



DAILY INFORMATION BULLETIN

ISSUED BY GOVERNMENT INFORMATION SERVICES
BEACONSFIELD HOUSE, HONG KONG. TEL: 5-233191

THURSDAY, AUGUST 25, 1983

<u>CONTENTS</u>	<u>PAGE NO.</u>
WE ARE A LISTENING GOVERNMENT -- SIR PHILIP	1
+FIRE SERVICES AMONG BEST IN WORLD+	3
EXPORT-LED RECOVERY IS UNDERWAY	3
HK RESISTING AMERICAN GSP EXCLUSION MOVES	6
CLOTHING INDUSTRY MANPOWER SURVEY STARTS SEPTEMBER	9
CULTURAL AND SPORTS CENTRE FOR MONG KOK RESIDENTS	10
BOARD TO DISCUSS REPORT ON DISCOS	11
YOUNGSTERS TO HELP BEAUTIFY YUEN LONG	12
TRAFFIC PAUSE FOR FOOTBRIDGE WORK	12
QUEENSWAY TO BE CLOSED FOR WORKS	13

WE ARE A LISTENING GOVERNMENT — SIR PHILIP
* * * *

THE ACTING GOVERNOR, SIR PHILIP HADDON-CAVE, STRESSED AGAIN TODAY THAT THE HONG KONG GOVERNMENT IS RESPONSIVE TO PUBLIC OPINION.

HE WAS SPEAKING TO REPORTERS DURING HIS VISIT TO THE FIRE SERVICES DEPARTMENT TO LOOK OVER ITS FACILITIES.

THE FOLLOWING IS THE TRANSCRIPT OF SIR PHILIP'S REMARKS ON A WIDE RANGE OF SUBJECTS:

CONCERNING HIS REPLY TO A LETTER BY A STUDENT GROUP ON THE QUESTION OF GOVERNMENT AND PUBLIC OPINION, THE ACTING GOVERNOR SAID:

A. +I AM VERY SURPRISED TO HEAR THAT THEY ARE UNSATISFIED. I WROTE THE LETTER CAREFULLY AND I AM DISAPPOINTED THAT THE MESSAGE I TRIED TO GET ACROSS DIDN'T GET THROUGH.

THEY SAID THAT THE GOVERNMENT ISN'T RESPONSIVE TO PUBLIC OPINION AND I SAID THE GOVERNMENT IS RESPONSIVE TO PUBLIC OPINION.

THERE'S NOTHING MORE TO BE SAID. THAT'S MY VIEWS AND THAT'S THEIRS. AND I BELIEVE MINE TO BE RIGHT.

Q. HOW CAN YOU EXPLAIN THAT THE HEUNG YEE KUK PEOPLE SAID THEIR OPINIONS ARE ALWAYS NEGLECTED?

A. WELL THAT'S THE OPINION OF THE HEUNG YEE KUK. NOT MINE. IN FACT I'LL BE SEEING THE HEUNG YEE KUK, I THINK, ON FRIDAY MORNING BECAUSE THEY RECENTLY SAW THE REGIONAL SECRETARY FOR THE NEW TERRITORIES AND HAD A DISCUSSION WITH HIM AND THEY WERE APPARENTLY NOT VERY SATISFIED WITH THE OUTCOME OF THE DISCUSSION. I DO NOT KNOW WHY. SO I'VE AGREED TO SEE THEM, BECAUSE WE'RE A LISTENING GOVERNMENT, AND WE LISTEN TO PUBLIC OPINION.

Q. BUT THEY ARE THREATENING THAT IF THE GOVERNMENT DOES NOT LISTEN TO PUBLIC OPINION THEY WILL RUN THE NT BY THEMSELVES.

A. I SEE. WELL I NOTE THE THREAT, I'LL SAY NO MORE.

Q. I KNOW A LOT OF LEGCO MEMBERS' TERMS WILL EXPIRE THIS YEAR ...

A. THE TERMS OF APPOINTMENT OF ALL MEMBERS OF EXCO AND LEGCO EXPIRE AT THE END OF THIS MONTH AND THEREFORE THERE WILL BE AN ANNOUNCEMENT IN DUE COURSE OF APPOINTMENTS AND REAPPOINTMENTS.

Q. WILL THERE BE A LOT OF YOUNG PEOPLE RECRUITED ?

A. I THINK YOU SHOULD WAIT UNTIL WE MAKE THE ANNOUNCEMENT.

Q. WHEN WILL THE ANNOUNCEMENT BE MADE ?

A. BEFORE THE END OF THIS MONTH. BECAUSE THEIR PRESENT APPOINTMENTS EXPIRE AT THE END OF THIS MONTH.

/Q. WOULD YOU

Q. WOULD YOU COMMENT ON THE SUCCESS OF THE DISTRICT BOARD AND WILL DISTRICT BOARD MEMBERS BE INCLUDED IN THE APPOINTMENT?

A. I WON'T COMMENT ON THE SECOND HALF OF YOUR QUESTION. THE FIRST PART OF YOUR QUESTION ABOUT DISTRICT BOARD. I THINK THE DISTRICT BOARD IS WORKING EXTREMELY WELL AND OF COURSE THIS IS PARTLY DUE TO THE GREAT SUPPORT GIVEN TO THE DISTRICT BOARD BY THE DISTRICT MANAGEMENT COMMITTEES WHICH BRING TOGETHER ALL EXECUTIVE DEPARTMENTS IN A COOPERATIVE SPIRIT AND THEY SERVICE THE DISTRICT BOARDS AND RESPOND TO THE OPINIONS OF DISTRICT BOARDS, IN MY VIEW, IN THE MOST IMAGINATIVE WAY.

