



DAILY INFORMATION BULLETIN

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FRIDAY, JANUARY 18, 1985

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PROCEED CAUTIOUSLY, PEOPLE URGED

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EXPERIENCE SHOWED THE NEED TO PROCEED CAUTIOUSLY AND GRADUALLY FOR HONG KONG TO ENJOY A RELATIVELY STABLE INTERNAL POLITICAL AND SOCIAL ENVIRONMENT, THE SECRETARY FOR DISTRICT ADMINISTRATION, MR DAVID AKERS-JONES, SAID TODAY.

AT THE ANNUAL SPEECH DAY OF ST. PAUL'S CO-EDUCATIONAL COLLEGE, HE SAID: +CERTAINLY WE HAVE TO DEVISE A SYSTEM WHICH WILL PROPERLY REPRESENT THE PEOPLE.

+BUT IT WOULD BE EXPECTING TOO MUCH AT THE START OF THIS NEW YEAR AND THIS NEW CHAPTER IN HONG KONG'S HISTORY IF WE TRIED TO DEFINE IN TOO MUCH DETAIL THE STEPS WHICH WILL NEED TO BE TAKEN IN THE YEARS AHEAD.

+WHEN WE HAVE LIVED THROUGH THESE NEXT ONE OR TWO YEARS THE SHAPE OF THINGS TO COME WILL BEGIN TO EMERGE FROM THE MISTS OF THE FUTURE.+

MR AKERS-JONES SAID THAT MOST OF HONG KONG'S PEOPLE WOULD LIVE HERE ALL THEIR LIVES AND THERE WAS NO QUESTION OF DEPARTURE.

+THEIR HOMES ARE HERE, THEIR FUTURE IS HERE, AND THEREFORE WE MUST NOT FALTER IN OUR RESOLVE -- AS A GOVERNMENT AND PEOPLE -- TO CONTINUE TO BUILD A FULL AND HAPPY LIFE FOR OUR PEOPLE, BY USING THE IMAGINATION, ENTERPRISE AND DETERMINATION.+

HE SAID HONG KONG HAS A GUARANTEED AND DISTINCT EXISTENCE UNTIL THE YEAR 2047.

THE PEOPLE CAN NOW TAKE A MUCH MORE POSITIVE HOLD ON THE FUTURE THAN AT ANY TIME IN THE TERRITORY'S HISTORY.

+YET WE MUST NOT ALLOW THIS GREATER CERTAINTY, THIS GREATER ASSURANCE, TO ENDANGER, BY BECOMING OVER-CONFIDENT, WHAT HAS BEEN CREATED DURING THE LONG PERIOD OF UNCERTAINTY,+ HE SAID.

+FOR THIS IS A PARADOX THAT THE LACK OF CERTAINTY HAS STIMULATED CONCENTRATION ON ESSENTIALS AND PRACTICAL AFFAIRS, AND THIS HAS HELPED CREATE THE PROSPERITY WHICH WE ENJOY TODAY.

+AND, BECAUSE OF THE NEED TO PROCEED CAUTIOUSLY AND BY CONSENSUS, WE HAVE ENJOYED A RELATIVELY STABLE INTERNAL POLITICAL AND SOCIAL ENVIRONMENT.+

/MR AKERS-JONES

MR AKERS-JONES ALSO LISTED SOME OF THE QUALITIES AND FEATURES WHICH HAVE CONTRIBUTED TO THE CREATION OF +THIS REMARKABLE CITY+.

THESE INCLUDE TOLERATION OF RACE AND RELIGION, FREEDOM OF SPEECH, A MIXING OF CULTURES AND LANGUAGE, THE USE OF A WORLD LANGUAGE TO GAIN ACCESS TO IDEAS AND LEARNING FROM AROUND THE WORLD, SOCIAL IMPROVEMENT AND POLITICAL REFORM, A RAPID EXPANSION OF EDUCATION AND TRAINING FACILITIES, AND OTHERS.

HE STRESSED THAT IT IS IMPORTANT AT THIS TURNING POINT IN OUR HISTORY THAT WE VALUE AND PRESERVE THOSE ASPECTS OF OUR SOCIETY WHICH ARE THE VERY BASIS OF OUR SUCCESS.

+WE MUST NOT LOSE THEM WHILE WE ARE IN THE PROCESS OF SHIFTING THE MACHINERY OF GOVERNMENT TO THE PEOPLE.+

MEANWHILE, HE ADDED THAT THERE WERE MANY OTHER IMPORTANT TASKS AHEAD OF US. IN PARTICULAR THE EDUCATION COMMISSION HAD CHARTED THE COURSE FOR THE DEVELOPMENT AND EXPANSION OF EDUCATION.

+WE MUST CONTINUE WITH OUR PHYSICAL DEVELOPMENT, AND PROVIDE THE PUBLIC BUILDINGS AND SERVICES NECESSARY TO MAINTAIN OUR PRESENT SOCIAL PROGRAMMES AND POLICIES, AND BUILD THE ROADS, WATER AND POWER SUPPLIES AND ALL THE FACILITIES NEEDED TO SUSTAIN OUR ECONOMIC GROWTH,+ HE SAID.

+WE MUST HAVE CONFIDENCE IN OUR ABILITY TO FIND SOLUTIONS. BUT THEY MUST BE OUR OWN SOLUTIONS. WE MUST NOT FORGET HOW WE REACHED THIS PARTICULAR MOMENT IN HISTORY.

+IT IS A TIME WHICH FIRES THE IMAGINATION AND UPLIFTS THE SPIRIT. IT IS A TIME FOR US TO CONSIDER THE PART WE HAVE TO PLAY IN BUILDING THE FUTURE HONG KONG.+

MR AKERS-JONES ALSO REMINDED THE STUDENTS OF THE THEME OF THE INTERNATIONAL YOUTH YEAR -- PARTICIPATION, DEVELOPMENT AND PEACE -- AND URGED THEM TO PARTICIPATE ACCORDING TO THEIR AGE AND ABILITY.

+IF YOU ARE TOO YOUNG TO PARTICIPATE ACTIVELY, THEN USE THIS OPPORTUNITY WHILE YOU ARE STUDYING TO LEARN AS MUCH AS YOU CAN ABOUT HONG KONG AND MAKE YOUR CONTRIBUTION THAT OF UNDERSTANDING THE REAL NATURE, AND I EMPHASISE, THE REAL NATURE OF THE QUESTIONS WHICH WE FACE,+ HE ADDED.

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CHANGE OF GROUP POLICIES LAW SOUGHT
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A BILL WHICH SEEKS TO VALIDATE INSURANCE POLICIES TAKEN OUT FOR THE BENEFIT OF GROUPS OF UNNAMED BUT IDENTIFIABLE PERSONS WILL SOON BE INTRODUCED INTO THE LEGISLATIVE COUNCIL.

A GOVERNMENT SPOKESMAN EXPLAINED THAT UNDER THE EXISTING LAW, AN EMPLOYER WHO TAKES OUT A GROUP LIFE ASSURANCE POLICY TO COVER ALL HIS EMPLOYEES IS REQUIRED TO NAME ALL THE EMPLOYEES IN THE POLICY.

THIS IS INCONVENIENT AND OUT OF TOUCH WITH THE REALITY OF COMMON MARKET PRACTICE, HE SAID.

THE INSURANCE COMPANIES (AMENDMENT) BILL 1985 GAZETTED TODAY (FRIDAY) PROVIDES THAT THE LAW DOES NOT INVALIDATE A POLICY OF INSURANCE FOR THE BENEFIT OF UNNAMED PERSONS WITHIN A SPECIFIED CLASS OR DESCRIPTION, IF THE CLASS OR DESCRIPTION IS STATED IN THE POLICY AND ALL PERSONS WHO ARE ENTITLED TO BENEFIT AT ANY GIVEN TIME ARE IDENTIFIABLE.

THE PROPOSED AMENDMENT IS SUPPORTED BY THE INSURANCE ADVISORY COMMITTEE, THE HONG KONG LIFE INSURANCE COUNCIL AND THE INSURANCE COUNCIL OF HONG KONG, THE SPOKESMAN ADDED.

THE BILL IS EXPECTED TO HAVE ITS FIRST READING ON JANUARY 23 AND ITS SECOND AND THIRD READINGS ON FEBRUARY 6.

PUBLIC COMMENTS MAY BE SENT TO UMEICO AT SWIRE HOUSE, 12TH FLOOR, CHATER ROAD, CENTRAL OR THE SECRETARY FOR ECONOMIC SERVICES AT CENTRAL GOVERNMENT OFFICES, EAST WING, 6TH FLOOR, LOWER ALBERT ROAD, HONG KONG.

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SALARY INDEXES FOR MANAGERIAL AND PROFESSIONAL EMPLOYEES
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THE OVERALL NOMINAL SALARY INDEX (A), MEASURING CHANGES IN AVERAGE SALARY LEVELS FOR THE MANAGERIAL AND PROFESSIONAL EMPLOYEES, LAST YEAR GREW BY 11.8 PER CENT OVER THE BASE YEAR IN JUNE 1983, TO 111.8.

THIS IS SHOWN FROM THE FINDINGS OF A NEW SURVEY OF SALARIES AND EMPLOYEES BENEFITS (MANAGERIAL AND PROFESSIONAL EMPLOYEES - EXCLUDING TOP MANAGEMENT) CONDUCTED BY CENSUS AND STATISTICS DEPARTMENT.

/THE OVERALL

THE OVERALL NOMINAL SALARY INDEX (B), WHICH MEASURES THE CHANGES IN AVERAGE SALARY LEVELS ONLY FOR THOSE MANAGERIAL AND PROFESSIONAL EMPLOYEES WHO REMAINED IN THE SAME JOB AND IN THE SAME COMPANY IN 1983 AND 1984 WAS 113.2 IN JUNE 1984, REPRESENTING AN INCREASE OF 13.2 PER CENT AS COMPARED WITH JUNE 1983, WHEN THE INDEX WAS TAKEN AS 100.

