



DAILY INFORMATION BULLETIN

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TUESDAY, NOVEMBER 17, 1981

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TUESDAY, NOVEMBER 17, 1981

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GOVERNOR SUGGESTS SHARING
OF BUSINESS ROLE WITH CHINA

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THE MORE HONG KONG BUSINESSMEN CAN SHARE WITH CHINESE AUTHORITIES THEIR EXPERIENCES OF MANUFACTURING, MANAGING, AND MARKETING, THE HEALTHIER WILL BE HONG KONG'S ROLE IN CHINA'S MODERNISATION PROGRAMME, THE GOVERNOR, SIR MURRAY MACLEHOSE TOLD HONG KONG ACCOUNTANTS TONIGHT (TUESDAY).

+OF COURSE THIS ROLE DEPENDS PRIMARILY ON HONG KONG'S OWN PROSPERITY AND SO ON OUR ABILITY TO ADVANCE OUR OWN INDUSTRY AND TECHNOLOGY, AND TO SELL IN FOREIGN MARKETS AS WELL AS TO ABSORB AND PAY FOR CHINA PRODUCTS,+ SIR MURRAY SAID AT THE 1981 ANNUAL DINNER OF THE HONG KONG SOCIETY OF ACCOUNTANTS HELD AT THE HONG KONG HILTON.

DISCUSSING THE ECONOMY OF HONG KONG AND THE GROWTH OF INVESTMENT +IN NEIGHBOURING AND OTHER PARTS OF CHINA+, SIR MURRAY SAID THIS DEVELOPMENT +UNDOUBTEDLY POSES BOTH OPPORTUNITIES FOR OUR ENTREPRENEURS, AND PROBLEMS FOR OUR LAWYERS AND ACCOUNTANTS+.

BUT IT IS CLEAR, SIR MURRAY SAID, THAT THE PRESENT CHINESE ADMINISTRATION AT THE HIGHEST LEVEL IS DETERMINED THAT INVESTMENT IN CHINA WHETHER IN EQUITY JOINT VENTURES OR IN LESSER FORMS OF JOINT UNDERTAKINGS SHOULD SUCCEED.

THE GOVERNOR SUGGESTED THAT THE LACK OF RECENT PRECEDENT FOR OUTSIDE INVESTMENT IN CHINA SHOULD NOT DETER BUSINESSMEN FROM DOING BUSINESS WITH THE COUNTRY.

WITH THE STRONG BACKING FOR THE RECENT DEVELOPMENT AT THE HIGHEST LEVEL, INVESTORS SHOULD BE ABLE TO SECURE AGREEMENT TO ANY WORKABLE PROPOSAL PROMISING PROFIT TO BOTH SIDES, HE SAID.

HE CITED TWO CASES OF INVESTMENT IN CHINA — AT OPPOSITE ENDS OF THE INDUSTRIAL SPECTRUM — IN WHICH BUSINESSMEN INVOLVED PRESSED AHEAD IN SPITE OF THE LACK OF PRECISE LEGAL DEFINITIONS OF WHAT THEIR RIGHTS WOULD BE IN SETTING UP SUCH VENTURES.

SIR MURRAY REFERRED TO THE LARGEST OF 29 EQUITY JOINT VENTURES SO FAR ESTABLISHED IN CHINA BY HONG KONG FIRMS, WHICH IS THE CHINA-SCHINDLER ELEVATOR COMPANY, WITH FACTORIES IN PEKING AND SHANGHAI. SOME OF THE LIFTS PRODUCED BY THE JOINT VENTURE HAVE ALREADY BEEN SOLD HERE IN HONG KONG, HE POINTED OUT.

HE ALSO REFERRED — AT THE OTHER END OF THE SCALE — TO A FACTORY SET UP IN THE SHENZHEN SPECIAL ECONOMIC ZONE +BY AN ENTERPRISING INDIVIDUAL TO PRODUCE ARTIFICIAL FLIES FOR TROUT AND SALMON FISHING+.

+A PRETTY IMPROBABLE IDEA ON THE FACE OF IT; BUT IN PRACTICE IT HAS TURNED OUT TO BE A VERY GOOD ONE,+ SIR MURRAY SAID.

THE WORK FORCE IN SHENZHEN HAS TAKEN TO FLY TYING WITH EFFICIENCY AND THE LOW OVERHEADS HAVE MADE THE PROJECT VIABLE, THE GOVERNOR SAID.

+CHINA'S LAWS ON FOREIGN INVESTMENT AND IN PARTICULAR ON JOINT VENTURE TAXATION ARE NOT YET FULLY DEVELOPED. THE SAME APPLIES TO THE REGULATIONS GOVERNING COMPENSATION TRADE, COOPERATIVE PRODUCTION AND PART-PROCESSING AGREEMENTS. SO THESE ENTERPRISES MUST BE BASED ON MUTUAL TRUST, RATHER THAN ENFORCEABLE CONTRACT,+ SIR MURRAY SAID.

THE HONG KONG ECONOMY, LIKE MOST OTHERS IN THE WORLD, HAS BEEN GOING THROUGH AN ANXIOUS PERIOD. INFLATION IS UNDESIRABLY HIGH, PARTICULARLY OF CONSUMER PRICES, AND THIS TOGETHER WITH HIGH RENTS IN THE PRIVATE SECTOR, IS WHAT HITS PEOPLE MOST. BUT UNLIKE OTHER COUNTRIES, THE HONG KONG ECONOMY HAS CONTINUED TO GROW RAPIDLY IN REAL TERMS, AND DESPITE THE INCREASE IN PEOPLE OF WORKING AGE DUE TO IMMIGRATION, UNEMPLOYMENT ROSE ONLY MODERATELY AND ALMOST CERTAINLY IS NOW FALLING.