Q. WILL THE DISTRICT BOARDS' POWERS BE EXPANDED TO POLICY MAKING ?

A. THE DISTRICT BOARDS HAVE ONLY RECENTLY BEEN SET UP, I DON'T THINK WE WANT TO THINK IN TERMS OF CHANGING THE CONSTITUTION OF THE DISTRICT BOARD YET, WE MUST LEARN BY EXPERIENCE. I'VE NO DOUBT THAT THERE'D BE ADJUSTMENTS TO THE ROLE OF DISTRICT BOARD IN THE FUTURE, TO THEIR COMPOSITION, TO THE TERRITORIAL BOUNDARIES AND SO ON. BUT WE MUST TAKE THESE THINGS QUITE SLOWLY. THERE'S NO NEED TO RUSH.

Q. WHAT KIND OF ADJUSTMENT?

A. I'M SIMPLY SAYING THE DISTRICT BOARDS HAVE ONLY BEEN WITH US FOR A FAIRLY SHORT TIME. I'VE NO DOUBT THAT IN DUE COURSE THERE'D BE SOME ADJUSTMENTS. WHAT THEY WILL BE I'VE NO IDEA.

Q. THE WAN CHAI DISTRICT BOARD WILL BE DISCUSSING THE QUESTION OF 1997 TOMORROW. WOULD YOU ENCOURAGE THE DISTRICT BOARD TO DO THAT.....

A. THERE'S BEEN A LOT OF MISUNDERSTANDING ABOUT THE RIGHTS OF THE DISTRICT BOARD TO DISCUSS SUBJECTS. THE DISTRICT BOARDS HAVE CERTAIN FUNCTIONS. THEIR MAIN ROLE IS TO ADVISE THE DISTRICT ADMINISTRATION AND THE GOVERNMENT GENERALLY ON MATTERS AFFECTING THE WELFARE OF PEOPLE IN THE DISTRICT BUT IF THEY WISH TO RAISE ANY SUBJECT AT ALL RELATING TO THEIR LIVELIHOOD UNDER ANY OTHER BUSINESS, IN A DISTRICT BOARD MEETING, IN ANY OF THEIR REGULAR MEETINGS THEY MAY DO SO. AND I UNDERSTAND THAT THE WAN CHAI DISTRICT BOARD WILL RAISE THE QUESTION OF THE FUTURE UNDER ANY OTHER BUSINESS AT THEIR NEXT MEETING. THERE'S NO REASON WHY THEY SHOULDN'T.

Q. THE DIRECTOR OF THE NEW CHINA NEWS AGENCY, MR XU JIA TUN WILL LISTEN TO THE OPINION CONCERNING THE FUTURE OF HK FROM THE HEUNG YEE KUK. WHAT DO YOU THINK OF THAT?

A. MR XU IS AT LIBERTY TO THAT IF HE WISHES.

+FIRE SERVICES AMONG BEST IN WORLD+

* * *

HONG KONG HAS ONE OF THE BEST TRAINED, BEST EQUIPPED AND BEST MOTIVATED FIRE SERVICES IN THE WORLD, THE ACTING GOVERNOR, SIR PHILIP HADDON-CAVE, SAID TODAY.

SIR PHILIP WAS SPEAKING DURING HIS HALF-DAY VISIT TO THE FIRE SERVICES TODAY, TO SEE THE VARIOUS FUNCTIONS OF THE DEPARTMENT, AND SOME OF ITS LATEST RESCUE AND FIRE FIGHTING EQUIPMENT AND FACILITIES.

ACCOMPANIED BY THE DIRECTOR OF FIRE SERVICES, MR F.M. WATSON, SIR PHILIP FIRST FLEW BY HELICOPTER TO THE FIRE SERVICES TRAINING SCHOOL AT PAT HEUNG, NEW TERRITORIES WHERE HE WAS MET ON ARRIVAL BY THE COMMANDANT.

SIR PHILIP THEN TOURED THE SCHOOL AND SPOKE WITH RECRUITS UNDER TRAINING.

LATER SIR PHILIP LEFT FOR SHA TIN AND VISITED THE NEW TERRITORIES FIRE COMMAND HEADQUARTERS, SHA TIN FIRE STATION AND AMBULANCE DEPOT AND THE NEW TERRITORIES REGIONAL FIRE PROTECTION OFFICE.

HE THEN RETURNED TO HONG KONG ISLAND WHERE HE MET PERSONNEL OF THE FIRE SERVICES MTR STRIKE FORCE AT HARBOUR ROAD FIRE STATION, AND HEARD ABOUT THE VARIOUS FUNCTIONS AND WORK OF THIS SPECIALISED UNIT. HE ALSO SAW HOW THE STRIKE FORCE MOUNTS A RESCUE OPERATION IN AN MTR TUNNEL.

- - - - 0 - - - -

EXPORT-LED RECOVERY IS UNDERWAY

* * *

ACCORDING TO THE HALF-YEARLY ECONOMIC REPORT 1983 PUBLISHED TODAY BY THE GOVERNMENT, DOMESTIC EXPORTS HAVE BEEN GROWING AT AN INCREASINGLY RAPID RATE SINCE THE BEGINNING OF THIS YEAR, AS THE ECONOMIES OF SEVERAL OF HONG KONG'S MAJOR EXPORT MARKETS CONTINUED TO IMPROVE.

DOMESTIC EXPORTS IN THE FIRST HALF OF 1983 GREW BY ABOUT NINE PER CENT IN REAL TERMS OVER THE SAME PERIOD OF LAST YEAR, INDICATING THAT A RECOVERY OF THE EXPORT SECTOR IS ALREADY UNDERWAY.

THE REPORT, HOWEVER, NOTES THAT DOMESTIC DEMAND WAS STILL WEAK IN THE FIRST HALF OF 1983. WHILE STATISTICS ON RETAINED IMPORTS OF CONSUMER GOODS SUGGEST THAT CONSUMER DEMAND MAY HAVE PICKED UP SLIGHTLY IN THE SECOND QUARTER, RETAINED IMPORTS OF CAPITAL GOODS CONTINUED TO FALL, ALBEIT AT A SLOWER RATE IN THE SECOND QUARTER THAN IN THE FIRST QUARTER.

