HKGIS 香港政府新聞處

DAILY INFORMATION BULLETIN

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CONTENTS — PAGE NO.

LATEST ISSUE OF PROPERTY REVIEW SHOWS ACTIVE MARKET IN 1976 1

TSIM SHA TSUI CLOCK TOWER TO BE RETAINED TEMPORARILY 3

OVER $77 MILLION IN UNREPORTED PROFITS DISCOVERED BY INLAND REVENUE DEPARTMENT 4

S.W.D. ORGANISES YOUTH TRAINING CAMP 6

TRADE DISPUTE AMICABLY SETTLED 6

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PROPERTY REVIEW 1977

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THE PROPERTY REVIEW 1977 WAS RELEASED TODAY BY THE COMMISSIONER OF RATING AND VALUATION. IT IS NOW ON SALE AT THE GOVERNMENT PUBLICATIONS CENTRE AT THE GENERAL POST OFFICE BUILDING, CONNAUGHT PLACE, AT $40 A COPY.

COMMENTING ON THE REVIEW, THE COMMISSIONER, MR. RAYMOND FRY, SAID THAT, AS IN PREVIOUS YEARS, THE PUBLICATION CONTAINS A WEALTH OF INFORMATION ON THE PROPERTY SITUATION IN HONG KONG, AND SHOULD BE OF INTEREST TO THOSE INVOLVED IN OR ASSOCIATED WITH THE LOCAL PROPERTY MARKET.

THE SCOPE OF THE REVIEW HAS BEEN FURTHER EXPANDED TO INCLUDE MORE OF THE DEVELOPING AREAS OF THE NEW TERRITORIES WHERE BUILDING ACTIVITY IS INCREASING AT A RAPID PACE.

THE REVIEW SHOWS THAT THE PROPERTY MARKET WAS VERY ACTIVE DURING 1976 AND, EXCEPT GENERALLY IN THE CASE OF OFFICES, INCREASES IN RENTALS AND PURCHASE PRICES WERE RECORDED FOR MOST CLASSES, THE MOST SIGNIFICANT INCREASES BEING IN RESPECT OF FLATTED FACTORIES.

THE SUPPLY OF DOMESTIC ACCOMMODATION IMPROVED SLIGHTLY WITH 15,500 UNITS COMPLETED IN 1976, AND UNITS WERE TAKEN UP AT A FASTER RATE. COMPLETIONS ARE EXPECTED TO RISE SIGNIFICANTLY TO 23,500 UNITS IN 1977 AND COULD WELL EXCEED 28,000 IN 1978.

FOLLOWING THE RECOVERY OF THE ECONOMY, THE AMOUNT OF VACANT SHOP SPACE DWINDLED TO SLIGHTLY OVER ONE MILLION SQUARE FEET, WHICH IS A REDUCTION OF 37 PER CENT OVER 1975, INDICATING A GREATLY IMPROVED DEMAND FOR SUCH ACCOMMODATION. VACANCIES IN PRIME POSITIONS IN THE MAIN TOURIST CENTRES REMAINED AT A PARTICULARLY LOW LEVEL. TOTAL SUPPLY FOR THE YEAR WAS 1.16 MILLION SQUARE FEET, AND AN INCREASED SUPPLY OF OVER 1.5 MILLION SQUARE FEET PER YEAR IS FORECAST FOR 1977 AND 1978.