THE RECENT DECLINE IN GROWTH RATE OF THE MONEY SUPPLY AND OF DOMESTIC CREDIT SHOULD TEND TO REDUCE BOTH INFLATION AND THE SIZE OF THE TRADE DEFICIT, SIR MURRAY SAID.

+TO SUM UP,+ SIR MURRAY SAID, +WE HAVE COME COMPARATIVELY WELL THROUGH A PERIOD MADE DIFFICULT LARGELY BY EXTERNAL INFLUENCES. INsofar AS THE PROBLEMS HAVE BEEN DOMESTIC OR SELF-INFLICTED, THEY APPEAR TO BE SLOWLY CORRECTING.+

THE GOVERNOR REFERRED TO +THE SHADOW OF THE NEW MFA+ AND THE ECONOMIC CONDITIONS OF THE MAJOR MARKETS WHICH +MAKE A DEPRESSING BACKGROUND FOR NEGOTIATION+.

+BUT WE HAVE LEARNT THAT DEMAND FOR HONG KONG GOODS CAN BE SUSTAINED IN COUNTRIES WHOSE ECONOMIES ARE RECESSED PARTICULARLY, AS AT PRESENT, WHEN STOCKS ARE UNIFORMLY LOW, AND THAT PROVIDED WE CAN MAINTAIN ACCESS WE CAN SELL.+

ENCOURAGEMENT CAN MOREOVER BE TAKEN FROM THE OPEC DECISION ON OIL PRICES AND THE LOWERING OF US INTEREST RATES, AS WELL AS THE SIGNIFICANT RISE IN OUR IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES.

+SO ALL IN ALL I AM QUIETLY HOPEFUL THAT OUR GROWTH WILL CONTINUE IN THE YEAR AHEAD AND THAT THE PRESSURES OF INFLATION WILL RELAX, AND THE OPPORTUNITIES FOR WORK INCREASE,+ SIR MURRAY SAID.

EARLIER, SIR MURRAY REFERRED TO THE NEED EXPRESSED BY THE SOCIETY'S PRESIDENT, MR JOHN CHAN, FOR MORE ACCOUNTANTS AND TO THE PROPOSALS MADE BY THE SOCIETY FOR PRODUCING THEM.

THE GOVERNMENT IS ACUTELY CONSCIOUS OF ITS RESPONSIBILITY TO MAKE GOOD THE SHORTAGES OF LOCAL PROFESSIONALS GENERALLY, WHETHER THEY BE LAWYERS, ENGINEERS, DOCTORS, ARCHITECTS OR ACCOUNTANTS.

IT IS ACCEPTED THAT THE EXPANSION OF THE TERTIARY INSTITUTIONS MUST BE DIRECTED TO MEETING THE SHORTAGES IN THE KEY PROFESSIONS, INCLUDING ACCOUNTANCY, THE GOVERNOR SAID.

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NOTE TO EDITORS:

THE TEXT OF THE GOVERNOR'S SPEECH HAS BEEN BOXED AND IS SIMILARLY EMBARGOED FOR USE AFTER 10 PM.

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CLARIFICATION OF ID CARD LAW

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IN RESPONSE TO REQUESTS FOR CLARIFICATION OF THE SO-CALLED +100 YARDS RULE+ FOR ID CARDS AS REPORTED IN THE PRESS, A GOVERNMENT SPOKESMAN MADE THE FOLLOWING STATEMENT:

+THE RELEVANT LEGISLATION REQUIRES EVERY PERSON WHO IS REQUIRED BY LAW TO BE REGISTERED UNDER THE REGISTRATION OF PERSONS ORDINANCE TO HAVE WITH HIM AT ALL TIMES PROOF OF HIS IDENTITY. A PERSON TO WHOM AN ID CARD HAS BEEN ISSUED CAN HAVE SUCH CARD 'WITH HIM' WITHOUT THE CARD NECESSARILY BEING CARRIED ON HIS BODY. PERSONS SWIMMING IN A SWIMMING POOL OR IN THE SEA MAY, THEREFORE, BE REGARDED AS HAVING HIS ID CARD WITH HIM IF IT IS WITH HIS TOWEL OR OTHER EQUIPMENT ON THE SIDE OF THE POOL OR ON THE BEACH, AS THE CASE MAY BE. THIS IS SIMPLY AN EXAMPLE INTENDED TO ILLUSTRATE THE DIFFERENCE BETWEEN HAVING ONE'S ID CARD WITH ONE AS DISTINCT FROM BEING REQUIRED TO CARRY IT ON ONE'S PERSON. THE RECENT CASE OF TWO YOUTHS ROLLER SKATING IN VICTORIA PARK IS YET ANOTHER EXAMPLE. IT SO HAPPENED THAT IN THAT CASE IT WAS ESTIMATED THAT THE TWO YOUTHS WERE WITHIN 100 YARDS FROM THEIR OUTER GARMENTS IN WHICH THEY HAD LEFT THEIR ID CARDS, BUT ON THE FACTS OF THAT CASE THEY WOULD HAVE BEEN REGARDED AS HAVING THEIR CARDS WITH THEM EVEN IF THEY HAD BEEN 50 OR 120 YARDS AWAY FROM THEIR OUTER GARMENTS. THERE IS, THEREFORE, NO '100 YARDS RULE'. WHETHER A PERSON CAN BE SAID TO HAVE HIS ID CARD 'WITH HIM', AS REQUIRED BY LAW, DEPENDS ON THE FACTS AND CIRCUMSTANCES OF EACH CASE. THE DISTANCE, WHATEVER IT MAY HAPPEN TO BE IN ANY PARTICULAR CASE, BETWEEN HIM AND HIS ID CARD MAY, BUT WILL NOT NECESSARILY IN EVERY CASE, BE A FACTOR IN DECIDING WHETHER OR NOT HE IS COMPLYING WITH THE LAW.+

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LOOKING OVER WELFARE WORK

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THE DIRECTOR OF SOCIAL WELFARE, MR SELWYN ALLEYNE, TODAY (TUESDAY) VISITED THE ST. JOSEPH'S HOME FOR THE AGED AND THE CARITAS SOCIAL CENTRE IN EAST KOWLOON TO LOOK AT SERVICES PROVIDED BY VOLUNTARY AGENCIES IN THE FIELD.

