DAILY INFORMATION BULLETIN

TUESDAY, AUGUST 20, 1974

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DAILY GUIDE TO WHOLESALE PRICES AND SUPPLY OF BASIC FOOD COMMODITIES

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FINANCIAL SECRETARY CONFIDENT OF JAPANESE
INTENTIONS TO CONCLUDE MTR CONTRACT

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THE FINANCIAL SECRETARY, MR. PHILIP HADDON-CAVE, TODAY EXPRESSED FULL CONFIDENCE THAT THE JAPANESE CONSORTIUM INTENDS TO CONCLUDE A CONTRACT WITH HONG KONG FOR BUILDING, EQUIPPING AND PARTLY FINANCING THE MASS TRANSIT RAILWAY WITHIN THE TERMS SET OUT IN THE LETTER OF INTENT.

IN A SPEECH TO THE ROTARY CLUB OF HONG KONG, HE SAID HE HAD +AMPLE GROUNDS FOR BELIEVING THAT THE CONSORTIUM HAVE NOT, AND ARE NOT, THINKING OF DEPARTING FROM THIS INTENTION.+

HE ASKED: +IF THE RUMOURS IN THE PRESS OF AN INTENTION TO WITHDRAW HAD ANY ELEMENT OF TRUTH IN THEM, WOULD NOT A WITHDRAWAL IN FEBRUARY, WHEN JAPAN APPARENTLY FACED WITH A SEVERE SET-BACK AS A RESULT OF THE OIL CRISIS, HAVE MADE BETTER SENSE?+

MR. HADDON-CAVE DISCLOSED THAT ANOTHER PLENARY SESSION WITH THE JAPANESE CONSORTIUM WAS SCHEDULED FOR THE BEGINNING OF NEXT MONTH -- THE THIRD SO FAR.

IN PREPARATION FOR THIS MEETING, THE ENGINEERING GROUP OF THE MASS TRANSIT RAILWAY PROVISIONAL AUTHORITY HAD JUST RETURNED FROM TOKYO AFTER THREE DAYS OF TALKS ON THE PRELIMINARY DESIGN CRITERIA AND SOLUTIONS THAT HAD BEEN DEVELOPED IN RESPONSE TO THE PERFORMANCE SPECIFICATION.

TURNING TO+ANOTHER RUMOUR,+ THE FINANCIAL SECRETARY SAID HE HAD +NO REASON+ TO BELIEVE THAT THE CONSORTIUM WOULD COME UP WITH SHODDY GOODS IN ORDER TO KEEP WITHIN THE PRICE CEILING, REGARDLESS OF THE DAMAGE THAT THIS WOULD HAVE ON THE REPUTATION OF THE MEMBER COMPANIES OF THE CONSORTIUM.

HE SAID THE CONSORTIUM MUST HAVE BEEN FULLY AWARE OF THE EFFECTS OF WORLD-WIDE INFLATION IN GENERAL, AND INFLATION IN JAPAN IN PARTICULAR, BEFORE THEY SIGNED THE LETTER OF INTENT.

+IF THEY WERE NOT CONFIDENT THEN THAT THE JOB COULD BE DONE FOR $5,000 MILLION THEY WOULD HARDLY HAVE TAKEN THE DECISION TO PROCEED,+ HE SAID.

THE FINANCIAL SECRETARY ALSO GAVE AN ASSURANCE THAT THE PROVISIONAL AUTHORITY WOULD EXAMINE THE DESIGN SOLUTIONS AND THE PROGRAMME OF WORKS IN DETAIL +NOT ONLY TO DETERMINE WHETHER OUR PERFORMANCE SPECIFICATIONS HAVE BEEN MET IN FULL, BUT ALSO TO IDENTIFY WHETHER ANY OF THE DESIGN SOLUTIONS ARE LIKELY TO GENERATE UNACCEPTABLE EXPENSIVE OPERATIONAL AND MAINTENANCE COSTS.+

/REFERRING TO .....

