



THE HONG KONG GENERAL CHAMBER OF COMMERCE

BULLETIN

1ST MAY, 1968

FEDERATION'S TESTING CENTRE



**HONG KONG
GENERAL CHAMBER
OF COMMERCE**

(Established 1861)

9th Floor, Union House,
Hong Kong

Tel: 237177 Cables: Chambercom

THE BULLETIN

May 1st.

Chairman:

M.A.R. HERRIES, O.B.E., M.C.

Vice-Chairman:

G. M. B. SALMON

Executive Director:

G. ARCHER

Secretary:

J. B. KITE

Assistant Secretary:

R. T. GRIFFITHS

Business Promotion:

S. L. CHUNG

C. TSANG

Certification:

A. C. C. STEWART

Public Relations & Advertising:

R. P. WOOD

MISS B. CHIU

Membership Executive:

P. M. LAM

Office Supervisor:

MISS C. W. LI

THIS ISSUE

Our cover picture shows one of the assistants at the Federation of Hong Kong Industries' testing centre operating machinery for watch case testing. The centre has recently been expanded to cover electrical appliances.

3. The Vice Chairman. A pen portrait of Mr. G. M. B. Salmon, Managing Director of Mackinnon & Mackenzie & Co. of H.K. Ltd., and Chairman of the Hong Kong Electric Co. Ltd.
5. A specially contributed article on the standardisation of freight containers.
7. People & Places. A Chamber member trail blazes the export route to South Africa; Chamber letter head insignia for members and representatives at the CAFEA-ICC Session to be held in Manila.
9. Round About. A digest of news and visitors. Latest information on the mission to West Berlin; a visit from the Singapore Trade Mission.
10. The Federation of Hong Kong Industries widen the scope of the testing centre.
11. Visit by the immediate past Chairman, the Hon. J. Dickson Leach, O.B.E., and a visit by Sir John Hurley, C.B.E., Managing Director of Berlie United Ltd. A warning to Woolmark applicants.
- 12-16 News from D.C. & I. Tender and Trade Fair information.

*Members are reminded that the contents
of the Bulletin are confidential and
not for publication.*

The Vice Chairman

Mr. G.M.B. Salmon, who was elected Vice Chairman of the Chamber's General Committee, is a man of diverse interests who serves not only on the Boards of many major Hong Kong firms, but takes a prominent part in welfare organisations. In this interview he talks candidly of his work and the role of the business community in Hong Kong.



ONE by one the battered steel attache cases slowly monopolised the teak wood desk as soft footed messengers continued to raise the stack until it balanced perilously near collapse.

Mr. Gerald M. B. Salmon appeared to be faced with a literal mountain of work. "These are not usually very exciting", he said, "One is probably someone's provident fund that needs a Director's signature; another may be some cheques to sign; and the others are probably circulars or the minutes of the last meeting or something."

As Director of some 15 companies, and a board member of a handful of associations, including the Chamber, Gerry Salmon packs into an office day enough work to satisfy a normal person for a week.

First loyalty, however, is to Mackinnon, Mackenzie & Co. of H.K. Ltd., the shipping firm of which he is Managing Director and in his quietly furnished wood-panelled office with its tinted windows overlooking the harbour, he talked with ease on how he divided his time among his many interests.

"The day is never long enough", he declared bluntly, "I

don't have to sweat it out in the harbour much these days and, in fact, only meet the big P & O ships and, of course, see them off and that's not so bright when they leave at midnight."

"I once asked if I couldn't get out of it but they", and he tacitly indicated London, said "No".

As he spoke he flipped through the papers in his tray. "I don't have time to read the casual stuff so these go home." With that he pushed a Far Eastern Economic Review to one side, shipping magazines, miscellaneous stencilled sheets and a copy of the Government's Annual Report, "I've already been through this quickly, but I want to read one or two bits again. I may spend up to two or three hours in a free evening reading; but like everyone else I don't get many evenings when there is nothing on."

Mr. Salmon flipped open a packet of filter tipped cigarettes and lit one with an abused wind-proof Ronson. A large man with an infectious grin and a direct manner, he leaned well back in a swivel chair.

"Of course I enjoy serving on the boards of other companies, and the one I am closest to is

perhaps Hong Kong Electric of which I'm Chairman."

"Mind you," he went on casually, "I don't know a thing about the technical side, but that's not the Chairman's job. There are highly qualified and efficient people to do that. The job of the directors is to watch finance and stimulate policy, and not attempt to manage the business as well."

Included in Gerry Salmon's portfolio of directorships are the Hongkong and Shanghai Banking Corporation, Union Waterboat Co., Cathay Pacific Airways and the Dairy Farm, and there's almost a dozen more. What was a shipping man's interest in these companies?

Salmon's answer made the question sound naive.

"As you probably know it was a P & O man who really got the Bank going, and Mackinnon, Mackenzie is wholly owned by P & O. The Union Waterboat Co., well," and he shrugged his shoulders, "that's obvious, the same with Kowloon Wharf and Godown; P & O have a minority interest in Cathay Pacific, so I'm on their board and the Dairy Farm supply our ships, and so there is some connection, past

Contd. on P.4

The Vice Chairman

—Contd.

or present between Mackinnons and most of these other companies I am associated with”.

He anticipated the next question before it was put. “All the directors’ fees from these companies go to Mackinnon, Mackenzie and not me,” he laughed quickly, “I just put in the time, but in fact I am interested in all my extra chores.”

Did representation on these companies influence his decision in placing major contracts?

Salmon was emphatic. “Certainly not. In any case, our Principals decide on who does major repair and survey jobs, and these are usually awarded to the dockyard submitting the best tender. In fact I am not associated with either of the two big Dockyard companies here.”

Born in a small English village in Berkshire, Salmon’s early ambition was to serve in the Indian Civil Service. “My forbears had a long connection with India,” he said, “In fact my great grandfather was the first admiral in the Indian Navy and I still think one of the most wonderful and exciting jobs ever was that of a District Officer in India before the war.”

It was an ambition that was almost realised. He followed the traditional entrance procedure: a public school education and then Oxford, reading English. When Europe exploded into war his future plans were shattered. Mr. Salmon joined the 9th Lancers and was later commissioned. In 1941 he volunteered for the Indian Army.

“In a way my desire to live in India should have been satisfied, but actually I saw very little service there as we were mostly occupied in the desert and the Middle East. I did, however,

learn to speak Urdhu, and completed my service in Indonesia commanding a squadron of tanks”.

With the war over Mr. Salmon was still determined to work in India and applied for a position with Mackinnon, Mackenzie.

“My other great grandfather had been the first Secretary of British India, a steamship company later amalgamated with P & O, and so it was a little more than luck that found me a position with the firm’s Calcutta office.”

The Calcutta appointment, however, lasted a fortnight and he was transferred to Penang where he remained for three years and learnt Malay. On his next tour, Mr. Salmon was sent to Japan, where he did not learn Japanese, and there he found himself not only under United States military law but taking an active part in shipping troops and supplies to Korea, as well as learning the business the hard way after a “cushy” time in Penang.