/THE REPORT

THE REPORT POINTS OUT THAT, ON PRESENT INDICATIONS, ECONOMIC GROWTH IN 1983 WILL BE EXPORT-LED.

COMMENTING ON THE EMPLOYMENT SITUATION, THE REPORT SAYS THAT AS A RESULT OF THE STRENGTHENING IN DOMESTIC EXPORT PERFORMANCE AND A REVIVAL IN MANUFACTURING ACTIVITY, BOTH THE SEASONALLY ADJUSTED UNEMPLOYMENT RATE AND THE UNDEREMPLOYMENT RATE FELL IN THE SECOND QUARTER, TO 4.4 PER CENT AND 1.9 PER CENT RESPECTIVELY.

THE CORRESPONDING RATES IN THE FIRST QUARTER WERE 5.1 PER CENT AND 2.5 PER CENT.

THE RATE OF INFLATION, IN TERMS OF THE CONSUMER PRICE INDEX (A), PICKED UP SLIGHTLY, FROM A YEAR-ON-YEAR RATE OF INCREASE OF NINE PER CENT IN THE FIRST QUARTER TO 10 PER CENT IN THE SECOND QUARTER.

IN THE FIRST HALF, THE INCREASE WAS 9.4 PER CENT. THE REPORT, HOWEVER, COMMENTS THAT THE DEPRECIATION OF THE HONG KONG DOLLAR DURING THE FIRST HALF OF 1983 MAY RESULT IN A RATHER FASTER RATE OF CONSUMER PRICE INCREASE IN THE SECOND HALF OF THE YEAR.

THE REPORT REVIEWS ECONOMIC DEVELOPMENTS IN THE FIRST HALF OF THIS YEAR. APART FROM GIVING AN OVERALL VIEW, IT ALSO CONTAINS INDIVIDUAL CHAPTERS ON THE EXTERNAL SECTOR, THE FINANCIAL SECTOR, THE LABOUR SECTOR, ACTIVITY IN SELECTED SECTORS AND PRICES.

ON THE EXTERNAL SECTOR, THE REPORT POINTS OUT THAT THE YEAR-ON-YEAR GROWTH RATE IN REAL TERMS OF DOMESTIC EXPORTS ACCELERATED FROM THREE PER CENT IN THE FIRST QUARTER TO ROUGHLY 14 PER CENT IN THE SECOND QUARTER.

AS THE ECONOMIES OF HONG KONG'S MAJOR EXPORT MARKETS ARE EXPECTED TO CONTINUE TO IMPROVE DURING THE REST OF THE YEAR, DOMESTIC EXPORT PERFORMANCE IS LIKELY TO REMAIN STRONG IN THE COMING MONTHS.

CONSISTENT WITH THIS VIEW IS THE SUBSTANTIAL INCREASE IN RETAINED IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES IN THE SECOND QUARTER AND THE CONTINUED IMPROVEMENT IN MANUFACTURERS' ORDER-BOOK POSITIONS.

THE REPORT FURTHER NOTES THAT RE-EXPORTS IN THE FIRST HALF WERE ABOUT SEVEN PER CENT HIGHER IN REAL TERMS THAN IN THE SAME PERIOD LAST YEAR.

THE YEAR-ON-YEAR GROWTH RATE IN REAL TERMS INCREASED FROM TWO PER CENT IN THE FIRST QUARTER TO AN ESTIMATED 11 PER CENT IN THE SECOND QUARTER.

IMPORTS ALSO RECOVERED IN THE FIRST HALF, RECORDING A YEAR-ON-YEAR GROWTH RATE IN REAL TERMS OF ABOUT FOUR PER CENT. THIS WAS MADE UP OF A DECLINE OF ONE PER CENT IN THE FIRST QUARTER AND AN INCREASE OF ABOUT NINE PER CENT IN THE SECOND QUARTER.

/COMPARING THE

COMPARING THE FIRST HALF OF 1983 WITH THE FIRST HALF OF 1982, THE REPORT POINTS OUT THAT THE GROWTH RATE OF THE VALUE OF TOTAL EXPORTS (DOMESTIC EXPORTS PLUS RE-EXPORTS), AT 13 PER CENT, WAS FASTER THAN THAT OF IMPORTS, AT 11 PER CENT. THE VISIBLE TRADE GAP THUS NARROWED TO 12 PER CENT, FROM 14 PER CENT IN THE FIRST HALF OF 1982.

ON THE FINANCIAL SECTOR, THE REPORT NOTES THE FOLLOWING DEVELOPMENTS DURING THE FIRST HALF OF THIS YEAR.

FIRST, THE GROWTH RATE OF THE MONEY SUPPLY WAS SLOWING DOWN, REFLECTING SLOWER GROWTH OF LOANS AND ADVANCES. BUT THE FOREIGN CURRENCY COMPONENT OF THE MONEY SUPPLY, WHICH WAS BUOYED BY +SWAP+ DEPOSITS AND BY THE WEAKNESS OF THE HONG KONG DOLLAR, GREW AT A FASTER RATE THAN ITS HONG KONG DOLLAR COMPONENT.

SECOND, THE SWITCH OF DEPOSITS FROM REGISTERED DEPOSIT-TAKING COMPANIES TO BANKS CONTINUED, ALBEIT AT A SLOWER RATE THAN DURING 1982, AS THE TWO-YEAR TRANSITIONAL PERIOD FOR THE ESTABLISHMENT OF THE THREE-TIER STRUCTURE CAME TO AN END.