HE STARTED HIS VISIT AT THE ST. JOSEPH'S HOME FOR THE AGED IN NGAU CHI WAN, WHICH IS RUN BY THE LITTLE SISTERS OF THE POOR. THERE HE WAS BRIEFED BY SISTER PAULINE, SUPERIOR OF THE HOME.

THE HOME HAS A CAPACITY OF 250 AND PROVIDES ACCOMMODATION, MEALS AND RECREATIONAL ACTIVITIES FOR NEEDY PEOPLE OVER 60 AND IS VISITED EVERY WEEK ON A VOLUNTARY BASIS BY A DOCTOR.

IN ADDITION, CARE AND ATTENTION SERVICES ARE GIVEN TO THE INFIRM IN A SPECIAL UNIT WHICH HAS 56 BEDS.

MR ALLEYNE THEN WENT TO THE CARITAS SOCIAL CENTRE AT BLOCK 20, TUNG TAU ESTATE, A MULTI-PURPOSE CENTRE SERVING PEOPLE IN WONG TAI SIN. HE WAS MET BY FATHER LERDA, PRESIDENT, CARITAS HONG KONG, AND OTHER OFFICERS OF THE ORGANISATION.

AMONG THE SERVICES PROVIDED AT THE CENTRE IS A COUNSELLING UNIT, WHICH STARTED OPERATION TWO YEARS AGO AND IS THE ONLY VOLUNTARY FAMILY SERVICE AGENCY OF ITS KIND IN THE DISTRICT.

THE LOK HEEP CLUB RUNS A SOCIAL REHABILITATION PROGRAMME FOR EX-DRUG ADDICTS.

THE SOCIAL CENTRE FOR THE ELDERLY, SITUATED ON THE GROUND FLOOR OF BLOCK 20, IS VERY POPULAR AND HAS ABOUT 300 MEMBERS.

OTHER SERVICES OFFERED AT THE CENTRE INCLUDE A CHILDREN'S AND YOUTH CENTRE, A COMMUNITY DEVELOPMENT TEAM AND A DAY NURSERY WITH A CAPACITY OF 350.

MR ALLEYNE WAS ACCOMPANIED IN THE VISITS BY THE DISTRICT SOCIAL WELFARE OFFICER (WONG TAI SIN/SAI KUNG), MR KWAN HOK-SHUN.

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'NO ONE SHOULD BE ALLOWED TO LIVE
BELOW PUBLIC ASSISTANCE LEVEL'

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THE AIM OF HONG KONG'S SOCIAL SECURITY SYSTEM MUST BE TO TAKE UP ALL THOSE WHO ARE ELIGIBLE SO THAT NO ONE SHOULD BE DEPRIVED OF THE BENEFITS, IF IN NEED, AND NO ONE SHOULD BE ALLOWED TO LIVE BELOW THE PUBLIC ASSISTANCE STANDARD.

THIS WAS STATED BY THE ASSISTANT DIRECTOR OF SOCIAL WELFARE (SOCIAL SECURITY), MR STEPHEN LAW, AT A LUNCHEON MEETING OF THE LIFE UNDERWRITERS ASSOCIATION OF HONG KONG TODAY (TUESDAY).

HE SAID THAT OVER THE PAST TEN YEARS, THE TENDENCY HAD BEEN TO RELAX THE ELIGIBILITY CRITERIA, TO IMPROVE THE LEVELS OF PROVISION, AND TO INTRODUCE NEW BENEFITS.

+IT IS STILL A RELATIVELY SIMPLE SYSTEM, AND THE INTENTION IS TO KEEP IT SIMPLE AND EFFECTIVE,+ MR LAW SAID.

REFERRING TO THE PUBLIC ASSISTANCE SCHEME, MR LAW SAID AT PRESENT, 46 593 FAMILIES WERE RECEIVING PUBLIC ASSISTANCE.

FIGURES INDICATED THAT +THE ELDERLY SINGLE PERSONS ARE LIKELY TO FALL INTO THE PUBLIC ASSISTANCE NET, AND FAMILIES WITH WAGE EARNERS ARE UNLIKELY TO REQUIRE PUBLIC ASSISTANCE,+ HE SAID.

+AS THE PURPOSE OF THE SCHEME IS TO MAINTAIN INCOME AT A CERTAIN LEVEL, MORE LOW-INCOME FAMILIES SHOULD COME FORWARD FOR THIS ASSISTANCE- IT IS NOT ONLY MEANT FOR THE COMPLETE HELPLESS.+

COMPARED WITH FIVE YEARS AGO, THERE HAS BEEN A BIG INCREASE IN THE NUMBER OF SINGLE PERSONS AND OLD PEOPLE -- FROM 58.6 PER CENT TO 81 PER CENT AND FROM 52.3 PER CENT TO 64.1 PER CENT.

