

**HONG KONG  
GOVERNMENT  
INFORMATION  
SERVICES**

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**DAILY  
INFORMATION  
BULLETIN**

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Thursday, July 6, 1972

**MORE CHINESE TO BE USED IN LOWER COURTS**

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The law in Hong Kong is to be amended to allow wider use of Cantonese in Magistrates' Courts and quasi-judicial bodies of comparable rank.

It will be left to the discretion of the presiding officer to decide whether Cantonese, English or both, should be used in the spoken part of the proceedings.

This and other recommendations made by the Chinese Language Committee in its Third Report have been accepted in principle by the Government.

A government spokesman said today that according to judicial statistics for the year 1969-70, more than 96 per cent of all the cases heard in Hong Kong courts were dealt with in the Magistracies.

"The implementation of this recommendation is a significant step forward in the use of Chinese in the courts," he said.

Other recommendations accepted in principle by the Government include the following:

- \* Explanatory booklets in Chinese of the more important ordinances should continue to be prepared and published;
- \* A glossary of legal terms should be compiled in Chinese and English;
- \* A list of titles together with a brief description of existing ordinances and subsidiary legislation should be prepared and published in Chinese;

/\* Pleadings .....

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- \* Pleadings made by litigants not legally represented should be accepted in either English or Chinese, but for the purpose of appeals and in case of discrepancy, the English version should prevail;
- \* Statutory forms, and government licences and certificates which are prescribed by law in both English and Chinese, should be equally authoritative;
- \* All statements should be taken down in the language in which they are made and in case of discrepancy, the original should prevail;

The spokesman explained that the individual recommendations of the Legal Sub-Committee of the Chinese Language Committee had been considered by the Chief Justice, the government departments and professional bodies concerned.

The Secretary for Home Affairs, as the Chinese Language Authority, will be responsible for putting into effect the recommendations in the Report other than those which are the direct concern of the Judiciary, for which the Judiciary itself will be responsible.

The spokesman said that implementation of the recommendations will depend very much on how quickly additional staff can be recruited.

He added that at present it was more practicable to concentrate on publishing booklets on ordinances affecting the daily life of the public rather than to attempt to translate all the laws of Hong Kong.

However, special arrangements will be made to publish in both English and Chinese important bills and ordinances which are of wide public interest.

The spokesman also disclosed that the Chinese Language Authority is finalizing plans for the recruitment and training of the staff required to carry out the recommendations of the Chinese Language Committee.

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NEW INSTITUTE OF IMMUNOLOGY HANDED OVER

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The Medical and Health Department's new vaccine institute in Victoria Road, formally handed over by the Public Works Department today, incorporates the most modern facilities for research, experiments and production.

It replaces the former institute in Caine Lane, and will concern itself with all aspects of immunology. For this reason, it is to be known as the Department's Institute of Immunology.

The Director of Medical and Health Services, Dr. G.H. Choa, said its completion "signifies a further step in the development of this particular field of health service in Hong Kong."

The Institute takes into account World Health Organisation recommendations for public health laboratories -- in other words, separate facilities for the production of bacterial and viral vaccines as a precaution against contamination.

It will continue to produce human vaccine for public health in Hong Kong, but in times of emergency, and if required, it will also produce certain vaccines for export to other countries in this region to meet their urgent needs.

Dr. Choa said it would be possible for staff at the Institute to use new laboratory techniques and also to carry out further research. He explained that production of a safe and effective vaccine involved not only laboratory experiments, but also extensive field trials.

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Also for consideration was the development of immunisation against other viral diseases, such as rubella and influenza, which continued to resist laboratory attempts to control them by vaccines.

Dr. Choa referred to the conquest of infectious diseases by the application of the principles of immunisation as "one of the most colourful and exciting stories in the history of medicine."

In Hong Kong, as a result of largescale immunisation campagins coupled with other preventive measures since the end of World War II, smallpox had disappeared after the last case in 1952.

Immunisation of infants was now well received by parents, and diptheria, whooping cough, poliomyelitis, even tuberculosis and measles, were being brought under control.

Mr. G.R.J. Donnithorne, Director of Building Development, formally handed the Institute over to Dr. Choa with the presentation of the keys to the main doors.

He referred to the part played by the Public Works Department in providing a further means of improving medical facilities in Hong Kong by designing and constructing the Institute. He was sure it would have "a regional importance in the future."

The Institute occupies an area of approximately 45,000 square feet. It costs \$2,900,000.

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NEW SYSTEM FOR LETTING SHOPS AND KINDERGARTENS

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The Housing Authority announced today that the existing system of letting shops and kindergartens in both Housing Authority and government low-cost housing estates will be discontinued.

An Authority spokesman said future vacancies of shops and kindergartens will continue to be made public by advertisements, but applications will be invited in the form of tenders.