“In those days, Mackinnons used to send ‘Assistants’ to three different spots in their first three overseas tours, so for my third, in 1954, I was sent to Hong Kong and am very fortunate to have been here ever since though I don’t believe there is anywhere in the world where everyone works so hard.”

In 1959 Mr. Salmon was appointed manager and two years later, director. He was made Managing Director in 1963.

“In a way it’s an odd position. One is in charge of the company but the actual running has to be left to the managers and their assistants. I am only called in when decisions have to be made, or something unexpected arises, though I try to know what is going on all the time, which is not so easy as we handle about 240 ships of six different lines in Hong Kong each year, supply 2,000 seamen from here and co-ordinate P & O passage and freight throughout the Far East.

I suppose I spend about half my time on Mackinnons’ affairs, and the other half on other peoples’”.

Mr. Salmon still feels there is a great future for Passenger Ships and that there will always be a demand for sea travel by those who have money and time. “We in Hong Kong are constantly cabling other parts of the world for more cabins in the ships coming here”, he said, “but very often if we put two or three hundred people on a ship here, it means that many of the cabins have been empty up to Hong Kong and the overheads are so terrific these days that we need to be nearly full all the time.”

Not unnaturally, Mr. Salmon has a particular interest in tourism. “I feel strongly on the facilities Hong Kong has to offer tourists and if you think about it closely, and exclude shopping, the answer is very little. We don’t even have a good museum or art gallery. As a member of the Tourist Association Board I have tried to do what little I can about it, but we seem to be getting nowhere fast with such things as golf courses, an oceanarium, a convention centre and the many other things we should have.”

A large man in every respect, Salmon’s sense of humour always lurks nearby and he quickly followed with his favourite current anecdote: “The other week one of our larger ships was pulling away from the Ocean Terminal at midnight when I noticed an agitated Japanese tourist frantically waving his arms and insisting he get on board. Well, it was no trouble for me to put him in our launch, hail the ship and have a gangway lowered so that we could put him aboard. Unfortunately, all his luggage was in his cabin on a nearby A. P. L. ship and the poor fellow wanted to go to Manila, whereas by this time we were taking him to Singapore. Why they want me to see ships off at midnight, I really don’t know!”

The photographs accompanying this article are reproduced by permission of the Port of London Authority.

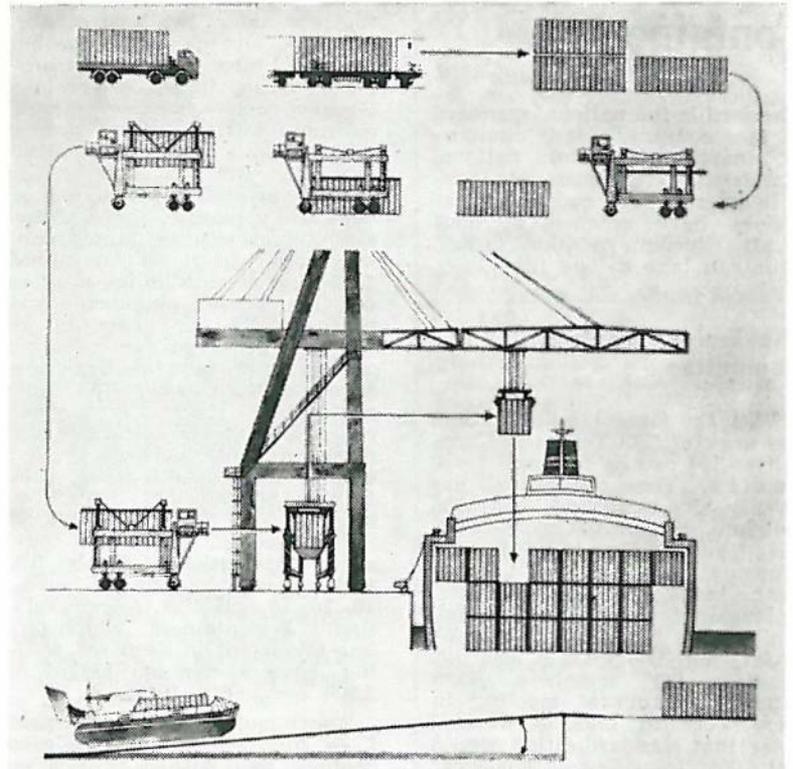
Standardisation of Freight Containers

This article, which is reprinted by permission of the Port of London Authority's monthly magazine, was written by Mr. E.S. Tooth, M.B.E., formerly Superintendent of the India and Millwall Group of Docks.

HUGE sums of money are being invested in the new ocean container services—in ships, berths, marshalling yards, depots, handling machines, equipment, classic, towing units, railway wagons, road vehicles, the containers themselves and even computers. Pioneers in this exciting field, which is certainly not without risks, know that one of the things essential to success is international co-operation in all relevant spheres, including that of standardisation.

Standardisation Procedures

Most standardisation work is begun at international level and it will be useful here to summarise the procedure. The body responsible is the International Organisation for Standardisation (ISO), which was set up by the United Nations Standards Co-ordination Committee in 1946.



A flow diagram showing the delivery, stacking, mechanical handling and loading sequence for containerised cargo. The container cranes now being operated and erected at Tilbury have a load/unload cycle of one container every three minutes.

ISO members are the national bodies most representative of standardisation, one for each nation. Work on a standardisation project is begun by a Technical Committee, which is composed of representatives of each of the member bodies wishing to take part. Participating (P) members are those who elect to take an active part in the work; observer (O) members, those who wish to be kept informed. The latter have the right to attend meetings and to join in discussions, but not to vote.

Each Technical Committee has a secretariat, comprising a member body designated by the ISO Council. A Technical Committee may set up its own Working Groups to study specific aspects of its work and to formulate proposals for consideration at plenary meetings. Any draft submitted to the "P" members of a committee and intended to become an ISO Recommendation, is referred to as a Draft

Proposal. With sufficient support from "P" members, a Draft Proposal can mature to become a Draft Recommendation, at which stage it is transferred from the committee's hands to those of the ISO secretariat in Geneva. It is then submitted to the inquiry of all ISO members, now 51 in number. A Draft Recommendation then receiving a majority of 60 per cent of all the votes cast is considered to be approved and is submitted to the ISO Council for acceptance. If accepted by the Council, it becomes an ISO Recommendation. This is its last stage, for, in practice, there are no international standards, international standardisation being achieved by the use of ISO Recommendations by member bodies as the basis of their national standards. Indeed, on every Recommendation published by ISO appears the comment: "For each individual country, the only valid

Contd. on P.6

Containers

—Contd.

standard is the national standard of that country." It is obviously inappropriate for national standards to be formulated before international committee decisions have reached at least Draft Recommendation stage. This can take a long time.