IN REGARD TO OFFICE ACCOMMODATION THE MOST NOTABLE FEATURE IS THE RECORD TAKE-UP OF SPACE FOR THE YEAR AT 2.3 MILLION SQUARE FEET, IT WAS MORE THAN TWICE THE AMOUNT TAKEN UP IN 1975. NEVERTHELESS, BECAUSE OF HIGH VACANCIES AT THE END OF 1975 (2.7 MILLION SQUARE FEET) THERE WAS STILL SOME 2.5 MILLION SQUARE FEET VACANT AT THE END OF THE YEAR. THE HIGH VACANCY POSITION HAS ALSO AFFECTED COMPLETIONS WITH OCCUPATION PERMITS BEING ISSUED FOR ONLY 2.2 MILLION SQUARE FEET, AS COMPARED WITH 2.7 MILLION SQUARE FEET IN 1975. THERE HAS BEEN LITTLE MOVEMENT IN RENTS FOR GRADE A ACCOMMODATION, BUT FURTHER REDUCTIONS WERE NOTED IN RESPECT OF LESS ATTRACTIVE BUILDINGS AND THOSE OUTSIDE THE MAIN COMMERCIAL CENTRES.

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ON THE INDUSTRIAL SCENE, A SIGNIFICANT FEATURE IS THE FORECAST OF NINE MILLION SQUARE FEET OF FLATTED FACTORY ACCOMMODATION FOR 1977, AND 12 MILLION SQUARE FEET FOR 1978, AGAINST AN ACTUAL SUPPLY OF 2.9 MILLION SQUARE FEET IN 1976. ALTHOUGH 1.7 MILLION SQUARE FEET WAS LYING VACANT IN DECEMBER 1976, MORE THAN 70 PER CENT OF THIS WAS IN RESPECT OF PREMISES COMPLETED ONLY IN THE LAST THREE MONTHS OF THE YEAR. EFFECTIVE DEMAND FOR SUCH SPACE CONTINUES AT A HIGH LEVEL.

GENERALLY, SUBJECT TO ANY UNFORESEEABLE SET-BACKS, THE REVIEW SEES 1977 AS A VERY ACTIVE YEAR FOR PROPERTY DEVELOPERS, AND EFFECTIVE DEMAND FOR ALL CATEGORIES OF PROPERTIES, EXCEPT PERHAPS FOR THE POORER, LESS WELL LOCATED OFFICES, CAN BE EXPECTED TO BE MAINTAINED OR INCREASED.

THE FOLLOWING ARE THE MAIN STATISTICS FOR THE YEARS 1975 TO 1977 AND FORECAST FIGURES FOR 1978:-

DOMESTIC (UNITS)	1975	1976	1977	1978
SUPPLY IN YEAR	14,530	15,425	23,560	28,580
BUILT IN YEAR AND VACANT AT DECEMBER	4,860	4,305	-	-
SHOPS (THOUSAND SQ.FT.)				
SUPPLY IN YEAR	1,097	1,157	1,590	1,578
TOTAL VACANT AT DECEMBER	1,732	1,094*	-	-
OFFICES (THOUSAND SQ.FT.)				
SUPPLY IN YEAR	2,674	2,170	2,866	2,863
TOTAL VACANT AT DECEMBER	2,704	2,548+	-	-
MISC. COMMERCIAL (THOUSAND SQ.FT.)				
SUPPLY IN YEAR	1,088	1,122	1,109	1,010
TOTAL VACANT AT DECEMBER	1,622	1,600	-	-
FLATTED FACTORIES (THOUSAND SQ.FT.)				
SUPPLY IN YEAR	2,219	2,871	8,858	11,992
TOTAL VACANT AT DECEMBER	1,842	1,680++	-	-

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STORAGE (THOUSAND SQ.FT.)

SUPPLY IN YEAR	1,009	1,228	1,860	2,583
TOTAL VACANT AT DECEMBER	435	196	-	-

NOTE : FIGURES RELATE TO ALL RATED AREAS.
* 48% RELATES TO SHOP SPACE COMPLETED IN 1976.
+ 42% RELATES TO OFFICE SPACE COMPLETED IN 1976.
++ 80% RELATES TO FLATTED FACTORY SPACE COMPLETED IN 1976.