REFERRING TO SUGGESTIONS IN SOME QUARTERS THAT THE MASS TRANSIT PROJECT SHOULD BE ABANDONED IN VIEW OF HONG KONG'S OTHER COMMITMENTS, MR. HADDON-CAVE SAID THAT WOULD NOT HELP VERY MUCH.

HE EXPLAINED THAT THE CREDIT LINES AND THE LOAN FINANCE AVAILABLE FOR A COMMERCIALLY VIABLE PROJECT LIKE THE UNDERGROUND RAILWAY CERTAINLY WOULD NOT BE AVAILABLE FOR HOUSING, MEDICAL SERVICES AND SCHOOLS.

HE NOTED THAT ABOUT THREE QUARTERS OF THE $800 MILLION OF THE MASS TRANSIT FUND HAD NOT BEEN SPENT OR COMMITTED.

+BUT,+ HE SAID, +SIMPLY BECAUSE EVERYTHING ELSE CANNOT BE DONE AT ONCE IS NO GOOD REASON FOR ABANDONING THIS LONG PLANNED PROJECT.+

HE CONTINUED: +THE ARGUMENTS FOR AN ADDITIONAL, SUB-SURFACE, PUBLIC TRANSPORT SYSTEM REMAIN AS COGENT AS EVER AND IT IS THOROUGHLY BAD ADMINISTRATIVE PRACTICE TO CHANGE ONE'S MIND AFTER THE EVENT IN RESPONSE TO OTHER UNRELATED DIFFICULTIES.+

TURNING TO THE PROBLEM OF FINANCING THE MASS TRANSIT RAILWAY, MR. HADDON-CAVE SAID THAT TOWARDS THE CONTRACT PRICE OF $5,000 MILLION, THE JAPANESE CONSORTIUM HAD AGREED TO PROVIDE ABOUT $3,000 MILLION IN THE FORM OF EXPORT CREDITS.

HE SAID THE CONSORTIUM WAS CURRENTLY ENTERING INTO NEGOTIATIONS WITH THE JAPANESE EXIM BANK.

+I HAVE NO REASON TO BELIEVE THAT THESE EXPORT CREDITS WILL NOT BE FORTHCOMING PARTICULARLY AS THE HONG KONG GOVERNMENT HAS AGREED TO GIVE A GUARANTEE FOR THE REPAYMENT OF THIS SUM, INCLUDING INTEREST, BY THE CORPORATION,+ HE SAID.

MR. HADDON-CAVE SAID THE REMAINING $2,000 MILLION WOULD HAVE TO BE RAISED FROM INTERNATIONAL MONEY MARKETS IN THE NEXT FEW YEARS, IN THE FORM OF BONDS AND PARTLY IN THE FORM OF SYNDICATED BANK LOANS.

HE SAID HE WAS CONFIDENT THAT THE MARKETS COULD BE PERSUADED BY HONG KONG'S POLITICAL STABILITY, THE PRUDENCE OF ITS FISCAL POLICIES AND ITS DETERMINATION THAT THE PROJECT WOULD PAY FOR ITSELF TO MAKE THE EXERCISE A SUCCESSFUL ONE.

ON THE QUESTION OF WHY THE GOVERNMENT CHOSE THE JAPANESE CONSORTIUM, MR. HADDON-CAVE SAID THAT THE CONSORTIUM WAS THE ONLY ONE OFFERING A FIRM PRICE WITHIN THE GOVERNMENT'S CEILING OF $5,000 MILLION WITHOUT SUBSEQUENT COST ESCALATION OF ANY KIND.

THE OTHER BIDS SUBMITTED HIGHER CEILING PRICES.

/SECONDLY, ...

SECONDLY, THE JAPANESE BID WAS SUBJECT TO A DEADLINE FOR ACCEPTANCE WHILE THE BIDS OF THE OTHER TWO CONSORTIA WERE NOT.

MR. HADDON-CAVE DESCRIBED THE GOVERNMENT'S ACCEPTANCE OF THE JAPANESE BID AS +NOT AN EASY DECISION TO REACH.+

HE EXPLAINED THAT WHILE ACCEPTANCE OF THE BID WOULD ENSURE AN EARLY START AT A KNOWN COST WITH THE GOVERNMENT'S PRICE CEILING AND WOULD RESULT IN A FINANCIALLY VIABLE PROJECT, THE INSISTENCE ON A GOVERMMENT GUARANTEE WOULD MEAN THAT THE GOVERNMENT WOULD HAVE TO UNDERURITE THE DEBT REPAYMENT.