COMPARING JUNE 1984 WITH JUNE 1983, THE NOMINAL SALARY INDEX (A) FOR THE FINANCIAL INSTITUTIONS AND INSURANCE SECTOR INCREASED BY 14.1 PER CENT; FOR THE WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES SECTOR BY 14.0 PER CENT; FOR THE MANUFACTURING/ELECTRICITY, GAS AND STEAM SECTOR BY 13.8 PER CENT; FOR THE TRANSPORT, STORAGE AND COMMUNICATION SECTOR BY 10.9 PER CENT; AND FOR THE BUILDING AND CONSTRUCTION AND RELATED TRADES SECTOR BY 5.6 PER CENT.

DURING THE SAME PERIOD, THE NOMINAL SALARY INDEX (B) FOR THE FINANCIAL INSTITUTIONS AND INSURANCE SECTOR INCREASED BY 14.1 PER CENT; FOR THE WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES SECTOR BY 15.3 PER CENT; FOR THE MANUFACTURING/ELECTRICITY, GAS AND STEAM SECTOR BY 13.9 PER CENT; FOR THE TRANSPORT, STORAGE AND COMMUNICATION SECTOR BY 13.3 PER CENT; AND FOR THE BUILDING AND CONSTRUCTION AND RELATED TRADES SECTOR BY 10.3 PER CENT.

BETWEEN JUNE 1983 AND JUNE 1984, THE NOMINAL SALARY INDEX (A) FOR LARGE COMPANIES INCREASED BY 10.0 PER CENT AND THAT FOR MEDIUM-SIZED COMPANIES BY 12.3 PER CENT. AS REGARDS THE NOMINAL SALARY INDEX (B), THE CORRESPONDING INCREASES WERE 11.8 PER CENT AND 13.6 PER CENT RESPECTIVELY. FOR DEFINITIONS OF LARGE AND MEDIUM-SIZED COMPANIES, PLEASE SEE THE FOOTNOTE OF TABLE 1.

THE NOMINAL SALARY INDEX (A) AND NOMINAL SALARY INDEX (B) FOR JUNE 1984 FOR MAJOR ECONOMIC SECTORS ANALYSED BY SIZE OF COMPANY ARE SHOWN IN TABLE 1 AND TABLE 2 BELOW.

MEANWHILE, THE OVERALL REAL SALARY INDEX (A) STOOD AT 101.5 IN JUNE 1984, REPRESENTING AN INCREASE OF 1.5 PER CENT WHEN COMPARED WITH JUNE 1983. THE OVERALL REAL SALARY INDEX (B), ON THE OTHER HAND, STOOD AT 102.7 IN JUNE 1984, REPRESENTING AN INCREASE OF 2.7 PER CENT WHEN COMPARED WITH JUNE 1983.

COMPARING JUNE 1984 WITH JUNE 1983, THE REAL SALARY INDEX (A) FOR THE FINANCIAL INSTITUTIONS AND INSURANCE SECTOR AND FOR THE WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES SECTOR INCREASED BY 3.5 PER CENT EACH; FOR THE MANUFACTURING/ELECTRICITY, GAS AND STEAM SECTOR BY 3.3 PER CENT; FOR THE TRANSPORT, STORAGE AND COMMUNICATION SECTOR BY 0.6 PER CENT WHILE THAT FOR THE BUILDING AND CONSTRUCTION AND RELATED TRADES SECTOR DECREASED BY 4.2 PER CENT.

/DURING THE

DURING THE SAME PERIOD, THE REAL SALARY INDEX (B) FOR THE FINANCIAL INSTITUTIONS AND INSURANCE SECTOR INCREASED BY 3.6 PER CENT; FOR THE WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES SECTOR BY 4.6 PER CENT; FOR THE MANUFACTURING/ELECTRICITY, GAS AND STEAM SECTOR BY 3.4 PER CENT; FOR THE TRANSPORT, STORAGE AND COMMUNICATION SECTOR BY 2.9 PER CENT AND FOR THE BUILDING AND CONSTRUCTION AND RELATED TRADES SECTOR BY 0.1 PER CENT.

BETWEEN JUNE 1983 AND JUNE 1984, THE REAL SALARY INDEX (A) FOR LARGE COMPANIES DECREASED BY 0.1 PER CENT BUT THAT FOR MEDIUM-SIZED COMPANIES INCREASED BY 1.9 PER CENT. THE REAL SALARY INDEX (B) FOR LARGE AND MEDIUM-SIZED COMPANIES INCREASED BY 1.4 PER CENT AND 3.1 PER CENT RESPECTIVELY.

THE REAL SALARY INDEX (A) AND REAL SALARY INDEX (B) FOR JUNE 1984 FOR THE MAJOR ECONOMIC SECTORS ANALYSED BY SIZE OF COMPANY ARE SHOWN IN TABLE 3 AND TABLE 4.

AMONG THE MANAGERIAL AND PROFESSIONAL EMPLOYEES COVERED BY THE SURVEY, IT WAS FOUND THAT 58 PER CENT OF THEM WERE ENTITLED TO PROFIT-SHARING BONUS, 38 PER CENT WERE ENTITLED TO HOUSING BENEFITS OF SOME KIND AND 70 PER CENT TO PROVIDENT/RETIREMENT FUND OR PENSION.

THE CENSUS AND STATISTICS DEPARTMENT HAS SINCE MARCH 1982 CONDUCTED A QUARTERLY SURVEY OF WAGES, SALARIES AND EMPLOYEE BENEFITS TO MEASURE CHANGES IN WAGE AND SALARY RATES FOR MANUAL AND NON-MANUAL WORKERS. EMPLOYEES AT THE ADMINISTRATIVE AND PROFESSIONAL LEVELS ARE HOWEVER EXCLUDED. IN ORDER TO COVER THESE TYPES OF EMPLOYEES, THE DEPARTMENT CONDUCTED THE SURVEY OF SALARIES AND EMPLOYEE BENEFITS (MANAGERIAL AND PROFESSIONAL EMPLOYEES - EXCLUDING TOP MANAGEMENT) IN SEPTEMBER 1984 TO MEASURE CHANGES IN SALARY RATES FOR THE MANAGERIAL AND PROFESSIONAL EMPLOYEES DURING THE PERIOD FROM JUNE 1983 TO JUNE 1984. EMPLOYEES OCCUPYING TOP POSITIONS IN MANAGEMENT ARE STILL NOT INCLUDED BECAUSE OF DIFFICULTY IN OBTAINING SUCH DATA.

IN THE NEW SURVEY, ONLY EMPLOYEES WORKING IN COMMON OCCUPATIONS OF MANAGERIAL AND PROFESSIONAL LEVELS IN THE MANUFACTURING/ELECTRICITY, GAS AND STEAM SECTOR; BUILDING AND CONSTRUCTION AND RELATED TRADES SECTOR; WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES SECTOR; TRANSPORT, STORAGE AND COMMUNICATION SECTOR AND FINANCIAL INSTITUTIONS AND INSURANCE SECTOR ARE COVERED. BOTH LOCAL AND EXPATRIATE STAFF EMPLOYED IN LARGE AND MEDIUM-SIZED COMPANIES ARE COVERED IN THE SURVEY. A SAMPLE OF 200 COMPANIES WAS SELECTED FOR THE SURVEY. ALL THE LARGE COMPANIES IN THE ABOVE FIVE ECONOMIC SECTORS WERE ENUMERATED IN FULL WHEREAS RANDOM SAMPLES OF MEDIUM-SIZED COMPANIES WERE SELECTED FROM EACH ECONOMIC SECTOR.

/DATA WERE

DATA WERE COLLECTED BY PERSONAL INTERVIEW. A LETTER TOGETHER WITH A SET OF EXPLANATORY NOTES AND JOB SPECIFICATIONS WERE SENT TO THE SAMPLED COMPANIES. AN APPOINTMENT WAS THEN MADE AFTER WHICH AN OFFICER OF CENSUS AND STATISTICS DEPARTMENT CALLED ON THE COMPANY TO GIVE ASSISTANCE IN JOB MATCHING AND COMPLETING THE QUESTIONNAIRE.

BASED ON THE FINDINGS OF THE NEW SURVEY, A NOMINAL SALARY INDEX (A) AND A NOMINAL SALARY INDEX (B) WERE COMPILED. THESE SALARY INDEXES ARE DESIGNED TO MEASURE CHANGES IN SALARY RATES BY HOLDING THE OCCUPATIONAL AND INDUSTRIAL STRUCTURES THE SAME AS THAT IN JUNE 1983, WHICH IS TAKEN AS THE BASE PERIOD OF THE INDEXES. THE SALARY INDEX (A) IS COMPILED BY COMPARING THE AVERAGE OF THE SALARY LEVELS OF MANAGERIAL AND PROFESSIONAL EMPLOYEES IN JUNE 1984 WITH THAT IN JUNE 1983. IT IS A COMPREHENSIVE MEASURE OF CHANGE IN SALARY LEVELS AND TAKES INTO ACCOUNT CHANGES IN SALARY LEVEL RESULTING FROM MOVEMENTS ACROSS COMPANIES AND IN AND OUT OF OCCUPATIONS AS WELL AS CHANGES IN SALARIES FOR THOSE WHO REMAIN IN THE SAME OCCUPATION AND THE SAME COMPANY IN BOTH YEARS. ON THE OTHER HAND, THE SALARY INDEX (B) MEASURES THE CHANGES IN SALARY LEVELS ONLY FOR THOSE WHO REMAIN IN THE SAME OCCUPATION AND IN THE SAME COMPANY IN BOTH YEARS. IT THEREFORE ACCOUNTS ONLY FOR CHANGES DUE TO A GENERAL INCREMENT, MERITORIOUS INCREASE AND GAIN IN SENIORITY. THIS INDEX SHOULD BE USEFUL TO PERSONNEL MANAGERS IN DECIDING ON SALARY ADJUSTMENTS. WHILE THE NOMINAL SALARY INDEXES MEASURE THE CHANGES IN SALARY RATES IN MONEY TERMS, THE REAL SALARY INDEXES, WHICH ARE OBTAINED BY DEFLATING THE NOMINAL SALARY INDEXES BY THE HANG SENG CONSUMER PRICE INDEX, MEASURE THE CHANGES IN THE SALARY RATES IN REAL TERMS. APART FROM BASIC SALARIES, THE SALARY RATE IS DEFINED TO INCLUDE ALSO COST-OF-LIVING ALLOWANCE, GUARANTEED YEAR-END BONUS, COMMISSION AND TIPS AND OTHER GUARANTEED AND REGULAR BONUSES AND ALLOWANCES. OTHER ITEMS WHICH MAY CONTRIBUTE SIGNIFICANTLY TO THE TOTAL PAY PACKAGE OF EMPLOYEES AT THIS LEVEL SUCH AS PROFIT-SHARING BONUS AND HOUSING ALLOWANCE ARE NOT INCLUDED IN THE DEFINITION OF SALARY RATE. HOWEVER, STATISTICS ON THESE FRINGE BENEFITS ITEMS ARE SEPARATELY COMPILED. THEY ARE EXPRESSED IN TERMS OF PERCENTAGES OF EMPLOYEES INCLUDED IN THE SURVEY ENTITLED TO THEM.