THERE HAS ALSO BEEN A BIG DROP IN THE NUMBER OF LOW-EARNING AND UNEMPLOYED FAMILIES -- FROM 22.9 PER CENT TO 5.6 PER CENT.

MR LAW SAID THIS REINFORCED HIS POINT THAT THE COMPLETE HELPLESS WERE MORE LIKELY TO COME FORWARD NOW.

+IT IS, PERHAPS, AN INDICATION OF THE GENERAL IMPROVEMENT OF THE ECONOMIC SITUATION OF THE COMMUNITY AT LARGE,+ HE SAID.

MR LAW NOTED THAT PUBLIC HOUSING RESIDENTS ON PUBLIC ASSISTANCE HAD ALSO DECREASED FROM 42.5 PER CENT TO 36.8 PER CENT OVER THE LAST FIVE YEARS.

EXPERIENCE SHOW THAT THE SIZE AND COMPONENT OF THE PUBLIC ASSISTANCE CASELOAD ARE MORE SENSITIVE TO THE CHANGES OF THE ECONOMIC SITUATION AND NOT SO MUCH TO SOCIAL FACTORS. +THEREFORE, IT IS VERY DIFFICULT TO PROJECT THE CHANGES IN THE CASELOAD,+ HE SAID.

HE NOTED THAT THE CONSISTENTLY DECREASING TREND FOR FIVE YEARS HAD ALREADY CEASED FOR SIX MONTHS AND THAT THERE WERE BEGINNING SIGNS FOR A RISE.

MR LAW SAID THE TOTAL NUMBER OF PEOPLE RECEIVING SOCIAL SECURITY BENEFITS STOOD AT ABOUT 250 000 OR 4.8 PER CENT OF THE POPULATION.

+IF WE LOOK AT EACH CATEGORY SEPARATELY, IT APPEARS THAT IN GENERAL WE HAVE BEEN ABLE TO REACH THOSE WHOM WE ARE SUPPOSED TO ASSIST,+ HE SAID.

ABOUT 90 PER CENT OF THOSE OVER 70 ARE RECEIVING OLD AGE ALLOWANCE, AND IT IS EXPECTED THAT THIS PERCENTAGE WILL GO UP STEADILY IN THE COMING YEARS.

FOR THOSE ELIGIBLE FOR DISABILITY ALLOWANCE, THERE ARE REASONS TO BELIEVE THAT ONLY A SMALL PERCENTAGE HAS NOT YET COME FORWARD FOR THIS BENEFIT.

AS TO PUBLIC ASSISTANCE, IT IS MORE DIFFICULT TO ESTIMATE THE NUMBER OF FAMILIES WHO ARE LIVING BELOW PUBLIC ASSISTANCE LEVEL AND YET HAVE NOT COME FORWARD.

AS TO THE CRIMINAL AND LAW ENFORCEMENT INJURIES COMPENSATION SCHEME, ONLY ABOUT 14.4 PER CENT OF THE REPORTED CASES APPLIED FOR COMPENSATION EACH YEAR.

+IT IS NOT KNOWN WHETHER THIS LEVEL OF APPLICATION IS SATISFACTORY OR NOT, AS PEOPLE WHO ARE RESPONSIBLE FOR THEIR OWN INJURIES MAY HAVE THEIR COMPENSATION REDUCED AND THEREFORE NORMALLY DO NOT COME FORWARD, AND MINOR INJURIES OF LESS THAN THREE DAYS' SICK LEAVE ARE NOT ELIGIBLE,+ MR LAW SAID.

MR LAW DESCRIBED THE LEVEL OF APPLICATION FOR THE TRAFFIC ACCIDENT VICTIMS ASSISTANCE SCHEME AS +SATISFACTORY+. NINETY-SIX PER CENT OF THE FATAL CASES AND 79.6 PER CENT OF THOSE ELIGIBLE SERIOUS INJURED CASES APPLIED.

+POSITIVE EFFORTS HAVE BEEN MADE TO REACH OUT TO ELIGIBLE VICTIMS SO AS TO ASSIST THEM TO MAKE THE BEST USE OF THESE COMPENSATION SCHEMES,+ HE SAID.

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DRUG-TREATMENT COURSE FOR VISITING DOCTORS ENDS

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TWENTY-TWO DOCTORS FROM 12 COUNTRIES TODAY (TUESDAY) ENDED THEIR THREE-WEEK-LONG COURSE ON THE TREATMENT AND REHABILITATION OF DRUG-DEPENDENT PERSONS.

THE COURSE WAS THE THIRD OF ITS KIND ORGANISED BY THE HONG KONG GOVERNMENT IN CONJUNCTION WITH THE WORLD HEALTH ORGANISATION (WHO), AND BEGAN ON OCTOBER 27.

IT ENABLED PARTICIPANTS TO LEARN ABOUT THE LATEST THEORY AND PRACTICE IN DRUG-ADDICTION TREATMENT AND REHABILITATION AS WELL AS THE ORGANISATION AND MANAGEMENT OF HONG KONG'S PROGRAMMES.

/LECTURES WERE

LECTURES WERE GIVEN BY LOCAL AND INTERNATIONAL EXPERTS WHO INCLUDED DR ROBERT NEWMAN (UNITED STATES), DR V. NAVARATNAM, (MALAYSIA), DR CHARAS SUWENELA (THAILAND), DR A. ARIF (WORLD HEALTH ORGANISATION), AND DR GERALD CHOA AND PROF J.W.L. KLEEVENS (HONG KONG).

A SPOKESMAN FOR THE NARCOTICS DIVISION SAID THAT THE HOLDING OF THE THIRD WHO COURSE IN HONG KONG WAS A RECOGNITION OF THE GOVERNMENT'S EFFORTS IN THE FIELD OF DRUG ABUSE PREVENTION AND TREATMENT AND REHABILITATION. TWO VERY SUCCESSFUL SIMILAR COURSES WERE HELD HERE IN 1979 AND LAST YEAR.

