



# DAILY INFORMATION BULLETIN

FRIDAY, MAY 4, 1979

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FS CALLS ON ADB TO MOBILISE RESOURCES TO EASE AND SPREAD  
BURDEN RESULTING FROM INDOCHINA EXODUS

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THE FINANCIAL SECRETARY, MR. PHILIP HADDON-CAVE TODAY (FRIDAY) URGED THE ASIAN DEVELOPMENT BANK TO SERIOUSLY AND URGENTLY CONSIDER HOW ITS RESOURCES COULD BE MOBILISED TO EASE AND SPREAD THE BURDEN RESULTING FROM THE EXODUS OF PEOPLE FROM INDOCHINA.

MR. HADDON-CAVE ALSO CALLED ON THE BANK TO USE ITS GOOD OFFICES TO ENCOURAGE REGIONAL CO-OPERATION AND TO BRING PRESSURE ON THE INTERNATIONAL COMMUNITY — SINCE THIS ALSO WAS AN INTERNATIONAL PROBLEM — TO RESPOND WITH ADEQUATE OFFERS OF RESETTLEMENT COUPLED WITH A SPEEDING UP OF RESETTLEMENT PROCESS.

+THIS IS TO GUARD AGAINST THE VERY REAL POSSIBILITY THAT THE PROSPECTS AND, INDEED, THE HUMAN RIGHTS OF THE PEOPLE IN THE COUNTRIES RECEIVING THIS LARGE INFLOW ARE NOT SERIOUSLY HARMED,+ THE FINANCIAL SECRETARY SAID.

HE STRESSED THAT TO SEARCH FOR PRACTICAL SOLUTIONS TO THE REGIONAL PROBLEM OF REFUGEES WHICH HAS ASSUMED +FRIGHTENING PROPORTIONS+ SHOULD BE A PRIORITY CONCERN OF THE BANK.

SPEAKING AT THE 12TH ANNUAL MEETING OF THE BOARD OF GOVERNORS IN MANILA, MR. HADDON-CAVE POINTED OUT THAT HONG KONG, IN RELATION TO ITS SIZE, WAS TAKING MORE THAN ITS SHARE OF THE BURDEN OF PROVIDING FACILITIES FOR THE TEMPORARY ASYLUM OF INDOCHINA REFUGEES.

+AND, FURTHERMORE, GIVEN PRESENT POPULATION DENSITIES, AND OTHER IMMIGRATION PROBLEMS, HONG KONG SIMPLY CANNOT CONTEMPLATE ACCEPTING THESE PEOPLE FOR PERMANENT SETTLEMENT- NOR CAN THEY BE PERMITTED TO DISTURB THE LABOUR MARKET TO THE DETRIMENT OF HONG KONG RESIDENTS,+ MR. HADDON-CAVE SAID.

HE SPELT OUT THE DIMENSIONS OF THE EXODUS SEEN FROM HONG KONG'S STANDPOINT AND THE IMPLICATIONS FOR HONG KONG PEOPLE OF CONTINUING TO OBSERVE ACCEPTED INTERNATIONAL CONVENTIONS.

SINCE 1975 AND UP TO THE END OF MARCH THIS YEAR, OVER 230,000 PEOPLE LEFT INDOCHINA.

OF THESE, 83,000 LEFT BY SEA AND OVER 25 PER CENT OF THESE CAME TO HONG KONG. THERE ARE NOW 23,963 REFUGEES FROM VIETNAM IN HONG KONG AWAITING RESETTLEMENT.

THE FINANCIAL SECRETARY EMPHASISED THAT IN THE 27 MONTHS ENDING MARCH THIS YEAR, HONG KONG'S GROSS INTAKE OF LEGAL AND

ILLEGAL IMMIGRANTS FROM CHINA AND ELSEWHERE WAS OVER 200,000. THIS WAS MORE THAN ONE-AND-A-HALF TIMES THE NATURAL INCREASE IN THAT PERIOD.

/+FOR THE TIME .....

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+FOR THE TIME BEING, WE SHALL HAVE TO ACCEPT THAT A VERY REAL STRAIN WILL BE THROWN ON OUR ADMINISTRATIVE AND SOCIAL SERVICES OVER THE NEXT FEW MONTHS, IT WILL BE MOST UNFAIR TO DEMAND OF A COMMUNITY WHICH, AGAINST GREAT ODDS, HAS PULLED ITSELF UP BY ITS OWN EFFORTS IN A UNIQUELY RESOURCELESS SITUATION, TO BEAR A DISPROPORTIONATE SHARE OF THE BURDEN OF THIS REGIONAL PROBLEM INDEFINITELY,+ MR. HADDON-CAVE POINTED OUT.

AGAINST THE BACKGROUND OF THE POPULATION SURGE HONG KONG HAD EXPERIENCED IN THE PAST 2-1/4 YEARS AS A RESULT OF NET IMMIGRATION FROM CHINA AND ELSEWHERE, MR. HADDON-CAVE SAID, +THIS HAS MEANT THAT WE HAVE LOST GROUND IN OUR EFFORTS TO IMPROVE THE QUALITY OF LIFE OF HONG KONG PEOPLE, FOR OUR PLANNING TARGETS ARE BASED ON POPULATION PROJECTIONS WHICH ARE NO LONGER VALID.+

+THE IMPLICATIONS OF THE FIGURES OF NET IMMIGRATION FROM EARLY 1977 TO DATE FOR OUR FUTURE POPULATION GROWTH ARE SELF-EVIDENT: PROJECTIONS BASED ON THE 1976 BY-CENSUS HAD SUGGESTED A POPULATION OF ABOUT 5.2 MILLION BY 1986, IMPLYING, FOR EXAMPLE, A REQUIREMENT FOR LOW-COST PUBLIC HOUSING FOR 1-1/2 MILLION PEOPLE OVER THE 10 YEARS ENDING 1986, AFTER ALLOWING FOR A LARGE NUMBER STILL INADEQUATELY HOUSED.

+A CONTINUATION OF LAST YEAR'S RATE OF NET IMMIGRATION OF 96,000 WOULD RAISE THE POPULATION TO SIX MILLION- YET EVEN THIS PROJECTION COULD BE LOW SHOULD THE PRESENT RATE OF NET IMMIGRATION CONTINUE .

+AND THE GREAT UNFAIRNESS OF THIS PROSPECT IS THAT THE RATE OF NATURAL INCREASE HAS BEEN SO SUCCESSFULLY CONTAINED IN THE PAST FEW YEARS,+ MR. HADDON-CAVE POINTED OUT.

HE SAID THAT THE STERN REALITY OF THE BARE STATISTICS OF THE BACKGROUND AGAINST WHICH HONG KONG MUST VIEW THE PRESENT INFLUX OF BOAT PEOPLE FROM VIETNAM, SHOULD OBSCURE NEITHER THE DRAMA AND TRAGEDY OF THE SITUATION, NOR THE SOCIO-POLITICAL TENSIONS THAT ARE BOUND TO ARISE IF RECIPIENT COMMUNITIES FEEL DEPRIVED IF LARGE NUMBERS OF PEOPLE HAVE TO BE MAINTAINED IN CAMPS INDEFINITELY.

+WE ARE NOT UNMINDFUL OF THE EFFORTS OF THE UNHCR AND THE CONCERN EXPRESSED BY THE GOVERNMENT OF COUNTRIES OF POTENTIAL RESETTLEMENT BUT, ON A PESSIMISTIC VIEW, WE COULD HAVE AS MANY AS 70,000 REFUGEES IN CAMPS IN HONG KONG AWAITING RESETTLEMENT BY THE END OF THE SUMMER SEASON, AND OTHER COUNTRIES IN THE REGION FACE A SIMILAR, THOUGH IN RELATIVE TERMS A LESS SERIOUS, PROBLEM,+ MR. HADDON-CAVE SAID.

