



DAILY INFORMATION BULLETIN

FRIDAY, SEPTEMBER 9, 1977

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HIGHER GROWTH RATE PREDICTED FOR 1977

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MR. PHILIP HADDON-CAVE, THE ACTING CHIEF SECRETARY, THIS EVENING PREDICTED THAT THE TOTAL OUTPUT OF GOODS AND SERVICES (GROSS DOMESTIC PRODUCT) WOULD BE 8 PER CENT IN REAL TERMS -- ONE PERCENTAGE POINT HIGHER THAN HIS ORIGINAL BUDGET FORECAST OF 7 PER CENT.

+BUT THIS YEAR'S GROWTH IS MUCH MORE DEPENDENT ON DOMESTIC ECONOMIC ACTIVITY THAN ON EXPORTS AND THAT WORRIES ME,+ HE SAID.

+THE OPENNESS OF OUR ECONOMY IS INCOMPATIBLE WITH SUCH A SITUATION BEING SUSTAINABLE. IN THE LONG RUN, THE GROWTH RATE OF THE GDP DEPENDS ON THE GROWTH OF EXPORTS.+

HE WAS SPEAKING AT THE ANNUAL FELLOWSHIP DINNER OF THE HONG KONG MANAGEMENT ASSOCIATION ON +THE HONG KONG ECONOMY -- THE LATER PHASE OF THE RECOVERY.+

REVIEWING THE PRESENT ECONOMIC POSITION AND IMMEDIATE OUTLOOK, MR. HADDON-CAVE SAID THAT DESPITE THE EXCEPTIONALLY LARGE VOLUME OF EXPORTS IN THE SECOND HALF OF 1976, HE EXPECTED THE GROWTH RATE OF 4 PER CENT TO 5 PER CENT COULD BE ACHIEVED FOR THE REST OF THE YEAR.

MR. HADDON-CAVE SAW NO NEED TO CHANGE HIS FORECAST OF GOVERNMENT CONSUMPTION EXPENDITURE GROWTH RATE OF 10 PER CENT. BUT ON PRIVATE CONSUMPTION EXPENDITURE, HE EXPECTED AN INCREASE OF 12 PER CENT IN REAL TERMS.

REVISING HIS FORECAST ON INVESTMENT, MR. HADDON-CAVE EXPECTED AN INCREASE OF 15 PER CENT IN REAL TERMS IN PLANT AND MACHINERY INVESTMENT AS OPPOSED TO THE 12 PER CENT HE PREDICTED EARLIER IN THE BUDGET.

+A PART OF THIS INCREASE CAN BE ATTRIBUTED TO LUMPY AND, THEREFORE, UNPREDICTABLE INVESTMENTS IN THE FIRST HALF OF 1977. A LARGE PROPORTION OF INVESTMENT IN PLANT AND MACHINERY HAS BEEN, AND WILL CONTINUE TO BE FOR A WHILE, ASSOCIATED WITH THE HIGH LEVEL OF ACTIVITY IN THE CONSTRUCTION INDUSTRY, INCLUDING THE MASS TRANSIT RAILWAY PROJECT,+ HE SAID.

TOUCHING ON IMPORTS, MR. HADDON-CAVE SAID THE VOLUME OF IMPORTS WAS NOW EXPECTED TO GROW BY 9 PER CENT IN 1977, SLIGHTLY LESS THAN THE 10 PER CENT HE FORECAST IN HIS BUDGET SPEECH.

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+THIS IS CONSISTENT WITH THE LEVEL AND COMPOSITION OF ECONOMIC ACTIVITY IN 1977 INASMUCH AS THE REVISED FORECAST FOR IMPORTS OF CONSUMER GOODS IS FOR A 12 PER CENT RATHER THAN A 10 PER CENT INCREASE= AND FOR RAW MATERIALS, WHICH ACCOUNT FOR 44 PER CENT OF TOTAL IMPORTS, THE REVISED FORECAST IS FOR A 5 PER CENT RATHER THAN A 10 PER CENT INCREASE,+ HE SAID.