DETAILS OF THE SALARY MOVEMENT, AVERAGE SALARY RATES FOR MAJOR OCCUPATIONS AND STATISTICS ON EMPLOYEE ENTITLEMENT TO VARIOUS FRINGE BENEFITS, TOGETHER WITH A DESCRIPTION OF THE METHODOLOGY, ARE PUBLISHED IN A +REPORT OF SALARY AND EMPLOYEE BENEFITS (MANAGERIAL AND PROFESSIONAL EMPLOYEES - EXCLUDING TOP MANAGEMENT)+. COPIES OF THIS REPORT WILL SOON BE AVAILABLE AT \$15 PER COPY AT THE GOVERNMENT PUBLICATIONS CENTRE, GENERAL POST OFFICE BUILDING, GROUND FLOOR, CONNAUGHT PLACE, HONG KONG.

FOR ENQUIRIES ABOUT THE SALARY INDEXES, PLEASE CONTACT THE WAGES AND LABOUR COSTS STATISTICS SECTION OF THE CENSUS AND STATISTICS DEPARTMENT AT TELEPHONE NO. 5-455774 OR 5-416062.

TABLE 1 : NOMINAL SALARY INDEX (A) ANALYSED BY MAJOR ECONOMIC SECTOR
BY SIZE OF COMPANY FOR JUNE 1984 (JUNE 1983 = 100)

SELECTED MAJOR ECONOMIC SECTORS	INDEXES*		
	LARGE COMPANIES	MEDIUM-SIZED COMPANIES	ALL COMPANIES
MANUFACTURING/ELECTRICITY, GAS AND STEAM	110.0	114.8	113.8
BUILDING AND CONSTRUCTION AND RELATED TRADES	98.1	106.6	105.6
WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES	112.7	114.3	114.0
TRANSPORT, STORAGE AND COMMUNICATION	112.0	109.9	110.9
FINANCIAL INSTITUTIONS AND INSURANCE	111.6	114.9	114.1
ALL SECTORS ABOVE	110.0	112.3	111.8

* ALL INDEXES ARE ROUNDED TO ONE DECIMAL PLACE.

NOTE: LARGE AND MEDIUM-SIZED COMPANIES ARE INDICATED AS BELOW:

SELECTED MAJOR ECONOMIC SECTORS	NO. OF PERSONS ENGAGED	
	LARGE COMPANIES	MEDIUM-SIZED COMPANIES
MANUFACTURING/ELECTRICITY, GAS AND STEAM	2 000	200 - 1 999

/BUILDING AND

BUILDING AND CONSTRUCTION AND RELATED TRADES	500	50 -	499
WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES	500	100 -	499
TRANSPORT, STORAGE AND COMMUNICATION	500	100 -	499
FINANCIAL INSTITUTIONS AND INSURANCE	1 000	100 -	999

TABLE 2 : NOMINAL SALARY INDEX (B) ANALYSED BY MAJOR ECONOMIC SECTOR
BY SIZE OF COMPANY FOR JUNE 1984 (JUNE 1983 = 100)

SELECTED MAJOR ECONOMIC SECTORS	INDEXES*		
	LARGE COMPANIES	MEDIUM-SIZED COMPANIES	ALL COMPANIES
MANUFACTURING/ELECTRICITY, GAS AND STEAM	112.1	114.4	113.9
BUILDING AND CONSTRUCTION AND RELATED TRADES	108.0	110.6	110.3
WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES	112.4	115.9	115.3
TRANSPORT, STORAGE AND COMMUNICATION	112.5	114.2	113.3
FINANCIAL INSTITUTIONS AND INSURANCE	112.3	114.7	114.1
ALL SECTORS ABOVE	111.8	113.6	113.2

* ALL INDEXES ARE ROUNDED TO ONE DECIMAL PLACE.

/TABLE 3 :

TABLE 3 : REAL SALARY INDEX (A) ANALYSED BY MAJOR ECONOMIC SECTOR
BY SIZE OF COMPANY FOR JUNE 1984 (JUNE 1983 = 100)

SELECTED MAJOR ECONOMIC SECTORS	INDEXES*		
	LARGE COMPANIES	MEDIUM-SIZED COMPANIES	ALL COMPANIES
MANUFACTURING/ELECTRICITY, GAS AND STEAM	99.8	104.2	103.3
BUILDING AND CONSTRUCTION AND RELATED TRADES	89.0	96.8	95.8
WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES	102.3	103.7	103.5
TRANSPORT, STORAGE AND COMMUNICATION	101.6	99.7	100.6
FINANCIAL INSTITUTIONS AND INSURANCE	101.3	104.3	103.5
ALL SECTORS ABOVE	99.9	101.9	101.5

* ALL INDEXES ARE ROUNDED TO ONE DECIMAL PLACE.

TABLE 4 : REAL SALARY INDEX (B) ANALYSED BY MAJOR ECONOMIC SECTOR
BY SIZE OF COMPANY FOR JUNE 1984 (JUNE 1983 = 100)

SELECTED MAJOR ECONOMIC SECTORS	INDEXES*		
	LARGE COMPANIES	MEDIUM-SIZED COMPANIES	ALL COMPANIES
MANUFACTURING/ELECTRICITY, GAS AND STEAM	101.7	103.8	103.4

/BUILDING AND

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BUILDING AND CONSTRUCTION AND RELATED TRADES	98.0	100.3	100.1
WHOLESALE/RETAIL AND IMPORT/EXPORT TRADES	102.0	105.2	104.6
TRANSPORT, STORAGE AND COMMUNICATION	102.1	103.6	102.9
FINANCIAL INSTITUTIONS AND INSURANCE	102.0	104.1	103.6

ALL SECTORS ABOVE	101.4	103.1	102.7

* ALL INDEXES ARE ROUNDED TO ONE DECIMAL PLACE.

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TWO SUSPECTED ILLEGAL IMMIGRANTS HELD

TWO MEN SUSPECTED OF BEING ILLEGAL IMMIGRANTS FROM CHINA WERE ARRESTED IN YUEN LONG IN A SPECIAL OPERATION CARRIED OUT BY IMMIGRATION OFFICERS YESTERDAY (THURSDAY).

THE TWO, AGED 30 AND 36 WERE BEING DETAINED FOR QUESTIONING, A SPOKESMAN FOR THE DEPARTMENT SAID TODAY.

OF THE 1 400 PERSONS CHECKED FOR IDENTIFICATION, NINE FAILED TO CARRY PROOF OF IDENTITY. THE NINE WERE BEING INVESTIGATED WITH A VIEW TO PROSECUTION, HE SAID.

FORTY IMMIGRATION OFFICERS HAD TAKEN PART IN YESTERDAY'S OPERATION ON 88 ESTABLISHMENTS, INCLUDING FACTORIES, RESTAURANTS, SHOPS AND CONSTRUCTION SITES, THE SPOKESMAN SAID.

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ID CARD REMINDER FOR WOMEN

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WOMEN BORN IN 1949 AND 1950 ARE REMINDED TO APPLY FOR NEW I.D. CARDS BEFORE FEBRUARY 2.

+SINCE THE INCEPTION OF THIS PHASE, 43 800 APPLICATIONS HAVE BEEN PROCESSED BY THE EIGHT ISSUE OFFICES AND WE EXPECT 38 600 MORE TO COME IN THE REMAINING TWO WEEKS,+ AN IMMIGRATION DEPARTMENT SPOKESMAN SAID TODAY.

APPLICANTS CAN CALL AT ANY ONE OF THE ISSUE OFFICES BETWEEN 8 AM AND 9.30 PM, MONDAYS TO SATURDAYS.

THOSE WHO ARE AWAY FROM HONG KONG AND WILL NOT BE BACK BEFORE THE END OF THE PHASE SHOULD APPLY WITHIN 30 DAYS OF THEIR RETURN.

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FACTS, FIGURES IN A NUTSHELL

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THE 1984 EDITION OF THE ANNUAL DIGEST OF STATISTICS PUBLISHED BY THE CENSUS AND STATISTICS DEPARTMENT, IS NOW ON SALE AT \$90 A COPY.

THE PUBLICATION IS THE MOST COMPREHENSIVE SOURCE OF OFFICIAL STATISTICS.

IT BRINGS TOGETHER IN ONE VOLUME UP-TO-DATE STATISTICAL INFORMATION ON THE SOCIAL AND ECONOMIC DEVELOPMENT OF HONG KONG.