A CEREMONY WAS HELD THIS AFTERNOON IN THE LEGISLATIVE COUNCIL CHAMBER TO MARK THE CLOSING OF THE COURSE, WITH MR PETER LEE, COMMISSIONER FOR NARCOTICS, OFFICIATING. ALSO ATTENDING WERE MEMBERS OF THE ACTION COMMITTEE AGAINST NARCOTICS AS WELL AS REPRESENTATIVES OF VARIOUS GOVERNMENT DEPARTMENTS AND VOLUNTARY AGENCIES.

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SHOPKEEPERS URGED TO KEEP SHA TIN CLEAN
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HEALTH INSPECTORS OF THE NEW TERRITORIES SERVICES DEPARTMENT TODAY (TUESDAY) CALLED ON SHOPKEEPERS OF TAI WAI IN SHA TIN AND ADVISED THEM TO HELP KEEP THE ENVIRONMENT CLEAN.

AS PART OF THE ON-GOING CLEAN HONG KONG CAMPAIGN, THE HEALTH INSPECTORS PAYING VISITS TO THE SHOP OPERATORS REMINDED THEM TO OBSERVE THE 'SIX-METRE CLEAN-UP RULE' AND KEEP THEIR SURROUNDING AREA TIDY.

SHOPKEEPERS COULD BE PENALISED FOR IGNORING THE RESPONSIBILITY FOR KEEPING THE PAVEMENT AND THE DIRECT ACCESS AT GROUND LEVEL WITHIN SIX METRES OF THEIR PREMISES CLEAN, SAID A SPOKESMAN FOR THE NTSD.

IN CONNECTION WITH THIS, NOTICES WERE SENT REQUESTING THE SHOP OPERATORS TO REMOVE REFUSE AND JUNK ACCUMULATING WITHIN THEIR AREA OF RESPONSIBILITY.

RESIDENTS WERE ALSO URGED TO SHOULDER SIMILAR RESPONSIBILITY IN KEEPING THE PUBLIC AREA, CORRIDOR AND CANOPIES CLEAN AT ALL TIMES.

MORE THAN 300 NOTICES INFORMING SHOPKEEPERS AND RESIDENTS OF SHA TIN DISTRICT HAVE BEEN ISSUED SINCE THE LAUNCHING OF THE CURRENT CLEAN-UP DRIVE, SAID THE SPOKESMAN.

MEANWHILE, CLEANSING STAFF OF THE SHA TIN URBAN SERVICES OFFICE ALSO CARRIED OUT NON-STOP CLEAN-UP WORK AT VARIOUS LITTER BLACK SPOTS.

SOME 5 000 BASKETS OF GARBAGE AND 100 TONNES OF JUNK WERE REMOVED IN RECENT WEEKS.

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698 CONVICTED FOR BREAKING LABOUR LAWS
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OF THE 715 PROSECUTIONS BROUGHT BY THE LABOUR DEPARTMENT LAST MONTH FOR BREACH OF LABOUR LEGISLATION, 698 RESULTED IN CONVICTION AND THE TOTAL FINES AMOUNTED TO \$615 400.

MOST OF THE CASES CONCERNED BREACHES OF THE FACTORIES AND INDUSTRIAL UNDERTAKINGS ORDINANCE AND ITS VARIOUS SUBSIDIARY REGULATIONS, THE EMPLOYMENT ORDINANCE AND THE WOMEN AND YOUNG PERSONS (INDUSTRY) REGULATIONS.

CASES RELATING TO VIOLATIONS OF SAFETY REGULATIONS TOTALLED 317, RESULTING IN FINES OF \$426 700. THESE INCLUDED 165 CASES (WITH \$163 600 IN FINES) FOR BREACH OF THE FACTORIES AND INDUSTRIAL UNDERTAKINGS (GUARDING AND OPERATION OF MACHINERY) REGULATIONS AND 87 CASES (WITH \$151 100 IN FINES) FOR BREACH OF THE CONSTRUCTION SITES (SAFETY) REGULATIONS.

OFFENCES IN CONNECTION WITH EMPLOYMENT OF WOMEN AND YOUNG PEOPLE IN INDUSTRY ACCOUNTED FOR 317 CASES WITH \$141 050 IN FINES.

OF THE OTHER PROSECUTIONS, 13 CASES RELATED TO FAILURE TO KEEP RECORDS OF EMPLOYEES, LEADING TO \$8 100 IN FINES.

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NEW ELECTRONICS FACTORY WELCOMED
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THE DECISION BY THE CANADIAN MITEL CORPORATION TO OPEN A 1 300 SQUARE-METRE FACTORY IN TSUEN WAN EARLY NEXT YEAR WAS WELCOMED TODAY BY THE COMMISSIONER OF INDUSTRY, MR PETER TSAO.

+ONE OF OUR INDUSTRIAL DEVELOPMENT OFFICERS, MAJOR C.G. BERNARD WAS ABLE TO INTRODUCE THE CORPORATION TO THE OWNERS OF AN EXISTING FACTORY, WHICH WAS IDEAL FOR THEIR PURPOSE AND ENABLED THE COMPANY TO RAPIDLY ESTABLISH ITSELF IN HONG KONG.

+I AM DELIGHTED THAT WE HAVE BEEN ABLE TO ASSIST THE COMPANY IN REACHING ITS DECISION- AND IN ITS FAITH AND CONFIDENCE THAT HONG KONG IS A FAST-GROWING ELECTRONICS MANUFACTURING AND ASSEMBLY CENTRE+, SAID MR TSAO.