ON PRICES, MR. HADDON-CAVE SAID THERE WAS AN INCREASE OF 7 PER CENT IN THE FIRST HALF OF 1977 OVER THE FIRST HALF OF 1976.

+ANY FORECAST FOR THE REST OF 1977 IS VERY DEPENDENT ON FUTURE MOVEMENTS IN THE EXCHANGE VALUE OF THE HONG KONG DOLLAR,+ HE SAID.

+BUT I CAN SAY I WOULD BE SURPRISED IF THE AVERAGE INCREASE IN THE CONSUMER PRICE INDEX IN 1977 COMPARED WITH 1976 WAS MUCH MORE THAN 7 PER CENT. THE GDP DEFLATOR MAY WELL BE A LITTLE LESS THAN THE BUDGET SPEECH FORECAST OF 7 PER CENT DUE TO THE STABILITY OF EXPORT PRICES SO FAR THIS YEAR.+

AS FOR THE OUTLOOK FOR TRADE THIS YEAR, HE SAID THAT, DESPITE THE SIGNS OF A REVERSAL SEEN IN THE JULY TRADE FIGURES, EXPORT PERFORMANCE FOR A YEAR AS A WHOLE, WOULD ONLY BE AROUND 4 PER CENT HIGHER THAN IN 1976.

+SO, WITH THE LABOUR FORCE STILL REMAINING VIRTUALLY FULLY EMPLOYED, THE ONLY CONSISTENT OUTCOME CAN BE A HIGH GROWTH RATE IN EXPENDITURE BY THE DOMESTIC SECTOR RELATIVE TO THE GROWTH RATE OF THE GDP, OR A LARGER DEFICIT IN THE CURRENT EXTERNAL ACCOUNT OR BOTH.

+THIS VIEW LENDS SUPPORT TO THE RATHER HIGH GROWTH RATES NOW FORECAST FOR CONSUMPTION AND INVESTMENT EXPENDITURE, AND TO THE LARGER VISIBLE TRADE DEFICIT IMPLIED IN MY REVISED FORECAST FOR IMPORTS AND EXPORTS,+ HE SAID.

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MAJOR WORK TO BEGIN ON HUNG HOM INDOOR STADIUM
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THE PUBLIC WORKS DEPARTMENT WILL BEGIN WORK EARLY NEXT YEAR ON THE SPECTATOR STAND AND INTERIOR OF THE \$88 MILLION MULTI-PURPOSE INDOOR STADIUM AT HUNG HOM.

TENDERS FOR THE WORK, WHICH FORMS THE MAIN CONTRACT OF THE PROJECT, WERE INVITED TODAY BY THE P.W.D.'S ARCHITECTURAL OFFICE.

MR. EDWIN WONG, GOVERNMENT ARCHITECT, SAID THE SPECTATOR STAND COULD SEAT ABOUT 12,500 PEOPLE.

+THREE-QUARTERS OF THE SEATS IN THE UPPER SECTIONS OF THE SPECTATOR STAND WILL BE OF REINFORCED MOULDED SHELL, WHILE THOSE IN THE LOWER TIERS AND ON THE RETRACTABLE STANDS WHICH EXTEND ONTO THE ARENA FLOOR WILL BE UPHOLSTERED,+ HE SAID.

IN ADDITION, THERE WOULD BE SPECIAL SECTIONS FOR VIP'S AND THE PRESS.

+SEATING ON THE ARENA FLOOR WOULD BE VARIABLE AND DIFFERENT CONFIGURATIONS ARE POSSIBLE, DEPENDING ON THE PARTICULAR EVENT,+ MR. WONG SAID.

ALL SEATS ON THE SPECTATOR STAND WOULD BE ARRANGED IN SMOOTH CONTOURS, OFFERING A COMPLETE VIEW OF THE 1,600 SQ. METRE ARENA.