+THIS,+ HE SAID, +COULD HAVE SERIOUS FISCAL CONSEQUENCES.+

SPEAKING ON THE MASS TRANSIT RAILWAY PROVISIONAL AUTHORITY, THE FINANCIAL SECRETARY SAID THE AUTHORITY WAS NOW CONSIDERING DRAFT LEGISLATION TO CREATE THE MASS TRANSIT RAILWAY CORPORATION.

+THE INTENTION IS TO BRING THE CORPORATION INTO BEING AS SOON AS A FORMAL CONTRACT HAS BEEN SIGNED WITH THE JAPANESE CONSORTIUM,+ HE SAID.

HE ADDED THAT THE RECRUITMENT OF THE CORPORATION'S CHIEF OFFICERS WAS +NEARING SUCCESSFUL COMPLETION.+

IN ADDITION, THE AUTHORITY IS RECRUITING TO SOME 420 POSTS TO START THE ENGINEERING DEPARTMENT.

TO UNDERPIN THE CHIEF OFFICERS, THE PROVISIONAL AUTHORITY'S SECRETARIAT IS BEING EXPANDED TO INCLUDE SOME 50 POSTS IN MANAGERIAL, ACCOUNTING, SECRETARIAL, CLERICAL AND ADMINISTRATIVE OCCUPATIONS.

MR. HADDON-CAVE ISSUED TWO WORDS OF WARNING.

HE WARNED OF +A PERIOD OF UNAVOIDABLE DISRUPTION TO THE ENVIRONMENT+ DURING THE CONSTRUCTION OF THE RAILWAY. HE GAVE AN ASSURANCE THAT THE GOVERNMENT AND THE CORPORATION WOULD TRY THEIR VERY BEST TO KEEP THIS WITHIN TOLERABLE LIMITS.

SECONDLY, HE SAID THE RAILWAY MUST NOT ONLY PROVIDE AN ADEQUATE PUBLIC TRANSPORT SERVICE BUT ALSO REMAIN VIABLE.

+THIS,+ HE SAID, +WILL MEAN CHARGING ECONOMIC FARES AB INITIO AND HAVING THE MAINTENANCE OF AN ECONOMIC FARE STRUCTURE AS A CONSTANT AIM.+

HE SAID THE CORPORATION MUST NEVER DEPART FROM THIS AIM AND THE GOVERNMENT WOULD, AS FAR AS POSSIBLE, NOT ALLOW IT TO DO SO.

/+BUT IF, ...

+BUT IF, AT SOME FUTURE DATE, IT WERE TO BE IN THE PUBLIC INTEREST TO REQUIRE THE CORPORATION TO DEPART FROM THIS AIM, IT WILL BE FOR THE GOVERNMENT, AND HENCE GENERAL REVENUE, TO BEAR THE FINANCIAL CONSEQUENCES,+ HE ADDED.

NOTE TO EDITORS: COPIES OF THE FULL TEXT OF THE FINANCIAL SECRETARY'S SPEECH ARE AVAILABLE FOR COLLECTION FROM THE G.I.S. PRESS ROOM, 6TH FLOOR, BEACONSFIELD HOUSE.

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COMMUNITY SUPPORT NEEDED TO WIN LONE OFFENDERS

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A LAUNCH PICNIC WILL BE HELD AT LONG KAIR BEACH THIS SUNDAY, (AUGUST 25), TO PROVIDE A DAY OUT FOR 50 PROBATIONERS, THEIR FAMILIES AND FRIENDS.

THE PARTY, ORGANIZED BY THE PROBATION AND CORRECTIONS DIVISION OF THE SOCIAL WELFARE DEPARTMENT, AND SUPPORTED BY THE HONG KONG RECREATION AND SPORTS ASSOCIATION AND THE KOWLOON ROTARY CLUB, AIMS AT PROMOTING MEANINGFUL SOCIAL CONTACT FOR THOSE UNDER THE CARE OF THE PROBATION OFFICERS.