HE STRESSED THAT TO SEARCH FOR PRACTICAL SOLUTIONS TO THE REGIONAL PROBLEM OF REFUGEES WHICH HAS ASSUMED +FRIGHTENING PROPORTIONS+ SHOULD BE A PRIORITY CONCERN OF THE ASIAN DEVELOPMENT BANK.

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LANDLORD AND TENANT LEGISLATION

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IN TODAY'S (FRIDAY) GAZETTE, THE LANDLORD AND TENANT (CONSOLIDATION)(AMENDMENT) BILL CONTAINS PROPOSALS BY GOVERNMENT IN RESPECT OF RENT CONTROLS.

A GOVERNMENT SPOKESMAN SAID THAT AFTER VERY CAREFUL CONSIDERATION OF THE SITUATION, IT HAD BEEN DECIDED TO EXTEND EXISTING RENT CONTROLS ON POSTWAR DOMESTIC PREMISES FOR A FURTHER THREE YEARS FROM DECEMBER 14, 1979. TENANTS OF THESE CONTROLLED PREMISES WILL THEREFORE CONTINUE TO HAVE SECURITY OF TENURE UNTIL DECEMBER 14, 1982. THE FACTOR REGULATING RENT INCREASES FOR THESE PREMISES BY A GIVEN PROPORTION OF THE DIFFERENCE BETWEEN THE ACTUAL RENT AND THE ESTIMATED MARKET RENT WILL BE REDUCED FROM 3 TO 2, CONTINUING THE PROCESS OF GRADUALLY REDUCING THE DIFFERENTIAL BETWEEN CONTROLLED AND MARKET LEVEL RENTS. THE SPOKESMAN SAID THAT RENTS OF THESE PREMISES NOW STAND AT ABOUT 70 PER CENT - 75 PER CENT OF FAIR MARKET RENTS. HE ADDED THAT THE 21 PER CENT CEILING FOR RENT INCREASES OVER A PERIOD OF TWO YEARS WILL CONTINUE TO BE APPLIED, EXCEPT FOR VERY LARGE PREMISES AS IS THE CASE ALREADY.

IN RESPECT OF PREWAR PREMISES WHERE RENTS ARE CURRENTLY CONTROLLED, WHOLLY NON-DOMESTIC PREMISES WILL BE DECONTROLLED IN STAGES BY JULY 1, 1984. ON THAT DATE, A LANDLORD WHO WISHES TO SERVE NOTICE OF TERMINATION OF TENANCY WILL BE REQUIRED TO DO SO UNDER PART V OF THE ORDINANCE.

AS FOR PREDOMINANTLY NON-DOMESTIC PREMISES WHERE HUMAN HABITATION IS ALREADY ESTABLISHED, TENANTS WHO RECEIVE NOTICE OF TERMINATION AFTER JULY 1, 1984 WILL BE ABLE TO APPLY TO THE LANDS TRIBUNAL FOR AN EXTENSION OF TENANCY OF UP TO 12 MONTHS AT ANY ONE TIME. RENT DURING SUCH AN EXTENSION WILL BE DETERMINED BY THE LANDS TRIBUNAL ON THE BASIS THAT IT SHALL NOT EXCEED THE RENT BEING PAID AT THAT TIME BY MORE THAN ONE-THIRD, OR THE FAIR MARKET RENT, WHICHEVER IS THE LOWER FIGURE.

PERMITTED RENTS FOR DOMESTIC AND NON-DOMESTIC PREWAR PREMISES WILL BE INCREASED TO FOUR TIMES AND EIGHT TIMES RESPECTIVELY THE +STANDARD RENT+ (THAT IS, THE 1941 RENT) FROM THE PRESENT THREE AND SIX TIMES, PROVIDED THE PERMITTED RENT DOES NOT EXCEED THE FAIR MARKET RENT. THE AVERAGE RENT PASSING FOR DOMESTIC UPPER TENEMENT FLOORS IN THESE CONTROLLED PREWAR BUILDINGS IS ABOUT 28 PER CENT OF FAIR MARKET RENT. THE AVERAGE RENT PASSING FOR BUSINESS GROUND TENEMENT FLOORS IN THESE CONTROLLED PREWAR BUILDINGS IS ABOUT 44 PER CENT OF FAIR MARKET RENT.

LANDLORDS ARE REQUIRED TO GIVE ONE MONTH'S NOTICE OF ANY PROPOSED INCREASE TO TENANTS, AND TENANTS MAY CHALLENGE THE INCREASE ON THE GROUNDS THAT IT EXCEEDS THE FAIR MARKET RENT. THE TENANCY TRIBUNAL WILL DETERMINE SUCH MATTERS.

AN ADMINISTRATIVE CHANGE PROVIDES THAT LANDLORDS AND TENANTS MAY OPT BY AGREEMENT TO EXCLUDE TENANCIES FROM RENT CONTROL BY REFERENCE TO THE COMMISSIONER OF RATING AND VALUATION INSTEAD OF TO THE TENANCY TRIBUNAL AS AT PRESENT. THIS WILL MAKE THE PROCEDURE EASIER AND QUICKER.

GOVERNMENT PROPOSES UNDER PART V OF THE ORDINANCE THAT THE PERIOD OF NOTICE OF TERMINATION IN DOMESTIC TENANCIES SERVED BY LANDLORDS TO TENANTS BE EXTENDED FROM SIX MONTHS TO 12 MONTHS. COMMENTING ON THIS, THE SPOKESMAN SAID THAT TENANTS IN POSTWAR DOMESTIC PREMISES WHOSE TENANCIES ARE ABOUT TO EXPIRE WILL THUS HAVE A LONGER PERIOD TO DISCUSS THE TERMS OF RENEWAL OF TENANCY WITH THEIR LANDLORDS, OR TO MAKE OTHER ARRANGEMENTS IF THEY WISH.

THE SPOKESMAN SAID THAT THESE MEASURES FOLLOWED CAREFUL INVESTIGATION BY GOVERNMENT OF THE SUPPLY SITUATION OF FLATS AND OF THE LEVEL OF RENTS ON RENEWAL OF LEASES. HE SAID THAT THERE WAS A HIGH DEMAND FOR FLATS AT PRESENT, PARTICULARLY LARGE AND MEDIUM FLATS, AND THAT THE BEST ANSWER TO THE PROBLEM IS TO INCREASE THE SUPPLY. RENT CONTROL, HE POINTED OUT, DOES NOT INCREASE SUPPLY.

AS TO THE RATE OF SUPPLY, THE SPOKESMAN SAID THAT IN THE CURRENT YEAR, 30,000 FLATS ARE EXPECTED TO BE COMPLETED BY THE PRIVATE SECTOR AND 35,000 IN THE PUBLIC HOUSING PROGRAMME, MAKING A TOTAL OF 65,000 --- A RECORD LEVEL, AND AN INCREASE OF NEARLY EIGHT PER CENT ON HONG KONG'S PRESENT HOUSING STOCK IN ONE YEAR. THE PROJECTED LEVEL OF PRODUCTION FOR 1980 IS THE SAME.

