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\$18.5m for pilot factory scheme

The Industrial Estate Corp'n will expand its function from leasing industrial sites to building factories.

The expansion is aimed at helping industrialists who wish to start manufacturing immediately and those unable or unwilling to tie-up large investments in land and building.

The Hongkong Government has granted the corporation \$18.5 million for a pilot scheme to be set up on land especially set aside for it on Taipo Estate, the corporation's executive director, Mr Victor Miller, said.

In the initial stage, one four-storey block of two semi-detached units will be built.

Plans have now been submitted to the Government and as soon as approval is received, tenders will be called for the construction.

Work will then start in about 12 to 18 months, explained Mr Miller. The factories will have high ceil-

ings and heavy floor loading with maximum flexibility to suit the varied requirements of potential occupiers.

The units will be granted to industrialists at a lump sum premium, but the corporation will also consider leasing these units for an annual rental.

"This will enable industrialists to place their investments in the purchase of machinery rather than in building a factory," Mr Miller pointed out.

However, he did not believe the corporation would go into factory construction on a big scale.

"Most of the people who come to the corporation are looking for their own specialised buildings."

Two factories built by companies on leased sites in Taipo illustrate Mr Miller's point.

The completed factories, specially built by Man Yee Can Co (Hongkong) Ltd and Ying Kee Safe and

Furniture Manufacturing Co to suit their own special requirements, have started production.

Man Yee Can has erected one three-storey block and one single storey block to manufacture cans on its site.

When the company is fully operational, it will have five metal sheet printing lines and five automatic can-making lines.

On the other hand, the Ying Yee Safe and Furniture Manufacturing Co has erected a four-storey block.

At present the factory is working at partial capacity, but expects to be fully operational by the end of the year.

The Industrial Estates Corp'n provides land for new industrial development.

It has two estates, one at Taipo and the other at Yuen Long.

So far 22 companies have signed

agreements to lease land on the Taipo Estate.

Besides the two already in production, 14 others have started building of which eight are expected to be operational by the end of this year.

There is still land available on the estate and a number of other companies have expressed an interest in leasing sites.

The industrial estate at Yuen Long is also progressing satisfactorily.

The first stage is now ready.

The corporation assists the establishment of new industries with higher levels of technology and working skills, new or improved manufacturing processes or products and a high level of investment and output.

It is especially interested in products which will represent a high local added value and can be used to assist existing Hongkong industries to boost exports.