IT COVERS STATISTICS ON A WIDE RANGE OF TOPICS, INCLUDING POPULATION, VITAL STATISTICS, LABOUR FORCE, INDUSTRY, TRADE, SERVICES, GROSS DOMESTIC PRODUCT, PUBLIC FINANCE, MONEY AND BANKING, CONSUMER PRICES, FOOD SUPPLIES, TRANSPORT, COMMUNICATIONS, TOURISM, CONSTRUCTION, HOUSING, EDUCATION, MEDICAL AND HEALTH, SOCIAL WELFARE AS WELL AS LAW AND ORDER.

THE 1984 ISSUE PROVIDES 280 TABLES AND COVERS, WHEREVER POSSIBLE, THE TEN-YEAR PERIOD FROM 1974 TO 1983.

IT IS AVAILABLE AT THE GOVERNMENT PUBLICATIONS CENTRE, G.P.O. BUILDING, G/F, CONNAUGHT PLACE, HONG KONG.

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COST-SAVING FLOATING BOOM WINS AWARD

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A MARINE DEPARTMENT INSPECTOR WAS COMMENDED BY THE SECRETARY FOR THE CIVIL SERVICE, MR MARTIN ROWLANDS, TODAY (FRIDAY) FOR HIS INNOVATIVE DESIGN OF A FLOATING BOOM WHICH WON AN AWARD UNDER THE GOVERNMENT'S STAFF SUGGESTIONS SCHEME.

LAST AUGUST, MR LEUNG CHUN-MING PUT FORWARD A SUGGESTION TO THE GOVERNMENT'S STAFF SUGGESTIONS SCHEME FOR THE DESIGN AND CONSTRUCTION OF A FLOATING BOOM TO PROTECT SWIMMING AREAS FROM POLLUTION. THE BOOM HAS BEEN SUCCESSFULLY INSTALLED BY THE URBAN SERVICES DEPARTMENT AT REPULSE BAY BEACH AND MAY BE INTRODUCED AT OTHER BEACHES.

AT A CEREMONY HELD AT THE MARINE DEPARTMENT'S HEADQUARTERS, MR ROWLANDS PRESENTED A CERTIFICATE OF COMMENDATION. MR LEUNG HAD ALREADY RECEIVED A CASH AWARD OF \$1 500.

+MR LEUNG HAS DEMONSTRATED CONSIDERABLE INVENTIVENESS IN AN AREA OF WORK IN WHICH HE IS NOT EMPLOYED. HE HAS DEVOTED A GREAT DEAL OF HIS OWN TIME TO DEVELOPING HIS IDEA AND I CONGRATULATE HIM,+ SAID MR ROWLANDS.

MR ROWLANDS STRESSED THAT IN THE PRESENT FINANCIAL CONSTRAINTS ON CIVIL SERVICE GROWTH, THE GOVERNMENT'S STAFF SUGGESTIONS SCHEME TOOK ON AN EVEN GREATER SIGNIFICANCE AND HE HOPED THAT STAFF IN ALL DEPARTMENTS WOULD SUPPORT IT.

THE CIVIL SERVICE SUGGESTIONS SCHEME PROVIDES OPPORTUNITIES TO CIVIL SERVICE STAFF TO PROPOSE IMPROVEMENTS TO METHODS OF WORK AND TO SUGGEST WAYS BY WHICH SAVINGS CAN BE ACHIEVED. IT ALSO ENCOURAGES STAFF TO CONTRIBUTE TO THE OPERATION OF THE SERVICE OUTSIDE THE LIMITS OF THEIR NORMAL RESPONSIBILITIES.

PRESENT AT THE PRESENTATION CEREMONY WERE THE DIRECTOR OF MARINE, MR CHAN YUE-YAN, SENIOR OFFICERS AND STAFF REPRESENTATIVES OF THE MARINE DEPARTMENT AND MEMBERS OF THE STAFF SUGGESTIONS COMMITTEE.

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SHA TIN PROMOTES CIVIC INTEREST

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A THREE-SESSION TRAINING COURSE HAS BEEN ORGANISED FOR UPCOMING COMMUNITY LEADERS IN SHA TIN, AS PART OF THE DISTRICT BOARD'S EFFORTS TO PROMOTE CIVIC-MINDEDNESS.

PARTICIPANTS, MAINLY MEMBERS OF MUTUAL AID COMMITTEES AND YIN NGAI SOCIETIES, WILL ATTEND THE FIRST SESSION IN THE SHA TIN DISTRICT OFFICE ON SUNDAY (JANUARY 20) AND THE OTHER TWO ON JANUARY 23 AND 27.

/THE SUBJECTS

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THE SUBJECTS WILL INCLUDE THE FUNCTION OF DISTRICT BOARD, SKILLS AND KNOWLEDGE OF LEADERS, THE HONG KONG POLITICAL STRUCTURE, THE COMMUNITY STRUCTURE OF SHA TIN, AND DEVELOPMENTS IN THE NEW TOWN.

THE GROUP WILL ALSO GO TO THE LIONS PAVILION FOR A PANORAMIC VIEW OF SHA TIN, AND A BRIEFING ON THE NEW TOWN DEVELOPMENT BY THE ASSISTANT DISTRICT OFFICER, MR PAUL TANG.

SIX UNOFFICIAL DISTRICT BOARD MEMBERS WILL BE THE GUEST SPEAKERS AND THE SHA TIN DISTRICT OFFICER, MR LAM WOON-KWONG, WILL TALK ON THE FUTURE DEVELOPMENT OF DISTRICT ADMINISTRATION.

SPONSORED BY THE DISTRICT BOARD, THE COURSE IS JOINTLY ORGANISED BY THE BOARD'S EDUCATION ON CIVIC-MINDEDNESS ORGANISING COMMITTEE AND THE DISTRICT OFFICE.

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VARIETY SHOW HIGHLIGHTS CRIME FIGHT
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A FUN-PACKED VARIETY SHOW TOMORROW (SATURDAY) EVENING WILL HIGHLIGHT THE CURRENT CRIME PREVENTION CAMPAIGN IN EASTERN DISTRICT.

THE TWO-AND-A-HALF HOUR EVENT AT THE DR SEAKER CHAN'S MEMORIAL HALL WILL FEATURE AN ACROBATIC AND MAGIC SHOWS, FOLK DANCES, DRAMA, SONGS AND OTHER PERFORMANCES BY MEMBERS OF THE EASTERN JUNIOR POLICE CALL, AND THREE POPULAR SINGERS.

THE CAMPAIGN BEGAN LAST NOVEMBER, TO PUBLICISE THE IMPORTANCE OF CO-OPERATION BETWEEN THE COMMUNITY AND THE POLICE IN COMBATING AND PREVENTING CRIMES.

WINNERS OF A FIGHT CRIME POSTER DESIGN CONTEST HELD LAST MONTH WILL RECEIVE THEIR PRIZES AT THE OPENING CEREMONY OF TOMORROW'S SHOW, AT 7.30 PM. ABOUT 300 ENTRIES WERE SUBMITTED FOR THE CONTEST WHICH WAS DIVIDED INTO TWO AGE GROUPS.

THE EASTERN DISTRICT OFFICER, MR LUI HAU-TUEN, AND THE EASTERN DISTRICT COMMANDER OF THE ROYAL HONG KONG POLICE FORCE, MR E.J. LOCKYEAR, WILL OFFICIATE AT THE OPENING CEREMONY.

THE VARIETY SHOW IS JOINTLY ORGANISED BY THE EASTERN DISTRICT FIGHT CRIME COMMITTEE, THE DISTRICT BOARD, THE DISTRICT OFFICE AND THE EASTERN DISTRICT POLICE HEADQUARTERS.

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KWUN TONG HOLDING YOUTH FESTIVAL

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A PARADE BY 500 MEMBERS OF YOUTH GROUPS, SCHOOLS AND VOLUNTARY AGENCIES WILL MARK THE OPENING OF A TWO-WEEK +KWUN TONG YOUTH FESTIVAL+ ON SUNDAY (JANUARY 20).

THE REGIONAL SECRETARY FOR HONG KONG AND KOWLOON, MR BARRIE WIGGHAM, WILL INSPECT THE LINE UP AT THE HONG NING ROAD PLAYGROUND.

THE SEVEN YOUTH GROUPS TAKING PART ARE: CIVIL AID SERVICES, ST. JOHN'S AMBULANCE BRIGADE, AIR CADET CORPS, THE JUNIOR LEADERS CORPS OF THE ROYAL HONG KONG REGIMENT, BOY SCOUTS, GIRL GUIDES AND THE ROAD SAFETY PATROL TEAM OF DELIA MEMORIAL SCHOOL.

OTHER EVENTS INCLUDE BAND MARCHING, CYCLING AND DANCING PERFORMANCES, AND A BODY-BUILDING DEMONSTRATION BY A VITALITY TEAM FROM A TELEVISION STATION.

THE FESTIVAL, THE FIRST OF ITS KIND IN HONG KONG, WILL HAVE THE THEME: +YOUTHS OF KWUN TONG ANSWER EVERY CALL, DEVELOP THE COMMUNITY AND PEACE FOR ALL+.

SPONSORED BY THE DISTRICT BOARD AT \$150 000, IT WILL HAVE 30 EVENTS, ORGANISED THROUGH THE CO-OPERATION OF THE BOARD AND LOCAL YOUTH GROUPS.

THE FESTIVAL PROGRAMME IS AVAILABLE AT THE KWUN TONG DISTRICT OFFICE AND ITS SUB-OFFICES. TELEPHONE ENQUIRIES CAN BE MADE AT 3-416315.

THE FESTIVAL'S OPENING ON SUNDAY WILL START AT 2.30 PM.HK

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HISTORICAL BUILDING TO BE PRESERVED

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A 230-YEAR-OLD ANCESTRAL HALL IN SHEUNG SHUI, NEW TERRITORIES, WAS GAZETTED TODAY AS A HISTORICAL BUILDING UNDER LEGAL PROTECTION.

