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18 APPOINTED TO BEDSPACE APARTMENTS APPEAL BOARD

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THE GOVERNOR HAS APPOINTED 18 PERSONS TO SIT ON THE BEDSPACE APARTMENTS APPEAL BOARD FOR A PERIOD OF TWO YEARS FROM DECEMBER 1 THIS YEAR.

A NOTICE OF THE ANNOUNCEMENTS WAS GAZETTED TODAY (FRIDAY).

/THE BOARD .....

THE BOARD WILL BE HEADED BY MR CHUNG PUI-LAM. THE OTHER MEMBERS ARE:

MR POON CHO-YIU, RONALD  
MR YUEN KING-YUK, JASON  
MR CHEUNG HON-KAU, CARLOS  
MISS CHIANG LILY  
MR SHEN EDWARD  
MR LUI LAI-CHEUNG, FREDERICK  
MR TAM TAI-ON  
MR LAM CHUN, DANIEL  
MR WONG SAN, SAMSON  
MR MICHAEL ROBERT MANN  
MR LAU CHI-KEUNG  
MR CHAN WAH-WAI, DAVID  
MR CHEUNG KWOK-HO, RICHARD  
MR WONG CHIK-WING  
MR WONG FOOK-YUE, DAVID  
DR WANG WEI-HUNG, ANDREW  
MR YU SHIU-TIN, PAUL

THE APPEAL BOARD IS ESTABLISHED UNDER THE BEDSPACE APARTMENTS ORDINANCE TO DEAL WITH APPEALS RELATING TO THE LICENSING SCHEME.

THE BEDSPACE APARTMENTS ORDINANCE WAS ENACTED IN APRIL THIS YEAR TO PROVIDE FOR A LICENSING SYSTEM TO REGULATE THE FIRE AND BUILDING SAFETY OF BEDSPACE APARTMENTS.

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#### ROADS FOR DRAINAGE CHANNEL MAINTENANCE PROPOSED

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THE TERRITORY DEVELOPMENT DEPARTMENT HAS PROPOSED CONSTRUCTING NEW ROADS ALONG A PLANNED DRAINAGE CHANNEL FROM TAI KEK TO KAM TIN ROAD IN KAM TIN.

THE NEW ROADS, WHICH FORM PART OF THE IMPROVEMENT WORKS TO KAM TIN RIVER, WILL FACILITATE THE MAINTENANCE OF THE DRAINAGE CHANNEL.

THE ROADWORKS ALSO INCLUDE THE CONSTRUCTION OF VEHICULAR BRIDGES, FOOTBRIDGES, AND ASSOCIATED EARTH, DRAINAGE AND SLOPE WORKS, AS WELL AS THE RECONSTRUCTION OF THE EXISTING FOOTPATHS AND ACCESS ROADS.

SOME EXISTING TRACKS, FOOTPATHS, PEDESTRIAN BRIDGES WOULD HAVE TO BE CLOSED TO FACILITATE THE WORKS. HOWEVER, PEDESTRIAN AND VEHICULAR ACCESS WOULD BE MAINTAINED DURING CONSTRUCTION.

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

THE PLAN AND SCHEME SHOWING THE PROPOSED WORKS CAN BE SEEN DURING OFFICE HOURS AT:

/\* PUBLIC ENQUIRY .....

- \* PUBLIC ENQUIRY SERVICE CENTRE OF THE CENTRAL AND WESTERN DISTRICT OFFICE, GROUND FLOOR, HARBOUR BUILDING, 38 PIER ROAD, CENTRAL;
- \* YUEN LONG DISTRICT LANDS OFFICE, NINTH TO 11TH FLOOR, 2 KIU LOK SQUARE, YUEN LONG, NEW TERRITORIES; AND
- \* YUEN LONG DISTRICT OFFICE, YUEN LONG DISTRICT BRANCH OFFICES BUILDING, 269 CASTLE PEAK ROAD, YUEN LONG, NEW TERRITORIES.

ANY PERSON WISHING TO OBJECT TO THE PROPOSALS SHOULD WRITE TO THE SECRETARY FOR TRANSPORT, CENTRAL GOVERNMENT OFFICES, EAST WING, SECOND FLOOR, LOWER ALBERT ROAD, NO LATER THAN JANUARY 24, 1995, DESCRIBING HIS INTEREST AND MANNER IN WHICH HE WILL BE AFFECTED.

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PARKING METER CHARGES REVISED

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THE TRANSPORT DEPARTMENT ANNOUNCES THAT FROM 10 AM ON SUNDAY (NOVEMBER 27), THE FEES FOR THE METERED PARKING SPACES ON ROADS IN TSIM SHA TSUI AND MONG KOK WILL BE REVISED FROM \$2 PER 30 MINUTES TO \$2 PER 15 MINUTES OF PARKING TIME.