ONE OF THE FEATURES OF THE STADIUM WILL BE A FOUR SIDED VIDEO SCREEN, SUSPENDED ABOVE THE CENTRE OF THE ARENA AND INCORPORATING SCOREBOARD AND CLOSED CIRCUIT TELEVISION FACILITIES.

MR. WONG SAID : +WITH SUCH EQUIPMENT, LARGER-THAN-LIFE SIZE CLOSE-UPS AND INSTANT REPLAYS, ALL IN COLOUR, ARE POSSIBLE.+

HE ADDED THAT THE STADIUM, WHICH WOULD BE FULLY AIR-CONDITIONED, WOULD HAVE FACILITIES FOR EVERYTHING FROM GYMNASTICS AND BASKETBALL MATCHES TO THEATRICAL PERFORMANCES AND MAJOR EXHIBITIONS.

THE ARENA ITSELF WOULD BE LARGE ENOUGH FOR TWO BASKETBALL COURTS, VOLLEYBALL COURTS OR TENNIS COURTS, OR FOR EIGHT BADMINTON COURTS OR 24 TABLE-TENNIS TABLES AT ONE TIME.

OTHER FACILITIES WOULD INCLUDE CHANGING ROOMS, MEETING ROOMS, GENERAL OFFICES, A LARGE EQUIPMENT STORE, FURNITURE STORE, CONTROL BOOTHS, BOOKING OFFICES AND TOILETS.

MR. WONG SAID THE STADIUM TO BE BUILT ON THE PODIUM ABOVE THE TRACK OF THE HUNG HOM RAILWAY TERMINUS WOULD BE IN THE SHAPE OF AN INVERTED PYRAMID AND WOULD, IN EFFECT, BE BUILT FROM THE ROOF DOWN.

/+ WORK

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+WORK ON THE 10,000 SQ. METRE ROOF, BEING CARRIED OUT ON THE GROUND, IS PROGRESSING SMOOTHLY. WHEN COMPLETED, IT WILL BE RAISED 26 METRES TO REST ON TEMPORARY STEEL TOWERS.+

THE SPECTATOR STAND AND INTERIOR OF THE STADIUM WOULD THEN BE BUILT BENEATH IT.

+ONCE THIS WORK IS COMPLETED, THE ROOF WILL THEN BE LOWERED ONTO THE CONCRETE RIM OF THE SPECTATOR STAND, AND THE TEMPORARY STEEL TOWERS SUPPORTS CUT AWAY,+ MR. WONG SAID.

CONSTRUCTION OF THE SPECTATOR STAND WILL TAKE ABOUT 19 MONTHS AND THE WHOLE STADIUM SHOULD BE READY IN THE SECOND HALF OF 1980 TO BE HANDED OVER TO THE URBAN COUNCIL FOR MANAGEMENT.

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GOVERNMENT ACCOUNTS FOR JUNE

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THE GOVERNMENT ACCOUNTS FOR THE MONTH OF JUNE 1977 SHOW A DEFICIT OF \$179.2 MILLION AS COMPARED WITH A DEFICIT OF \$180.7 MILLION IN JUNE LAST YEAR.

THIS HAS REDUCED THE ACCUMULATED SURPLUS TO \$24.7 MILLION FOR THE FIRST THREE MONTHS OF THIS FINANCIAL YEAR, COMPARED WITH A DEFICIT OF \$54.1 MILLION FOR THE SAME PERIOD LAST YEAR.

TOTAL EXPENDITURE AT \$623.4 MILLION WAS \$69 MILLION MORE THAN IN JUNE 1976.

TOTAL REVENUE AND RECEIPTS AT \$444.2 MILLION WAS \$70.5 MILLION MORE THAN THE SAME MONTH LAST YEAR.

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SMALL CLAIMS TRIBUNAL (AMENDMENT) BILL
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A BILL, WHICH WILL EMPOWER AN ADJUDICATOR OF SMALL CLAIMS TRIBUNAL TO REVIEW HIS OWN DECISION AND TO SET ASIDE AN AWARD OR ORDER WHERE ONE PARTY DID NOT APPEAR AT THE HEARING, HAS BEEN PROPOSED.