THE BUILDING, KNOWN AS MAN SHEK TONG, WAS BUILT IN 1751 DURING THE QING DYNASTY.

+IT IS A THREE-HALL TYPE BUILDING FRONTED WITH A LOVELY COURTYARD GARDEN,+ A SPOKESMAN FOR THE ANTIQUITIES AND MONUMENTS OFFICE OF THE URBAN SERVICES DEPARTMENT SAID.

/+ITS BEAUTIFULLY

+ITS BEAUTIFULLY CARVED WOODEN DECORATIONS, EXQUISITE TRADITIONAL CHINESE MURALS AND SHEK WAN POTTERY ARTWORK ON THE RIDGE OF THE ROOF CAN SELDOM BE SEEN AT OTHER ANCESTRAL HALLS IN THE TERRITORY.+

HE SAID MAN SHEK TONG SERVED AS THE MAIN ANCESTRAL HALL FOR LIU CLANSMEN IN THE NEW TERRITORIES AND WAS ONCE CONVERTED INTO A PRIMARY SCHOOL BACK IN 1932.

WITH THE MOVE OF THE SCHOOL INTO NEW PREMISES, THE ANCESTRAL HALL WILL BE RESTORED TO ITS ORIGINAL CONDITION.

RESTORATION WORK ON THE BUILDING STARTED LAST DECEMBER AND IS SCHEDULED FOR COMPLETION LATER THIS YEAR.

+THE COST OF THE RESTORATION IS SHARED BETWEEN THE LIU CLAN AND THE GOVERNMENT,+ THE SPOKESMAN SAID. +THIS ONCE AGAIN PROVES THAT BOTH THE PRIVATE AND PUBLIC SECTORS ARE WELL AWARE OF THE IMPORTANCE OF PROTECTING THE CULTURAL HERITAGE OF HONG KONG.+

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CAREERS DISPLAYS EXPECT 20 000 STUDENTS

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ABOUT 20 000 STUDENTS FROM SOME 100 SECONDARY SCHOOLS ARE EXPECTED TO ATTEND THE SIX REGIONAL CAREERS CONVENTIONS ORGANISED BY THE YOUTH EMPLOYMENT ADVISORY SERVICE (YEAS) OF THE LABOUR DEPARTMENT AND THE HONG KONG ASSOCIATION OF CAREERS MASTERS.

THE CONVENTIONS ARE BEING STAGED FROM TODAY (FRIDAY) TO EARLY MARCH, IN DIFFERENT REGIONS ON HONG KONG ISLAND, KOWLOON AND THE NEW TERRITORIES.

EACH CONVENTION WILL LAST FOR ABOUT TWO DAYS, AND WILL FEATURE MAINLY A CAREERS DISPLAY PREPARED BY STUDENTS OF PARTICIPATING SCHOOLS AND A SERIES OF TALKS ON SELECTED CAREERS GIVEN BY SPECIALISTS.

A SPOKESMAN FOR THE DEPARTMENT SAID THAT STUDENTS ATTENDING THE CONVENTIONS WOULD BE ABLE TO ACQUIRE A BETTER UNDERSTANDING OF DIFFERENT CAREERS AND TRAINING OPPORTUNITIES AVAILABLE TO THEM.

IN PREPARING DISPLAY PROJECTS, STUDENTS FROM PARTICIPATING SCHOOLS WOULD BE DIRECTLY INVOLVED IN OBTAINING AND PRESENTING CAREERS INFORMATION, HE ADDED.

THE SPOKESMAN SAID THAT THE COMMERCIAL, INDUSTRIAL AND SERVICES SECTORS, TRAINING INSTITUTES AS WELL AS GOVERNMENT DEPARTMENTS ARE SUPPORTING THE CONVENTION.

THEY WILL BE SENDING REPRESENTATIVES TO GIVE CAREERS TALKS ON TOPICS INCLUDING HOTEL AND TOURISM, ADVERTISING AND PUBLIC RELATIONS, BROADCASTING, ACCOUNTANCY, JOURNALISM, TELECOMMUNICATIONS, COMPUTER, NURSING, CIVIL SERVICE OPENINGS AND FURTHER STUDIES.

SCHOOLS AND ORGANISATIONS INTERESTED IN VISITING THE CONVENTIONS MAY CONTACT THE YEAS AT TELEPHONE 5-7956212.

DETAILS OF THE CONVENTIONS ARE AS FOLLOWS:

<u>REGION</u>	<u>DATE</u>	<u>VENUE</u>
KOWLOON EAST	JAN. 18-19	HO LAP COLLEGE 15 TSEUK LUK STREET SAN PO KONG
NEW TERRITORIES WEST	FEB. 1-2	CNEC CHRISTIAN COLLEGE 6 LEI PUI STREET KWAI CHUNG
HONG KONG WEST	FEB. 5-6	YU CHUN KEUNG MEM. COLLEGE NO. 2 CHI FU CLOSE CHI FU FA YUEN
HONG KONG EAST	FEB. 8-9	ST. PAUL'S CONVENT SCHOOL 140 LEIGHTON ROAD CAUSEWAY BAY
NEW TERRITORIES EAST	FEB. 15-16	SHA TIN GOVT. SEC. SCHOOL 11-17 MAN LAI ROAD SHA TIN
KOWLOON WEST	MARCH 8-9	ST. TERESA SECONDARY SCHOOL 21 SHEUNG SHING STREET HO MAN TIN

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FEEES FOR DENTISTS RAISED
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UNDER THE DENTISTS (REGISTRATION AND DISCIPLINARY PROCEDURE) (AMENDMENT) REGULATIONS 1985 GAZETTED TODAY, CHARGES FOR PRACTISING CERTIFICATES WILL BE RAISED FROM \$10 TO \$25 FOR DENTISTS IN THE PUBLIC SERVICE, AND FROM \$10 TO \$40 FOR DENTISTS RESIDENT OUTSIDE HONG KONG. FEES FOR MAKING ALTERATIONS TO THE REGISTER WILL ALSO BE INCREASED FROM \$20 TO \$40.

THE REGULATIONS WILL ALSO PLACE THE FULL-TIME TEACHING STAFF OF THE FACULTY OF DENTISTRY OF THE UNIVERSITY OF HONG KONG ON AN EQUAL FOOTING WITH DENTISTS IN THE PUBLIC SECTOR IN REGARD TO THE PAYMENT OF FEES FOR PRACTISING CERTIFICATES.

A GOVERNMENT SPOKESMAN SAID TODAY THAT THE FEES FOR DENTAL REGISTRATION SERVICES WERE LAST INCREASED IN 1977 AND THAT THE CURRENT REVISION WOULD BRING THE FEES PAYABLE BY DENTISTS BACK INTO LINE WITH THOSE PAID BY DOCTORS.

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RIVER DREDGING WORK NEEDED
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GOVERNMENT INTENDS TO DREDGE THE UPPER REACHES OF THE SHING MUN RIVER TO IMPROVE ITS FLOW.

THROUGH REMOVAL OF SILT WHICH HAS BUILT-UP IN THE SECTION BETWEEN KOWLOON CANTON RAILWAY BRIDGE IN TAI WAI AND SAND MARTIN BRIDGE AT LEK YUEN, THE RIVER BED WILL REMAIN SUBMERGED EVEN AT LOW TIDAL LEVELS.

THE REMOVAL OF THE RIVER SEDIMENTS WILL CONTRIBUTE TO THE IMPROVEMENT OF THE GENERAL ENVIRONMENT AND WILL BENEFIT USERS OF THE RIVER, WHICH IS A MAJOR AQUATIC FACILITY FOR THE SHA TIN NEW TOWN.

THE ENGINEERING DEVELOPMENT DEPARTMENT IS INVITING TENDER FOR THIS PROJECT. DREDGING WORK IS EXPECTED TO START NEXT MONTH AND WILL TAKE 16 MONTHS TO COMPLETE.

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TAI PO LAND FOR SALE BY TENDER

FOUR LOTS OF CROWN LAND IN TAI PO ARE BEING OFFERED FOR SALE BY TENDER BY THE LANDS DEPARTMENT.

THE SITES ARE TAI PO TOWN LOT NOS. 38, 41, 43 AND 47, AND MEASURE 728.8, 742 683.3 AND 1 360 SQUARE METRES RESPECTIVELY.

THE FIRST THREE LOTS ARE TO BE USED FOR BOAT BUILDING OR BOAT REPAIRING OR BOTH, WHILE THE LAST LOT IS FOR ICE-MAKING AND ANCILLARY COLD STORAGE PURPOSES.

THE CLOSING DATE FOR TENDERING IS NOON ON FEBRUARY 15.

TENDER FORMS, NOTICES AND CONDITIONS AND TENDER PLANS MAY BE OBTAINED AND INSPECTED AT THE LANDS DEPARTMENT, SURVEY DIVISION, MURRAY BUILDING, 5TH FLOOR, GARDEN ROAD, HONG KONG AND THE DISTRICT LANDS OFFICE, KOWLOON, YAU MA TEI CAR PARKING BUILDING, 10TH FLOOR, 250 SHANGHAI STREET.

TENDER FORMS MAY ALSO BE AVAILABLE AT THE DISTRICT LANDS OFFICES OF SHA TIN, TAI PO, NORTH, YUEN LONG, TSUEN WAN, TUEN MUN, SAI KUNG AND ISLANDS.

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SEMINAR ON SPORTS FOR DISABLED

A SEMINAR ON SPORTS FOR THE PHYSICALLY HANDICAPPED WILL BE HELD AT THE JUBILEE SPORTS CENTRE, SHA TIN ON SUNDAY (JANUARY 20) FROM 9 AM UNTIL NOON.

THE SEMINAR, ORGANISED BY THE RECREATION AND SPORTS SERVICE (RSS) OF THE RECREATION AND CULTURE DEPARTMENT, IS INTENDED TO HELP ATTENDANTS UNDERSTAND THE NEEDS OF THE PHYSICALLY HANDICAPPED AND TO LEARN HOW TO ORGANISE ATHLETIC MEETINGS FOR THEM.