THE PARKING METERS IN TSIM SHA TSUI ARE AT OBSERVATORY COURT, MINDEN ROW, MINDEN AVENUE, BLENHEIM AVENUE, MODY ROAD, HART AVENUE, CAMERON LANE, HAU FOOK STREET, GRANVILLE ROAD, OBSERVATORY ROAD, AUSTIN AVENUE, CHATHAM COURT, HILLWOOD ROAD, KIMBERLEY STREET, HANKOW ROAD, SALISBURY ROAD POST OFFICE, GRANVILLE CIRCUIT, HAIPHONG ROAD, BRISTOL AVENUE, CORNWALL AVENUE, HANOI ROAD, CARNARVON ROAD, HUMPHREY'S AVENUE, CAMERON ROAD, KIMBERLEY ROAD AND QUEEN ELIZABETH HOSPITAL CAR PARK.

THE METRES AFFECTED IN MONG KOK ARE AT SAI YEE STREET, DUNDAS STREET, KWONG WAH STREET, FA YUEN STREET, SOY STREET, HAK PO STREET, PAK PO STREET, CHANGSHA STREET, SHAN TUNG STREET, KAM FONG STREET, SAI YEUNG CHOI STREET, TUNG CHOI STREET, NULLAH ROAD, BUTE STREET, PLAYING FIELD ROAD, ARRAN STREET, CEDAR STREET, BOUNDARY STREET, PORTLAND STREET, CANTON ROAD, TAI NAN STREET AND KI LUNG STREET.

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MULTI-PURPOSE CIVIC CENTRE FOR YUEN LONG

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THE ARCHITECTURAL SERVICES DEPARTMENT IS INVITING TENDERS FOR THE CONSTRUCTION OF A MULTI-PURPOSE CIVIC CENTRE WITH A GROSS FLOOR AREA OF 12,900 SQUARE METRES AT YUEN LONG TAI YUK ROAD, THE NEW TERRITORIES.

THE CIVIC CENTRE WILL HAVE A MULTI-PURPOSE AUDITORIUM WITH A CAPACITY OF 935 PEOPLE TO CATER PRIMARILY FOR MUSICAL PERFORMANCE, A FOYER FOR EXHIBITIONS, A DANCE AND MUSIC STUDIO, A LECTURE ROOM, A CHINESE RESTAURANT AND OTHER ANCILLARY FACILITIES.

WORKS ARE EXPECTED TO START IN FEBRUARY FOR COMPLETION BY MID-1997.

TENDER FORMS AND FURTHER PARTICULARS CAN BE OBTAINED FROM THE ARCHITECTURAL SERVICES DEPARTMENT, 34TH FLOOR, QUEENSWAY GOVERNMENT OFFICES, 66 QUEENSWAY, HONG KONG.

TENDER OFFERS WILL CLOSE AT NOON ON JANUARY 6, 1995.

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FLUSHING WATER CUT IN KOWLOON EAST

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FLUSHING WATER SUPPLY TO SOME AREAS IN KOWLOON EAST WILL BE TEMPORARILY SUSPENDED FROM 8 PM ON SUNDAY (NOVEMBER 27) TO 9 AM THE FOLLOWING DAY TO FACILITATE REPAIR WORK ON WATER MAINS.

THE AFFECTED AREAS INCLUDE SAN PO KONG, KOWLOON BAY, CHOI HUNG ESTATE, PING SHEK ESTATE, CHOI WAN ESTATE, SHUN TIN ESTATE, SHUN ON ESTATE, SHUN LEE ESTATE, SAU MAU PING, LAM TIN, NGAU TAU KOK, KWUN TONG AND CHA KWO LING.

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FRIDAY, NOVEMBER 25, 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	1,487	0930	NIL
CLOSING BALANCE IN THE ACCOUNT	1,877	1000	NIL
CHANGE ATTRIBUTABLE TO :		1100	+10
MONEY MARKET ACTIVITY	+10	1200	+10
LAF TODAY	+380	1500	+10
		1600	+10

LAF RATE 3.75% BID/5.75% OFFER TWI 121.6 \*+0.1\* 25.11.94

HONG KONG MONETARY AUTHORITY

EF BILLS		EF NOTES/HONG KONG GOVERNMENT BONDS				
TERMS	YIELD	TERM	ISSUE	COUPON	PRICE	YIELD
1 WEEK	4.63	18 MONTHS	2605	6.35	99.72	6.66
1 MONTH	4.80	23 MONTHS	3610	4.20	99.96	7.04
3 MONTHS	5.19	29 MONTHS	3704	6.15	97.66	7.35
6 MONTHS	5.60	36 MONTHS	3710	7.25	99.43	7.61
12 MONTHS	6.16	58 MONTHS	5909	7.45	97.62	8.21

TOTAL TURNOVER OF BILLS AND BONDS - 17,973 MN

CLOSED 25 NOVEMBER 1994

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