THE SPOKESMAN SAID FROM A SPECIAL REVIEW OF THE SITUATION, IT WAS ESTIMATED THAT IN RESPECT OF SMALL FLATS NOT NOW UNDER RENT CONTROL, INCREASES IN RENT ON RENEWAL OF LEASE IN THE PAST THREE MONTHS RANGED AROUND 21 PER CENT TO 25 PER CENT, THAT IS, JUST ABOVE THE INCREASES PERMITTED UNDER CURRENT RENT CONTROL LEGISLATION. RENT INCREASES, HE SAID, WERE NOT SIGNIFICANTLY OUT OF LINE WITH OTHER PRICE INCREASES. THE MAIN REASON FOR THE HIGH DEMAND FOR FLATS WAS THE SUBSTANTIAL INCREASE IN REAL INCOME OVER THE LAST FIVE OR SIX YEARS. THIS VIEW IS SUPPORTED BY THE INCREASING PROPORTION OF OWNER-OCCUPIERS IN NEW FLATS --- IN RECENT YEARS, ABOUT 70 PER CENT OF NEW FLATS HAVE BEEN BOUGHT FOR OWNER-OCCUPATION.

AS FOR REPORTED BIG INCREASES IN RENTS FOR SOME MEDIUM AND LARGE FLATS THE SPOKESMAN SAID THAT UNDOUBTEDLY THERE WERE CASES WHERE LARGE INCREASES WERE ASKED FOR AND GENERALLY SPEAKING, INCREASES ON RENTS FOR LARGE AND MEDIUM FLATS WERE HIGHER THAN FOR SMALL FLATS. GOVERNMENT FELT THAT THE BEST WAY TO SOLVE THIS PROBLEM WAS BY INCREASING SUPPLY.

DURING 1979 AND 1980, 1,775 MEDIUM FLATS AND 705 LARGE FLATS ARE PROJECTED TO BE COMPLETED. IN ADDITION, 3,200 HOUSES ARE LIKELY TO BE COMPLETED. THIS, HE THOUGHT, WOULD VERY GREATLY REDUCE THE PRESSURE ON THIS SECTOR OF THE HOUSING STOCK, WITH FAVOURABLE EFFECTS ON RENTS BEING ASKED.

IN ADDITION, GOVERNMENT IS ACTIVELY PURSUING WAYS OF INCREASING THE QUANTITY OF LAND ALREADY PLANNED TO BE MADE AVAILABLE FOR BUILDING FLATS, ESPECIALLY LARGE AND MEDIUM FLATS.

GOVERNMENT WILL RENEW ITS EFFORTS TO RE-DEVELOP ITS OWN RESIDENTIAL SITES TO MAXIMISE USE, AND THUS OVER A PERIOD OF TIME HELP TO REDUCE PRESSURE ON THE LARGE-MEDIUM FLAT MARKET.

THE SPOKESMAN EMPHASISED THAT THE EXTENSION OF THE PERIOD OF NOTICE OF TERMINATION PROPOSED UNDER PART V OF THE ORDINANCE WILL GIVE A BREATHING SPACE TO TENANTS AND THAT GOVERNMENT WILL KEEP A CLOSE EYE ON THE SITUATION.

GOVERNMENT WOULD CONTINUE ITS POLICY OF FACILITATING AND ENCOURAGING PRODUCTION OF FLATS BY THE PRIVATE SECTOR, AND WITH THE PRODUCTION OF RENTAL AND HOME OWNERSHIP SCHEME FLATS UNDER THE PUBLIC HOUSING PROGRAMME, RENTS SHOULD STABILISE.

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#### BANKING STATISTICS FOR MARCH 1979

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THE MARCH 1979 MONEY SUPPLY STATISTICS ARE PUBLISHED TODAY (FRIDAY), WITH THE MONTHLY FIGURES FOR BANKS AND DEPOSIT-TAKING COMPANIES AND THE QUARTERLY ANALYSIS OF LOANS AND ADVANCES IN HONG KONG. THE GROWTH RATE OF THE MONEY SUPPLY CONTINUES TO SLOW DOWN, THOUGH BANK LENDING IS STILL EXPANDING VERY FAST.

#### MONEY SUPPLY

THE MONEY SUPPLY ON BOTH DEFINITIONS ROSE IN MARCH. M1 (NOTES AND COINS IN CIRCULATION AND DEMAND DEPOSITS AT LICENSED BANKS) ROSE BY \$208 MILLION (0.9 PER CENT) TO \$22,307 MILLION, WHICH WAS 22.8 PER CENT ABOVE THE LEVEL AT THE END OF MARCH 1978.

IN THE FIRST THREE MONTHS OF 1979 M1 HAS RISEN BY ONLY \$26 MILLION, WITH THE LEVEL OF DEMAND DEPOSITS ACTUALLY FALLING BY \$203 MILLION; THIS MAY REFLECT THE HIGHER LEVEL OF INTEREST RATES AVAILABLE THIS YEAR ON TIME AND SAVINGS DEPOSITS.

M2 (M1 PLUS TIME AND SAVINGS DEPOSITS) ROSE IN MARCH BY \$812 MILLION (1.1 PER CENT) TO \$76,794 MILLION, WHICH WAS 24.2 PER CENT ABOVE THE END-MARCH 1978 LEVEL.

IN THE FIRST THREE MONTHS OF THIS YEAR M2 HAS RISEN BY \$3,388 MILLION (4.6 PER CENT), WHICH IS EQUIVALENT TO AN ANNUAL RATE OF A LITTLE UNDER 20 PER CENT.

THESE FIGURES SUGGEST THAT THE GROWTH RATE OF THE MONEY SUPPLY IS FALLING TOWARDS A RATE MORE COMPATIBLE WITH THE FORECAST GROWTH RATE OF GDP IN MONEY TERMS IN 1979.

/THIS TREND .....

THIS TREND IS ALSO APPARENT FROM THE COMPARISON OF THE AVERAGE LEVEL OF M2 IN JANUARY TO MARCH 1979 WITH THE SAME THREE MONTHS OF 1978, WHICH SHOWS AN INCREASE OF 25 PER CENT; THIS COMPARISON HAS NOW FALLEN EVERY MONTH FROM ITS PEAK OF 28.7 PER CENT IN AUGUST/OCTOBER 1978.

SIMILARLY M1 IN JANUARY TO MARCH 1979 WAS 22.6 PER CENT ABOVE THE SAME THREE MONTHS OF 1978; THIS COMPARISON IS A LONG WAY BELOW ITS AUGUST/OCTOBER 1978 PEAK OF 27.3 PER CENT, THOUGH STILL ABOVE THE NOVEMBER 1978/JANUARY 1979 LOW POINT OF 22.2 PER CENT.

### BANKING STATISTICS

BANK LOANS AND ADVANCES IN HONG KONG ROSE IN MARCH 1979 BY \$1,405 MILLION (2.5 PER CENT) TO \$57,955 MILLION, 45.5 PER CENT ABOVE MARCH 1978.

IN THE FIRST THREE MONTHS OF THIS YEAR BANK LENDING IN HONG KONG HAS RISEN BY \$5,141 MILLION (9.7 PER CENT), WHICH IS EQUIVALENT TO AN ANNUAL RATE OF 45 PER CENT.

THE THREE-MONTH MOVING AVERAGE OF BANK LOANS AND ADVANCES IN JANUARY TO MARCH 1979 WAS 45.9 PER CENT ABOVE THE SAME PERIOD OF 1978; THIS COMPARISON HAS BEEN ACCELERATING EVERY MONTH SINCE OCTOBER 1977.

THE NET IDENTIFIABLE FOREIGN ASSETS OF THE BANKS ROSE BY \$1,442 MILLION TO \$16,144 MILLION, WITH THE PRINCIPAL FACTOR BEING A RISE OF \$883 MILLION TO \$18,247 MILLION IN LOANS ABROAD. THE NET LIABILITY TO BANKS ABROAD WAS ALMOST UNCHANGED.

