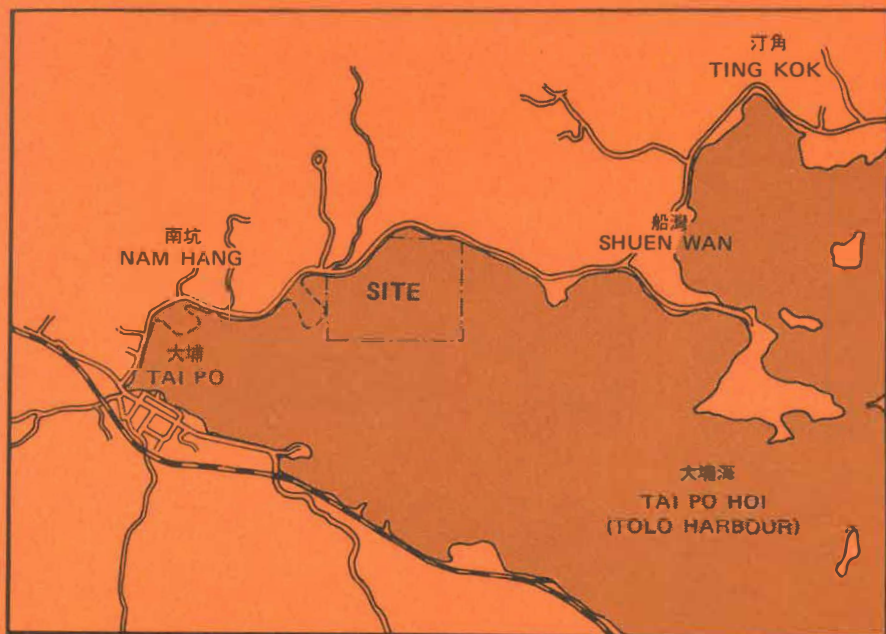




# The Bulletin



## Putting Hong Kong's Industrial Estates Into Business

see page 9



## 奇妙的巧合

中文多字，與渣打銀行的新標誌，不僅形象相似，而且意義相同。渣打分行多，人才多，服務種類多，聯絡機構多，以多字象徵渣打銀行，最貼切恰當。  
私人或公司在渣打銀行開戶口，佔盡方便之利，需要任何服務，渣打隨時鼎力幫助，令你如願以償，事半功倍。

請移玉渣打銀行，或撥電話5-223302顧客服務部查詢，本行人員隨時樂意為閣下服務。



# 渣打銀行

對你幫助最多

## 悼念毛主席

毛主席的逝世，使中國人民失去了一位非凡的領袖。歷史上極少人的成就可與他的領導功績相比。他已把畢生精力貢獻給他的國家和人民。他將永遠為人懷念。

中國人民在毛主席的領導下，已成功地把中國建成為一個統一、強大及受人尊敬的國家，並在各個領域中不斷發展。在短短的四分之一世紀時間內，曾經被稱為「東亞病夫」的中國，已從封建時代邁進了核子時代。八億人民空前團結，大力組織及發展人力和物力，建設起一個現代社會的經濟基礎及國家機構。所有此種成就，並無外國援助，只有外國的不斷壓迫。中國在一九四九年以來所取得的進展，是對毛澤東最大的頌讚。

毛主席的逝世對香港會有什麼影響？一般的輿論及本人的觀點，均確信對於香港及香港經濟的影響極小。無論政治繼承問題如何決定，絕無理由認為毛氏領導下制定的政策會發生根本的變化。中英兩國政府目前的關係十分良好，有利於香港的局勢安定及市

民信心。毛主席的逝世並非出乎意料，雖然消息傳來股市難免下跌，但根本的經濟信心並未隨之減少。

財政司最近的報告對香港經濟甚有意義：港府原先對一九七六年本港經濟增長的估計過低，預料今年全年貿易至少增長百分之二十五。此一宣布可謂十分及時。本會曾估計本港一九七六年的出口貿易至少增長百分之三十五，如果確實如此，理應對香港的短期及長期前途充滿堅定的信心。當然，今後數月內中國的形勢仍會引人密切關注。

本期「會刊」有專文報導香港工業邨的發展情況，並歡迎梅立賢抵港履新，承擔此一重大任務。本港工業與此密切相關。本人認為，大埔第一個工業邨的建成，標誌着開創時期的結束，本人與工商署舊同寅多年來爭論、解釋及策劃的夢想終於實現了。本人期待出席大埔工業邨第一間工廠的開業典禮。