MR. LUI SIU-HOI, CHAIRMAN OF THE HONG KONG RECREATION AND SPORTS ASSOCIATION, WILL SPEAK ON HOW THE PUBLIC CAN BEAT CRIME BY SUPPORTING REHABILITATION WORK FOR OFFENDERS, AND ON THE IMPORTANCE OF MEETING THEM AND THEIR PARENTS TOGETHER TO UNDERSTAND AND WIN THEM OVER TO LEAD A SOCIALLY ACTIVE LIFE.

MR. WALLACE LEE, PRINCIPAL PROBATION OFFICER, SAYS THAT THIS ACTIVITY IS THE FIRST OF ITS KIND IN HONG KONG TO INVITE COMMUNITY VOLUNTEERS TO SPEAK TO THE PROBATIONERS AND THEIR PARENTS AT A SOCIAL GATHERING.

THIS APPROACH, IF IT PROVES TO BE EFFECTIVE, WILL BE ENCOURAGED IN LINE WITH THE WORKING MOTTO +TO ASSIST AND BEFRIEND PROBATIONERS+, HE ADDED.

+PROBATIONERS ARE PEOPLE WHO NEEDED TO BE WON OVER TO LEAD NORMAL LIVES. THEY CANNOT BE JUST PUT INSIDE AND FORGOTTEN.

+ONE JUST CANNOT BLAME THE OFFENDERS OR THEIR PARENTS FOREVER, OR LEAVE THEM ENTIRELY TO PROBATION OFFICERS,+ HE SAID.

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NOTE TO EDITORS:

THE PARTY WILL LEAVE FROM KOWLOON PUBLIC PIER AT 9.30 A.M. ON SUNDAY, AUGUST 25. REPORTERS AND PHOTOGRAPHERS ARE WELCOME.

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YAU TONG HAWKERS MOVE TO NEW MODULAR MARKETS

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SOME 80 HAWKERS IN THE YAU TONG AREA WILL BE MOVING INTO TWO RECENTLY COMPLETED MODULAR MARKETS AT KO CHIU ROAD AND YAU TONG ESTATES TOMORROW.

THE MODULAR MARKETS WERE BUILT AT A COST OF OVER $210,000 TO PROVIDE THEM WITH PROPER AND PERMANENT TRADING SPACES TO SERVE THE 48,000 TENANTS OF THE TWO PUBLIC HOUSING ESTATES. UNTIL NOW, THE HAWKERS HAVE BEEN PLYING THEIR TRADE AT A TEMPORARY HAWKER BAZAAR BETWEEN BLOCKS 8 AND 11 OF THE YAU TONG ESTATE.

THE ADDITIONAL MARKETING FACILITIES SHOULD ALSO MAKE SHOPPING MORE CONVENIENT FOR HOUSEWIVES IN KO CHIU ROAD ESTATE AND NEIGHBOURING AREAS.

AVAILABLE AT THE NEW MODULAR MARKETS WILL BE VEGETABLES, POULTRY, FISH, MEAT AND OTHER FOOD ITEMS AND DAILY NECESSITIES.

THE PROVISION OF THE MARKETING FACILITIES IS PART OF THE HOUSING DEPARTMENT'S LONG TERM PLAN TO IMPROVE THE ARRANGEMENT OF ITS PUBLIC HOUSING ESTATES AND TO BETTER THE LIVING CONDITIONS OF THE TENANTS.

THE SITE OF THE TEMPORARY HAWKER BAZAAR AT YAU TONG ESTATE WILL BE DEVELOPED INTO A REST GARDEN AND PLAY AREA AT A COST OF $350,000.

IN CONNECTION WITH THE DEPARTMENT'S IMPROVEMENT PROGRAMME, SOME 900 TREES AND A LARGE QUANTITY OF FLOWERS AND SHRUBS WERE RECENTLY PLANTED IN THE VICINITY OF YAU TONG ESTATE WITH THE HELP OF PRIMARY SCHOOL STUDENTS IN THE DISTRICT.