SPEAKERS WILL BE MR AND MRS RAYMOND MAK, COACHES OF HONG KONG'S DELEGATES TO BOTH 1984 INTERNATIONAL GAMES FOR THE DISABLED AND THE WORLD WHEELCHAIR GAMES.

THERE WILL THEN BE AN OPEN FORUM AND DEMONSTRATION.

PERSONS INTERESTED IN TAKING PART SHOULD CONTACT MISS CHAN OF THE RECREATION AND SPORTS SERVICE ON TEL. 5-415037 FOR DETAILS.

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SEWAGE DISPOSAL TENDERS INVITED

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THE ELECTRICAL AND MECHANICAL SERVICES DEPARTMENT IS INVITING TENDERS FOR THE DAILY DISPOSAL OF SEWAGE SLUDGE AND SOLID WASTE FROM 64 SEWAGE TREATMENT PLANTS OVER THE TERRITORY FOR A PERIOD OF TWO YEARS.

WORK WILL INVOLVE MINOR REPAIRS TO THE PLANTS (EXCLUDING THOSE MAINTAINED BY THE ARCHITECTURAL OFFICE MAINTENANCE BRANCH OF THE BUILDING DEVELOPMENT DEPARTMENT), ALTERATIONS, AND IMPROVEMENTS WHEN REQUIRED.

ONLY CONTRACTORS ON THE LANDS AND WORKS APPROVED CONTRACTORS LIST I IN GROUPS B AND C FOR ROAD AND DRAINAGE WORKS OR SITE FORMATION WORKS ARE ELIGIBLE TO TENDER.

TENDER FORMS AND FURTHER PARTICULARS MAY BE OBTAINED FROM THE CONTRACTS SECTION OF THE DEPARTMENT AT 98 CAROLINE HILL ROAD, CAUSEWAY BAY, HONG KONG.

TENDERS MUST BE ADDRESSED TO THE CHAIRMAN OF THE CENTRAL TENDER BOARD, AND PLACED IN THE SECRETARIAT TENDER BOX IN THE LIFT LOBBY, CENTRAL GOVERNMENT OFFICES (EAST WING), LOWER GROUND FLOOR, LOWER ALBERT ROAD, HONG KONG BY FEBRUARY 8.

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DRIVE DRAWS TO END

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THE CLOSING CEREMONY OF THE +RESPECT FOR THE ELDERLY+ CAMPAIGN ORGANISED BY THE WAN CHAI DISTRICT OFFICE, WAN CHAI YIN NGAI SOCIETY AND PAK HOK GYMNASIUM WILL BE HELD TOMORROW (SATURDAY) AT 1.30 PM IN THE METHODIST S AND S YOUTH CENTRE, 22 HENNESSY ROAD.

RESULTS OF COMPETITIONS HELD IN CONNECTION WITH THE CAMPAIGN WILL ALSO BE ANNOUNCED AT THE FUNCTION.

OFFICIATING WILL BE MRS PEGGY LAM, A DISTRICT BOARD MEMBER; MRS ANNA LEE, CHAIRPERSON OF WAN CHAI YIN NGAI SOCIETY; MRS FANNY LAW, A PRINCIPAL ASSISTANT SECRETARY OF CITY AND NEW TERRITORIES ADMINISTRATION; AND MR RAYMOND YOUNG, WAN CHAI ASSISTANT DISTRICT OFFICER.

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ALL YUEN LONG FAIR SITES LEASED

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ALL 200 STALL SITES FOR THE COMING YUEN LONG LUNAR NEW YEAR FAIR WERE LEASED OVER THE UPSET PRICE AT A PUBLIC AUCTION TODAY.

THE HIGHEST PRICE PAID FOR ONE OF THE 180 WET GOODS STALL SITES WAS \$3 200, WHILE THE LOWEST PRICE WAS \$770. THE UPSET PRICE WAS AT \$100 FOR EACH STALL.

EIGHTEEN DRY GOODS STALL SITES WERE LEASED AT PRICES RANGING FROM \$180 TO \$400. TWO STALLS FOR SALE OF BOTTLED DRINKS WERE LET OUT AT \$800 AND \$300.

THE AUCTION WAS CONDUCTED BY STAFF OF THE YUEN LONG URBAN SERVICES OFFICE AT THE YUEN LONG TOWN HALL.

ALL STALL SITES WILL BE SET UP AT THE PEDESTRIAN MALL, OPPOSITE THE YUEN LONG PUBLIC SWIMMING POOL AT TAI YUK ROAD IN THE TOWN CENTRE.

THE YUEN LONG LUNAR NEW YEAR FAIR WILL BE HELD BETWEEN FEBRUARY 13 AND 20, AT THE SAME TIME AS SIX FAIRS IN THE NEW TERRITORIES IN TUEN MUN, TAI PO, TSUEN WAN, SHEUNG SHUI, KWAI CHUNG AND SHA TIN.

A TOTAL OF 781 STALL SITES HAD EARLIER BEEN LEASED FOR THE SIX OTHER FAIRS.

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WAN CHAI TAPS OFF

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FRESH WATER SUPPLY TO CERTAIN PREMISES IN WAN CHAI WILL BE TURNED OFF FOR SEVEN HOURS FROM 11 PM ON MONDAY (JANUARY 21) TO THE FOLLOWING DAY FOR LEAKAGE TESTS.

THE AFFECTED AREA IS BOUNDED BY FENWICK STREET, JOHNSTON ROAD, FLEMING ROAD, AND LOCKHART ROAD INCLUDING NO. 1-13 AND 93-149 THOMSON ROAD AS WELL AS NO. 25-61 AND 183-211 JOHNSTON ROAD.

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DAILY INFORMATION BULLETIN - SUPPLEMENT

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

EMBARGO NOTE:

The following is embargoed until 2 am on Friday, January 18, 1985 to coincide with its release in New York.

SPEECH BY THE GOVERNOR OF HONG KONG

SIR EDWARD YOUDE GCMG MBE

AT THE LUNCHEON HOSTED BY THE HONG KONG AND

SHANGHAI BANKING CORPORATION AT THE

PIERRE HOTEL, FIFTH AVENUE & 61ST STREET

NEW YORK ON THURSDAY 17 JANUARY 1985

TO MARK THE OPENING OF THE BANK'S

HEADQUARTERS FOR THE AMERICAS

MR SANDBERG, LADIES & GENTLEMEN,

I AM HONOURED TO BE INVITED TO ADDRESS THIS DISTINGUISHED GATHERING, TO MARK THE OPENING OF THE HONGKONG AND SHANGHAI BANKING CORPORATION'S HEADQUARTERS FOR THE AMERICAS.

2. HONGKONGBANK - AS THE CORPORATION IS MORE FAMILIARLY KNOWN - IS THE 20TH LARGEST BANKING GROUP IN THE WORLD IN TERMS OF DEPOSITS. IT IS ONE OF THE MOST STRONGLY CAPITALISED. THE GROUP IS INTERNATIONAL IN ITS SCOPE OF OPERATIONS, HAVING OVER 1,000 OFFICES IN 54 COUNTRIES. HONGKONGBANK IS ALSO ONE OF THE OLDEST

FOREIGN BANKS IN THE UNITED STATES. ITS FIRST OFFICE WAS SET UP HERE IN 1875 - JUST TEN YEARS AFTER THE BANK WAS FOUNDED IN HONG KONG. UNTIL THE MID-1970S, THE BANK'S US OFFICES EXISTED MAINLY TO SERVICE REGIONAL BUSINESS GENERATED FROM HONG KONG. WITH THE ESTABLISHMENT OF THE REGIONAL OFFICE FOR THE AMERICAS IN 1979, ITS US OPERATIONS HAVE GROWN SUBSTANTIALLY. IT NOW HAS ITS OWN BANKING OFFICES IN EIGHT MAJOR REGIONS IN THE UNITED STATES.

3. THE OPENING OF THE NEW HEADQUARTERS TODAY NOT ONLY REFLECTS THE GROWTH OF THE BANK ITSELF. IT IS SYMBOLIC OF THE THRIVING ECONOMIC AND FINANCIAL LINKS BETWEEN THE US AND HONG KONG. IT PROVIDES IN CONSEQUENCE AN APPROPRIATE OCCASION FOR ME TO SPEAK TO YOU BRIEFLY ABOUT HONG KONG ITSELF, ABOUT ITS FUTURE PROSPECTS, AND ON THE ADVANTAGES OF HONG KONG AS A PLACE FOR US COMPANIES TO DO BUSINESS, BOTH IN ITS OWN RIGHT AND AS A CENTRE FOR THE ASIA-PACIFIC REGION.

4. THE LAST 35 YEARS HAVE SEEN HONG KONG'S TRANSFORMATION FROM A RELATIVELY SMALL TRADING PORT ON THE CHINA COAST INTO A THRIVING INDUSTRIAL ECONOMY AND INTERNATIONAL FINANCIAL CENTRE.

5. MANUFACTURING INDUSTRY WHICH WAS TINY IN 1950 NOW EMPLOYS SOME 35% OF HONG KONG'S WORK FORCE AND ACCOUNTS FOR ABOUT 22% OF ITS GROSS DOMESTIC PRODUCT. SOME 90% OF ITS MANUFACTURING OUTPUT IS EXPORTED, FOR HONG KONG HAS ALWAYS HAD TO EARN ITS LIVING BY INTERNATIONAL TRADE. TODAY, HONG KONG RANKS 20TH IN THE WORLD AS AN EXPORTER, AND 18TH IN TOTAL TRADE. IN VALUE TERMS, WE ARE THE WORLD'S LARGEST EXPORTER OF GARMENTS, TOYS AND OF SOME PLASTIC PRODUCTS; AND IN QUANTITY TERMS, THE WORLD'S LARGEST EXPORTER OF WATCHES, CLOCKS AND RADIOS. OUR MANUFACTURERS HAVE STEADILY UPGRADED THE QUALITY AND RANGE OF THEIR PRODUCTS, IN RESPONSE TO CHANGES IN MARKET CONDITIONS AND DEMAND.