THE AVERAGE LIQUIDITY OF THE BANKS DURING MARCH WAS LITTLE CHANGED AT 45.9 PER CENT (45.6 PER CENT). THE RATIO OF LOANS AND ADVANCES IN HONG KONG TO DEPOSITS ROSE FROM 81.7 PER CENT TO 82.8 PER CENT. TWO MORE OF THE RECENTLY-LICENSED BANKS BEGAN OPERATING DURING THE MONTH, BRINGING THE NUMBER OF REPORTING BANKS TO 95.

### DEPOSIT-TAKING COMPANIES STATISTICS

DEPOSITS AT DEPOSIT-TAKING COMPANIES ROSE IN MARCH 1979 BY \$1,442 MILLION TO \$14,016 MILLION, BUT THE AMOUNT ON-LENT BY THESE COMPANIES TO BANKS IN HONG KONG ROSE BY \$997 MILLION TO \$9,847 MILLION, SO THE NET DEPOSIT LIABILITIES OF DEPOSIT-TAKING COMPANIES ROSE BY ONLY \$445 MILLION.

LOANS AND ADVANCES IN HONG KONG BY DEPOSIT-TAKING COMPANIES ROSE BY \$508 MILLION TO \$10,367 MILLION, BUT AFTER DEDUCTING AN INCREASE OF \$325 MILLION IN THE AMOUNT BORROWED BY THESE COMPANIES FROM BANKS IN HONG KONG, NET LENDING BY DEPOSIT-TAKING COMPANIES ROSE BY \$183 MILLION TO \$2,851 MILLION.

NET IDENTIFIABLE FOREIGN ASSETS OF DEPOSIT-TAKING COMPANIES ROSE BY \$450 MILLION TO \$7,739 MILLION. LOANS AND ADVANCES ABROAD FELL BY \$1,043 MILLION TO \$20,653 MILLION, BUT THERE WAS A FALL OF \$889 MILLION IN DEPOSITS FROM BANKS ABROAD, AND A RISE OF \$794 MILLION IN LENDING TO BANKS ABROAD.

#### QUARTERLY ANALYSIS OF LOANS AND ADVANCES

BANK LOANS AND ADVANCES ROSE BY 9.7 PER CENT IN THE THREE MONTHS TO MARCH 1979. LENDING TO FINANCIAL CONCERNS, INCLUDING DEPOSIT-TAKING COMPANIES, ROSE BY 32 PER CENT IN THE QUARTER.

LOANS TO INDUSTRY ROSE BY 13.9 PER CENT, WITH TEXTILE INDUSTRY BORROWINGS UP BY 12 PER CENT.

LOANS TO BUILDING AND CONSTRUCTION ROSE BY ONLY 2.7 PER CENT, THOUGH LOANS TO INDIVIDUALS TO PURCHASE RESIDENTIAL PROPERTY ROSE BY 12.4 PER CENT.

IN THE 12 MONTHS TO MARCH 1979, BANK LOANS AND ADVANCES ROSE BY 45.5 PER CENT. THE FASTEST GROWING CATEGORY OF BORROWER WAS AGAIN FINANCIAL CONCERNS, INCLUDING DEPOSIT-TAKING COMPANIES, TO WHOM BANK LENDING ROSE BY 115.9 PER CENT.

LOANS TO INDUSTRY AS A WHOLE WERE UP BY 45.8 PER CENT, AND TO THE TEXTILE INDUSTRY ALONE BY 20.3 PER CENT. LENDING FOR THE BUILDING AND CONSTRUCTION INDUSTRY WAS 57.9 PER CENT HIGHER, AND FOR TRANSPORT AND TRANSPORT EQUIPMENT 42.7 PER CENT HIGHER.

LOANS TO PROFESSIONAL AND PRIVATE INDIVIDUALS ROSE BY 37 PER CENT OVER THE YEAR.

IN THE FIRST THREE MONTHS OF 1979, TOTAL LOANS AND ADVANCES IN HONG KONG BY DEPOSIT-TAKING COMPANIES ROSE BY 2.2 PER CENT. LOANS TO INDUSTRY ROSE BY 29.7 PER CENT, AND TO THE TEXTILE INDUSTRY ALONE BY 44.8 PER CENT (BUT FROM A VERY LOW BASE).

LOANS TO PROFESSIONAL AND PRIVATE INDIVIDUALS ROSE BY 16.6 PER CENT, AND WITHIN THAT CATEGORY LOANS FOR THE PURCHASE OF RESIDENTIAL PROPERTY ROSE BY 15 PER CENT, WHILE LENDING TO THE BUILDING AND CONSTRUCTION SECTOR FELL BY 12.7 PER CENT.

A COMPARISON WITH MARCH 1978 IS NOT POSSIBLE FOR LENDING BY DEPOSIT-TAKING COMPANIES, SINCE THE STATISTICS HAVE ONLY BEEN COLLECTED FROM DECEMBER 1978.

## POWERS TO CONSERVE OIL ANNOUNCED

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THE GOVERNOR-IN-COUNCIL IS EMPOWERED UNDER THE PROVISIONS OF THE OIL (CONSERVATION AND CONTROL) BILL 1979 PUBLISHED IN THE GOVERNMENT GAZETTE TODAY (FRIDAY) TO REGULATE ALL ASPECTS OF THE SUPPLY, STORAGE, ACQUISITION, DISPOSAL AND CONSUMPTION OF OIL, THE SUPPLY AND CONSUMPTION OF ELECTRICITY AND GAS, AND THE USE OF VEHICLES ON ROADS, AIRCRAFT, VESSELS, TRAINS AND TRAMS.

THE GOVERNOR IS EMPOWERED UNDER THE SAME BILL TO APPOINT A DIRECTOR OF OIL SUPPLIES, WHO WOULD BE AUTHORISED TO REQUISITION OIL, GIVE DIRECTIONS TO SUPPLIERS AND DEALERS AS TO STORAGE, SUPPLY, USE AND DISPOSAL OF OIL, AND TO GIVE SIMILAR DIRECTIONS TO ELECTRICITY AND GAS SUPPLY COMPANIES.

PEOPLE FAILING TO COMPLY WITH DIRECTIONS MADE UNDER THE BILL WHEN IT BECOMES LAW WILL BE LIABLE TO FINES OF UP TO \$100,000 AND IMPRISONMENT OF UP TO TWO YEARS.

THE FIRST STAGE OF GOVERNMENT'S FUEL SAVING MEASURES WILL BE ANNOUNCED IN THE LEGISLATIVE COUNCIL NEXT WEDNESDAY (MAY 9).

PROPOSALS INCLUDE RESTRICTIONS ON THE USE OF ELECTRIC LIGHT FOR ADVERTISING, FLOODLIGHTING OR DISPLAY AND THE TEMPORARY REINTRODUCTION OF DAYLIGHT SAVING TIME.

IN ADDITION IT WILL BE PROPOSED THAT A PUBLICITY CAMPAIGN TO SUPPORT THESE MEASURES SHOULD BE STEPPED UP TO EXHORT ALL MEMBERS OF THE COMMUNITY TO SAVE ELECTRICITY BY EVERY MEANS AT THEIR DISPOSAL AND IN PARTICULAR TO SET AIR-CONDITIONING THERMOSTATS AT NO LOWER THAN 26 DEGREES CELSIUS.

THE POWER COMPANIES HAVE ALREADY VOLUNTEERED TO REDUCE THEIR SPINNING RESERVES AS PART OF THE SAME PACKAGE OF ECONOMY MEASURES.

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## TENDERS INVITED FOR FOUNDATION WORKS

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THE PUBLIC WORKS DEPARTMENT TODAY (FRIDAY) INVITED TENDERS FOR THE CONSTRUCTION OF FOUNDATIONS FOR THE PROPOSED PODIUM OVER THE FUTURE HO TUNG LAU RAILWAY DEPOT IN SHA TIN.