THE ADDITIONAL GREENERY WILL HELP TOWARDS BEAUTIFYING THE ESTATE AND PROVIDE MORE OPEN SPACES FOR TENANTS, THE HOUSING MANAGER, MR. LAU PO-CHI, SAID.

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O.E.C.D. PUBLICATIONS OBTAINABLE IN HONG KONG

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THE HONG KONG GOVERNMENT HAS BECOME THE OFFICIAL EXCLUSIVE DISTRIBUTOR FOR O.E.C.D. (ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT) PUBLICATIONS. SAMPLES ARE NOW ON DISPLAY AT THE GOVERNMENT PUBLICATIONS CENTRE, STAR FERRY CONCOURSE.

BEING A SPECIALISED UNIVERSAL ORGANISATION, O.E.C.D. HAS A BIG LIST RANGING FROM ECONOMIC AND FINANCIAL AFFAIRS, STATISTICS, INDUSTRY, TRANSPORT, ENERGY, SCIENCE AND TECHNOLOGY TO TOURISM, EDUCATION AND SOCIAL AFFAIRS.

ALTHOUGH IT IS NOT POSSIBLE TO SHOW THE FULL RANGE OF PUBLICATIONS AT THE MOMENT AT THE PUBLICATIONS CENTRE, SPECIAL FACILITIES ARE AVAILABLE TO THE PUBLIC FOR ORDERING O.E.C.D. PUBLICATIONS AT THE CURRENT CONVERSION RATE.

A BIGGER STOCK OF O.E.C.D. PUBLICATIONS MAY BE KEPT, DEPENDING ON DEMAND.

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GOVERNOR TO SEE N.T. DEVELOPMENT

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NOTE TO EDITORS:

THE GOVERNOR, SIR MURRAY MACLEHOSE, WILL SPEND TOMORROW (WEDNESDAY) TOURING SHA TIN NEW TOWN AND TAI PO TOWN TO SEE FOR HIMSELF THE GENERAL DEVELOPMENT OF THE TWO AREAS.

IN THE MORNING, SIR MURRAY WILL VISIT SHA TIN NEW TOWN WHERE HE WILL BE BRIEFED ON THE LATEST DEVELOPMENT OF THE TOWN. HE WILL THEN PROCEED TO THE RACE COURSE SITE, PASSING LEK YUEN LOW COST HOUSING ESTATE, FO TAN, AND THE NEW RAILWAY SIDINGS.

AFTER LUNCH AT ISLAND HOUSE, TAI PO, THE GOVERNOR WILL CALL AT TAI PO TOWN AND A TRANSIT CENTRE AT STRAFFORD HOUSE.

ON HIS WAY BACK TO HONG KONG, HE WILL HAVE A LOOK AT THE SECOND LION ROCK TUNNEL WORK.

SIR MURRAY WILL BE ACCOMPANIED BY THE SECRETARY FOR THE NEW TERRITORIES, MR. DAVID AKERS-JONES, AND THE DEPUTY SECRETARY, MR. JOHN CHAMBERS, THE DISTRICT OFFICERS OF SHA TIN AND TAI PO, MR. MICHAEL SUEN AND MR. TONY SAVAGE RESPECTIVELY, AND THE DIRECTOR OF N.T. DEVELOPMENT, MR. J.R. WHITAKER.

YOU ARE INVITED TO SEND A REPRESENTATIVE TO COVER THE VISIT.

TRANSPORT WILL BE PROVIDED. TWO VANS WILL LEAVE THE KOWLOON SUB-POOL BEHIND THE TSIM SHA TSUI POST OFFICE AT 10.15 A.M. THE VANS WILL BRING MEMBERS OF THE PRESS PARTY BACK TO STAR FERRY AFTER THE MORNING VISIT.

OFFICERS OF THE NEW TERRITORIES ADMINISTRATION WILL BE ON HAND TO ASSIST THE PRESS.