6. THE 1970S SAW HONG KONG'S EMERGENCE AS AN INTERNATIONAL FINANCIAL CENTRE. THE FINANCIAL SECTOR NOW PROVIDES A FULL RANGE OF SERVICES IN SUPPORT OF HONG KONG'S OWN ECONOMY, AND CONDUCTS AN IMPRESSIVE AND INCREASING VOLUME OF INTERNATIONAL BUSINESS. THERE ARE 140 LICENSED BANKS IN HONG KONG, THREE QUARTERS OF THEM FROM OVERSEAS. AS MANY OF YOU HERE TODAY WILL KNOW, HONG KONG IS THE THIRD LARGEST FINANCIAL CENTRE IN THE WORLD, AFTER NEW YORK AND LONDON.

7. IN THE LAST FEW YEARS HONG KONG'S TRADITIONAL ROLE AS A TRADING CENTRE HAS ALSO REVIVED STRONGLY, AS A RESULT OF THE OPENING OF CHINA'S ECONOMY SINCE 1978 AND CHINA'S POLICY OF MODERNISATION. MANY CHINESE CORPORATIONS AND BANKS ARE ACTIVE IN HONG KONG. CHINA IS THE LARGEST SOURCE OF OUR IMPORTS, AND HONG KONG'S SECOND LARGEST MARKET. HOPEFULLY CHINA'S PROGRAMME OF OIL EXPLORATION IN THE SOUTH CHINA SEAS WILL OFFER A NEW AND ADDITIONAL OPPORTUNITY FOR THE DEVELOPMENT OF THIS RELATIONSHIP.

8. HONG KONG HAS THEREFORE A SUBSTANTIAL ECONOMY OF ITS OWN. IT HAS ALSO MUCH TO OFFER AS A REGIONAL CENTRE FOR THE FAST GROWING PACIFIC BASIN. I NEED NOT TELL THIS AUDIENCE OF THE GROWING IMPORTANCE OF THE PACIFIC BASIN AS A MARKET FOR THE UNITED STATES. IN 1982, THE VALUE OF US TRADE WITH THE REGION SURPASSED THAT WITH WESTERN EUROPE BY US\$2 BILLION. IN 1983, THIS GAP WIDENED TO US\$29 BILLION; AND THE TREND IS LIKELY TO CONTINUE. GIVEN ITS LOCATION AND THE EXCELLENCE OF ITS COMMUNICATIONS, HONG KONG FORMS A NATURAL POINT OF CONTACT BETWEEN THE ASIAN-PACIFIC AREA AND THE REST OF THE WORLD - AND PARTICULARLY THE UNITED STATES. THIS GEOGRAPHICAL ADVANTAGE HAS LONG BEEN EXPLOITED BY HONG KONG BUSINESSMEN WHO ARE ACCUSTOMED TO DEAL, TRADE AND THINK INTERNATIONALLY.

9. WE HAVE ALSO IN HONG KONG THE KIND OF ECONOMY WHICH IS FAMILIAR TO US BUSINESSMEN AND IN WHICH THEY CAN FEEL AT HOME PERSONALLY AND IN THEIR BUSINESS ACTIVITIES. THIS ECONOMY IS OPEN AND MARKET ORIENTED. THE GOVERNMENT SEEKS TO INTERVENE ONLY WHERE PRUDENT REGULATION AND THE GOOD NAME OF HONG KONG SO REQUIRE. BUT IT ALSO SEEKS TO ENSURE THE PROVISION OF AN EFFICIENT BUSINESS ENVIRONMENT AND SUPPORTING INFRASTRUCTURE. THESE INCLUDE GOOD COMMUNICATIONS, AN EFFICIENT PORT AND AIRPORT, A STABLE CURRENCY FREE FROM EXCHANGE CONTROLS, A LOW TAX REGIME AND AN ESTABLISHED LEGAL AND JUDICIAL SYSTEM.

10. HONG KONG HAS A WELL UNDERSTOOD LAW OF CONTRACT IN WHICH THE BUSINESS COMMUNITY HAS CONFIDENCE. AND THERE WILL BE ESTABLISHED IN HONG KONG IN THE NEXT FEW MONTHS AN INTERNATIONAL ARBITRATION CENTRE, THE FIRST OF ITS KIND IN THE REGION. THIS CENTRE SHOULD ENHANCE THE STANDING OF HONG KONG AS A REGIONAL BUSINESS CENTRE.

11. ANOTHER DEVELOPING ARM OF HONG KONG'S SERVICES SECTOR IS INSURANCE. UNTIL RECENTLY, HONG KONG'S POTENTIAL AS AN INSURANCE AND REINSURANCE CENTRE HAD BEEN LIMITED BY THE RELATIVELY LOW-LEVEL REGULATION OF THE MARKET. HOWEVER, RECENT LEGISLATION, ENACTED WITH THE SUPPORT OF THE INSURANCE INDUSTRY, HAS LED TO

THE DEVELOPMENT OF AN INDUSTRY OF A QUALITY WHICH COMPARES FAVOURABLY WITH THAT IN OTHER MAJOR FINANCIAL CENTRES. OF THE 282 AUTHORISED COMPANIES NOW OPERATING IN HONG KONG, WELL OVER HALF ARE FROM OVERSEAS.

12. LOOKING AT THE PICTURE FROM THE OTHER SIDE, THE UNITED STATES HAS ALWAYS BEEN AN IMPORTANT MARKET FOR HONG KONG. IT IS HONG KONG'S PRINCIPAL TRADING PARTNER, ACCOUNTING FOR 21 PER CENT OF HONG KONG'S TRADE WITH ALL MARKETS. IT IS ALSO OUR LARGEST EXPORT MARKET, ACCOUNTING FOR 42 PER CENT OF OUR EXPORTS; AND HONG KONG'S THIRD LARGEST SUPPLIER, ACCOUNTING FOR 11 PER CENT OF OUR IMPORTS.

13. IT IS A WELL KNOWN FACT THAT HONG KONG FIRMLY BELIEVES IN, AND ACTIVELY PREACHES, FREE TRADE. WE ARE WIDE OPEN TO US IMPORTS AND ALL MAY COMPETE IN OUR MARKET PLACE WHETHER WITH GOODS, OR FINANCIAL AND OTHER SERVICES. WE ADHERE STRICTLY TO THE DISCIPLINES OF THE WORLD'S TRADING SYSTEM, IN PARTICULAR THE GENERAL AGREEMENT ON TARIFFS AND TRADE AND THE MULTI-FIBRE ARRANGEMENT. AGAINST THIS BACKGROUND, HONG KONG IS SOMETIMES SURPRISED, AND ALWAYS HURT, WHEN PROTECTIONIST MEASURES ARE TAKEN BY OUR TRADING PARTNERS. ONE RECENT PROBLEM HAS BEEN THE COUNTRY OF ORIGIN REGULATIONS FOR TEXTILE IMPORTS INTRODUCED LAST AUGUST BY THE UNITED STATES. I DO NOT WISH TO DWELL ON

THIS POINT TODAY, OTHER THAN TO SAY THAT THE REGULATIONS HAVE DISRUPTED LEGITIMATE TRADE UNDER OUR BILATERAL AGREEMENT, AND HAVE CAUSED MUCH HARDSHIP TO OUR KNITWEAR INDUSTRY. WE HOPE THAT THE UNITED STATES WILL RESPOND FAVOURABLY BEFORE LONG TO OUR REPRESENTATIONS WITHIN THE SPIRIT AND THE LETTER OF OUR BILATERAL AGREEMENT AND THE MFA.

14. IN THIS CONTEXT, WE WERE ENCOURAGED BY THE US GOVERNMENT'S DECISION TO CONTINUE TO ACCEPT HONG KONG AS A BENEFICIARY OF THE UNITED STATES GENERALISED SYSTEM OF PREFERENCES UNDER THE RECENTLY ENACTED TRADE AND TARIFF ACT. THIS STATUS IS IMPORTANT TO US. IN 1983 ABOUT US\$1.1 BILLION WORTH OF IMPORTS FROM HONG KONG BENEFITTED FROM THE GENERALISED SYSTEM OF PREFERENCES. THERE ARE PROVISIONS IN THE ACT REQUIRING THE PRESIDENT OF THE UNITED STATES TO MAKE A COMPREHENSIVE REVIEW OF THE PRODUCTS AND IMPORTS FROM BENEFICIARY TERRITORIES UNDER THIS NEW SYSTEM. HONG KONG WILL GIVE ITS FULL COOPERATION TO ANY SUCH REVIEW.

15. THE UNITED STATES IS ALSO THE LARGEST SOURCE OF OVERSEAS INVESTMENT IN HONG KONG'S MANUFACTURING INDUSTRY, ACCOUNTING FOR 54 PER CENT OF THE TOTAL. THERE ARE 130 FACTORIES IN HONG KONG WHOLLY OR PARTLY OWNED BY US INTERESTS. THESE FACTORIES EMPLOY 39,700 WORKERS, REPRESENTING OVER 4% OF OUR INDUSTRIAL

WORKFORCE. THEIR SALES IN 1983 AMOUNTED TO US\$1.68 BILLION, REPRESENTING NEARLY 10 PERCENT OF HONG KONG'S DOMESTIC EXPORTS IN THAT YEAR. WE WELCOME OVERSEAS INVESTMENT, RECOGNISING THAT IT MAKES A MAJOR CONTRIBUTION TO OUR PROSPERITY AND COMPETITIVENESS. IN PARTICULAR, THE DIRECT SPREAD OF NEW TECHNOLOGY IN HONG KONG THROUGH THE PARTICIPATION OF US COMPANIES IN OUR MANUFACTURING INDUSTRY IS IMPORTANT TO US IN OUR EFFORTS TO IMPROVE THE QUALITY AND VALUE OF OUR PRODUCTS. FOR OUR PART WE OFFER AN ENVIRONMENT IN WHICH THERE IS A FREE FLOW OF CAPITAL AND OF RETURN ON INVESTMENT WITHOUT EXCHANGE CONTROL.