The Freight Container Committee

With the foregoing description, the work of ISO Technical Committee 104 can be followed more easily. The committee has twenty "P" members: Australia, Belgium, Bulgaria, Czechoslovakia, Finland, France, Germany, Hungary, Iran, Israel, Japan, Netherlands, Norway, Poland, Portugal, Sweden, Switzerland, United Kingdom, U.S.A. (secretariat) and U.S.S.R. It also has nineteen "O" members. Soon after its inaugural meeting in New York in 1961, it became clear that standardisation would help to solve two particular problems associated with container operations: those of (i) handling and transporting — for big containers make heavy, unwieldy loads and, unless suitable for handling by planned methods, can create difficulties each time they have to be moved; and (ii) ensuring that the whole of the internal volume of the container can be used economically. One step towards solving the latter problem is the standardisation of minimum internal dimensions. The committee was loath to take that step in 1961, however, believing that to do so at that time would inhibit the design and development of new materials and manufacturing processes.

Container Standardisation—Phase I

Attention was first turned, therefore, to aspects of standardisation, which, if implemented, would ease handling and transporting difficulties. In this phase, the committee has concentrated on obtaining agreement upon: (i) external dimensions, (ii) ratings, (iii) specifications, (iv) testing procedures, (v) marking and (vi) corner fittings, always bearing in mind

that containers must be capable of quick and easy transfer between all forms of surface transport. When three Working Groups, each consisting of eight or nine nations, were charged with the task of producing Draft Proposals for consideration by the Technical Committee, it soon became apparent that almost every item was extremely controversial and it was not until 1965 that a substantial number of important decisions was reached. By the beginning of 1967, however, a considerable proportion of the work had passed out of the hands of the Committee, for Proposals covering external dimensions, ratings and marking for two Series of containers, were awaiting only ratification by the ISO Council to become ISO Recommendations. Series 1 containers have a common cross-section of 8ft. by 8ft. and nominal lengths of 5, 6½, 10, 20, 30 and 40ft. respectively. Series 2 containers, which are less important in deep sea trading, have a common height of 2,100 mm. (6ft. 10½in.)

The remaining items of Phase I — specifications, testing procedures and corner fittings — were even more difficult to settle. Many Working Group meetings were held in the endeavour to reach agreement on them, particularly on corner fittings, and it was not until the most recent plenary meeting, in Moscow, in June, 1967 that the committee was at last able to complete most of the work of Phase I. Proposals covering specifications, testing procedures and corner fittings have recently been circulated, as Draft Recommendations, to all ISO member bodies for letter ballot. It is expected that the necessary support of 60 per cent of all the votes cast will be obtained.

Container Standardisation—Phase II

None of the work of standardising freight containers has been easy and that about to be tackled as Phase II is no exception. There are several reasons for this. One is connected with the fact that increasing interest is being shown by industry in the correlation of the dimensions of containers, unit loads and pallets. This arises because, in many countries there is strong belief that a considerable proportion of the goods to be carried in



Before the Tilbury container port was hewn out of virgin soil there were containers at the Royal Group of Docks. Here, "Belgian Line" containers, operated by the Belgian Deppe Line on their regular service between London and Antwerp, can be seen being loaded in the "Royals"

containers will have to be fork lifted. When pallets were standardised in 1955, one aim was to make it possible for a calculated number of standard pallets to fit neatly on the platform of a regulation vehicle without wasting any transport space. The same consideration determined the overall plan dimensions of Series 1 containers. Thus, international standard pallets are not of the best sizes for stowing inside standard containers, for both were designed to enable the full use to be made of the same carrying area. A solution already suggested is that a new pallet size should be standardised especially for container operations. This is a logical proposal but it will need very careful consideration, because, although the nominal lengths of Series 1 containers bear a modular relationship to one another, internal lengths, whatever dimensions are finally decided upon, will not.

A second reason why this particular work is proving difficult arises from another requirement — insulation. External dimensions having been agreed upon, internal dimensions depend partly upon the degree of insulation or refrigeration required.

This article will be concluded in our next issue.

PEOPLE AND PLACES

*A digest of Chamber news
and visitors.*



Letterhead Insignia

Many members have requested permission to reproduce the Chamber's insignia on their letterheads. The block shown above is the official insignia produced for this purpose.

We have made a number of these blocks which members may borrow from the Chamber for a fee of \$2, or if they wish, reproductions of the block on art paper.

Members are reminded that this is the only form in which the Chamber's insignia may be reproduced on their letter headed note paper.

Requests to borrow the blocks should be made to Mr. R.P. Wood at the Chamber.

Business Committee Meeting

Mr. Lawrence Kadoorie, together with a group of leading local businessmen, will attend a meeting of the newly-established south-east Asia Business Committee, to be held under the auspices of the Stanford Research Institute, in Singapore from May 13 to May 15.

The conference, which will be attended by businessmen from many south-east Asian nations as well as representatives of some Governments and international agencies will discuss regional economic planning, with the emphasis on the role of private enterprise.



When Mrs. Nancy Tsang, of the Chamber member firm of Wing Yiu Hong, waved good bye to her three young children at Kai Tak Airport, she was making the decision on a life-time. She had decided to take her courage in both hands and go out and sell.

"I had never left my family before, in fact I had never been out of Hong Kong before, but I felt the only way to promote our products was to go out and sell," said Mrs. Tsang.

And this was what she did. Mrs. Tsang did her own personal survey of the firm's markets and decided that the best opportunities for her lay in South Africa.

Writing ahead to contacts supplied by the Chamber, Nancy soon had a schedule prepared that would carry her into a ten hour working day in South Africa's three major centres, Cape Town, Johannesburg and Durban. Her first stop, however, after leaving Hong Kong was Nairobi, where she was met by the T.D.C.'s Resident Representative, Mr. G.J. Connington.

"Mr. Connington was extremely kind to me and had so many business opportunities arranged that he wanted me to extend my stay." But Nancy had her eye on South Africa, and it was there that she successfully negotiated orders for \$200,000 worth of products.

"I want to go back to South Africa," said Mrs. Tsang and with a twinkle in her eye she added, "and take a trip to Europe as well."

The Missionaries

Chamber members attending the two European Trade Fairs are:

Milan

Mr. Helmut Luehrs, Jebsen & Company.

Mrs. V. Newsome, Robertson Wilson & Co. Ltd.

Mr. Frank Jen, Zieng Kong Co. Ltd.

Mr. I. A. Neuman, Semi-electronics Limited.

Mr. James Ann, Swops Electronics Ltd.

Mr. Winston W. T. Yeung, Perfekta Enterprises Ltd.

Mr. Louis K. C. Wong, Fidelity Mercantile Co.

Miss Margaret Hwang, United Arts Development Co.

Mr. W. K. Poon, Hing Wah Battery Factory (HK) Ltd.

Mr. Edwin C. H. Chung, Tung Tai Trading Co.

Mr. Kenneth Roberts, Winner Co. (HK) Ltd.

Brussels

Mr. L. S. Chan, Fabian & Co. Ltd.