THE WORK INCLUDES CONSTRUCTION OF CAISSONS AND CAISSON CAPS TO CARRY A FUTURE REINFORCED CONCRETE PODIUM SUPERSTRUCTURE.

+THE FOUNDATIONS WILL CONSIST OF ABOUT 630 LARGE DIAMETER REINFORCED CONCRETE CAISSONS FOUNDED ON ROCK, AND WILL CARRY REINFORCED CONCRETE CAISSON CAPS WITH PROVISION FOR THE LATER CONSTRUCTION OF THE COLUMNS,+ A PWD SPOKESMAN SAID.

THE PODIUM WILL OCCUPY AN AREA OF ABOUT 2.7 HECTARES.

THE SITE IS BOUNDED BY THE KOWLOON-CANTON RAILWAY MAIN LINE AND THE NEW TRUNK ROAD TO TAI PO AND LIES BETWEEN FO TAN AND THE NEW RACE COURSE STATION.

THE FOUNDATIONS HAVE BEEN DESIGNED BY MAUNSELL CONSULTANTS ASIA, WHO WILL ALSO SUPERVISE THE CONSTRUCTION, IN THEIR CAPACITY AS SUB-CONSULTANTS TO TRANSMARK.

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LAND TO BE RECLAIMED FOR MUI WO PROJECT  
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THE PUBLIC WORKS DEPARTMENT TODAY (FRIDAY) ANNOUNCED PLANS TO RECLAIM MORE THAN NINE HECTARES OF FORESHORE AND SEABED AT SILVERMINE BAY ON LANTAU ISLAND.

THE RECLAMATION PLAN -- COVERING 9.03 HECTARES -- IS THE SECOND PROJECT IN THE MUI WO DEVELOPMENT SCHEME TO PROVIDE BALANCED DEVELOPMENT OF THE AREA.

INVOLVED ARE RECLAMATION AND CONSTRUCTION OF RIVER BRIDGES, RIVER WALLS, ROADS AND DRAINS.

THE PROJECT WILL PROVIDE SITES FOR LOW DENSITY PRIVATE HOUSING, A PRIMARY SCHOOL, POLICE AND FIRE STATIONS AND OTHER COMMUNITY FACILITIES.

THE EXTENT OF THE AREA INVOLVED IS DESCRIBED IN TODAY'S GOVERNMENT GAZETTE WHICH CALLS ON THOSE WITH OBJECTIONS OR CLAIMS OF PRIVATE RIGHT TO WRITE TO THE DIRECTOR OF PUBLIC WORKS WITHIN TWO MONTHS.

THE NOTICE, IN ENGLISH AND CHINESE, WITH THE RELATED PLAN, IS POSTED NEAR THE SITE.

THE PLAN CAN ALSO BE SEEN AT THE PORT WORKS DIVISION, FIRST FLOOR, MURRAY BUILDING, GARDEN ROAD, HONG KONG- CROWN LANDS AND SURVEY OFFICE ON THE 19TH FLOOR OF THE SAME BUILDING- OR THE DISTRICT OFFICE, ISLANDS, INTERNATIONAL BUILDING, FOURTH FLOOR, 141 DES VOEUX ROAD CENTRAL, HONG KONG.

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LACK OF DONORS RESTRICTS KIDNEY TRANSPLANT OPERATIONS  
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HONG KONG HAS THE ORGANISATION, EQUIPMENT AND EXPERTISE TO PERFORM KIDNEY TRANSPLANT OPERATIONS BUT LACK OF KIDNEY DONORS HAS RESTRICTED THE NUMBER OF OPERATIONS TO ONLY A FEW IN THE PAST 10 YEARS.

THIS WAS STATED BY THE DIRECTOR OF MEDICAL AND HEALTH SERVICES, DR. K.L. THONG, THIS (FRIDAY) AFTERNOON WHEN HE OPENED THE +EXHIBITION ON KIDNEY DISEASES+ AT THE OCEAN TERMINAL.

THE THREE-DAY EXHIBITION IS ORGANISED BY THE PENINSULA JAYCEES AND SPONSORED BY THE HONG KONG SOCIETY OF NEPHROLOGY AND THE MEDICAL AND HEALTH DEPARTMENT.

IT IS AIMED AT EDUCATING THE PUBLIC ON KIDNEY DISEASES AND ENCOURAGING THEM TO DONATE THEIR ORGANS FOR TRANSPLANT OPERATIONS.

/DR. THONG SAID .....

DR. THONG SAID A KIDNEY TRANSPLANT UNIT WAS SET UP AT QUEEN MARY HOSPITAL OVER A DECADE AGO AND ANOTHER UNIT WAS RECENTLY ESTABLISHED AT PRINCESS MARGARET HOSPITAL.

+UNFORTUNATELY, THE NUMBER OF KIDNEY TRANSPLANTS DONE LOCALLY HAS BEEN LIMITED BECAUSE THERE ARE INSUFFICIENT DONORS,+ HE SAID.

APART FROM THE PROBLEM OF DONORS, SAID DR. THONG, LEGISLATION IN RESPECT OF ORGAN DONATION NEEDED TO BE IMPROVED IN THE LONG TERM.

UNDER THE PRESENT LEGISLATION, HE POINTED OUT, A GREAT DEAL DEPENDED ON THE RELATIVES OF THE DONOR BECAUSE, IN SPITE OF THE DONOR'S EXPRESSED INTENTION TO DONATE HIS ORGAN, IT WAS STILL POSSIBLE FOR THE RELATIVES TO PREVENT THE ORGAN FROM BEING DONATED AND USED.

IN THE SHORT TERM, THE DIRECTOR SAID, A SUSTAINED HEALTH EDUCATION CAMPAIGN WAS NECESSARY TO MOTIVATE THE WHOLE COMMUNITY TO GAIN A CLEARER CONCEPT OF KIDNEY DISEASES AND THE VARIOUS METHODS OF TREATMENT, PARTICULARLY THE NEED FOR PROSPECTIVE DONORS TO MAKE AVAILABLE THEIR KIDNEYS FOR TRANSPLANTS.

DR. THONG SAID THAT IN HONG KONG TODAY THERE WERE MANY VICTIMS OF KIDNEY DISEASES AND THROUGH NO FAULT OF THEIR OWN MAY BE SUBJECT TO THE CONSEQUENCES OF SUCH DISEASES WITHOUT BEING ABLE TO LEAD A FULL LIFE OR WHO +MAY EVEN BE AT DEATH'S DOORSTEP+.

IN MOST IRREVERSIBLE KIDNEY DISEASES THERE ARE TWO TREATMENT METHODS COMPLEMENTARY TO EACH OTHER — RENAL DIALYSIS AND RENAL TRANSPLANTATION.

DR. THONG SAID GREAT STRIDES HAVE BEEN MADE IN THE CONSERVATIVE TREATMENT OF DISEASES BY RENAL DIALYSIS, A PROCEDURE WHICH IN THEORY COULD EITHER BE CARRIED OUT IN HOSPITALS OR IN SPECIAL CENTRES OR EVEN AT HOME.

+HOWEVER, IT MUST BE APPRECIATED THAT THE NUMBER OF PEOPLE BEING KEPT ALIVE BY MEANS OF ARTIFICIAL KIDNEY MACHINE IS BOUND TO INCREASE YEAR BY YEAR AND THAT MANY OF THEM WILL THUS BE COMPLETELY DEPENDENT ON SUCH MACHINES,+ HE SAID.