+AS ONE OF THE LEADING MANUFACTURERS OF TELECOMMUNICATIONS EQUIPMENT IN THE WORLD, THEIR PRESENCE HERE WILL BE A VALUABLE ADDITION TO OUR ELECTRONICS INDUSTRY+, HE ADDED.

THE COMPANY STARTED UP IN 1973 - TWO YEARS AFTER BEING INCORPORATED - AND IS ALREADY THE LARGEST CANADIAN MANUFACTURER OF INTEGRATED CIRCUITS, AND A GLOBAL LEADER IN ITS PARTICULAR SEGMENT OF THE TELECOMMUNICATIONS INDUSTRY. WITH OPERATING SUBSIDIARIES IN THE UNITED STATES, BRITAIN, IRELAND AND PUERTO RICO, IT EMPLOYS SOME 1 500 STAFF.

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WEEKDAY SCHEME FOR WATER SPORTS ENTHUSIASTS
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WATER SPORTS ENTHUSIASTS WILL NOW BE ABLE TO SPEND THEIR WEEKDAYS IN THE TAI MEI TUK WATER SPORTS CENTRE, AND MAKE USE OF THE MANY FACILITIES PROVIDED FOR THEM.

UNDER A NEW ARRANGEMENT, TRAINED SPORTSMEN WILL BE ABLE TO USE LOCKERS, CHANGING ROOM AND BATHING ROOMS FREE OF CHARGE, AS WELL AS THE OUTDOOR SPORTS FACILITIES, SUCH AS CANOES, SAILBOATS AND MINI-DRAGON BOATS AT VERY LOW COST.

THE RECREATION AND SPORT OFFICER (TAI PO), MR FUNG HON-KIT SAID THIS WAS AN EXPERIMENTAL PROJECT THAT WAS STARTED ON NOVEMBER 1, AND WILL LAST UNTIL MARCH 31 NEXT YEAR, IN ORDER TO ENCOURAGE MAXIMUM USE OF THE FACILITIES.

UNDER THIS SCHEME THE CENTRE WILL BE OPENED TO MEMBERS FROM 9 AM TO 11 AM AND FROM 2 PM TO 4.30 PM ON TUESDAYS, WEDNESDAYS AND THURSDAYS, HE SAID.

INITIALLY, MEMBERSHIP WILL BE LIMITED TO 1 000, AT A FEE OF \$10 EACH.

BOOKINGS ARE MADE ONE DAY IN ADVANCE, AND PLACES WILL BE ALLOCATED ON A FIRST-COME-FIRST-SERVED BASIS.

FOR GREATER SAFETY, LIFEGUARDS ON A SECURITY CRAFT WILL SHOULDER THE RESPONSIBILITY OF PATROLLING THE CANOEING AND SAILING AREA. NEXT YEAR, WITH THE INTRODUCTION OF THE WIRELESS SYSTEM, THE EFFICIENCY OF PATROLS WILL BE INCREASED, MR FUNG SAID.

DETAILS OF THE SCHEME ARE SHOWN ON LEAFLETS AVAILABLE AT ALL RECREATION AND SPORT SERVICE OFFICES. APPLICANTS MUST BE 14 YEARS OR OVER AND BE ABLE TO SWIM 50 METRES.

APPLICANTS SHOULD FORWARD COMPLETED ENTRY FORMS TOGETHER WITH COPIES OF DOCUMENTS TO SHOW THEIR CANOEING OR WIND-SURFING ABILITIES.

PEOPLE WHO ARE INTERESTED SHOULD APPLY EARLY TO AVOID DISAPPOINTMENT, MR FUNG SAID.

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TUESDAY, NOVEMBER 17, 1981

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ROAD RESURFACING CONTRACT AWARDED

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A CONTRACT VALUED AT MORE THAN \$13.5 MILLION FOR THE COLD MILLING AND RESURFACING OF ROAD PAVEMENTS THROUGHOUT HONG KONG WAS SIGNED TODAY (TUESDAY).

THE CONTRACT WAS SIGNED BY MR CHEN SHAO-CHI, GOVERNMENT HIGHWAY ENGINEER (WORKS) OF THE HIGHWAYS OFFICE, ENGINEERING DEVELOPMENT DEPARTMENT, AND MR DERYCK ALLISON, CONTRACTS MANAGER OF WIMPEY ASPHALT (HONG KONG) LTD.

WORK WILL BEGIN BY MID-FEBRUARY 1982 AND BE COMPLETED BY NOVEMBER 1983.

MR CHEN SAID THAT COLD MILLING WAS A SIGNIFICANT ADVANCE IN HIGHWAY MAINTENANCE TECHNIQUES. EXISTING ROAD SURFACES COULD BE TEXTURED, SHAPED OR REMOVED IN LAYERS TO CLOSE TOLERANCES. THE TECHNIQUE WAS WIDELY USED OVERSEAS AND WAS AN INTEGRAL PART OF ROAD MAINTENANCE IN MANY BIG CITIES.

+SURFACE DEFORMATIONS WHICH OCCURS ON HEAVILY-TRAVELLED ROADS CAN BE CORRECTED WITHOUT THE NEED TO BREAK UP OR RIP OUT THE OLD ROAD SURFACE, + HE SAID. +ROAD LEVELS CAN BE CORRECTED BEFORE RESURFACING. THE TECHNIQUE OFFERS CONSIDERABLE SAVINGS IN COST AND IS MORE CONVENIENT THAN PREVIOUS METHODS.+

MR CHEN SAID THAT MILLING AND RESURFACING WOULD BE CO-ORDINATED AS MUCH AS POSSIBLE, THOUGH ONE ADVANTAGE OF THE MILLING PROCESS WAS THAT MILLED ROADS COULD BE REOPENED TO TRAFFIC BEFORE RESURFACING WAS DONE.