Mr. S. H. Yuen, Chung Kong Co.

Mr. Joseph Tam, Perfect Products Co. Ltd.

Mr. C. N. Moore, Moore & Son Ltd.

Mr. P. Chander, Intercontinental Agencies.

Mr. C. L. Wong, C. L. Wong & Co.

Mr. A. C. W. Blaauw, John Cowie & Co. Ltd.

Mr. M. Y. Ko, Kinway Garments Ltd.

Mr. Sverre Hansen, Thorsen & Co. Ltd.

Mr. Nelson Lee, Emanson Co.

New Plant for Member Firm

The Chamber member firm of A.S. Watson & Co. Ltd. recently opened a new aerated water plant at its Tsunwan depot.

Mr. Dennis Lyth, Managing Director, said that the new plant was opened with the hope that it would relieve the congestion at the Kowloon factory and enable the firm to enlarge coverage of Kowloon and the New Territories.

Chamber at CAFEA-ICC Session



Mr. R.T. Griffiths



Mr. A. W. Johnston

Mr. R.T. Griffiths, an Assistant Secretary, and Mr. C. Tsang of the Business Promotion Department of the Chamber, have left Hong Kong for Manila to attend the 16th Session CAFEA-ICC. This Session will be held from Thursday, May 2 to Saturday, May 4, 1968.

The general theme of the Session will be "Economic Development through Private Enterprise."

The CAFEA-ICC (Commission on Asian and Far Eastern Affairs of the ICC) is a regional commission of the ICC composed of businessmen in Asia, the Far East and the Pacific area. It was established in 1952 with the aim of promoting regional co-operation among private businessmen and strengthening the representation of regional interests within the ICC. CAFEA-ICC has a two-fold task: first, to make known the views of regional businessmen on important economic problems to the ICC Commission and Committees, and second, to implement in the region the agreed principles and policies of the ICC through CAFEA-ICC in the interest of international trade.

CAFEA-ICC provides a valuable opportunity for businessmen to exchange views on problems of mutual interest and to promote mutual understanding. It is held every two years.

Mr. Arthur Wayne Johnston, who is representing Mr. A. K. Watson, President of ICC, will also attend the meeting.

Mr. Johnston is Vice President and General Manager for IBM World Trade Asia Corporation, and is responsible for IBM's total operation in Asia Pacific Area with Headquarters in Tokyo. He assumed this post in April 1968.

New Labour Department Post

To meet the increasing need for an acceptable degree of skill through properly organised apprenticeship schemes, a new post of Senior Training Officer (Apprenticeship) has been created within the Labour Department.

The successful candidate for

the post will have to help employers set up new approved apprenticeship schemes planned in accordance with Government's policy and assist them to improve existing schemes to meet both present and future demands of industry. For smaller companies he will advise on the development of group apprenticeship schemes. He will also cooperate with other Government departments and with vocational training centres.



Mr. C.L. Webb

Mr. C.L. Webb, the Port of London Authority's representative in Australia, will visit Hong Kong on May 6th. for approximately one week. During his stay here Mr. Webb will meet members of the Far East Freight Conference and show a film on the latest containerisation developments at Tilbury.

Trade Directory

A "Directory of Foreign Establishments in Japan 1968" compiled by the Heavy & Chemical Industries News Agency has been published.

This book offers a valuable and reliable guide to those interested in Japan.

New Plant for Tai Ping

The Chamber member firm of Tai Ping Carpets has expanded its manufacturing to Thailand.

Mr. Tony Yeh, Managing Director, is now in Bangkok looking after the operation of the new plant which is expected to produce carpets and tapestry mostly of Thai design.

Eight experts from Hong Kong have trained 100 Thai workmen of the Thailand Carpet Manufacturing Company Ltd. in the production of the hand-tufted and machine woven carpets.

Letter of Condolence

A letter of condolence has been sent by the Chamber's Vice-Chairman, Mr. G.M.B. Salmon to the Hon Sir Ivo Rigby, Chief Justice, on the sudden death of Mr. Justice Crendon.

ROUND ABOUT

Singapore Trade Mission

Mr. Soon Peng Yam, leader, and member of the Singapore Trade Mission called on the Chamber recently.

The delegation was received by Mr. Geoffrey Archer, Executive Director of the Chamber, and other members of the Chamber staff; Mr. Eric Li of the



Mr. S.L. Chung, one of the Chamber's Assistant Secretaries, who is responsible for co-ordinating the Hong Kong delegation to West Berlin, is seen here at a meeting held for delegates. On his left is Dr. Kindel, organiser of the fair and on Mr. Chung's right is Mr. Peter Kehry of the German Consulate-General in Hong Kong.



Mr. Geoffrey Archer, Executive Director of the Chamber is seen receiving a souvenir from Mr. Soon Peng Yam, leader of the Singapore Trade Mission when the delegates visited the Chamber.

Hong Kong Trade Development Council also attended the meeting.

At the meeting, the subject of promoting two-way trade between Hong Kong and Singapore was discussed and it was hoped that this mission would serve as a forerunner of many more to come. Similarities between Hong Kong and Singapore were also

pointed out by Mr. Whang Tar Choung, Deputy Leader.

Mr. Eric Li assured members of the mission that research work is being carried out by the Council in Singapore and he hoped that in the not too distant future a mission to Singapore would be organised by the Council.

What could be the largest delegation of Hong Kong businessmen ever to embark on a selling mission, is now being arranged by the Chamber.

The delegates will be bound for West Berlin, where Hong Kong has been invited to take part in an Import Exhibition, 'Partners for Progress 1968', organised by A.D.B., a non-profit making organisation set up and financed by the Government.

So far some 32 Chamber member firms have confirmed that they will participate in the exhibition, which will take place in a Hong Kong Pavilion of some 4,000 square feet.

The Mission will leave Hong Kong by specially chartered Boeing jet in late September and spend a fortnight exhibiting their products. Afterwards they will have a further fortnight to follow up trade contacts in Europe.

An all inclusive rate covers reduced air travel and hotel accommodation.

"Partners for Progress" is the motto under which the Import Exhibition has taken place annually since 1962.

The Exhibition is the central meeting place of all main importers of the Federal Republic of Germany and in addition of all circles interested in the progress and development of the newly emerging nations of Asia, Africa and Latin America.

Federation Expands Testing Facilities

THE Federation of Hong Kong Industries is expanding its Laboratory to include an electrical testing division. The work to be carried out by this new division will include the testing of Christmas Tree Lights, Electric Cables and Electric Fittings.

The manufacture of these items is becoming increasingly important to Hong Kong. In 1967, the export value of Christmas tree lights alone was \$14,710,601. High quality standards are demanded by importing countries and in order to satisfy buyers of the quality of Hong Kong manufactures, the Federation is providing testing and certification services.

Parallel with this service, the Federation, in conjunction with the Hong Kong Productivity Centre, is providing technical advice to factories on quality control, in setting up quality control programmes and training staff to supervise and operate the same.