THE SMALL CLAIMS TRIBUNAL (AMENDMENT) BILL 1977 PUBLISHED IN THE GOVERNMENT GAZETTE TODAY WOULD ENABLE AN ADJUDICATOR WHO HAS HEARD A CLAIM TO REVIEW HIS DECISION EITHER ON THE APPLICATION OF THE PARTIES CONCERNED OR OF HIS OWN MOTION.

A SPOKESMAN FOR THE LEGAL DEPARTMENT SAID THAT THIS POWER HAD BEEN FOUND TO BE VERY USEFUL IN THE DISTRICT COURT AND WAS HELPFUL WHERE, FOR EXAMPLE, NEW EVIDENCE MIGHT BE INTRODUCED OR WHERE EVIDENCE WAS OVERLOOKED DURING THE PROCEEDINGS.

THE OTHER AMENDMENT WOULD EMPOWER AN ADJUDICATOR TO SET ASIDE AN AWARD OR ORDER WHERE ONE PARTY DID NOT APPEAR AT THE HEARING, UPON APPLICATION BY THE ABSENT PARTY WITHIN SEVEN DAYS AFTER THE HEARING.

THE SPOKESMAN POINTED OUT THAT CASES WERE BOUND TO OCCUR WHERE A DEFENDANT IS ABSENT THROUGH NO FAULT OF HIS OWN, AND AS THE LAW STANDS, +MANIFEST INJUSTICES MAY BE DONE.+

IT IS ALSO PROPOSED TO MAKE RULES OF COURT UNDER THE SMALL CLAIMS TRIBUNAL ORDINANCE TO EFFECT OTHER IMPROVEMENTS. THE PROPOSED CHANGES WILL, AMONG OTHER THINGS:

- * CONFER ON AN ADJUDICATOR THE POWER TO STRIKE OUT A PLAINTIFF'S CLAIM IN THE EVENT OF HIS NON-ATTENDANCE AT THE HEARING=
- * REQUIRE AN ADJUDICATOR TO INCLUDE IN HIS WRITTEN AWARD OR ORDER HIS REASONS FOR THE DECISION= AND
- * PRESCRIBE NEW FORMS IN CONNECTION WITH APPLICATIONS FOR REVIEW.

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FOURTH LABOUR SURVEY

THE FOURTH LABOUR SURVEY WILL BE CARRIED OUT BY THE CENSUS AND STATISTICS DEPARTMENT LATER THIS MONTH.

IT IS PART OF A SERIES OF SIX-MONTHLY LABOUR SURVEYS AIMED AT COLLECTING UP-TO-DATE INFORMATION ON THE ECONOMIC CHARACTERISTICS OF THE POPULATION.

THE SURVEY, TO BE CONDUCTED DURING THE LAST TWO WEEKS OF THIS MONTH, WILL BE TAKEN ON A SAMPLE BASIS COVERING ABOUT 16,000 HOUSEHOLDS THROUGHOUT ALL DISTRICTS.

BEFORE THE FIELD ENUMERATION BEGINS, AN OFFICIAL LETTER, IN BOTH CHINESE AND ENGLISH, WILL BE SENT TO HOUSEHOLDS SELECTED IN THE SAMPLE EXPLAINING THE PURPOSES OF THE SURVEY AND SEEKING THEIR CO-OPERATION IN PARTICIPATING.

A NUMBER OF CENSUS AND STATISTICS DEPARTMENT ENUMERATORS WILL VISIT THESE HOUSEHOLDS ON A DAY BETWEEN SEPTEMBER 16 AND 30.

EACH ENUMERATOR WILL BEAR AN OFFICIAL IDENTITY CARD WITH HIS PHOTOGRAPH ON IT FOR IDENTIFICATION PURPOSE.