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TSIM SHA TSUI CLOCK TOWER TO BE RETAINED TEMPORARILY

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AFTER CONSIDERING THE RECOMMENDATION OF THE ANTIQUITIES ADVISORY BOARD, THE GOVERNOR HAS COME TO THE CONCLUSION THAT IT WOULD NOT BE IN THE PUBLIC INTEREST TO RETAIN THE FACADE OF THE OLD RAILWAY STATION AT TSIM SHA TSUI AS ITS PRESERVATION WOULD INTERFERE WITH THE CONSTRUCTION OF THE CULTURAL COMPLEX. THE LATTER WILL MEET AN URGENT PUBLIC NEED.

NEVERTHELESS, THE GOVERNOR HAS DIRECTED THAT THE CLOCK TOWER ITSELF SHOULD BE RETAINED FOR THE TIME BEING, AND MAINTAINED AT THE GOVERNMENT'S EXPENSE. ITS FUTURE CAN BE DECIDED AT A LATER DATE, WHEN THE CULTURAL COMPLEX HAS BEEN COMPLETED, AND PEOPLE CAN SEE FOR THEMSELVES WHETHER OR NOT THE CLOCK TOWER BLENDS WITH THE CULTURAL COMPLEX.

THE FACADE AND THE REMAINDER OF THE OLD RAILWAY STATION BUILDING WILL BE DEMOLISHED IN ORDER THAT WORK CAN PROCEED WITHOUT DELAY ON THE CULTURAL COMPLEX. THE CLOCK TOWER LIES ON THE BOUNDARY OF THE CULTURAL COMPLEX AND CAN, THEREFORE, BE LEFT UNDISTURBED FOR THE PRESENT.

THE CULTURAL COMPLEX WILL INCLUDE A MUSEUM, AN ART GALLERY, A PLANETARIUM, TWO AUDITORIA, LECTURE ROOMS AND REHEARSAL ROOMS. A LARGE FOUNTAIN WILL FORM PART OF THE DESIGN.

THE MUSEUM AND THE ART GALLERY WILL BE HOUSED IN SEPARATE BUILDINGS. THE TWO AUDITORIA WILL SEAT 2,500 AND 1,000. THE PLANETARIUM WILL ACCOMMODATE 500.

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OVER $77 MILLION IN UNREPORTED PROFITS
DISCOVERED BY INLAND REVENUE DEPARTMENT
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THE INLAND REVENUE DEPARTMENT HAS UNCOVERED 82 CASES INVOLVING MORE THAN $77 MILLION IN UNREPORTED PROFITS DURING THE LAST FINANCIAL YEAR -- 67 PER CENT MORE THAN THE PREVIOUS YEAR.

THIS WAS DISCLOSED BY THE ACTING ASSISTANT COMMISSIONER OF INLAND REVENUE, MR. ANTHONY AU-YEUNG, THIS (TUESDAY) AFTERNOON AT THE LIONS CLUB OF LION ROCK LUNCHEON MEETING.

+THE FIGURE REPRESENTED AN AVERAGE UNDERSTATEMENT OF $940,000 PER CASE, WHICH IS SOMETHING LIKE 78 PER CENT OF THE PROFITS THAT SHOULD HAVE BEEN RETURNED. IN OTHER WORDS ONLY 22 PER CENT OF THE TRUE PROFITS HAVE BEEN RETURNED PRIOR TO INVESTIGATION (BY THE INLAND REVENUE DEPARTMENT),+ MR. AU-YEUNG SAID.

THE TAX FIDDLE ADOPTED BY DISHONEST TAXPAYERS RANGED FROM SOMETHING SIMPLE SUCH AS PADDED WAGE BILLS TO MORE SOPHISTICATED SCHEME OF TAX EVASION, HE SAID.

ONE VERY COMMON FORM OF EVASION PRACTISED IN HONG KONG IS UN-RECORDED DRAWINGS FROM ACCOUNTS.