At present, he said, applications received in response to advertisements are processed by ballot to determine the priority of investigation, and the first satisfactory applicant for a particular trade is offered tenancy.

In future, applicants will be required to offer the lump sum premia they are prepared to pay, in addition to a fixed inclusive rent, for the tenancy of a particular premises.

"The Housing Authority, however, does not bind itself to accept the highest or any tender," the spokesman added.

This new system of letting will not be extended to include market stalls and medical clinics which will continue to be let by existing methods.

A similar system whereby banking premises are let by tendered rents will remain unchanged.

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LAND RESUMPTION AT SHA TIN

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About 55,830 square feet of private agricultural land will be resumed at Sha Tin for Stage III of the Shing Mun River Flood Control Scheme.

No building land or permanent buildings are involved, but 120 temporary structures comprising 37 workshops, 74 domestic and nine agricultural structures will have to be moved.

Forty families, or 163 people, are affected by the schemes.

A Government spokesman said they would either be offered resettlement accommodation or be allowed to re-establish themselves on other similar land.

"The families who opt to re-establish themselves will be eligible for ex-gratia compensation," he added. Each family will be able to receive \$1,000 for rehabilitation.

The owners of the workshops will be offered units in resettlement factories provided they comply with a survey to be undertaken by the Resettlement Department.

The multi-million dollar improvement scheme is to eliminate the risk of flooding along the banks of the Shing Mun River.

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URBAN COUNCIL COMPLETES TWO MORE PLAYGROUNDS

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The Urban Council has completed two more playgrounds in Kowloon for sporting activities and recreational use.

One of the playgrounds, converted from a small piece of land at To Yuen Street, Tai Hang Tung, is equipped with a basketball court and a rest garden.

The other, situated on top of the Ho Man Tin High Level Service Reservoir at Fat Kwong Street opposite the Valley Road Housing Estate, has an area of 1.24 acres.

It has two turfed mini soccer pitches and a rest garden.

Both playgrounds are already open to the public.

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SCOUTING PRESENTATION

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Note to Editors: The District Commissioner, New Territories, Mr. D.C. Bray, will officiate at a presentation ceremony of prize and Diamond Jubilee Jamboree certificates to New Territories boy scouts on Saturday, July 8, at 5 p.m.

Mr. H.C. Ma, Chairman of the "Friends of Scouting" Organisation, will also officiate at the ceremony.

You are cordially invited to send a reporter and/or photographer to cover the presentation ceremony.

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CROWN LAND AUCTION

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Three lots of Crown Land will be put up for sale by public auction at 2.30 p.m. on Friday, July 28, in the Lecture Room, 8th floor, City Hall.

Of the three lots, one is for industrial and/or godown purposes and the other two are for non-industrial purposes.

Details of the lots are as follows:

- \* Yau Tong Inland Lot No. 19, at Shung Shun Street, Sam Ka Tsuen, Kowloon.  
Area: 18,500 square feet  
Upset Price: \$925,000  
Purpose: for industrial and/or godown purposes
- \* Kowloon Inland Lot No. 10133, at No. 308-310 Reclamation Street, Kowloon  
Area: 1,076 square feet  
Upset Price: \$350,000  
Purpose: for non-industrial purposes
- \* Kowloon Inland Lot No. 10153, at No. 515 Shanghai Street, Kowloon.  
Area: 675 square feet  
Upset Price: \$230,000  
Purpose: for non-industrial purposes

Full particulars and Conditions of Sale may be obtained from and Sale Plans inspected at the Public Enquiry Sub-office, Central Government Offices (West Wing), Ground Floor, Hong Kong, and at the Crown Lands and Survey Office, Kowloon Government Offices, 405 Nathan Road, 10th floor, Kowloon.

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Release time: 6.30 p.m.



HONG KONG GOVERNMENT

# INFORMATION SERVICES

## DAILY INFORMATION BULLETIN SUPPLEMENT

Thursday, July 6, 1972

### FIXED HONG KONG DOLLAR RATE WITH U.S. DOLLAR

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A fixed rate has been established between the Hong Kong dollar and the U.S. dollar of HK\$5.6500 to US\$1, representing a **revaluation** of the Hong Kong dollar against the closing rate for sterling on the London market yesterday of approximately 5.2 per cent.

Announcing this decision this evening the Financial Secretary, Mr. C.P. Haddon-Cave said: "This is a temporary measure which will last only as long as the pound sterling continues to float".

"A new fixed rate between the Hong Kong dollar and sterling will be re-established when the British Government announces a new fixed rate for sterling with the U.S. dollar," he added.