16. BY ANY STANDARDS HONG KONG IS THUS ABLE TO OFFER A STRONG PROSPECTUS TO THOSE SEEKING TO DO BUSINESS WITH US. BUT DURING THE LAST TWO OR THREE YEARS THE WORLD SAW A QUESTION MARK OVER OUR FUTURE AFTER 1997. IT TOOK TWO YEARS OF NEGOTIATION, OFTEN DIFFICULT AND ALWAYS INTENSIVE, BETWEEN THE PEOPLE'S REPUBLIC OF CHINA AND THE UNITED KINGDOM TO PRODUCE THE ANSWER. THE ISSUES WERE NOT EASY ONES. THEY POSED COMPLEX POLITICAL, CONSTITUTIONAL, LEGAL AND ADMINISTRATIVE PROBLEMS FOR BOTH SIDES WHICH HAD GROWN OUT OF OVER 150 YEARS OF CHEQUERED HISTORY AND SEPARATE DEVELOPMENT. A SOLUTION WHICH RECONCILED THE NEEDS OF TWO VERY DIFFERENT SYSTEMS HAD TO BE FOUND. DURING THE NEGOTIATIONS HONG KONG PASSED THROUGH SOME ROUGH WATER. WE BEGAN THE

/NEGOTIATIONS

NEGOTIATIONS IN THE RECESSION YEAR OF 1982 WHICH IMPOSED A SHARP BRAKE ON THE GROWTH OF OUR ECONOMY. IN THE AUTUMN OF 1983 THE HONG KONG DOLLAR WAS SEVERELY AFFECTED BY POLITICAL DOUBTS OVER THE COURSE OF THE NEGOTIATIONS. THROUGHOUT THE POPULATION OF HONG KONG AND THE REST OF THE WORLD COULD ONLY GUESS AT WHAT THE OUTCOME OF THE NEGOTIATIONS MIGHT BE BECAUSE THEY HAD PERFORCE TO BE CONDUCTED IN CONFIDENCE IF THEY WERE TO HAVE ANY CHANCE OF SUCCESS.

17. WHEN IT EMERGED, THE SINO-BRITISH AGREEMENT PROVED A TRIBUTE TO GOOD SENSE. IT OWED MUCH TO THE IMAGINATION OF CHINESE LEADERS WHO RECOGNISED THAT, IF THE CONFIDENCE ON WHICH THE STABILITY AND PROGRESS OF HONG KONG DEPENDS IS TO BE MAINTAINED, HONG KONG NEEDS TO CONTINUE WITH ITS OWN DISTINCTIVE ECONOMIC AND SOCIAL SYSTEM.

18. THE ESSENCE OF THE AGREEMENT IS THAT IT PROVIDES FOR THE CONTINUATION OF ALL THOSE ELEMENTS WHICH HAVE CONTRIBUTED TO HONG KONG'S SUCCESS IN THE PAST. AS SUCH IT REMOVES MUCH OF THE UNCERTAINTY ABOUT THE FUTURE, AND ENABLES THE BUSINESS COMMUNITY ONCE MORE TO TAKE COMMERCIAL DECISIONS ON THEIR OWN MERITS. FOR THOSE WHO ARE CONSIDERING HONG KONG AS AN OFFSHORE BASIS TO EXPAND THEIR OPERATIONS, THE AGREEMENT SPELLS OUT MANY OF THE GUARANTEES FOR INVESTMENT WHICH FORMAL INVESTMENT PROTECTION AGREEMENTS NORMALLY SEEK TO COVER.

19. WHEN, IN 1997, CHINA RESUMES SOVEREIGNTY OVER HONG KONG AND THE HONG KONG SPECIAL ADMINISTRATIVE REGION COMES INTO BEING, IT WILL ENJOY A HIGH DEGREE OF AUTONOMY. IT WILL CONTINUE TO DETERMINE ITS OWN FINANCIAL POLICY AND MANAGE ITS OWN FINANCIAL RESOURCES. IT WILL DETERMINE ITS ECONOMIC AND TRADE POLICIES TAILORED TO ITS OWN NEEDS. THE FREE ENTERPRISE SYSTEM, FREE TRADE POLICIES AND FREE PORT WILL REMAIN; INDIVIDUAL FREEDOMS AND RIGHTS, INCLUDING THOSE IN ECONOMIC MATTERS, SUCH AS FREEDOM OF MOVEMENT OF CAPITAL, THE RIGHT TO OWN AND DISPOSE OF PROPERTY, AND THE RIGHT TO FULL AND PROMPT COMPENSATION FOR LAWFUL DEPRIVATION OF PROPERTY, ARE PROTECTED. THE CONTINUITY OF EXISTING LEASES AND RIGHTS IN LAND WILL ALSO BE ASSURED AFTER 1997. HONG KONG WILL RETAIN ITS OWN SYSTEM OF LAW AND THE JUDICIAL SYSTEM.

20. EQUALLY IMPORTANT, THE HONG KONG SAR WILL BE RESPONSIBLE FOR ITS OWN EXTERNAL ECONOMIC RELATIONSHIPS, AND MAINTAIN ITS STATUS, AS A SEPARATE CUSTOMS TERRITORY UNDER THE GATT, AND UNDER OTHER INTERNATIONAL COMMERCIAL ARRANGEMENTS. THE HONG KONG DOLLAR WILL CONTINUE TO CIRCULATE AND REMAIN FREELY CONVERTIBLE; THERE WILL BE NO EXCHANGE CONTROL.

21. THE AGREEMENT PROBABLY HAS NO PRECEDENT IN INTERNATIONAL RELATIONS. IT IS THUS NOT SURPRISING THAT THE QUESTION SHOULD BE ASKED "WILL IT WORK?". NO ONE CAN GIVE CAST-IRON GUARANTEES ABOUT THE FUTURE. BUT I BELIEVE THAT IT WILL, BECAUSE IT IS FREELY ACCEPTED BY BOTH GOVERNMENTS AS A LEGALLY BINDING INTERNATIONAL AGREEMENT, BECAUSE THE WORD AND PRESTIGE OF BOTH COUNTRIES ARE FIRMLY COMMITTED TO IT, AND BECAUSE IT IS IN THEIR JOINT AND INDIVIDUAL POLITICAL AND ECONOMIC INTEREST THAT IT SHOULD BE A SUCCESS. THE SUCCESSFUL IMPLEMENTATION OF THE AGREEMENT WILL ALSO IN THE WIDER INTERNATIONAL INTEREST. A POTENTIAL SOURCE OF DISPUTE AND INSTABILITY HAS BEEN REMOVED BY PEACEFUL NEGOTIATION FROM THE ALL TOO FULL AGENDA OF WORLD PROBLEMS. THE WORLD NEEDS MORE EXAMPLES OF THAT KIND.

22. SO THE PROSPECTS FOR HONG KONG ARE GOOD. ITS ECONOMY IS HEALTHY, AND ITS EXPORT PERFORMANCE IS STRONG; THE GROWTH OF OUR GROSS DOMESTIC PRODUCT IN 1984 IS LIKELY TO BE EIGHT PER CENT IN REAL TERMS. INFLATION IS UNDER 7% AND FALLING, THANKS IN PART TO THE STABILITY OF THE HONG KONG DOLLAR. THE GOVERNMENT WILL CONTINUE TO FOLLOW A PRUDENT BUDGETARY POLICY. OUR DEFICIT IS LOW; AND WE ARE NOW IN SIGHT OF RETURNING TO A BALANCED BUDGET. WHILST WE ARE DETERMINED TO KEEP PUBLIC EXPENDITURE WITHIN OUR REVENUE RESOURCES, WE ARE INVESTING VIGOROUSLY IN THE FUTURE.

23. THE BRITISH PRIME MINISTER HERSELF SAID THIS IN HER SPEECH TO A JOINT SESSION OF THE EXECUTIVE AND LEGISLATIVE COUNCILS OF HONG KONG ON DECEMBER 20TH LAST YEAR - "I CAN ASSURE HONG KONG'S PARTNERS AROUND THE WORLD THAT THE FREE AND DYNAMIC BUSINESS ENVIRONMENT WHICH HAS ATTRACTED THEM IN SUCH LARGE NUMBERS FOR SO MANY YEARS WILL CONTINUE TO FLOURISH. HONG KONG IS A GOING CONCERN WITH A FUTURE STRETCHING INTO THE NEXT CENTURY AND BEYOND". I SHARE THAT CONVICTION. IN CONSEQUENCE, I BELIEVE HONG KONG WILL CONTINUE TO BE A WORTHY MEMBER OF THE WORLD TRADING COMMUNITY AND A CONSTRUCTIVE PARTNER IN OUR MUCH VALUED TRADING RELATIONSHIP WITH THE US.

24. IN CONCLUSION, I SHOULD LIKE AGAIN TO THANK THE HONGKONG AND SHANGHAI BANKING CORPORATION WARMLY FOR INVITING ME TO NEW YORK TO OPEN THEIR HEADQUARTERS FOR THE AMERICAS AND FOR GIVING ME THIS OPPORTUNITY TO ADDRESS YOU. AS THIS NEW YEAR OPENS THERE IS A RENEWED AIR BOTH OF ACHIEVEMENT AND OPTIMISM IN HONG KONG. IT WILL, I AM SURE, BE REFLECTED IN FUTURE OPERATIONS FROM THESE HEADQUARTERS. I CONGRATULATE YOU, MR SANDBERG, YOUR BANK, AND ALL THOSE ASSOCIATED WITH THE OPENING TODAY AND WISH THE BANK CONTINUED SUCCESS.