

MOST AGREE REPORT DID NOT GO FAR ENOUGH

ACD stirs up calls for more industrial land

YET another response to the massive report of the Advisory Committee on Diversification (ACD) has come in — this one from a cross-section of 28 trade and industrial organisations.

The group basically agrees with the ACD

recommendations, but joins earlier responses in saying that the report did not go far enough.

In particular, the organisations asked the Government to take measures to step up the availability of industrial land, to lend a hand to the development of small industry and to set up an industrial development, among other proposals.

"The Government should

release more industrial land for sale at appropriate localities," the response said.

It added that special conditions attached to the sale of land should not be so rigid as to make it impossible to modify land use.

If the prices of land for industrial use carrying special building conditions rise as high as unregulated land, the organisations maintain that the Government should release more special condition sites. This might mean the

creation of a new industrial estate, for which Lantau has been suggested as a possible location.

The organisations also urged the Government to establish formal consultative machinery with business to determine the supply and demand for industrial land.

The organisations asked the Government to design concrete measures to help small factories. As of June 15, they said, more than 90 per cent of Hongkong's factories employed less than 50 people. In value terms in 1977, these establishments accounted for just over 30 per cent of the total.

"The Government should set up small industries estates or implement a factory ownership scheme to facilitate the contribution by these small factories in industrial growth and diversification," the group said.

The ACD recommended periodic reviews of the need for an industrial development bank, but the 28 organisations went a step further and advocated that the Government "should now take positive steps to establish an industrial development bank providing long-term finance for five years or more."

Again going a step further than the ACD, which had recommended a review of the implications of the interest withholding tax, the organisations asked that the tax be suspended for the time being.

The organisations also maintained that the costs of industrial production in Hongkong could be decreased if the Government would set up a unit to study the recycling of wastes and the utilisation of recoverable materials.