THIRD, AFFECTED BY NERVOUS POLITICAL SENTIMENT, THE GENERAL STRENGTH OF THE US DOLLAR AND SPECULATIVE ACTIVITIES, THE HONG KONG DOLLAR WAS UNDER CONSIDERABLE DOWNWARD PRESSURE, PARTICULARLY DURING THE SECOND QUARTER. THE EXTENT OF THE DEPRECIATION WAS GENERALLY CONSIDERED TO BE EXCESSIVE IN TERMS OF THE UNDERLYING ECONOMIC FUNDAMENTALS WHICH HAVE BEEN CLEARLY INDICATING AN EXPORT-LED RECOVERY.

FOURTH, TO LEND SUPPORT TO THE HONG KONG DOLLAR, LOCAL INTEREST RATES WERE ADJUSTED UPWARDS TWICE IN THE SECOND QUARTER.

ON THE LABOUR SECTOR, THE REPORT SAYS THAT BOTH THE UNEMPLOYMENT RATE AND THE UNDEREMPLOYMENT RATE FELL IN THE SECOND QUARTER, FROM THE PEAKS RECORDED EARLIER IN THE YEAR.

REFLECTING THE RECOVERY OF THE EXPORT SECTOR, MANUFACTURING EMPLOYMENT HAS CEASED TO DECLINE SINCE THE BEGINNING OF THIS YEAR.

EMPLOYMENT ON BUILDING AND CONSTRUCTION SITES, HOWEVER, CONTINUED TO FALL IN THE SECOND QUARTER.

THE REPORT FURTHER NOTES THAT DURING THE TWELVE MONTHS ENDING MARCH 1983, MANUFACTURING WAGE RATES AND CONSTRUCTION WAGE RATES INCREASED IN MONEY TERMS, BUT DECLINED IN REAL TERMS- WHEREAS WAGES AND SALARIES IN THE TERTIARY SERVICES SECTORS, IN TERMS OF PAYROLL PER PERSON ENGAGED, ROSE IN BOTH MONEY TERMS AND REAL TERMS.

THE REPORT OBSERVES THAT THERE WAS A CONSIDERABLE REVIVAL IN MANUFACTURING ACTIVITY IN THE FIRST HALF OF THIS YEAR, AS SHOWN BY THE LATEST STATISTICS ON DOMESTIC EXPORTS, RETAINED IMPORTS OF RAW MATERIALS AND SEMI-MANUFACTURES, OUTWARD CARGO MOVEMENTS BY SEA AND BY AIR, AND THE QUANTITY OF ELECTRICITY CONSUMED BY THE MANUFACTURING SECTOR.

A QUALITATIVE ASSESSMENT BASED ON FACTORY VISITS AND CONTACTS WITH LOCAL INDUSTRIALISTS ALSO INDICATES GREATER OPTIMISM AMONG MANUFACTURERS ABOUT EXPORT PROSPECTS IN THE COMING MONTHS.

THE GENERAL IMPRESSION IS THAT TEXTILES AND CLOTHING AND ELECTRONIC INDUSTRIES ARE SHOWING THE FASTEST RECOVERY, FOLLOWED BY FOOD AND BEVERAGES, PLASTICS, METAL FABRICATION, WATCHES AND CLOCKS, AND TOYS.

SOME MANUFACTURERS OF PLASTIC PRODUCTS, ELECTRONIC PRODUCTS AND ELECTRICAL APPLIANCES HAVE, HOWEVER, REPORTED DIFFICULTIES IN OBTAINING RAW MATERIALS AND COMPONENT PARTS.

ON THE PROPERTY SECTOR, THE REPORT POINTS OUT THAT THE VACANCY POSITION FOR MOST TYPES OF PROPERTY WAS HIGH IN RELATION TO THE EXISTING STOCK.

AS DEMAND FOR PROPERTY REMAINED DEPRESSED (EXCEPT FOR SMALL FLATS IN CONVENIENT LOCATIONS), PRICES AND RENTALS OF FINISHED PROPERTY GENERALLY EASED FURTHER IN THE FIRST HALF OF 1983.

REFLECTING THE EFFECT OF THIS ON THE BUILDING INTENTIONS OF PRIVATE DEVELOPERS, THE NUMBER OF BUILDING PLANS WITH CONSENT TO COMMENCE WORK IN THE FIRST HALF OF THIS YEAR WAS SUBSTANTIALLY LOWER THAN IN THE SAME PERIOD LAST YEAR.

ON PRICES, THE REPORT COMMENTS THAT DESPITE THE DEPRECIATION OF THE HONG KONG DOLLAR SINCE THE END OF 1982, THE RATE OF INFLATION INCREASED ONLY MODERATELY IN THE FIRST HALF OF THIS YEAR.

IT ATTRIBUTES THIS TO SEVERAL RATHER FAVOURABLE FACTORS, SUCH AS THE RELATIVELY WEAK DOMESTIC DEMAND, THE SLOWING DOWN IN THE GROWTH RATE OF THE MONEY SUPPLY, THE MODERATE RATE OF INCREASE IN WORLD COMMODITY PRICES AND THE EASING OF THE RATE OF INFLATION IN HONG KONG'S MAJOR TRADING PARTNERS.

THE HALF-YEARLY ECONOMIC REPORT 1983 IS NOW ON SALE AT \$12 A COPY.

- - - - 0 - - - -

HK RESISTING AMERICAN GSP EXCLUSION MOVES

* * * *

HONG KONG WAS RESISTING MOVES WHICH COULD RESULT IN THE TERRITORY BEING EXCLUDED FROM THE UNITED STATES' GENERALISED SYSTEM OF PREFERENCES (GSP), THE DEPUTY DIRECTOR OF TRADE, MR JOHN CHAN, SAID TODAY (THURSDAY).

THE US GSP HAD BROUGHT CONSIDERABLE BENEFITS TO HONG KONG, HE TOLD A DINNER MEETING OF THE LIONS CLUB OF KWUN TONG.

MR CHAN SAID THAT ABOUT 15 PER CENT OF HONG KONG'S TOTAL EXPORTS TO THE U.S. BENEFITED FROM THE GSP.