——麥理覺

## 香港工業邨大展宏圖

香港工業邨的投資規模及意義影響，並不亞於地下鐵路，但因成立不久，少為人知。本刊特撰此文，詳細報導工業邨臨時管理局的籌設過程、工程進展及有關詳情。

香港第一個工業邨——大埔工業邨的建築工程正在按計劃積極進行。第一批地盤佔地共達五至十英畝左右，明年四、五月間可供使用興建工廠，明年年底可進行生產製造活動。

香港工業邨與香港地下鐵路，同是耗資億萬的龐大工程。但前者可謂萬眾矚目，爭議紛起；後者却迄未在本港及海外獲得應有

的報導及注意。也許如此比較並不公平：因為地下鐵路就在鬧市中心大興土木，興建中及建成後對香港大多數市民的生活均有極大的影響；而工業邨却遠在新界一隅，其興建及活動只對較少人有直接關係。因此，市民反對地下鐵路工程的種種呼聲就時有所聞；而對工業邨却似乎就無人爭論了。

香港的工業基礎必須大力擴展，而發展



工業邨就是達成此一目標的必要方法之一。工業邨與地下鐵路一樣，將證明對香港的經濟及市民的生活有巨大的長期利益。

然而，究竟什麼是工業邨？香港何時及為何決定發展工業邨？迄今又有何進展呢？

## 固步自封 落後形勢

港府工商署多年前就心知肚明，香港與台灣、南韓及新加坡等競爭對手比較，工業基礎相當狹窄。在香港，少數幾種工業僱用了極大多數的工業勞工，僅僅一個紡織工業就僱用了勞工總數的一半以上。十年以前是如此，十年之後仍是如此。在此期間，香港的競爭對手却紛紛建立起工業邨或出口加工區，因而逐步增強了工業基礎及提高了工業技術；並且提供各種優厚條件，吸引海外製造工業前往投資。相反，香港却遲遲沒有制訂此種計劃。今年四月，香港立法局辯論工業臨時管理局條例，胡文瀚議員在席上指出，在發展機械工業作為工業發展核心方面，香港已落後於其主要競爭對手的後面。

胡文瀚議員指出：「生產的基本要素是勞力、資本及土地，而政府又擁有大部份的土地，因此港府顯然應在經濟發展中承擔重要的責任……事實上，近年來由於缺乏工業用地政策，機械等工業在本港建廠一直困難重重，而且局限於政府公地的臨時地盤，因此工業的發展及現代化大受限制。與此同時，本港的競爭對手却一直鼓勵發展強大的機械城工業成為國家工業發展的核心。本港近年來在此一方面的優越性已大受損失，顯然已經落後於主要的競爭對手。」

## 地價飛漲 坐失良機

過去雖然香港工業用地價格高昂，海外製造商仍被吸引來港投資，但他們的興趣却並非由於港府有積極的促進計劃。香港當然自我宣揚比亞洲隣國有更多的優越性——地理位置適中，勞工靈巧勤奮，稅制簡而且低，法例條規極少，財務及商業服務機構健全

，如此等等，不一而足——是海外投資建廠生產的理想地點。然而，却有一項主要不利因素：正是胡文瀚議員所說的「缺乏工業用地政策」。港府歷來出售工業用地，均採取公開拍賣方式，價高者得，結果導致地價高漲，租金昂貴。此種情勢符合物業價格由市價供求律決定的信條；然而對於吸引外國高級技術工業（往往需要較多土地）來港投資以分散本港工業基礎的願望，却不啻作法自斃。何種土地用作何種工業，也向來沒有規定。拍賣土地的附帶條件，只須保證該幅地皮在相當時期內獲得充份的發展。事實上，港府的政策一向是鼓勵密集利用市區土地，以便為附近的市民提供就業機會。

相信有很多外國工業公司不願支付香港的昂貴地價，因而使香港失去了許多極有經濟價值的外商投資計劃。而香港的損失，就往往是新加坡或台灣或南韓的收穫。

歷來妨害工業分散化的還有其他因素，——例如，香港工業教育設施不足（如今已經改觀），多層工業樓宇不適中重型機械工業的發展——此正是胡文瀚議員所述其他新工業發展的核心。重型機械及佔地很大的生產工序就無法裝置在高層樓宇中。

## 糾正政策 一改舊觀

工商署的高級官員也持有與胡氏類似的見解，經過若干年的研審之後，終於在一九七二年下半年提出主要政策的建議。該等建議相繼獲得經濟司、環境司及新界政務司的支持。結果對港府工業用地政策提出修改方案，並於翌年獲得港督的批准。如所週知，麥理浩爵士本人對此一問題也甚為關注，因而有助於新政策的順利制定。