THE SIGNING FOLLOWED A STUDY OF SIMILAR OPERATIONS OVERSEAS AND SMALL TRIALS IN THE NEW TERRITORIES AND KOWLOON, INCLUDING PART OF THE APPROACHES TO THE CROSS-HARBOUR TUNNEL.

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NOTE TO EDITORS:

OPENING OF FERRY PIER

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THE SECRETARY FOR TRANSPORT, MR ALAN ARMSTRONG-WRIGHT, WILL OFFICIATE AT THE OPENING OF CHAI WAN TEMPORARY FERRY PIER TOMORROW (WEDNESDAY) AT 3 PM. THE PIER IS SITUATED NEAR YUE WAN ESTATE IN CHAI WAN.

MEDIA REPRESENTATIVES ARE WELCOME TO COVER THE EVENT.

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TAI PO TO HOLD BASKETBALL COMPETITION

A BASKETBALL COMPETITION IS TO BE HELD IN TAI PO FROM NOVEMBER 28 TO JANUARY 10, 1982.

IT IS BEING ORGANISED BY THE RECREATION AND CULTURE DEPARTMENT'S RECREATION AND SPORT SERVICE AND THE TAI PO SPORTS ASSOCIATION, AND SPONSORED BY THE DISTRICT BOARD.

IT IS OPEN TO TAI PO RESIDENTS OVER 14 YEARS OF AGE.

THOSE WHO REGISTERED AS DIVISION A PLAYERS WITH THE HONG KONG AMATEUR BASKETBALL ASSOCIATION IN 1980/81 WILL ALSO BE ABLE TO PLAY, BUT SUCH PLAYERS WILL BE RESTRICTED TO NOT MORE THAN TWO PER TEAM FOR EACH MATCH.

MATCHES WILL BE PLAYED AT THE PUBLIC COURTS AT TAI PO HEUNG SZE WUI STREET IN ACCORDANCE WITH HONG KONG AMATEUR BASKETBALL ASSOCIATION REGULATIONS.

THE NUMBER OF TEAMS PARTICIPATING IS LIMITED TO 12 IN THE MEN'S SECTION AND 10 IN THE WOMEN'S SECTION.

ENTRY FORMS ARE OBTAINABLE FROM THE RSS TAI PO OFFICE. AN ENTRY FEE OF \$15 PER TEAM WILL BE CHARGED. THE DEADLINE FOR ENTRY IS THURSDAY NOVEMBER 19.

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NT WATER MAINS WORK

FRESH WATER SUPPLIES TO SOME AREAS IN THE NEW TERRITORIES WILL BE INTERRUPTED ON FRIDAY (NOVEMBER 20) BETWEEN 10 AM AND 5 PM TO ALLOW FOR MAINS CONNECTION WORK.

AFFECTED PREMISES WILL INCLUDE THOSE ALONG TAI PO ROAD BETWEEN KOWLOON HANG AND SHEUNG SHUI CROSSROAD- CASTLE PEAK ROAD (SAN TIN SECTION) BETWEEN SHEUNG SHUI CROSSROAD AND LOK MA CHAU- FAN KAM ROAD BETWEEN SHEUNG SHUI CROSSROAD AND TSIU KENG VILLAGE- JOCKEY CLUB ROAD BETWEEN FANLING ROUNDABOUT AND SAN FUNG AVENUE, INCLUDING SHEK WU HUI- MAN KAM TO ROAD- SHA TAU KOK ROAD BETWEEN FANLING ROUNDABOUT AND SHA TAU KOK MARKET INCLUDING LUEN WO MARKET- AND PING CHE ROAD, TA KWU LING, FANLING.

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TUESDAY, NOVEMBER 17, 1981

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NOTE TO EDITORS:

KWUN TONG SPORTS FESTIVAL

A +KWUN TONG SPORTS FESTIVAL+, AIMED AT PROMOTING INTEREST AMONG LOCAL RESIDENTS IN SPORTS AND ENHANCING COHESIVENESS IN THE COMMUNITY, WILL BE HELD BETWEEN NOVEMBER 29 AND DECEMBER 13.

JOINTLY ORGANISED BY THE KWUN TONG DISTRICT BOARD, THE RECREATION AND SPORT SERVICE AND THE KWUN TONG SPORTS PROMOTION ASSOCIATION, THE FESTIVAL WILL INCLUDE A SPORTS CARNIVAL, DISTRICT RACES, A TELEMATCH, FOLK DANCES AND ATHLETIC COMPETITIONS AND DEMONSTRATIONS.

DETAILS OF THE FESTIVAL WILL BE ANNOUNCED AT A PRESS CONFERENCE ON THURSDAY (NOVEMBER 19) AT 3.30 PM AT THE FUNG SHUI ROOM ON THE SIXTH FLOOR OF HONG KONG HOTEL, TSIM SHA TSUI.

THE HONORARY ADVISER TO THE FESTIVAL, MR DAVID K.P. TSUI WHO IS KWUN TONG CITY DISTRICT COMMISSIONER, AND THE PRESIDENT OF THE FESTIVAL, MR LAM HANG-FAI, WILL BE PRESENT.

MEDIA REPRESENTATIVES ARE INVITED TO ATTEND THE CONFERENCE.