/+OF COURSE

+OF COURSE THE BENEFITS WOULD HAVE BEEN MUCH GREATER - AND HONG KONG WOULD HAVE BEEN MUCH HAPPIER - IF 100 PER CENT OF OUR EXPORTS TO THE US HAD ENJOYED GSP TREATMENT, BUT WE RECOGNISE THAT THIS IS NOT REALISTIC,+ MR CHAN SAID.

HE SAID THAT EVEN WHEN WE CONSIDERED ONLY THE 3 000 CATEGORIES INCLUDED IN THE GSP, THE PROPORTION OF HONG KONG'S EXPORTS BENEFITING FROM THE GSP WAS NO MORE THAN 30 PER CENT.

+NEVERTHELESS, THE DUTY-FREE TRADE WAS WORTH ABOUT US\$800 MILLION IN 1982. FURTHERMORE, THE GSP HAS CONTRIBUTED DIRECTLY TOWARDS THE DIVERSIFICATION OF OUR EXPORTS TO THE U.S.,+ MR CHAN SAID.

MR CHAN SAID HE HAD THREE REASONS FOR CHOOSING TO SPEAK ON THE TOPIC: 'THE SIGNIFICANCE TO HONG KONG OF THE US GSP'.

FIRST, IT WAS IMPORTANT, BECAUSE THE U.S. WAS THE LARGEST SINGLE MARKET FOR HONG KONG'S DOMESTIC EXPORTS. IN 1982, HONG KONG EXPORTED ABOUT HK\$30 BILLION WORTH OF GOODS TO THE U.S. UNDER THE GSP, SOME 15 PER CENT OF THESE GOODS ENTERED THE U.S. DUTY-FREE.

+SECOND, IT IS A TOPICAL SUBJECT,+ MR CHAN SAID. +CURRENT U.S. LEGISLATION ON THE GSP WILL EXPIRE IN JANUARY 1985. THE U.S. ADMINISTRATION HAS RECENTLY SUBMITTED A BILL TO CONGRESS SEEKING TO EXTEND THE SYSTEM FOR 10 YEARS AND CONGRESS IS HOLDING PUBLIC HEARINGS ON THE BILL.+

+THIRDLY, IT IS A CONTROVERSIAL SUBJECT. THERE IS A STRONG SENTIMENT IN THE U.S. CONGRESS THAT HONG KONG, SOUTH KOREA AND TAIWAN, AND POSSIBLY ONE OR TWO OTHERS, ARE ALREADY TOO ADVANCED AND SHOULD NOT CONTINUE TO BE GIVEN GSP TREATMENT. WITH THIS WE STRONGLY DISAGREE,+ MR CHAN SAID.

MR CHAN SAID THAT THE U.S. GSP BEGAN IN 1976. BASICALLY, IT PROVIDED FOR IMPORTS INTO THE U.S. FROM DEVELOPING COUNTRIES AND TERRITORIES TO BE ADMITTED DUTY FREE, PROVIDED THEY MET CERTAIN ORIGIN RULES.

THERE WERE, HOWEVER, SOME IMPORTANT EXCEPTIONS:

NOT ALL PRODUCTS WERE INCLUDED IN THE GSP. ITEMS OF WHICH IMPORTS FROM DEVELOPING COUNTRIES WERE CONSIDERED TO POSE A THREAT TO U.S. INDUSTRY WERE EXCLUDED. FOR EXAMPLE, THE U.S. GSP DID NOT COVER TEXTILES AND CLOTHING ITEMS SUBJECT TO TEXTILE AGREEMENTS, CERTAIN TYPES OF FOOTWEAR, WATCHES, CERTAIN ELECTRONIC PRODUCTS, AND SO ON.

UNDER A +COMPETITIVE NEED+ RULE, ONCE U.S. DUTY-FREE IMPORTS OF A PRODUCT FROM A BENEFICIARY REACHED 50 PER CENT OF TOTAL U.S. IMPORTS OF THAT PRODUCT, OR A CERTAIN VALUE (AT PRESENT US\$53.3 MILLION), THE BENEFICIARY WAS AUTOMATICALLY DENIED FURTHER DUTY-FREE ENTRY OF THE PRODUCT.

/SINCE 1981,

SINCE 1981, THE U.S. GOVERNMENT HAD APPLIED A +GRADUATION+ POLICY TO THE MAJOR GSP BENEFICIARIES, INCLUDING HONG KONG. THIS GAVE THE PRESIDENT POWER TO EXCLUDE A BENEFICIARY FROM GSP TREATMENT FOR A PRODUCT IN WHICH THAT BENEFICIARY WAS REGARDED AS BEING SUFFICIENTLY COMPETITIVE, EVEN IF THE BENEFICIARY HAD NOT REACHED THE +COMPETITIVE NEED+ LIMIT.

MR CHAN SAID THAT HONG KONG HAD ALWAYS ACCEPTED THAT SOME PRODUCTS MIGHT HAVE TO BE EXCLUDED FROM THE SYSTEM TO PROTECT THE INTERESTS OF U.S. INDUSTRY.

+WE HAVE NEVER COMPLAINED ABOUT THE COMPETITIVE NEED CRITERION WHICH IS BASED ON OBJECTIVE - ALBEIT PERHAPS ARBITRARY - YARDSTICKS,+ MR CHAN SAID.

+WE ARE MUCH LESS HAPPY ABOUT THE 'GRADUATION POLICY' WHICH, IN OUR VIEW, CONTAINS AN ELEMENT OF DISCRIMINATION, AND WE HAVE MADE REPRESENTATIONS TO THE U.S. GOVERNMENT ABOUT THIS.