+THEREFORE, IN ORDER TO ALLOW THESE PEOPLE TO LEAD A LIFE INDEPENDENT FROM THE ARTIFICIAL MACHINE AND ALSO TO RELIEVE THE EVER INCREASING FINANCIAL PROVISION OF SUCH MACHINES, KIDNEY TRANSPLANTATION APPEARS TO BE THE LOGICAL COMPLEMENT IN THE TREATMENT,+ SAID DR. THONG.

THE DIRECTOR THANKED THE HONG KONG SOCIETY OF NEPHROLOGY AND THE PENINSULA JAYCEES FOR JOINING FORCES WITH THE GOVERNMENT IN CARRYING OUT A VERY TIMELY CAMPAIGN ON KIDNEY DONATION.

+I AM CONFIDENT THAT THIS TRIPARTITE ALLIANCE WILL PROVIDE THE ESSENTIAL INGREDIENT THAT MAKES FOR A SUCCESSFUL EDUCATIONAL CAMPAIGN,+ HE SAID.

FRIDAY, MAY 4, 1979

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GIRL IS FIRST TAVA BENEFICIARY

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A 13-YEAR-OLD GIRL INJURED ON WEDNESDAY IN A TRAFFIC ACCIDENT IN KOWLOON TODAY (FRIDAY) BECAME THE FIRST BENEFICIARY OF THE GOVERNMENT'S +NO-FAULT+ TRAFFIC ACCIDENT VICTIMS ASSISTANCE SCHEME SINCE ITS IMPLEMENTATION ON MAY 1.

THE GIRL HAS BEEN GIVEN AN INJURY GRANT OF \$1,100 BY THE SOCIAL WELFARE DEPARTMENT WHICH ADMINISTERS THE SCHEME.

THE GIRL'S FATHER THIS AFTERNOON COLLECTED THE PAYMENT FROM THE DEPARTMENT'S PAY CONTROL SECTION IN YAU MA TEI, KOWLOON.

MRS. DIANA LEE, IN CHARGE OF THE DEPARTMENT'S TRAFFIC ACCIDENT VICTIMS ASSISTANCE (TAVA) SECTION, SAID THE GIRL'S FATHER APPLIED FOR ASSISTANCE UNDER THE SCHEME THE NEXT DAY AFTER THE ACCIDENT.

SHE SAID THE GIRL STAYED IN HOSPITAL FOR THREE DAYS AND WAS GIVEN ANOTHER SEVEN DAYS' SICK LEAVE FROM SCHOOL AS A RESULT OF THE ACCIDENT.

AT PRESENT, MRS. LEE SAID, THERE ARE FIVE ~~OTHER~~ APPLICATIONS RECEIVED BY THE TAVA SECTION AND WHICH ARE BEING PROCESSED AS QUICKLY AS POSSIBLE.

THE NON-MEANS TESTED SCHEME AIMS AT PROVIDING QUICK CASH RELIEF FOR TRAFFIC ACCIDENT VICTIMS OR THEIR DEPENDANTS REGARDLESS OF WHO WAS AT FAULT IN CAUSING THE ACCIDENT.

APPLICATIONS UNDER THE SCHEME SHOULD BE MADE IN A SPECIFIED FORM AVAILABLE AT THE TAVA SECTION AND AT THE ACCIDENT INVESTIGATION SECTION OF EACH DISTRICT POLICE TRAFFIC HEADQUARTERS.

ENQUIRIES ABOUT THE SCHEME CAN BE MADE AT THE TAVA SECTION ON THE THIRD FLOOR OF THE FIRE BRIGADE BUILDING AT 46 CONNAUGHT ROAD CENTRAL, HONG KONG (TEL NOS. 5-222392 AND 5-223254).

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FRIDAY, MAY 4, 1979

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LABOUR DEPARTMENT TO STAGE MOBILE CAREERS EXHIBITIONS  
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A SERIES OF MOBILE CAREERS EXHIBITIONS WILL BE STAGED BY THE LABOUR DEPARTMENT AT VARIOUS LOCATIONS FOR THE BENEFIT OF YOUNG PEOPLE IN HONG KONG STARTING NEXT WEEK.

THE EXHIBITIONS WILL FEATURE A RANGE OF COLOUR PHOTOGRAPHS AS WELL AS SLIDE PRESENTATIONS AND FILMS ON VARIOUS CAREERS.

LABOUR DEPARTMENT OFFICERS WILL BE ON HAND TO ANSWER QUESTIONS WHILE SPECIAL BRIEFING SESSIONS WILL BE ARRANGED FOR ORGANISED GROUPS. PRIOR ARRANGEMENTS FOR BRIEFING SESSIONS CAN BE MADE BY TELEPHONING 3-024061.

+THE EXHIBITIONS, ORGANISED BY OUR YOUTH EMPLOYMENT ADVISORY SERVICE, IS ONE OF A NUMBER OF CAREERS ACTIVITIES PLANNED FOR HONG KONG'S YOUTH THIS SUMMER,+ A SPOKESMAN FOR THE DEPARTMENT SAID.

THE FIRST OF THESE WILL BE STAGED AT CHUEN YUEN COLLEGE IN KWAI CHUNG ON MAY 8 AND 9.

OTHERS WILL BE MOUNTED AT VALTORTA COLLEGE IN TAI PO ON MAY 15 AND 16- AT SOUTHERN PLAYGROUND IN WAN CHAI ON MAY 22 AND 23- AT KIT SAM MIDDLE SCHOOL IN WANG TAU HOM ON MAY 29 AND 31- AT SAN WUI COMMERCIAL SOCIETY OF HONG KONG CHAN PAK SHA SCHOOL IN WONG CHUK HANG, ABERDEEN, ON JUNE 5 AND 6- AT MUN SANG COLLEGE IN KOWLOON CITY ON JUNE 12 AND 13- AT THE SCHOOL PLAYGROUND BETWEEN THE NEI MING INSTITUTE OF MIUFAT MONASTRY AND THE MADAM LAU KAM LUNG SECONDARY SCHOOL OF MIUFAT MONASTRY IN LAM TI NEAR YUEN LONG, ON JUNE 21 AND 22- AT ST. FRANCIS XAVIER COLLEGE IN SHAM SHUI PO ON JUNE 26 AND 27- AT KOWLOON PUBLIC PIER ON JULY 21, 22 AND 23 AND AT EDINBURGH PLACE IN CENTRAL ON JULY 28, 29 AND 30.

THE OPENING TIME OF THESE EXHIBITIONS WILL BE BETWEEN 9.30 A.M. AND 4.30 P.M.

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FRIDAY, MAY 4, 1979

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CHANCE TO BECOME TEACHERS OF TECHNICAL AND COMMERCIAL SUBJECTS  
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YOUNG MEN AND WOMEN WHO WISH TO TAKE UP TEACHING AS THEIR CAREER CAN NOW APPLY FOR A TWO-YEAR FULL-TIME TECHNICAL TEACHERS' COURSE IN EITHER DESIGN AND TECHNOLOGY OR COMMERCIAL SUBJECTS.

RUN BY THE TECHNICAL TEACHERS' COLLEGE OF THE EDUCATION DEPARTMENT, THE COURSES WILL COMMENCE THIS SEPTEMBER.

+THE COURSES ARE DESIGNED TO TRAIN FORM V LEAVERS WITH THE APPROPRIATE TECHNICAL OR COMMERCIAL EDUCATION BACKGROUND TO BECOME QUALIFIED TEACHERS IN SECONDARY SCHOOLS,+ A SPOKESMAN FOR THE TECHNICAL TEACHERS' COLLEGE SAID TODAY (FRIDAY).

+STUDENTS NOW STUDYING IN FORM V MAY APPLY FOR ENTRY BUT NO FINAL DECISION ON THEIR ADMISSION WILL BE MADE UNTIL AFTER THE CERTIFICATE OF EDUCATION EXAMINATION RESULTS HAVE BEEN ANNOUNCED,+ THE SPOKESMAN EXPLAINED.