+WHATEVER THE FORM IT TAKES TAX EVASION IS A COMMUNAL SIN WHICH OUGHT TO BE STRONGLY DISCOURAGED. ONE COMMON FEATURE IN ALL TAX EVASION CASES IS THAT THE GOVERNMENT SUFFERS A LOSS OF REVENUE WHICH IS ANOTHER WAY OF SAYING THAT THE EVADER MANAGES TO MAKE HIS FELLOW CITIZENS PAY SOMETHING THAT OUGHT TO HAVE COME OUT OF HIS OWN POCKET,+ MR. AU-YEUNG SAID.

+IT MUST BE APPRECIATED THAT SETTLING A BACK DUTY CASE IS A PAINSTAKING, TIME CONSUMING AND OFTEN FRUSTRATING EXERCISE REQUIRING A HIGH DEGREE OF SKILL BECAUSE IN ORDER TO GET AT THE REAL FACTS OF THE MATTER, IT INVARIABLY INVOLVES GOING BEYOND THE TAXPAYER'S BUSINESS DOCUMENTS AND HAVING ACCESS TO HIS PRIVATE FINANCIAL DOCUMENTS AS WELL.

+SINCE SO MUCH FURTHER LIABILITY HAS BEEN BROUGHT TO LIGHT BY INQUIRIES OF THE REVENUE, ITS CONCLUSION IS OBVIOUS THAT MUCH STILL REMAINS TO BE DONE TO COMBAT TAX EVASION.+

THE AMOUNT OF REVENUE LOST THROUGH TAX EVASION IN HONG KONG COULD NOT BE DEFINITELY KNOWN, BUT TAX EVADERS COVER A VERY BROAD SPECTRUM OF LIFE IN HONG KONG.

/ALMOST .....

ALMOST EVERY PROFESSION AND EVERY SELECTION OF THE BUSINESS COMMUNITY IS REPRESENTED AND IT WOULD BE MISLEADING TO SINGLE OUT ANY ONE CLASS, MR. AU-YEUNG SAID.

HE ALSO POINTED OUT THAT PROFITS ARISING FROM ILLEGAL ACTIVITIES WERE ASSESSABLE TO TAX IF THESE ACTIVITIES WERE OF SUCH A NATURE THAT THEY WOULD CONSTITUTE A TRADE OR BUSINESS.

+WE HAVE ENCOUNTERED INSTANCES OF MASSIVE EVASION BY THESE ACTIVITIES AND I BELIEVE THE REVENUE LEAK IN THIS DIRECTION MUST BE SUBSTANTIAL,+ HE SAID.

MR. AU-YEUNG EMPHASISED THAT THE TAX LAW, AS AMENDED IN 1975, IMPOSES HEAVY MONETARY FINES AND PENALTIES FOR BREACHES OF STATUTORY TAX OBLIGATIONS WHICH INCLUDE THE MAKING OF INCORRECT RETURNS AND FAILURE TO FILE RETURNS.

THE MAXIMUM PENALTIES HAD BEEN INCREASED FROM 100 PER CENT TO 300 PER CENT OF THE TAX EVADED SO AS TO PROVIDE A STRONGER DETERRENT EFFECT. IN SOME WILFUL EVASION CASES, SUCH AS THOSE OF FRAUDULENT CLAIMS OR FALSE RETURNS, THE OFFENDERS COULD BE SENT TO PRISON.

IN 1976-77, THREE CASES INVOLVING WILFUL INTENT TO EVADE TAX WERE SUCCESSFULLY PROSECUTED IN THE COURTS AND THE ACCUSED WERE CONVICTED.

IN ADDITION TO PAYING A SUBSTANTIAL FINE AND PENALTY, TWO WERE SENTENCED TO IMPRISONMENT THOUGH SUSPENDED FOR A PERIOD OF 18 MONTHS.