+INSTEAD OF REMOVING THAT ELEMENT OF DISCRIMINATION, SOME MEMBERS OF THE U.S. CONGRESS ARE SUGGESTING THAT IT SHOULD BE MADE EVEN WORSE. THEY ARE SUGGESTING THAT HONG KONG SHOULD BE EXCLUDED FROM THE U.S. GSP ALTOGETHER. WE CANNOT ACCEPT THIS,+ MR CHAN SAID.

THOSE WHO ADVOCATED HONG KONG'S TOTAL EXCLUSION ARGUED THAT HONG KONG WAS TOO ADVANCED AND TOO COMPETITIVE TO RECEIVE GSP TREATMENT, AND THAT GSP BENEFITS SHOULD BE CONCENTRATED MORE ON THE LESS-DEVELOPED BENEFICIARIES.

+THESE ARGUMENTS DO NOT STAND UP TO CRITICAL EXAMINATION. ALTHOUGH HONG KONG IS RELATIVELY MORE ADVANCED THAN MANY OTHERS IN THE DEVELOPING CAMP, IT IS NEVERTHELESS A DEVELOPING TERRITORY BY ALL THE INTERNATIONALLY ACCEPTED MEASURES OF ECONOMIC DEVELOPMENT,+ MR CHAN SAID.

+FOR EXAMPLE, HONG KONG'S PER CAPITA GROSS DOMESTIC PRODUCT IS ONLY ABOUT HALF THAT OF JAPAN AND LITTLE MORE THAN ONE THIRD THAT OF THE U.S.+

MR CHAN POINTED OUT THAT IN THE CASE OF TEXTILE RESTRICTIONS, NO-ONE HAD EVER SUGGESTED THAT HONG KONG BE TREATED LIKE A DEVELOPED TERRITORY AND BE ALLOWED TO EXPORT WITHOUT ANY LIMITS.

+IS HONG KONG TOO COMPETITIVE TO RECEIVE GSP TREATMENT ? IN SOME CASES, MAYBE; BUT WHERE WE ARE TRULY COMPETITIVE THE EXISTING RULES OF THE GSP ALREADY RESULT IN OUR EXCLUSION,+ MR CHAN SAID.

+THERE IS AMPLE EVIDENCE THAT, IN MANY PRODUCTS (INCLUDING SOME FOR WHICH IT IS CURRENTLY EXCLUDED FROM THE U.S. GSP), HONG KONG JUST CANNOT COMPETE IN THE U.S. MARKET WITHOUT THE HELP OF THE GSP.

/+AND HAS

+AND HAS THE MARKET SHARE WHICH WE HAVE LOST GONE TO THE LESS DEVELOPED BENEFICIARIES? HARDLY EVER. THOSE WHO HAVE BENEFITED FROM HONG KONG'S EXCLUSION ARE EITHER THE OTHER MAJOR BENEFICIARIES OR, MORE OFTEN THAN NOT, THE DEVELOPED COUNTRIES,+ MR CHAN SAID.

MR CHAN SAID THAT OF TOTAL U.S. IMPORTS OF THE 3 000 CATEGORIES OF PRODUCTS INCLUDED IN THE GSP, THE DEVELOPED COUNTRIES STILL ACCOUNTED FOR MORE THAN 70 PER CENT.

+IN OTHER WORDS, EVEN WITH THE HELP OF THE GSP, THE DEVELOPING COUNTRIES AND TERRITORIES AS A GROUP HAVE SECURED LESS THAN A 30 PER CENT SHARE OF TOTAL IMPORTS.

+AND DUTY-FREE IMPORTS FROM HONG KONG REPRESENT NO MORE THAN 1.3 PER CENT OF TOTAL U.S. IMPORTS OF GSP-ELIGIBLE PRODUCTS FROM THE WORLD IN 1982,+ MR CHAN SAID.

+CAN ANYONE REASONABLY CONCLUDE THAT HONG KONG SHOULD NOT CONTINUE TO BE GRANTED GSP TREATMENT BY THE U.S. GOVERNMENT, AT LEAST TO THE SAME EXTENT AS PRESENT?+ MR CHAN CONCLUDED.

- - - - 0 - - - -

CLOTHING INDUSTRY MANPOWER SURVEY STARTS SEPTEMBER

* * * * *

A MANPOWER SURVEY TO COLLECT UP-TO-DATE INFORMATION ON THE CLOTHING INDUSTRY WILL BE CONDUCTED FROM SEPTEMBER 8 TO 16.

THE SURVEY IS ORGANISED BY THE CLOTHING INDUSTRY TRAINING BOARD OF THE VOCATIONAL TRAINING COUNCIL, WITH THE ASSISTANCE OF THE CENSUS AND STATISTICS DEPARTMENT, THE GOVERNMENT DATA PROCESSING AGENCY AND THE TECHNICAL EDUCATION AND INDUSTRIAL TRAINING DEPARTMENT.

+ON THE BASIS OF THE DATA COLLECTED, THE BOARD CAN FORMULATE MEANINGFUL TRAINING PLANS FOR THE INDUSTRY,+ A SPOKESMAN FOR THE COUNCIL SAID.

QUESTIONNAIRES AND EXPLANATORY LETTERS WILL BE SENT OUT THIS WEEK TO THE CLOTHING FACTORIES RANDOMLY SELECTED FOR THE SURVEY.

EMPLOYERS WILL BE REQUESTED TO SUPPLY DATA RELATED TO MANPOWER AND TRAINING.

DURING THE SURVEY PERIOD, INTERVIEWERS FROM THE CENSUS AND STATISTICS DEPARTMENT WILL VISIT THE FACTORIES CONCERNED TO COLLECT THE QUESTIONNAIRES AND PROVIDE ASSISTANCE IN COMPLETING THEM.

+THE INFORMATION COLLECTED WILL BE HANDLED IN STRICT CONFIDENCE AND PUBLISHED ONLY IN THE FORM OF STATISTICAL SUMMARIES WITHOUT REFERENCE TO INDIVIDUAL FACTORIES,+ THE SPOKESMAN SAID.