根據新的政策，香港各發展地區按合理價格向特種工業公司提供工業用地。此一政策有助於提高本港的工業技術，增加技術工人的就業機會，增強已有的工業及擴大香港的工業基礎。所以必須同時大力開展促進外國工業來港投資及或與本港廠商合資的各種

海外活動。此一政策改變的結果，就是美國陶氏化學公司及船外引擎公司在青島投資億萬元興建分公司。

此一政策修改為香港工業邨的設立鋪平了前進之路。

工業邨此一新猷在若干國家早已實施多年。英國在三十年代首創工業邨，將所需之工業吸引到英格蘭東北部及蘇格蘭某些部份等蕭條地區，結果大為成功。近年來最成功及最著名的工業邨是新加坡的裕廊，現已建成為一個花園般的工業重鎮。

工業邨是有組織的工業區，提供各種大小的地盤，及各項必要的服務。工業邨通常由政府或半官方的獨立管理局經管。地盤或售或租均可。

## 設局任賢 大展新猷

港府終於在一九七四年中成立工業邨工作小組委員會，研審興建工業邨的可行性，釐訂租售工業地盤的政策。該工作小組由經濟司鍾信主持，成員均是港府高級官員。該委員會進行了周密的研究，準備了各種文件，向財政司提出了有關建議。該等建議及基本的經費建議獲得夏鼎基議員的接受及行政局的批准。於是，此一建議可以付諸實行；但在正式動工興建前，還須從事大量的籌備工作。

去年十月，該工作小組改名為工業邨指導委員會，由香港上海滙豐銀行副主席沈弼任主席。控制及經管工業邨的責職已明確規定，將授權一非政府機構承擔，經費來源是公共基金。策劃工作又加緊進行。

今年四月，工業邨臨時管理局正式成立。原指導委員會的成員被委任為該局的成員，主席仍由沈弼担任，經濟司則出任副主席。目前共有七位委員，其中包括香港總商會執行董事麥理覺及該局新任執行總管梅立賢

## 填海造地 工程浩大

梅立賢先生於今年六月初抵港。梅立賢

是專業測量師及工程師。曾在英國、直布羅陀、羅德西亞、塞浦魯斯、西印度聯邦及中東各大國際建築及地產公司服務，從事重大發展工程。他來港前在鮑維斯集團屬下馬來西亞一大建築地產公司任執行董事。此類經驗對於負責建造及經管香港工業邨，顯然極有價值。

梅立賢日前接受本刊記者訪問，評述大埔第一個工業邨的工程進展情況：

「大埔工業邨完全由填海造地建成，建築工程分為兩期。第一期填海工程今年一月開始。第一批地盤共達五至十英畝，將於明年四月可供使用。本局關於地盤租用條件的建議，將於十月公佈，屆時各有關公司可以申請。第一期工程定於一九七八年中竣工，將可提供約六十英畝的土地，其中約四十英畝是工業地盤。」

「第二期工程計劃提供約一百二十五英畝土地——整個工業邨合計約達一百八十五英畝土地，其中一百二十英畝是工業地盤。為了使工業邨可供使用，必須盡快開始第二期工程。本局希望明年初就能簽發第二期填海工程的合約。整個工業邨定於一九八一年中完成。」

## 計劃周密 設備完善

工業邨臨時管理局是否已詳細考慮了四周交通、水電煤氣供應、勞工來源、住宅等等問題？

「為了使工業邨可供使用，本局當然必須確保一切必要設備均應有盡有，此等事項將由本局技術幹事詳加研究，他定於本月上任。」

「住宅問題尤為重要。選擇大埔作為香港第一個工業邨的理由之一，就是附近可獲得勞工及住宅。大埔正計劃興建三個公共住宅邨。然而，估計會被吸引來此的工業並非勞工密集工業，整個工業邨僱用的工人不會超過七、八千人。」