DURING THE TWO YEARS OF TRAINING, STUDENTS WILL STUDY EDUCATION THEORIES INCLUDING EDUCATION PHILOSOPHIES AND EDUCATIONAL PSYCHOLOGY, DESIGN, MATHEMATICS AND GENERAL SCIENCE.

TIME WILL ALSO BE ALLOCATED TO IMPROVE SPECIALIST SUBJECT MATTERS IN MECHANICAL ENGINEERING, ELECTRICAL ENGINEERING, CONSTRUCTION, ACCOUNTANCY AND SECRETARYSHIP.

INDUSTRIAL ATTACHMENT AND VISITS WILL BE ARRANGED TO PROMOTE STUDENTS' CONTACT WITH INDUSTRIES.

STUDENTS WILL BE REQUIRED TO PASS BOTH COURSE WORK AND EXAMINATIONS AS WELL AS TEACHING PRACTICES BEFORE THEY CAN GRADUATE.

APPLICATION FORMS ARE OBTAINABLE FROM THE HONG KONG TECHNICAL TEACHERS' COLLEGE AT 373 QUEEN'S ROAD EAST, WAN CHAI, HONG KONG.

COMPLETED FORMS SHOULD BE RETURNED TO THE COLLEGE ON OR BEFORE MAY 31.

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FRIDAY, MAY 4, 1979

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CUSTOMS AND EXCISE INSPECTORS IN PASSING OUT PARADE  
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THIRTEEN PROBATIONARY INSPECTORS OF THE CUSTOMS AND EXCISE SERVICE WHO HAVE COMPLETED THEIR TRAINING COURSES WILL TAKE PART IN A PASSING-OUT PARADE TOMORROW (SATURDAY).

TAKING THE SALUTE WILL BE SENIOR SUPERINTENDENT OF THE SERVICE, MR. GEORGE WELSBY.

THE PARADE WILL TAKE PLACE BEFORE SOME 100 GUESTS AT THE CUSTOMS AND EXCISE TRAINING SCHOOL IN TAI LAM CHUNG, NEW TERRITORIES.

THIS IS THE SECOND PASSING-OUT PARADE OF INSPECTORS HELD THIS YEAR. THE PREVIOUS ONE OF 27 INSPECTORS AND 36 CUSTOMS OFFICERS TOOK PLACE IN FEBRUARY.

THE CUSTOMS AND EXCISE TRAINING COURSES ARE DESIGNED TO GIVE RECRUITS A THOROUGH UNDERSTANDING OF THE LAW IN RELATION TO SMUGGLING, NARCOTICS AND REVENUE PROTECTION. THEY ALSO INCLUDE TRAINING IN JUDO, THE USE OF FIRE-ARMS AND METHODS OF SEARCHING ON LAND AND SEA AND AT THE AIRPORT.

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NOTE TO EDITORS:

A PASSING-OUT PARADE OF 13 PROBATIONARY INSPECTORS OF THE CUSTOMS AND EXCISE SERVICE WILL TAKE PLACE AT THE CUSTOMS AND EXCISE TRAINING SCHOOL IN TAI LAM CHUNG AT 11.15 A.M. TOMORROW (SATURDAY). TAKING THE SALUTE WILL BE SENIOR SUPERINTENDENT OF THE SERVICE, MR. GEORGE WELSBY.

YOU ARE INVITED TO SEND REPRESENTATIVES TO COVER THE EVENT.

A GOVERNMENT COACH AM 5606 WILL LEAVE HUNG HOM PIER BETWEEN 8.45 AND 9 A.M. TOMORROW TO TAKE GUESTS AND MEDIA REPRESENTATIVES TO THE TRAINING SCHOOL, AND WILL RETURN TO KOWLOON AFTER THE PARADE.

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FRIDAY, MAY 4, 1979

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REGISTRATION TEAM IN WAH FU ESTATE  
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A TEAM FROM THE REGISTRATION OF PERSONS OFFICE WILL CONDUCT REGISTRATIONS FROM THE WAH FU ESTATE POST OFFICE FOR FIVE DAYS BETWEEN 9.30 A.M. AND 4.30 P.M. FROM MONDAY TO FRIDAY FOR THE CONVENIENCE OF RESIDENTS AND PEOPLE LIVING NEARBY.

THIS IS TO ENABLE PARENTS AND GUARDIANS TO REGISTER THEIR CHILDREN AND WARDS BETWEEN 11 AND 17 YEARS OLD FOR JUVENILE IDENTITY CARDS AND HOLDERS OF JUVENILE IDENTITY CARDS TO REGISTER FOR ADULT IDENTITY CARDS ON REACHING 18.

PEOPLE LIVING IN THE AREA ARE URGED TO REGISTER THEMSELVES AND THEIR CHILDREN FOR IDENTITY CARDS AND TO REPORT CHANGES OF EMPLOYMENT OR RESIDENTIAL ADDRESSES, MARITAL STATUS, OR ANY OTHER PARTICULARS WHICH HAVE CHANGED SINCE REGISTERING FOR THEIR IDENTITY CARDS.

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TEMPORARY ROAD CLOSURE  
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THE TRANSPORT DEPARTMENT ANNOUNCED TODAY (FRIDAY) THAT FROM 6 A.M. ON SUNDAY THE EASTBOUND SLIP ROAD OF KWAI CHUNG ROAD NEAR MEI FOO SUN CHUEN WILL BE TEMPORARILY CLOSED FOR 24 HOURS FOR ROAD REALIGNMENT WORKS.

A TEMPORARY BUS STOP WILL BE PROVIDED DURING THE CLOSURE AT THE DECELERATION LANE ON KWAI CHUNG ROAD OUTSIDE THE MEI FOO SUN CHUEN CAR PARK, FOR KOWLOON MOTOR BUS ROUTES 30, 33, 33A, 33B, 33C, 35A, 36A, 37, 37A, 40, 44A, 45, 46, 50, 68 AND 250.

ROUTES 44 AND 66 WILL BE DIVERTED VIA LAI CHI KOK ROAD, CHEUNG LAI STREET AND CHEUNG SHA WAN ROAD TO LAI CHI KOK (BRIDGE) BUS TERMINUS.

IN CASE OF BAD WEATHER, THE SLIP ROAD WILL BE KEPT OPEN AS USUAL ON SUNDAY AND THE CLOSURE AND ROAD WORKS WILL BE POSTPONED TO THE FOLLOWING DAY.

TRAFFIC SIGNS WILL BE SET UP TO GUIDE MOTORISTS.

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# DAILY INFORMATION BULLETIN

Friday, May 4, 1979

## SUPPLEMENT

SPEECH BY THE FINANCIAL SECRETARY, MR. PHILIP  
HADDON-CAVE AT THE 12TH ANNUAL MEETING  
OF THE ADB BOARD OF GOVERNORS IN MANILA

I join other governors in thanking the government and people of the Republic of the Philippines for being, yet again, so hospitable to us; and I also join them in congratulating the management and staff of the Bank on their achievements in 1978 which are so well documented in the annual report before us.

This Bank has 29 regional members and its whole approach to its role as a regional development bank should be --- and, indeed, has been --- based on the twin principles of regional self-help and international co-operation. So I make no apology, Mr. Chairman, for drawing the attention of this annual meeting of the Board of Governors of the Bank to a regional problem which has assumed frightening proportions in recent months. I refer to the exodus of people from Indochina. I shall not examine the causes or the status of this exodus. I shall simply argue that to assist in the search for practical solutions to the problems created by this exodus should be a priority concern of the Bank.