Dr. S. Y. King, Professor of Electrical Engineering at the Hong Kong University, is giving consultant service to the Federation in the setting up of the new Electrical Laboratory.

The electrical testing division will be the fourth division of the laboratory services.

Textile Testing

The Federation's Textile Division is equipped to carry out a full range of tests required for textile products, whether they be in the form of yarn, fabrics or made-up articles.

Testing in this division ranges from the wearability of garments, where such qualities as the strength of the fabric and the seams, the shrinkage and colour fastness properties, are determined.

An ordinary and common test is the abrasion test which helps to indicate, for instance, how much punishment a pair of boy's jeans will take from their young wearer before a hole appears in the knees. Thus, by pre-testing fabrics, a garment manufacturer can decide before he starts buying his materials which will give satisfactory performance.

A more glamorous but certainly less frequent test is of rare fabrics such as vicuna. For this kind of testing projection microscope is used. This has a magnifying power of 500 times.

The Federation's textile laboratory is the official testing house for the International Wool Secretariat for testing for "Woolmark".

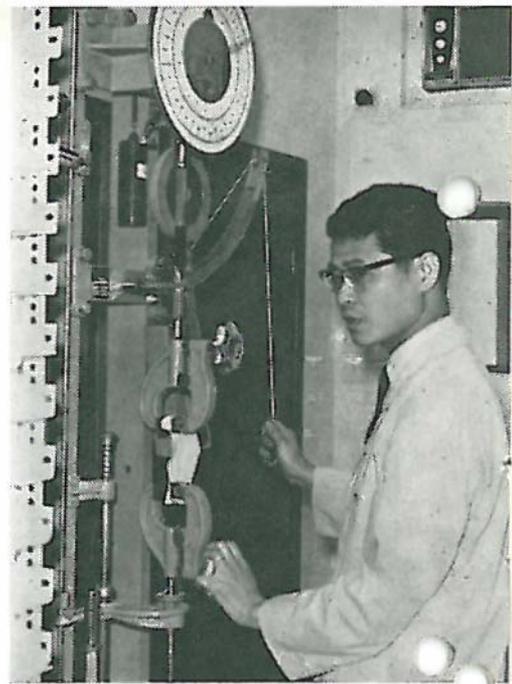
Chemical Testing

The Federation's Chemical Testing Division carries out a wide range of chemical testing.

Established in February, 1967, it initially concentrated on the analysis of paints used in the toy industry. The permissible level of lead and other elements in paints is laid down by law in the United Kingdom (which is Hong Kong's second biggest market for toys). Through the Federation testing and certification service, Hong Kong manufacturers are now able to satisfy their buyers that their products meet the requirements.

Analysis of paint on toys is also carried out. This type of testing often involves long laborious work. The quantity of paint in a doll's eye, for instance, is so minute that the paint covers no more than a pin-head. Yet it must be removed from the doll's eye and analysed if manufacturers are to give assurance to buyers that the toys are lead free.

The Chemical Testing Division has, in response to demand, rapidly expanded the range of testing that it can carry out, and almost all inorganic chemical tests are now being done. These include such things as determining the different elements in alloys used in the manufacture of pots and pans and drinking mugs; the mineral content and hardness of water; the quality of gold (to ascertain whether it is the carat standard claimed); the lead content in canned foods and



Tensile Strength Tester: A technician is seen working at the Tester to find out the strength of woven fabrics.

in Chinese patent medicines; the analysis of wigs to ascertain whether they are made of human hair or other materials, and a whole host of other kinds of tests.

Watch Case Testing

This Division has been set up in consultation with the Swiss Watch Technical Centre. Its purpose is to test watchcases made in Hong Kong and if these measure up to Swiss standards to award them "tested quality" labels which will enable them to be exported to Switzerland. Hong Kong is the first non-European territory which can now export watchcases to members of the Federation of Swiss Watch Manufacturers. Until the Federation of Hong Kong Industries set up its testing centre, members of the Swiss Federation were not permitted to buy Hong Kong-made cases. Since the Swiss Federation members manufacture between 30 to 40 million watches every year, through the Federation of Hong Kong Industry's testing service this important and what could become a very valuable market to Hong Kong has been opened up.

In addition to testing watchcases, the laboratory also tests watch casing — the operation of putting movements into cases.

Contd. on P.11

Testing

—Contd.

Again, where casing meets Swiss quality standards, "Tested Quality" labels will be issued.

Standards Information

The Federation uses internationally established test methods and on all certificates issued, it clearly states the test method adopted.

Where the customer specifies any particular test or standard, that test is used and the results are measured against the standard designated.

The most usual standards used are those of the British Standards Institution, the American Society for Testing and Materials, the Retail Trading Standards Association and the International Standards Organisation.

The Federation is the member for Hong Kong of the International Standards Organisation and is recognised internationally as a Standards Testing House.

Future Divisions

After the establishment of the Electrical Division, the Federation will give consideration to the setting up of Divisions for other sectors of Hong Kong industry including electronics, and metal, and also extend chemical testing to organic chemistry.

Use Of The Laboratory

The Federation's laboratory service is available to everyone: manufacturers, exporters, surveyors, overseas governments and international organisations all use the Federation's laboratory.

The service has not only increased Hong Kong's quality image abroad but has also increased trade. One example is that two branches of the British Services which previously did not make purchases in Hong Kong, through the assurance obtained through the Federation's Laboratory that the quality and standard it requires are available in Hong Kong, now place their Far East orders for certain commodities in Hong Kong.

Visit to Tsuen Wan



The Hon. J. Dickson Leach, O.B.E.

The Hon. J. Dickson Leach, the immediate past Chairman of the Chamber and an unofficial member of the Legislative Council, and the Hon. F. S. Li, an unofficial member of the Executive and Legislative Councils recently discussed a wide range of subjects with Tsuen Wan rural leaders and village representatives.

The discussions took place in the office of the Tsuen Wan Rural Committee and covered topics such as improved telephone services, and increased general amenities.

The rural leaders suggested Government should provide free evening classes for the children of Tsuen Wan and that Government should improve the water supply, roads and communications as well as street lighting in villages in Tsuen Wan.

Earlier, Mr. Dickson Leach and Mr. Li, accompanied by the District Commissioner New Territories, Mr. K. S. Kinghorn, visited the Chief Resident Engineer's office at Kwai Chung where they were briefed on the proposed South Kwai Chung Development. They also saw the Kwai Chung resettlement estates and other developments going on in Kwai Chung.

Closer Look at Hong Kong



Sir John Hurley, C.B.E., Managing Director of Berlei United Ltd. has arrived in Hong Kong to promote the sales of Berlei products here.

Sir John, who has been with the firm since leaving school and was responsible for pioneering the exportation of foundation garments from Australia.

Woolmark Applicants, Watch Out!