HE URGED EMPLOYERS TO CO-OPERATE BY SUPPLYING ACCURATE INFORMATION.

- - - - 0 - - - -

CULTURAL AND SPORTS CENTRE FOR MONG KOK RESIDENTS
* * * * *

A CULTURAL AND SPORTS CENTRE WILL BE READY FOR USE IN MONG KOK IN A YEAR'S TIME, PROVIDING A MUCH NEEDED COMMUNITY PROJECT FOR THE RESIDENTS.

THE LIM POR YEN CENTRE IN IVY STREET, BEING BUILT AT A COST OF \$6 MILLION, WILL HAVE A GYMNASIUM HALL, A SQUASH COURT, A FITNESS TRAINING CENTRE, A TABLE-TENNIS HALL, AND DANCING AND MUSIC ROOMS.

THE CENTRE IS A JOINT PROJECT OF THE MONG KOK DISTRICT CULTURAL, RECREATIONAL AND SPORTS ASSOCIATION AND THE ROYAL HONG KONG JOCKEY CLUB.

THE CLUB HAS DONATED \$3 MILLION FOR THE PROJECT, WITH THE BALANCE BEING RAISED BY MR LIM POR-YEN AND THE ASSOCIATION.

SPEAKING AT THE FOUNDATION STONE LAYING CEREMONY OF THE CENTRE THIS (THURSDAY) AFTERNOON, THE SECRETARY FOR DISTRICT ADMINISTRATION, MR DAVID AKERS-JONES, DESCRIBED THE CENTRE AS AN +INVALUABLE ASSET+ TO THE RESIDENTS.

HE SAID IT WOULD PLAY AN IMPORTANT ROLE IN THE FURTHER DEVELOPMENT OF CULTURAL AND SPORTS POTENTIAL OF THE DISTRICT.

+IN DISTRICTS SUCH AS MONG KOK WHERE DEVELOPMENT OPPORTUNITIES ARE SCANTY, THE PROVISION OF ADEQUATE CULTURAL AND SPORTS FACILITIES HAS ALWAYS BEEN SOMETHING OF A LUXURY,+ HE SAID.

HE SAID THE JOINT EFFORT OF THE ASSOCIATION AND THE CLUB WAS A FINE EXAMPLE OF WHAT COULD BE ACHIEVED IF ORGANISATIONS WITH THE COMMON INTEREST OF SERVING THE PUBLIC PUT THEIR EFFORTS TOGETHER.

+THE IDEA TO BUILD A CULTURAL AND SPORTS CENTRE HAS BEEN IN THE MIND OF THE MONG KOK DISTRICT CULTURAL, RECREATIONAL AND SPORTS ASSOCIATION FOR MANY YEARS,+ HE SAID.

THE ASSOCIATION HAD COME A LONG WAY IN OVERCOMING MANY OBSTACLES -- FROM IDENTIFYING A SITE, OBTAINING IT FROM THE LAND AUTHORITY, DESIGNING THE BUILDING, AND PILING TO AWARDED TENDERS FOR THE SUPERSTRUCTURE, HE POINTED OUT.

+THE IMAGINATION AND INITIATIVE OF THE ASSOCIATION UNDER THE CHAIRMANSHIP OF MR LAM KIN-MING, HAVE MET WITH THE GENEROUS AND ENCOURAGING SUPPORT OF THE JOCKEY CLUB CHARITIES FUND WHICH DONATED A SUM OF \$3 MILLION TO GET THIS PROJECT OFF THE DRAWING BOARD.+

MR AKERS-JONES ALSO PAID TRIBUTE TO MR LIM POR-YEN AND THE ASSOCIATION FOR THEIR +UNFAILING AND EQUALLY GENEROUS SUPPORT, WITHOUT WHICH THE CONSTRUCTION OF THE CENTRE WOULD NOT BE POSSIBLE.+

THURSDAY, AUGUST 25, 1983

- 11 -

BOARD TO DISCUSS REPORT ON DISCOS
* * * * *

FINDINGS OF A SURVEY ON SOME DISCOTHEQUES IN TSIM SHA TSUI WILL BE TABLED FOR DISCUSSION AT TOMORROW'S (FRIDAY) YAU MA TEI DISTRICT BOARD MEETING.

THE SURVEY WAS CONDUCTED BY THE DISTRICT OFFICE EARLY THIS YEAR TO ASSESS THE ILL-EFFECTS OF DISCOS ON YOUNG PEOPLE AND TO RECOMMEND WAYS TO ALLEVIATE THE PROBLEMS.

AT THE MEETING TO BE HELD AT 3 PM, THE BOARD MEMBERS WILL ALSO LOOK INTO A NUMBER OF MEASURES TO IMPROVE THE ENVIRONMENT OF THE SHEK LUNG STREET FRUIT MARKET AND STREET LIGHTING IN YAU MA TEI.

THEY WILL ALSO BE BRIEFED ON THE LAYOUT PLAN OF THE PROPOSED KOWLOON PARK SWIMMING POOL COMPLEX AND INDOOR GAMES HALL.

OTHER ITEMS ON THE AGENDA INCLUDE THE DISTRICT STRATEGY FOR 1983-86 AND PROGRESS REPORTS ON THE BOARD'S ENVIRONMENT AND COMMUNITY BUILDING COMMITTEES.

EARLIER IN THE MORNING, THE SAI KUNG DISTRICT BOARD MEMBERS WILL GIVE THEIR ASSESSMENT ON BOARD MEMBERS' OVERSEAS STUDY TOURS AT THEIR MEETING.

PROGRESS REPORTS ON THE BOARD'S CULTURE AND SPORTS, SOCIAL SERVICES, TRAFFIC AND TRANSPORT, AND ENVIRONMENTAL IMPROVEMENT COMMITTEES WILL ALSO BE DISCUSSED.