「新加坡的裕廊犯了一個錯誤，本港應



引以爲戒，裕廊在初期工程中對住宅問題未予充份注意，結果又引起勞工問題。如今裕廊鎮當局同時控制新加坡的所有工業邨及該鎮的住宅發展計劃。

「工業邨將在附近建造一個蓄水庫，食水到首批工廠遷入時將會充份供應。

「至於交通問題，已有計劃改善沙田至大埔的全段路面。大埔至工業邨的汀角路將改成雙程路。還準備在工業邨內修築一條鐵路支綫。」

### 再三比較 選定大埔

爲什麼選擇大埔作爲第一個工業邨？除了住宅因素外，還有什麼其他理由？例如，爲什麼不選將軍澳呢？

「本局採用淘汰法。委員會查出能符合交通、水電服務等標準的地點，又請新界民政署審查，提出八、九個地盤，再由委員會選出四處——大埔、元朗、將軍澳及屯門杯渡。查勘結果對將軍澳是否適合存有疑問，於是決定大埔及元朗最爲適合。最後選定在大埔興建第一個工業邨，是因爲大埔可以最先動工。」

梅立賢透露，管理局正設法獲准在元朗興建第二個工業邨，如果一切順利，興建工程將於明年中開始。估計元朗工業邨佔地約一百八十五英畝，與大埔工業邨相同。如果工業地盤供不應求，在九龍灣已有填海土地可供使用。

### 本港海外 機會均等

可使用工業邨的工業種類有何具體標準？是否規定某些工業不准使用？理由何在？

「本局將盡力使此種標準富有彈性，暫不規定嚴格條例。唯有厭惡性行業條例劃爲『厭惡性』的工業，規定不准使用工業邨。此外，可以在多層工業大樓中生產的工業也不會獲准。當然，必須嚴格實行污染控制，因爲工業邨流入吐露港的下水道極易受到污染。下水道處理可採用現代技術，不過會增

加生產成本。本局將初步試行，聆聽反應，並觀察何種工業對工業邨有興趣。」

預料大部份申請會來自本港公司或海外廠商？

「本局對所有申請均一視同仁，絕不厚此薄彼。本港及海外公司，機會均等。理所當然，本局希望香港工業邨吸引海外高級技術工業來港投資。」

所以，管理局同樣歡迎本港公司申請工業邨地盤，但顯然準備在海外爲香港工業邨進行宣傳推廣活動。有無計劃將此種推廣活動協調配合港府、本會及貿易發展局等促進海外工業來港投資的整體計劃？

「目前，此種海外促進活動，由工業投資促進協調委員會進行協調，本管理局主席沈弼也是該委員會成員之一。但本人認爲由於促進工作日益增多，香港應考慮設立一個專職的工業發展管理局。

「本局正在招聘一位商務幹事，負責銷售工業邨及處理工業家的諮詢。他將參加香港海外工業投資促進團，並將單獨訪問有關國家，宣傳推廣香港工業邨。」

### 租售價格 相當廉宜

也許，許多工業家均會提出此一問題：工業邨地盤的售價和租金將會如何？

「租售價格將按工業邨建造成本及新界各區的地價而定。本局宗旨不是牟利，而只是抵銷成本。」最後請問，管理局爲何冠以「臨時」？如今有無可能放棄整個計劃？

「本局如繼續稱爲『臨時』管理局，在宣傳推廣工業邨時就會遇到困難。事實上，工業家對工業邨興趣之大令人鼓舞。本人預料今後發售地盤方面不會有很多困難。因此，本人希望本局在不久將來可成爲工業邨管理局。」

香港工業邨宏圖初展，結果如何尚待時日證明，本會與梅立賢先生一樣，希望大埔工業邨地盤開始租售時，本港及海外工業家均有熱烈的反應。

## 訪香港生產力促進中心新執行幹事

### 擴展工業 自製原料

香港生產力促進中心新任執行幹事胡禮智博士接受本刊記者採訪，論述其新猷抱負，充份顯示其極富工業技術的實際經驗。

「本人認爲本中心的任務之一，是更加重視工業技術。包括新工序的指導及策劃、工業的重新分佈、工廠及操作綫的改組、生產的完善化、更安全及更愉快的工作環境等等——總之旨在提高香港產品的加入價值。

「爲了達到此一目的，可有兩種方法。一種方法是製造更多高價暢銷的產品，以便提高售價而增加價值。香港已經在如此做了。另一種方法，香港入口昂貴的所謂原料，但就已發展國家而言，其實不是原料，而是已經相當昂貴的半成品，供香港加工變成成品。

「香港沒有基礎工業，大量生產此種所謂的原料，總須要入口原料，例如鋼坯。但是，爲什麼不可試行軋軋薄鋼板，更多生產條鋼、角鋼及鑄鋼，以便擴大生產範圍呢？又如，香港入口大量紙張，用作多種用途。也許，香港應該入口原料，自己造紙吧？有些工業已經在如此做了。例如，香港入口棉花，紡織成布，再製成服裝。爲什麼不推而廣之呢？」