DAILY INFORMATION BULLETIN - SUPPLEMENT

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL: 5-233191

SPEECH BY H.E. THE GOVERNOR, SIR MURRAY MACLEHOSE,
TO THE ANNUAL DINNER OF THE HONG KONG SOCIETY OF ACCOUNTANTS
TUESDAY, NOVEMBER 17, 1981

I am honoured to be asked to address this distinguished Society.

Your President referred to the need for more accountants in Hong Kong and to the proposals the Society has made for producing them. Shortage of local professionals generally is all too apparent, whether it be lawyers, engineers, doctors, architects or accountants, and the same applies to a long list of supporting disciplines. The Government is acutely conscious of its responsibility to make good these shortages and of the restricting effect of allowing them to continue. But in planning for the education and provision of more professionals it must get the modalities right - hence the current review of post-secondary and technical education.

But I can assure your President that the Government has heeded the representations that the Society has made, of which the most recent have been to the Committee to Review Post-Secondary and Technical Education. I understand that your written evidence was followed up by a meeting, at which "a useful exchange of views took place". Though the Government has got to take decisions on the recommendations of the Review Committee, these will be taken soon, and it is accepted that the expansion of our tertiary institutions must be directed to meeting the shortages in the key professions, including accountancy. I am very much aware that these professions are the pillars on which the technical and social advance of Hong Kong must be built.

Now I would like to switch subjects to the economy of Hong Kong, and first of all to an aspect of it which has expanded rapidly in recent years, namely the growth of investment in neighbouring and other parts of China. This development undoubtedly poses both

/opportunities for

opportunities for our entrepreneurs, and problems for our lawyers and accountants. It is clear that the present Chinese administration at the highest level is determined that investment in China whether in equity joint ventures or in lesser forms of joint undertakings should succeed. It is true that there is not any substantial body of recent precedent for outside investment in China. And it is also true that for many years most businessmen and their professional advisers in Hong Kong have been concerned with the commercial practice, law, and other requirements of Europe and North America rather than China. Nevertheless the strong backing for the new development at the highest level does mean that investors should be able to secure agreement to any workable proposal which promises profit to both sides.

Let me quote two examples, at opposite ends of the industrial spectrum, by way of illustration. The largest of the twenty-nine equity joint ventures so far established in China by Hong Kong firms is the China-Schindler Elevator Company with factories in Peking and Shanghai. Some of the lifts produced by this joint venture have already been sold here in Hong Kong.

At the other end of the scale, an enterprising individual has set up a factory in the Shenzhen special economic zone to produce artificial flies for trout and salmon fishing. A pretty improbable idea on the face of it: but in practice it has turned out to be a very good one. The work force in Shenzhen has taken to fly tying with efficiency, and the low overheads have made the project viable.

In both these cases, those involved pressed ahead in spite of the lack of precise legal definitions of what their rights would be in setting up such ventures. China's laws on foreign investment and in particular on joint venture taxation are not yet fully developed. The same applies to the regulations governing compensation trade, cooperative production and part-processing agreements. So these enterprises must be based on mutual trust, rather than enforceable contract.

I am glad that so many entrepreneurs have been willing to accept terms of this sort, and some 700 ventures in the special economic zones at Shenzhen, Zhuhai, Swatow and Amoy have already been established. The vast majority of these are in Shenzhen, but there are of course many more larger enterprises in other parts of China. We

/greatly value

greatly value the investment that agencies of the Chinese Government have made in Hong Kong in recent years; similarly the more Hong Kong businessmen can share with Chinese authorities their experience of manufacturing, managing and marketing the healthier will be Hong Kong's role in China's modernisation programme.

Of course this role depends primarily on Hong Kong's own prosperity and so on our ability to advance our own industry and technology, and to sell in foreign markets as well as to absorb and pay for China products. Our economy like most others in the world has been going through an anxious period.

Inflation is undesirably high, particularly of consumer prices and this, together with high rents in the private sector is what hits most people, though wages have generally speaking kept pace. But whereas in many other economies inflation has been accompanied by stagnation, in Hong Kong it has not. On the contrary, the economy has continued to grow rapidly in real terms and, despite the very large increase in the population of working age due to immigration, unemployment rose only moderately and almost certainly is now falling.

The growth rate of domestic exports has fallen but is still remarkably high given trading conditions in our major markets, and present indications are that it is rising again. The competitiveness of our exports has improved and left our exporters well poised to take advantage of any upturn in overseas demand. I realise this is due not only to depreciation of the Hong Kong dollar (recently reversed) but also to basically undesirable things like the low rate of increase in real manufacturing wages, and a squeeze on profits. But these will be corrected on the up-swing as and when it comes. They also reflect the realism with which management and labour alike respond to the pressures of external economic forces.

Excessive expansion of domestic credit in recent years, has helped to fuel inflation and to finance a high growth rate of imports, especially of consumer goods, and this was not a sustainable situation. However, with high interest rates and a cooler property market, the growth rate of the money supply and of domestic credit are now dropping, and this should tend to reduce both inflation and the size of the trade deficit.

/To sum

To sum up, we have come comparatively well through a period made difficult largely by external influences. Insofar as the problems have been domestic or self-inflicted, they appear to be slowly correcting. Of course there is the shadow of the new M.F.A., and the state of the economies of our major markets make a depressing background for negotiation. But we have learnt that demand for Hong Kong goods can be sustained in countries whose economies are recessed particularly, as at present, when stocks are uniformly low, and that provided we can maintain access we can sell. Moreover we can take encouragement from the OPEC decision on oil prices, and the reduction of interest rates in the U.S., as well as the significant rise in our imports of raw materials and semi-manufactures. So all in all I am quietly hopeful that our growth will continue in the year ahead, and that the pressures of inflation will relax, and the opportunities for work increase.

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