QUESTIONS TO BE ASKED WILL CONCERN PERSONAL AND HOUSEHOLD DATA SUCH AS AGE, EDUCATIONAL ATTAINMENT, EMPLOYMENT STATUS, OCCUPATION, EARNINGS, HOURS OF WORK AND TENURE AND RENT. INFORMATION WILL ALSO BE SOUGHT ON EXPENDITURE ON DURABLE GOODS AND WHETHER THE PERSONS CONCERNED HAVE BEEN RECIPIENT OF PUBLIC ASSISTANCE.

ALL INFORMATION COLLECTED WILL BE KEPT IN THE STRICTEST CONFIDENCE.

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PHASE THREE OF CHEUNG CHING DEVELOPMENT
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DEVELOPMENT IS TO BEGIN SHORTLY ON A FURTHER PHASE OF CHEUNG CHING ESTATE - THE FIRST PUBLIC HOUSING ESTATE ON TSING YI ISLAND - TO HOUSE ANOTHER 26,700 PEOPLE BY THE EARLY 1980S.

LAND FORMATION WILL START LATER THIS YEAR TO PROVIDE SITES FOR PHASE THREE OF THE ESTATE WHICH INCLUDES THE PROVISION OF ABOUT 4,400 FLATS.

SITES WILL ALSO BE FORMED FOR THE CONSTRUCTION OF ROADS AND DRAINS FOR CENTRAL TSING YI DEVELOPMENT.

ALL THESE WILL FORM PART OF A COMPREHENSIVE DEVELOPMENT SCHEME FOR TSING YI, WHICH INCLUDES LAND FOR PUBLIC HOUSING ESTATES, PRIVATE RESIDENTIAL AND INDUSTRIAL DEVELOPMENT, TOGETHER WITH ASSOCIATED AMENITIES AND FACILITIES.

THE SITE FORMATION WORK WILL BE CARRIED OUT BY PUBLIC WORKS DEPARTMENT CONTRACTORS AND IS EXPECTED TO BE COMPLETED BY LATE 1979.

AFTER THAT, THE HOUSING AUTHORITY WILL START THE BUILDING WORK ON PHASE THREE OF CHEUNG CHING ESTATE, WHICH ALSO INCLUDES PLANS FOR THREE PRIMARY SCHOOLS, TWO SECONDARY SCHOOLS AND CAR PARK FACILITIES.

WHEN FULLY DEVELOPED IN THE EARLY 1980S, THE ESTATE WILL HOUSE ABOUT 65,500 PEOPLE. PHASE ONE IS ALREADY PARTLY OCCUPIED, AND CONSTRUCTION WORK ON PHASE TWO IS WELL UNDERWAY.

TO ENABLE SITE FORMATION WORK TO BE CARRIED OUT, THE GOVERNMENT IS TO RESUME ABOUT 4.09 HECTARES OF PRIVATE AGRICULTURAL LAND IN CENTRAL TSING YI AND ONE MONTH'S NOTICE OF THE RESUMPTION WAS PUBLISHED IN TODAY'S GOVERNMENT GAZETTE.

A NEW TERRITORIES ADMINISTRATION SPOKESMAN SAID TODAY THE LAND OWNERS WOULD BE OFFERED CASH COMPENSATION OR THE ALTERNATIVE OF A LAND EXCHANGE.

THE GOVERNMENT WILL ALSO PAY EX-GRATIA ALLOWANCE FOR CULTIVATORS AND COMPENSATION FOR CROPS, FRUIT TREES, PINE TREES, THE REMOVAL OF GRAVES, BONE POTS, FENCE, WELLS, AND WATER PIPES, HE SAID.

+NO BUILDING LAND IS INVOLVED, BUT EIGHT TEMPORARY DOMESTIC STRUCTURES OCCUPIED BY 12 FAMILIES, MOSTLY ON CROWN LAND, WILL HAVE TO BE CLEARED,+ THE SPOKESMAN SAID.