It has been learned that certain parties have been approaching manufacturers stating that they can assist in obtaining a Woolmark Licence from the International Wool Secretariat. Members are warned to watch out for them. No person has any authority to make such statements, and the International Wool Secretariat use no intermediaries in the Woolmark licensing procedure. Further, the International Wool Secretariat makes no charge for Woolmark Licensing.

Woolmark is issued only to manufacturers who comply with the procedure laid down by the International Wool Secretariat and where the samples originally submitted have failed to pass the test, the applicant may submit new samples — the failure of samples to pass testing does not necessarily disqualify the applicant for all time.

NEWS FROM D. C. & I.

France

Importers are informed that quotas for the importation of the products described below originating in and despatched from Hong Kong to metropolitan France for the period 1st January to 31st December 1968 are now open.

Applications for import licences, with values in francs, must be submitted on forms AC and accompanied by a proforma invoice in duplicate from the overseas seller or his qualified agent giving an exact and detailed description and, if necessary, the brand names of the goods imported. This invoice should be drawn up or translated into French. In the case of fabrics of man-made fibres, the invoice must state the width and the finish.

A certificate of origin, issued by the Department of Commerce and Industry, Hong Kong, is required for the products indicated by an asterisk in the following lists —

I. Products for which applications for import licences will be subject to simultaneous examination

Item No.	Tariff No.	Description	Approximate Amount (HK\$1,000)
4	51.04A, 56.07A	Woven fabrics of synthetic textile fibres	246
5	51.04B, 56.07B	Woven fabrics of artificial textile fibres (of which a maximum of HK\$ 123,000 for artificial cotton fabrics)	369
8	ex 58.04	Velvet other than of cotton	62
9	ex 58.05, ex 62.02	Ribbons and household linen other than of cotton	98
10*	60.02A, 60.02 ex B, 60.04AB, I, II, ex III, IV, 60.05A ex II	Knitwear other than of cotton (of which HK\$12,300 for gloves and HK\$172,200 for woollen knitwear)	369
11	61.01 ex A, ex B, 61.02 ex A, ex B, ex 61.03, ex 61.05, ex 61.06	Clothing and articles of clothing other than of cotton (excluding judo sets, kimonos and brassieres)	246
13	64.01 B ex II	Footwear covering above the ankle with outer-soles and uppers of rubber or artificial plastic materials	15,000 pairs
14	64.02 B ex IV	Footwear with textile uppers and rubber or leather soles	443
15	66.01	Umbrellas	220,000 units
16	85.10	Portable electric battery and magneto lamps	492
17*	69.11	Crockery, household and toilet articles of porcelain	148
19*	85.15A III ex B	Wireless receivers	10,000 units
20	85.03	Electric batteries	160
22	ex 90.01 A II ex 90.02 A	Lenses, prisms, mirrors and other optical elements, mounted and unmounted	18

Contd. on P.13

Australia

In O.T.R. Circular No. 16/68 dated 26th February, 1968, the Department notified that temporary quota restrictions were imposed on imports into Australia of knitted coats, jumpers, cardigans, sweaters and the like (tariff items 60.05.121 and 60-05.129).

Hong Kong exporters are now further advised that the restrictions operated as from 19th December, 1967 and that *separate quotas* will be established in respect of each of the above category items in favour of each importer who imported such goods in the financial year 1966/67. Quotas will be allocated on a value for duty basis equal to 100% of each importer's imports during the financial year. Licensing quota periods will be of *six months duration*, but the first period will date from 18th December, 1967 to 30th June, 1968.

When initial quotas are established, a separate licence for each category may be issued to each quota holder valid to 30th June, 1968. Imports cleared for home consumption since 30th June, 1967 will be debited against each importer's initial quota. If the value of imports cleared in this period exceeds the value of the licence for 1967-1968, the balance of the imports will be debited against the importer's licence for a subsequent period.

After 30th June, 1968, licences are to be issued for half-yearly periods and each licence is to be equivalent to half the established quota. Such licences are to have a *validity of six months*.

(Mr. J.Y.C. Ng, Tel. H-453939)

Jamaica

An amendment made to the list of exceptions to the Jamaican Open General Licence has the effect of placing imports of 'Artificial flowers' under specific licensing control. Hong Kong's domestic exports of this item of goods to Jamaica in 1967 were valued at HK\$52,164.

(Mr. A. S. N. Cheung, Tel. No. H-431233)

France

—Contd.

23	ex 90.05	Binoculars with or without prisms	37
24	ex 90.12	Microscopes	31
26*	ex 90.08	Cine-cameras	43
27	97.03	Toys (excluding wheeled toys designed to be ridden and dolls)	615

Applications for import licences for the products listed above should reach the Department of Customs and Indirect Taxes (Division E), 8, rue de la Tour-des-Dames, Paris (9e) by 8th May, 1968.

After this date, they will be examined simultaneously.

For items 4, 5, 9, 10, 11 and 14, importers must provide a separate licence application in respect of each six-figure tariff item. Importers must also provide before 8th May 1968 either samples, a catalogue or a technical description written in French of the product to be imported:

For items 14 and 27, to the Department of Industries and Textiles, 3 rue Barbet-de-Jouy, Paris (7e);

For items 19, 22, 23, 24 and 26, to the Department of Mechanical, Electrical and Electronic Industries, 23 Avenue Franklin-Roosevelt, Paris (8e).

In addition, for all the products enumerated above, importers who obtained import licences as a result of the notice to importers of 9th February 1967, must provide, within the same time period allowed for licence applications, either the green copy of the licence obtained (or a photo copy) or, failing this, all documents able to attest to the quantities actually imported; such documents must state the reasons for which the licences have not been used.

II. Products for which licence applications will be examined as soon as they are received

Item No.	Tariff No.	Description	Approximate Amount (HK\$1,000)
1	ex 20.01, ex 20.02, ex 20.06, ex 21.07	Chinese food specialities, Chinese noodles, vegetables in vinegar, bamboo shoots, fruits in syrup, logan, lychee nuts, lychees etc.	677
2	ex 20.04	Preserved fruits	31
3	50.09	Woven fabrics of silk or silk waste (schappe)	No limit
6	ex 53.01	Wool fabrics containing more than 15% discontinuous artificial and synthetic fibres	123
7*	ex 58.02	Woven carpets containing more than 15% artificial discontinuous textile fibres	123
12	61.04	Undergarments for women, girls and infants	No limit
18	71.16	Imitation jewellery	No limit
21	89.01 B ex 1	Sea-going pleasure and sports boats	1,230
25*	ex 90.07	Cameras	No limit

Applications for import licences for these products should be submitted to the Department of Customs and Indirect Taxes (Division E), 8, rue de la Tour-des-Dames, Paris (9e) after 10th April 1968. They will be examined as received.

(Mr. J. C. C. Chan Tel. H-451919).

United Kingdom

At present, textile manufactures imported into the United Kingdom are generally liable to Customs duty at different rates according to the proportionate content of silk and/or man-made fibres. In most cases this content is determined on a weight basis.