- - - - -

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE INVITED TO COVER:

- (A) THE SAI KUNG DISTRICT BOARD MEETING AT 10 AM TOMORROW (FRIDAY) IN THE CONFERENCE ROOM OF THE BOARD SECRETARIAT ON THE SECOND FLOOR OF AMOY PLAZA, 77 NGAU TAU KOK ROAD- AND
- (B) THE YAU MA TEI DISTRICT BOARD MEETING AT 3 PM IN THE CONFERENCE ROOM OF THE DISTRICT OFFICE ON THE SECOND FLOOR OF HOP FAT COMMERCIAL CENTRE, 490-492 NATHAN ROAD.

- - - - - 0 - - - - -

/12

THURSDAY, AUGUST 25, 1983

- 12 -

YOUNGSTERS TO HELP BEAUTIFY YUEN LONG
* * * *

ABOUT 60 YUEN LONG YOUNGSTERS WILL PAINT THE HOARDINGS OUTSIDE A CONSTRUCTION SITE AT TAI TONG ROAD ON SATURDAY (AUGUST 27).

THE PROJECT IS BEING ORGANISED BY THE LOCAL DISTRICT BOARD'S ENVIRONMENTAL IMPROVEMENT COMMITTEE, WITH THE CHEUNG KONG (HOLDINGS) LIMITED COMPANY PROVIDING \$10 000 FOR IT.

THE THEME OF THE PAINTING IS +DEVELOPMENT OF YUEN LONG.+

THE PAINTING SESSION WILL START WITH AN OPENING CEREMONY AT 11 AM IN FRONT OF THE KWONG WAH THEATRE AT TAI TONG ROAD.

AN ASSISTANT DISTRICT OFFICER, MR DAVID SKINNER; THE COMMITTEE CHAIRMAN, MR TANG CHI-LEUNG; CHAIRMAN OF THE CLEAN HONG KONG YUEN LONG DISTRICT COMMITTEE, MR MAN PING-NAM; AND TWO REPRESENTATIVES OF THE CHEUNG KONG (HOLDINGS) LIMITED COMPANY WILL OFFICIATE AT THE CEREMONY.

.

NOTE TO EDITORS:

MEDIA REPRESENTATIVES ARE WELCOME TO COVER THE PAINTING SESSION AND THE OPENING CEREMONY AT 11 AM ON SATURDAY (AUGUST 27) IN FRONT OF THE KWONG WAH THEATRE AT TAI TONG ROAD. A GOVERNMENT VAN FOR THE PRESS, AM 5797, WILL LEAVE KOWLOON PUBLIC PIER AT 9.45 AM FOR YUEN LONG.

- - - - - 0 - - - - -

TRAFFIC PAUSE FOR FOOTBRIDGE WORK
* * *

THE SECTION OF TAI HO ROAD OUTSIDE TSUEN WAN TOWN HALL WILL BE TEMPORARILY CLOSED TO TRAFFIC ON SATURDAY AND SUNDAY (AUGUST 27 AND 28) BETWEEN 1.30 AM AND 5 AM, TO FACILITATE THE CONSTRUCTION OF A TEMPORARY FOOTBRIDGE.

TRAFFIC ON YEUNG UK ROAD HEADING FOR TSUEN WAN TOWN CENTRE WILL HAVE TO USE KWU HANG ROAD AND SHA TSUI ROAD.

- - - - - 0 - - - - -

/13

QUEENSWAY TO BE CLOSED FOR WORKS
* * * *

SPECIAL TRAFFIC ARRANGEMENTS WILL BE IN EFFECT FROM SATURDAY (AUGUST 27) TO MONDAY TO FACILITATE WORKS IN CONNECTION WITH THE VICTORIA BARRACKS DEVELOPMENT.

THE EASTBOUND CARRIAGEWAY OF QUEENSWAY BETWEEN RODNEY STREET AND QUEEN'S ROAD EAST WILL BE CLOSED TO TRAFFIC BETWEEN 1 AM AND 5 AM DURING THE THREE-DAY PERIOD.

QUEENSWAY'S WESTBOUND CARRIAGEWAY BETWEEN ITS JUNCTION WITH QUEEN'S ROAD EAST AND A POINT 50 METRES WEST OF THIS JUNCTION WILL ALSO BE CLOSED DURING THE SAME HOURS.

DURING THE CLOSURE, EASTBOUND TRAFFIC WILL BE DIVERTED VIA CONNAUGHT ROAD CENTRAL, HARCOURT ROAD, GLOUCESTER ROAD, FLEMING ROAD NORTHBOUND AND THE FLEMING ROAD FLYOVER. WESTBOUND TRAFFIC WILL BE DIVERTED VIA THE NEWLY CONSTRUCTED VICTORIA BARRACK ACCESS ROAD.

BUSES ON CMB ROUTE 2 WHICH RUN DURING THE HOURS OF THE CLOSURE WILL PROCEED VIA HARCOURT ROAD, GLOUCESTER ROAD, FLEMING ROAD NORTHBOUND AND THE FLEMING ROAD FLYOVER ON THEIR EASTBOUND JOURNEY.

THOSE ON CMB ROUTES 10 AND 121 ON DES VOEUX ROAD CENTRAL EASTBOUND WILL TAKE PEDDER STREET, CONNAUGHT ROAD CENTRAL, HARCOURT ROAD, GLOUCESTER ROAD, FLEMING ROAD NORTHBOUND, THE FLEMING ROAD FLYOVER, WAN CHAI ROAD AND MORRISON HILL ROAD.

BUSES ON ROUTE 121 ON HENNESSY ROAD WESTBOUND WILL PROCEED VIA FENWICK STREET, GLOUCESTER ROAD, HARCOURT ROAD AND CONNAUGHT ROAD CENTRAL.

DURING THE THREE NIGHTS, TRAM SERVICES WILL END AT MIDNIGHT AND START AT 6.30 AM THE FOLLOWING DAY.