+THESE FAMILIES, IF FOUND ELIGIBLE, WILL BE OFFERED PUBLIC HOUSING IN TSUEN WAN OR ON TSING YI. FAMILIES NOT ELIGIBLE FOR PUBLIC HOUSING WILL BE OFFERED SPACE IN A TEMPORARY HOUSING AREA IN THE VICINITY.+

THE SPOKESMAN SAID THAT, IN ADDITION, 16 OTHER TEMPORARY STRUCTURES INCLUDING FOUR PIGSTIES WOULD ALSO HAVE TO BE CLEARED.

EX-GRATIA DISTURBANCE ALLOWANCE WILL BE PAID TO DISPLACED PIGBREEDERS AND POULTRY FARMERS, HE ADDED.

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LADY MACLEHOSE TO VISIT TEXTILE FACTORY
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LADY MACLEHOSE WILL PAY A VISIT TO THE NANYANG COTTON MILL LTD. IN KWUN TONG ON MONDAY (SEPTEMBER 12).

SHE WILL BE ACCOMPANIED ON THE VISIT BY THE ACTING PRINCIPAL TRADE OFFICER, TRADE INDUSTRY AND CUSTOMS DEPARTMENT, MR. NICHOLAS YEK.

LADY MACLEHOSE WILL BE MET ON ARRIVAL AT THE FACTORY BY THE MANAGING DIRECTOR, MR. Y.C. WANG, THE DIRECTOR AND GENERAL MANAGER, MR. H.C. YUNG, AND THE DIRECTOR AND MANAGER, MR. LINCOLN YUNG.

NANYANG COTTON MILL EMPLOYS MORE THAN 1,600 WORKERS, AND PRODUCES A WIDE RANGE OF YARNS AND FABRICS OF PURE COTTON, POLYESTER/COTTON AND POLYESTER/VISCOSE BLENDS. LIGHT AND HEAVY WEIGHT FABRICS SUCH AS SHIRTINGS, RAINCOATS, TROUSERINGS, DENIM AND WORK-WEAR FABRICS ARE SOME OF THE MAIN PRODUCTS.

THE COMPANY'S MAIN MARKETS ARE THE UNITED STATES, BRITAIN, AUSTRALIA AND EUROPE.

HONG KONG'S SPINNING AND WEAVING INDUSTRY EMPLOYS MORE THAN 52,000 WORKERS, REPRESENTING ABOUT SEVEN PER CENT OF THE LOCAL MANUFACTURING LABOUR FORCE. THE INDUSTRY'S TOTAL EXPORTS AMOUNTED TO MORE THAN \$3,000 MILLION IN 1976, OR ABOUT NINE PER CENT OF HONG KONG'S DOMESTIC EXPORTS.

IN THE FIRST SIX MONTHS OF THIS YEAR, ITS EXPORTS WERE VALUED AT \$1,246 MILLION -- 17 PER CENT LESS THAN LAST YEAR.

THE SPINNING SECTOR, COMPRISING 70 FACTORIES WITH A WORK FORCE OF OVER 22,000 IN MARCH 1977, IS EQUIPPED WITH OVER 890,000 SPINDLES. IN 1976, THIS SECTOR PRODUCED OVER 500 MILLION POUNDS OF COTTON, MAN-MADE FIBRE, WOOLLEN, COTTON BLENDED AND WOOLLEN BLENDED YARNS. THE VOLUME OF PRODUCTION IN THE FIRST QUARTER OF THIS YEAR WAS 106 MILLION POUNDS, REPRESENTING A DROP OF 17 PER CENT OVER THE SAME QUARTER LAST YEAR.

NOTE TO EDITORS:

YOU ARE CORDIALLY INVITED TO SEND YOUR REPRESENTATIVE TO COVER THE VISIT WHICH WILL TAKE PLACE AT 10 A.M. ON MONDAY (SEPTEMBER 12), AT THE NANYANG COTTON MILL LTD., AT NO.57 HUNG TO ROAD, KWUN TONG, KOWLOON. THE VISIT IS EXPECTED TO LAST ONE HOUR.

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