A MORE LENIENT VIEW WOULD BE TAKEN OF THOSE WHO VOLUNTARILY APPROACH THE DEPARTMENT FOR A FULL DISCLOSURE OF THEIR MISDEEDS THAN THOSE WHO WERE PICKED UP AS A RESULT OF INVESTIGATION, MR. AU-YEUNG SAID.

+WHILE I BELIEVE A GREAT MAJORITY OF TAXPAYERS HAVE MADE HONEST RETURNS, IT IS A PRACTICAL CERTAINTY THAT THERE IS STILL CONSIDERABLE LEAKAGE OF TAX DUE FROM THE LESS SCRUPULOUS MINORITY,+ HE ADDED.

TO REDUCE THE EVASION OF TAX, THE DEPARTMENT HAD TAKEN VARIOUS MEASURES INCLUDING WIDE-SPREAD PUBLICITY TO ENCOURAGE PEOPLE TO NOTIFY THE TAX AUTHORITY OF THEIR TAX LIABILITY= SIMPLIFIED FORM OF RETURNS= PERIODICAL NOTIFICATIONS IN THE PRESS= ISSUE OF GUIDELINE TO ACCOUNTANTS AND INCREASE IN THE SIZE OF THE DEPARTMENT'S INVESTIGATION BRANCH.

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SUMMER TRAINING CAMP FOR YOUTH LEADERS

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A TRAINING CAMP, SPONSORED BY THE YOUTH WORK UNIT OF THE SOCIAL WELFARE DEPARTMENT, HAS BEEN ORGANISED FOR 36 YOUTH LEADERS IN JULY.

THE TRAINING CAMP, TO BE HELD AT PATSIN RANGE, KOWLOON PEAK AND TAI PO DISTRICT, AIMS TO AROUSE THE INTEREST OF YOUNG PEOPLE IN OUTDOOR ACTIVITIES AND TO FOSTER SELF-CONFIDENCE AND ENDURANCE THROUGH SUCH ACTIVITIES. IT HAS BEEN ORGANISED BY THE 'AKINALLIANCE', A SELF-PROGRAMMING YOUTH GROUP OF THE YOUTH WORK UNIT.

THE PROGRAMME WILL INCLUDE BASIC INSTRUCTIONS AND DEMONSTRATIONS ON ROCK CLIMBING, USE OF MAPS AND COMPASSES, ORIENTEERING, CAMPCRAFTS AND PHYSICAL TRAINING.

PARTICIPANTS WILL BE CHARGED $15 PER PERSON.

YOUNG PEOPLE INTERESTED TO TAKE PART ARE ASKED TO CONTACT THE YOUTH WORK UNIT AT THE KOWLOON CENTRAL GOVERNMENT OFFICES BUILDING, 405, NATHAN ROAD, YAU MA TEI, KOWLOON.

THE DEADLINE OF APPLICATION IS JUNE 25.

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TRADE DISPUTE SETTLED

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THE TRADE DISPUTE AT THE FIRST NATIONAL TRADING CO. LTD. IN KWAI CHUNG WAS AMICABLY SETTLED YESTERDAY THROUGH THE CONCILIATION EFFORTS OF THE LABOUR DEPARTMENT'S LABOUR RELATIONS SERVICE.

IT AROSE FROM A CHANGE IN THE WAGE RATE FOR 32 WORKERS IN THE FACTORY'S WEAVING SECTION.

THE DISPUTE CAME TO AN END AFTER A JOINT MEETING BETWEEN MANAGEMENT AND THE WORKERS WHICH WAS ARRANGED AND CHAIRED BY OFFICERS OF THE LABOUR RELATIONS SERVICE.

AS A RESULT OF THE MEETING, THE TWO PARTIES CAME TO AN AGREEMENT ON THE TERMS AND CONDITIONS OF WORK.

IN ADDITION, THE MANAGEMENT HAD AGREED TO GIVE THE WORKERS $200 EACH AS EX-GRATIA PAYMENT.

ALL 32 WORKERS HAVE NOW RESUMED WORK.

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