Certain textile manufactures, however, are at present classified into those with a silk and/or man-made fibre content by value of—

- more than 20%;
- more than 5% but not more than 20%; and
- 5% or less.

The highest rate of duty is charged on those textile manufactures classifiable under (a), while those classifiable under (c) attract the lowest rate of duty (duty-free under Commonwealth preference).

As a result of the Sixth Round of Trade Negotiations (known as the Kennedy Round) held under the auspices of the G.A.T.T., the United Kingdom has agreed to reduce its tariffs on a wide range of imports, including a number of textile manufactures. At the same time, the United Kingdom has made certain changes in the system of classification and product description used in its present tariff, in order to simplify the tariff structure and to standardise the basic criteria for duty assessment. As a result of these changes, the *weight* criterion is to be used generally in the determination of the silk and/or man-made fibre content in textile manufactures for duty assessment purposes.

The textile manufactures mentioned in paragraph 2 above will, accordingly, become dutiable according to the proportionate content by *weight* (instead of by value as at present) of silk and/or man-made fibres. This change-over is to take effect from 1st July, 1968 simultaneously with the first-stage implementation of the Kennedy Round tariff reductions by the United Kingdom.

Appendix I contains details of the textile manufactures of interest to Hong Kong which will be affected by this change-over to the weight criterion. It also shows the revised system of classification to be applied to

Contd. on P.14

these products from 1st July, 1968.

This circular is concerned solely with informing Hong Kong exporters and manufacturers of the impending change in the basis for duty assessment for imports of textile manufactures into the United Kingdom. It does not, therefore, contain the revised rates of tariff in the United Kingdom after the Kennedy Round reductions have been implemented. Any enquiries in this respect may be addressed to the below-named officer.

The Department is examining the Schedule of tariff concessions made by the United Kingdom in the Kennedy Round and will issue a Commercial Information Circular containing details of these concessions in due course. (Mr. J.C.C. Chan, Tel. H-451919)

Federal Republic of Germany

The Kennedy Round — Tariff Concessions

At present the national tariffs of the Member States of the E.E.C. (France, Italy, the Federal Republic of Germany, the Netherlands, Belgium and Luxembourg) are still in force in regard to imports from outside the Community. These varying tariffs are due to be replaced by a common external tariff (C.E.T.) on 1st July, 1968.

On the same date the Community will implement the first stage of the tariff reductions to which it agreed in the Sixth Round of Trade Negotiations (known as the Kennedy Round) held under the auspices of the G.A.T.T.

These reductions, which will be applied to the C.E.T. and not to individual Member States' tariffs, are generally to be implemented in four stages as follows:

- (a) two-fifths on 1st July, 1968;
- (b) one-fifth on 1st January, 1970;
- (c) one-fifth of 1st January, 1971;
- (d) the remaining one-fifth on 1st January, 1972.

It follows therefore that the original level or base-rate of the C.E.T. will never be applied, in respect of those items in which

Contd. on Col. 2

Peru

Paragraph 3 of Commercial Information Circular No. 26/68 dated 3rd April, 1968 gave the particulars of two selected items on a list of certain luxury and inessential items on which the Peruvian Government has imposed a 90-day ban. Among the second part of the list which is now available, the following items are of interest to Hong Kong:—

<i>Description</i>	<i>Hong Kong's Domestic exports to Peru in 1967</i>
Peel of melons and citrus fruit, fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions	HK\$69,993
Sauces: mixed condiments and mixed seasonings	HK\$114,589
Table articles and kitchen utensils	HK\$55,033
Travel goods, handbags, wallets, purses, satchels, brief-cases, collar-boxes, dressing-cases, pouches, toilet-bags, tool-cases and similar containers, of leather, of vulcanized fibre of artificial plastic sheeting, of paper-board, or of textile fabric	HK\$86,435
Stockings, understockings, socks, ankle-socks, sockettes, and the like, knitted or crocheted, not elastic nor rubberized.	HK\$64,750
Ties, bow-ties and cravats	HK\$10,500
Brassieres	HK\$11,193
Knives and cutting blades, serrated or not	HK\$15,366
Primary cells and primary batteries	HK\$37,984
Transistor radios	HK\$78,970
Photographic cameras	HK\$30,882
Dolls	HK\$186,227
Other toys, working models of a kind used for recreational purposes	HK\$1,766,535
Christmas tree decorations and similar articles for Christmas festivities	HK\$108,511

(Mr. A. S. N. Cheung, Tel. No. H-431233)

Peru

The Peruvian Government imposed a 90-day ban on certain imports which took effect from 6th March 1968 for consignments despatched by sea and 4th March 1968 for consignments despatched by air or post. Among the first part of the list which is available the following are of interest to Hong Kong:—

<i>Description</i>	<i>Hong Kong's Domestic exports to Peru in 1967 (HK\$)</i>
Fish, salted in brine, dried or smoked	21,250
Wigs	7,200

(Mr. A. S. N. Cheung, Tel. No. H-431233)

reductions have been agreed, since the first reduction is to be implemented on the day the C.E.T. comes into force. It is however by reference to this base-rate that the reductions referred to paragraph 3 are calculated.

Since each of the present national tariffs bears a different relation to the C.E.T., the effects of the tariff concessions on Hong Kong's trade with individual Member States of the E.E.C. will

vary. Such effects will also vary to the extent that Hong Kong's domestic exports to each of the Member States differ in volume and in composition.

There are details at the chamber of E.E.C. tariff changes of interest to Hong Kong in relation to its trade with the Federal Republic of Germany. It covers —

- (a) items which Hong Kong at present exports in substantial quantities to the Federal Republic; and

Contd. on Col. 3

Contd. on P.15

- (b) items which Hong Kong does not export in quantity to the Federal Republic but does export in reasonably large quantities to other markets;

and lists —

- (i) the tariffs at present in force in the Federal Republic of Germany;
- (ii) the C.E.T. base-rates;
- (iii) the tariffs that will come into force in the E.E.C., including the Federal Republic, at 1st July, 1968 (i.e., the C.E.T. base-rates reduced by two-fifths of the agreed tariff concessions — one-third in the case of certain textile manufactures — as a result of the first-stage implementation of the concessions); and
- (iv) the tariffs that will be in force in the E.E.C. from 1st January, 1972 (i.e., the C.E.T. base-rates reduced by the full amount of the agreed tariff concessions).

The reductions in the C.E.T. to be implemented on 1st January, 1970 and 1971 will therefore each be one-fifth of the difference between (ii) and (iv).

There are also details of the principal items which Hong Kong at present exports in substantial quantities to the Federal Republic of Germany, but on which no tariff concessions have been offered by the E.E.C. For most of these items, the alignment of the Federal Republic's national external tariff with the C.E.T. on 1st July, 1968 will result in slight increases in duty as far as the Federal Republic is concerned.

Full details of all tariff changes to be made by the E.E.C. are available in the Department's Commercial Relations (General) Registry, Fire Brigade Building, 2nd Floor, Hong Kong.