In the meantime, the Hong Kong Government will stand ready to maintain the new rate of the Hong Kong dollar with the U.S. dollar within limits of 2½ per cent around this middle rate as provided for under international practice sanctioned by the International Monetary Fund. The upper limit will be HK\$5.5229/US\$1 and the lower limit HK\$5.7771/US\$1.

"The fact that this move can be made", Mr. Haddon-Cave said, "is a measure of the strength of the Hong Kong dollar and of the resilience of the Hong Kong economy. I am sure that the rate we have chosen in relation to the U.S. dollar is the right one in our circumstances and that it can be maintained. It will help to stabilise the prices of our imports, and hence our cost of living but will at the same time be such as to maintain the competitiveness of our exports which is the basis on which the expansion of the economy depends."

/Explaining .....

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Explaining the background to the decision, the Financial Secretary said that, ever since the announcement of the floating of sterling on June 23 last, the Hong Kong Government had been following developments very closely. Since that time the sterling/U.S. dollar rate had fallen on the London foreign exchange market by about 7% compared with its previous middle rate. Under the arrangements prevailing until now there has been a fixed rate between the Hong Kong dollar and sterling of HK\$14.5454/£1. One consequence of a fall in the foreign exchange value of sterling as a result of its float has been to lower the exchange value of the Hong Kong dollar in relation to other currencies by more or less the same extent. In other words, the maintenance of a fixed rate between the Hong Kong dollar and sterling has resulted in the Hong Kong dollar floating more or less in line with sterling.

#### Strong Position

The Financial Secretary said there were several reasons why a floating of the Hong Kong dollar with sterling was not suited to our circumstances: in the first place, any significant downward floating of the Hong Kong dollar would result in a rise in import costs of food and other essential consumer goods, as well as of raw materials for industry. This would send up the cost of living and costs and prices generally throughout the economy.

Secondly, the Hong Kong economy and the Hong Kong dollar are in a strong position and resources are fully employed. "There is no need", Mr. Haddon-Cave said, "for any significant fall in the exchange value of the currency to provide a stimulus to the economy".

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Thirdly, a floating rate results in continuous uncertainty for traders as regards the rates of exchange at which they will be contracting business. In Hong Kong's circumstances, where most manufacturers produce to order for overseas markets and incur large import commitments for raw materials, these difficulties would be especially marked.

Mr. Haddon-Cave revealed that, in the course of a detailed and intensive review of all the courses open, the Government gave serious consideration to the possibility of revaluing the Hong Kong dollar immediately to a new fixed rate with sterling. But this involved the difficulty of choosing a rate which would be considered realistic in relation to the movements of the sterling float. If too low a rate were picked in relation to sterling the Hong Kong dollar would again be pulled down in relation to other currencies by the movement of sterling. On the other hand, if too high a rate were chosen, the Hong Kong dollar might even appreciate against other currencies and thus make our exports uncompetitive in overseas markets.

Most Convenient Method

"Furthermore", he said, "if this course were adopted the Hong Kong dollar would still continue to fluctuate, at the new rate, in response to the movements of the pound sterling in relation to the U.S. dollar". So there would be continuing uncertainty.

"In all the circumstances", the Financial Secretary continued, "the Government has decided that the most convenient method of getting through the period of the floating of sterling would be to establish a new fixed rate of exchange with the U.S. dollar. This will provide stable exchange rates with countries with which Hong Kong conducts almost nine-tenths of its trade while

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involving no break in the traditional ties with sterling in which the bulk of our external reserves are held." "The fact that sterling will be floating in relation to the Hong Kong dollar as well as other currencies," he said, "will be less serious for Hong Kong than a continued floating of the Hong Kong dollar in relation to all currencies except sterling."

Mr. Haddon-Cave added that an inevitable consequence of a stable exchange rate for the Hong Kong dollar, when combined with the downward float of sterling, would be that all Hong Kong's assets held in the United Kingdom, including those of the Government, would lose value in Hong Kong dollar terms. Depending on the new parity established between the Hong Kong dollar and sterling there will be such a loss and the banks will have to be compensated in accordance with the Exchange Fund guarantee arrangement, but the amount of compensation cannot be determined at this stage.

However, the British Government has agreed to very early consultations, generally on the future security of Hong Kong's sterling reserves and particularly on the future of the Sterling Guarantee Agreements in the context of a floating sterling. The Agreements guarantee the value of official reserves of sterling area countries against a fall in the exchange rate of the pound sterling in relation to the U.S. dollar below the pre-December 1971 parity of US\$2.40. The Financial Secretary will also be consulting with the Hong Kong banks on the implications of the decision just announced for the Exchange Fund guarantee arrangement covering the banks' sterling holdings.

The Financial Secretary concluded by emphasising that it was the Government's intention to return to a fixed rate with sterling as soon as the floating of the pound ended.

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Release Time: 6.30 p.m.