At the end of March 1979, of perhaps half a million people or more who have left Indochina in recent times, over 230,000 had sought refuge in various regional member countries of this Bank and are now in camps awaiting resettlement. So, whatever the causes and status of this exodus, it is a fact which cannot be ignored even by those not immediately affected; and it is a fact which this Bank cannot ignore as it prepares for what management has described as "(the) new and more complex challenges (of its) twelfth year."

In the context of the total population of the region, a figure of 230,000 may not seem large, but it could grow rapidly over the next few months and the numbers who have arrived in several countries in the region are by no means insignificant in both absolute and relative terms. This is certainly the case so far as Hong Kong is concerned. Of these 230,000 people, 83,000 left Indochina by sea and over 25 per cent of these came to Hong Kong.

Issued by Government Information Services, Beaconsfield House, Hong Kong. Tel: 5-233191

/So may I spell .....

So may I spell out, Mr. Chairman, as briefly as possible, the dimensions of the exodus seen from the standpoint of Hong Kong and the implications for our own people of our continuing to observe, as we have so far, accepted international conventions.

Hong Kong has a land area of 404 square miles, of which only about one quarter is suitable for urban-type development and agriculture. Most of the remainder is steep, unproductive hillsides and waterless islands. But, even on the basis of its total area, Hong Kong, if not the most densely populated territory in the world, is certainly the most densely populated in this region: with a population of 4.7 million in mid-1978, the overall density per square mile was nearly 12,000. Taking the metropolitan areas alone, the density per square mile was of the order of 67,000, no less.

These densities result from past surges in the size of Hong Kong's population which have been beyond our control, rather than high rates of natural increase: from a post-war low of 600,000 in 1945 the population quadrupled to nearly 2.5 million by 1955 and then increased by another 1.2 million to 3.7 million by 1965. Over this 20-year period the average annual growth rate was 9.5 per cent. By 1974 the population had increased by another 600,000 to 4.3 million, but at least the average annual growth rate over the nine-year period 1965-74 was as low as 1.7 per cent. This was because total net immigration amounted to only 180,000 and there was a steady fall in the rate of natural increase due to demographic factors and a wider awareness of the social and economic benefits of family planning. During 1975 and 1976, net immigration fell right away and, indeed, emigrants exceeded immigrants by 10,000 or so; and the average annual growth rate of the population fell to 1.4 per cent. But in 1977 the satisfactory decline in the rate of natural increase began to be offset again by an inflow of immigrants: net immigration rose sharply to 33,000 in 1977 and to 96,000 in 1978. These figures are seen in a worrying perspective if one compares them with the natural increase in each of these two years of just under 57,000.

/But it was .....

But it was not until the autumn of 1978 that we began to be really alarmed with the situation facing us. The gross inflow of immigrants, legal and illegal (but excluding refugees) from China and elsewhere accelerated from an average of less than 5,000 per month in the first six months of 1978 to over 13,000 per month in the second six months; and was more than 22,000 per month in the first three months of this year. To put these flows in terms of aggregate figures: in the 27 months ending March 1979 Hong Kong's gross intake of legal and illegal immigrants from China and elsewhere was over 200,000, or more than one and a half times the natural increase in that period.

Against this background, it is not surprising that we now view the current inflow of refugees from Indochina, or more particularly of boat people from Vietnam, with such grave concern. Between 1975 and the latter part of 1978, we took in about 15,000 people from Vietnam: some were illegal immigrants and some were people with a substantial Hong Kong connection who were repatriated on charter flights organised by the Hong Kong Government with the cooperation of the Vietnamese authorities. These 15,000 people are included in the figures of net immigration for those years. Since November 1978, however, there has been a sharp acceleration in the number of refugees arriving either in ocean-going ships, which we believe to have been specially acquired for the purpose of lifting large number of fare-paying "passengers", or in junks and other small boats sailing direct from Vietnam. So far this year, up to the end of April, two ocean-going ships and 251 junks and small boats had arrived. As a result, we now have 22,821 refugees from Vietnam in Hong Kong, of whom UNHCR have so far processed and provided maintenance and accommodation for only 5,931.

At the end of 1978 there were 5,391 refugees in Hong Kong awaiting resettlement overseas, a number which represented a manageable, although unwelcome, problem. But, by the end of April the number had grown by a net 17,360 to the figure I have just mentioned of 22,821. Up to the end of April the number of arrivals at an average of 5,051 per month exceeded the number of departures for resettlement of a mere 723 per month; and the number of arrivals in the month of April at 6,143 was greater than the average monthly number of arrivals in the first three months of the year when the figures were boosted by the arrival of two ocean-going ships, the Huey Fong and the Sky Luck carrying 3,318 and 2,651 refugees respectively. There is no evidence yet that the number of people leaving Vietnam is being reduced and, certainly, the flow of arrivals in Hong Kong shows no sign of slackening: in the first

two days of May, another 13 small boats have arrived carrying another 1,142 refugees. So we now have 23,963 refugees from Vietnam in Hong Kong. Even if the practice of chartering or purchasing ocean-going ships for the transport of people may now be too troublesome, the onset of warm weather and the fact that the prevailing winds are from the South-West for the next few months will make the passage of junks and other small boats easier.

In relation to its size, Hong Kong is taking more than its fair share of the burden of providing facilities for the temporary asylum of refugees from Indochina. And, furthermore, given present population densities, and our other immigration problems, Hong Kong simply cannot contemplate accepting these people for permanent settlement; nor can they be permitted to disturb the labour market to the detriment of Hong Kong residents. For the time being, we shall just have to accept that a very real strain will be thrown on our administrative and social services, and face up to the drain on our financial resources.\* But it would be most unfair to demand of a community which, against great odds, has pulled itself up by its own efforts in a uniquely resourceless situation, to bear a disproportionate share of the burden of this regional problem indefinitely. And I say this against the background of the population surge we have experienced in the past 24 years as a result of net immigration from China and elsewhere. This has meant that we have lost ground in our efforts to improve the quality of life of Hong Kong people, for our planning targets are based on population projections which are no longer valid. The implications of the figures of net immigration from early 1977 to date for our future population growth are self-evident: projections based on the 1976 by-census, and what were then considered to be reasonable assumptions relating to net immigration, had suggested a population of about 5.2 million by 1986, implying, for example, a requirement for low-cost public housing for 1½ million people over the 10 years ending 1986, after allowing for a large number still inadequately housed. A continuation of last year's rate of net immigration of 96,000 would raise the population to six million; yet even this projection could be too low should the present rate of net immigration continue. And the great unfairness of this project is that the rate of natural increase has been so successfully contained in the past few years.

/Mr. Chairman, .....

Mr. Chairman, the stern reality of the bare statistics of the background against which Hong Kong must view the present influx of boat people from Vietnam, should obscure neither the drama and tragedy of the situation, nor the socio-political tensions that are bound to arise if recipient communities feel deprived, and if large numbers of people have to be maintained in camps indefinitely. We are not unmindful of the efforts of the UNHCR and the concern expressed by the government of countries of potential resettlement but, on a pessimistic view, we could have as many as 70,000 refugees in camps in Hong Kong awaiting resettlement by the end of the summer season, and other countries in the region face a similar, though in relative terms a less serious, problem.

In my view, the Asian Development Bank should seriously and urgently consider how its resources could be mobilised to ease and spread the burden resulting from this exodus. And, to guard against the very real possibility that the prospects and, indeed, the human rights of the people in the countries receiving this large inflow are not seriously harmed, the Bank should use its good offices to encourage regional co-operation and to bring pressure on the international community --- for this is an international problem too --- to respond with adequate offers of resettlement coupled with a speeding up of the resettlement process.