(Mr. J. C. C. Chan,
Tel. H-451919)

Venezuela

The Government of Venezuela has announced that, in future, all documents presented to Venezuelan Consular Offices for authentication in connection with consular certificate on manifests, etc, must bear the date of embarkation of the merchandise.

(Mr. A. S. N. Cheung,
Tel. H-431233)

TENDERS

Hong Kong

Tenders are invited for the following:—

Supply of steel card index and filing cabinets; modulate troffer fluorescent fittings; towels, slippers, "T" shirts, pullovers and grass mats; copper alloy gate valves; Rank e Xerox paper; Purchase from Hong Kong Government of used motor vehicles; Supply of tiling and channels to swimming pool surrounds; lauan plywood; uniform items for Marine Department.

Tender forms and further details may be obtained from the Stores Department, Oil Street, North Point.

India

Tenders are invited by the Director of Cinchona, West Bengal, Calcutta for the supply of Quinine products. (Details on file).

Closing date of bid — 6 May 1968.

Korea

Tenders are invited by the Office of Supply, Government of the Republic of Korea, for the supply of the following:—

Watt-hour meter. Details on file. Closing date of bid—7 May 1968.

Maximum kilowatt demand meter. Details on file. Closing date of bid — 7 May 1968.

Electric refrigerator, electric range, warm air furnace, hot water heater and spare parts, faucet, automatic washer, automatic high speed drier, disposer, etc. Details on file. Closing date of bid—16 May 1968.

Diphtheria antitoxin (Equine origin), and poliovirus vaccine (Bulk). Details on file. Closing date of bid — 3 May 1968.

Burma

Firm quotations are invited by the Director General, Mineral Development Corporation, 243/251, 36th Street, Rangoon, for the supply of the following:—

Pipes and fitting. (Details on file).

Closing date of bid—15 May 1968.

TRADE FAIRS

United Kingdom

The 5th International Pipes and Pipeline Engineering Exhibition will take place at the Earls Court, London, between 10th and 14th June 1968.

Uganda

The International Medical Exhibition will be held in Kampala from 8th to 11th September 1968.

MEMBERSHIP

Change Of Address

Electra Instruments Ltd. 1501 Tung Ying Bldg. 100 Nathan Road, Kowloon.
(Formerly Portland House 11/F)

Hop Hing Hong Room 1102 General Commerce Bldg. 156-164 Des Voeux Road C, 11/F, Hong Kong.
(Formerly 114 Des Voeux Road C)

Oriental World Trading Co., Ltd. 510 Great China House, 14-14A Queen's Road C, 5th floor, Hong Kong.
(Formerly 24 Connaught Road C)

Tat Wah Hong Jewellery Mfg. Co. 1D Lo Lung Hang Street, Ground floor, Hung Hom, Kowloon.
(Formerly 231 Nathan Road 3/F)

Vorarat Company Ltd. The Hongkong Chinese Bank Bldg. G/F, 61-65 Des Voeux Road C, Hong Kong.
(Formerly 1002 H.K. Chinese Bk. Bldg.)

Commonwealth of Nations

It has been learned that the Southern Yemen, of which Aden is a part, is not and does not intend to become a member of the Commonwealth, nor is it a member of the Commonwealth Preference area, it remains a member of the scheduled territories.

Spain

Opening of Global Quotas

The Spanish list of global quotas for 1968 was announced in O.T.R. Circular No. 17/68 of 28th February, 1968. The Spanish authorities have now invited applications from Spanish importers against certain quotas of which the following are of interest to Hong Kong:—

Quota No.	Goods	Value of licences for which applications are invited	Value of Annual Quota (HK\$1,000)	H.K. Domestic Exports to Spain in 1967 (HK\$1,000)
30	Carpets and rugs)	630	8
31	Ready-made clothing) Not specified	1,680	2,507
32	Other textile manufactures)	1,050	n.a.

Applications for licences against these quotas are to be presented by importers to the Spanish authorities by 1st May, 1968.

Importation of Preserved Foodstuffs

The Spanish Government has announced that, as from 14th June, 1968, a wide range of preserved foodstuffs imported into Spain for distribution and sale in Spanish market must include on the package at least the following information, in Spanish:—

- (a) country of origin;
- (b) the usual common denomination of the product in the package;
- (c) manner of preparation of the product tinned ('in sauce', 'in brine', 'natural', etc.);
- (d) each one of the ingredients contained in the package: by ingredients are understood the various substances present in a product composed of more than one foodstuff, and these are to be listed in order of their importance in the composition of the product;
- (e) commercial category;
- (f) complementary additives which have been added (colouring, preservatives, antioxidants, etc.);
- (g) the minimum net and drained weight when the package contains liquid, expressed in decimal metric system units;
- (h) instructions, in appropriate cases, for the use or preparation of the tinned or ready-prepared product;
- (i) in the case of fish semi-preserves, and in addition to the information already mentioned, the words 'semi-preserves — keep in

a cool place' must also be included in bold type, and also the month and year of manufacture.

These particulars must be shown by a stencilled or lithograph legend or on a label which must adhere firmly to the package. The typefaces used on labels must be more than 2 mm. in size. All those products affected which may undergo changes in quality over a certain period of time must have included on their packages the date of preparation and packing, in addition to the particulars mentioned above. The date of preparation and packing may be shown by month and year. The use of codes is authorized, provided that they are made known in writing to the Director-General of Customs and to the Director of Inspection Services of SOIVRE (Servicio Oficial de Inspeccion y Vigilancia del Comercio Exterior).

The quality of the products contained in the packages must correspond to that which appears in the import declaration or licence, and must be the same as that appearing on the labels or packages.

A certificate will not be issued:

- (a) for products whose packages, either because of their inadequacy or because they cause changes in the contents, lead to reductions or changes in the commercial value of the contents;
- (b) for products whose packages show signs of swelling or any other defect arising from a change in the contents; nor for goods contained in transparent packages which clearly

show changes which would affect their value, quality or commercial appearance.

Those products whose labels include descriptions which might give rise to confusion or fraud will be considered suitable for importation.

The inspection of goods by the services of SOIVRE for the purpose of issuing a certificate of suitability to enter Spain will take place before the corresponding customs clearance. Importers must apply for inspection by the above mentioned services on the official forms.

Hong Kong's domestic exports of preserved foodstuffs to Spain were valued at approximately HK\$12 thousand in 1967.

(Mr. J. C. C. Chan,
Tel. H-451919)

Australia

The Australian authorities have announced that consignments of piecegoods have, in the past, in many instances included quantities of printed, woven or embroidered labels and cardboard tickets intended for attachment to articles made up from the piecegoods. Generally, these labels and tickets have not been separately declared on Customs invoices, their cost being included in the price of the piecegoods. The Australian Customs authorities have now pointed out that this procedure is incorrect, and, as from 1st July, 1968, all labels and cardboard tickets must be separately declared on Customs invoices.

(Mr. J. Y. C. Ng,
Tel. H-453939)