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TUESDAY, AUGUST 20, 1974

CONSUMER ADVISORY SERVICE

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THE FOLLOWING PRICES WERE REALISED TODAY (TUESDAY) AT SALE UNDER THE RICE CONTROL SCHEME AND AT THE VEGETABLE MARKETING ORGANISATION WHOLESALE MARKET AND THE FISH MARKETING ORGANISATION WHOLESALE MARKET AT CHEUNG SHA WAN, KOWLOON:

SUPPLIES AND WHOLESALE PRICES OF RICE

GRADE OF RICE	AVAILABILITY OF SUPPLY	WHOLESALE PRICE ($/CATTY) AVERAGE
CHINA RICE		
SEE MEW	GOOD	2.02
S.C. JIEN	GOOD	1.86
PO NGAI	—	-
CHU CHO	—	-
THAI RICE		
100% WHOLE	GOOD	1.80
10-15% BROKENS	GOOD	1.72
A1 SUPER EXTRA	GOOD	1.70
A1 SUPER	GOOD	1.45
WHOLE GLUTINOUS	GOOD	1.77
U.S. RICE	—	-
AUSTRALIAN RICE	GOOD	1.67
PAKISTAN RICE	—	-
TAIWAN RICE	—	-

SUPPLIES AND WHOLESALE PRICES OF SWINE

(ALL SOURCES)

AVAILABILITY OF SUPPLY	-	GOOD
WHOLESALE PRICES OF PORK ($/PICUL-LIVE WEIGHT)	-	320 (AVERAGE)

/SUPPLIES AND .....

TUESDAY, AUGUST 20, 1974.

SUPPLIES AND WHOLESALE PRICES OF MARINE FISH

(FMO CHEUNG SHA WAN WHOLESALE FISH MARKET)

SPECIES	AVAILABILITY OF SUPPLY	WHOLESALE PRICE ($/CATTY) HIGH	LOW	MODE
GOLDEN THREAD	GOOD	5.00	2.00	3.50
BIG-EYES	GOOD	3.30	1.00	2.10
SQUID	GOOD	4.00	1.20	3.00
HAIR-TAILS	NORMAL	2.40	1.00	1.70
LIZARD FISHES	NORMAL	3.40	0.40	2.00
CROAKERS	LIMITED	2.30	0.60	1.40
CONGER-PIKE-EELS	GOOD	2.60	1.50	2.00
MELON COAT	GOOD	1.80	1.40	1.60
BREAMS	LIMITED	6.50	3.00	4.80
YELLOW BELLY	LIMITED	2.20	0.60	1.40
MACKERELS	LIMITED	5.30	2.50	4.00
RED GOAT FISH	LIMITED	1.20	0.50	0.90
FORK-TAIL	NORMAL	0.80	0.40	0.60
HORSE-HEAD	NORMAL	6.50	3.80	4.50
MELON SEED	LIMITED	1.80	1.00	1.40
POMFRETS	SCARCE	9.00	7.00	8.00
GAROUPAS	LIMITED	9.00	6.50	7.80
YELLOW CROAKER	—	-	-	-

SUPPLIES AND WHOLESALE PRICES OF LOCALLY PRODUCED VEGETABLES

(V.M.O. CHEUNG SHA WAN WHOLESALE VEGETABLE MARKET)

TYPE OF VEGETABLE	AVAILABILITY OF SUPPLY	WHOLESALE PRICE ($/CATTY) HIGH	LOW	MODE
FLOWERING CABBAGE	LIMITED	1.40	0.50	1.00
WHITE CABBAGE	GOOD	0.50	0.10	0.30
CHINESE LETTUCE	LIMITED	1.00	0.40	0.70
WATER SPINACH	GOOD	0.45	0.10	0.30
CHINESE KALE	SCARCE	1.60	0.60	1.20
STRING BEANS	LIMITED	2.00	0.50	1.40
SPRING ONION	NORMAL	1.50	0.40	1.00
SPINACH	—	-	-	-
WATER CRESS	SCARCE	3.00	1.50	2.50
LEAF MUSTARD CABBAGE	GOOD	0.40	0.10	0.25
CHINESE SPINACH	GOOD	0.40	0.10	0.25
TOMATO	SCARCE	4.00	1.50	3.00

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