### 學識淵博 總驗宏豐

胡禮智博士於今年六月底加入生產力促進中心，接替退休的廖偉韜（廖偉韜現已移居布列斯班，兼任本會促進澳洲工業來港投資的長駐代表。）

胡禮智來港履新之前，是英國鑄鋼研究貿易協會的執行幹事，並曾積極參與英國經濟發展組織屬下英國鋼鐵鑄造工業經濟發展委員會的成立工作。一九六四年，胡禮智三十四歲，已成爲伯明罕艾司登大學的工業治

金學教授，着重研究講授鍛鑄金屬生產，工商管理及經濟事務。

### 吸收會員 加強聯絡

胡禮智續謂：「生產力促進中心與本港其他類似機構的區別之一，是本中心沒有會員。本中心的經費大約一半由政府資助，另一半來自於服務收費。因此，本中心與本港工業並無互通消息及資料的途徑。

解決方法之一是吸收固定會員以建立直接聯絡。因此，本中心正在具體考慮轉變爲由會員組成的機構。本中心並不將會員制度視爲新的收入來源，而是作爲互通消息的聯絡途徑。本中心有許多設備和資料，理應廣爲使用，但因無法與廠商接觸，結果就乏人問津。本人認爲會員制度使顧客與中心接觸更爲便利。

「會員制度也符合香港的商業觀念。會員繳了會費，就確信可以獲得本中心的服務

「另一項已在進行的新工作，是提供整套資料。本中心有各種專題的大量資料，形式繁多，但大多比較深奧。本中心準備用實例研究、電影、幻燈片、電視錄映帶等形式，成套供給該等資料。既有特別的工業或工序；也有工業安全之類的通用題材。

「在此一方面，其他組織及衆多公司可以大力相助。本中心首先應查明可獲得資料的確切情況，再採取措施以免重複。」

### 簽約工作 減少津貼

胡禮智續謂：「本中心過去只有在顧客要求辦理某件工作後，才採取相應的行動。但是，本中心其實可以預先製作各種專門資料，提出各種指導意見，再貯存起來供顧客利用。換言之，本中心經過正確的判斷，建立起應付各種特定情況的專門資料，以備一年半或二年半後出現有關需求時可供應用。



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## Director's Viewpoint Chairman Mao—A Tribute

**T**HE Chinese people have lost a truly remarkable leader with the passing of Chairman Mao. Few people in history have achievements to match his record of leadership and service and he will always be remembered as a man who dedicated his whole life to his country and his people.

Under the leadership of Chairman Mao the Chinese people have succeeded in transforming their country into a strong, united and respected nation, developing over a wide area of activity. In the short space of a quarter of a century 'the sick man of Asia', as China used to be called, has moved from what some would regard as a feudal age to the nuclear age. Eight hundred million people have been united as never before, immense developments have been undertaken in the organisation of effort and resources to provide the infrastructural and institutional basis of a modern society and country. All this without outside help and under the constant pressure of outside events. The progress made by China since 1949 stands as the greatest tribute of all to Mao Tse-tung.

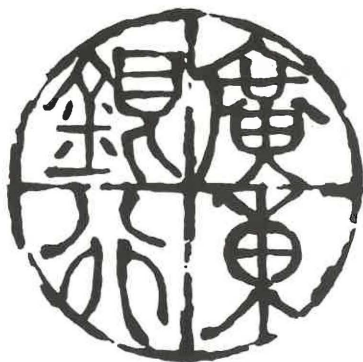
What effect is Chairman Mao's death likely to have on Hong Kong? The general consensus would seem to be, and I am personally confident that this is so, the effect on Hong Kong and the Hong Kong economy will be minimal. Whatever the outcome to the question of political succession, there is no reason to suppose that the policies formulated under Mao's leadership will undergo any funda-

mental change. Relations between the Governments of Britain and the PRC are currently very good and this has contributed to a stable and confident situation in Hong Kong. Chairman Mao's death was not unexpected and although the stock market inevitably fell following the news, there is no inherent loss of business confidence.

Of significance for the Hong Kong economy was the announcement a few days earlier by the Financial Secretary that previous estimates of economic growth during 1976 were very much on the low side and that trade could be expected to grow by at least 25 per cent for the year as a whole. As it turned out the announcement couldn't have been better timed. The Chamber estimate of 1976 export growth is *at least 35%* and if this proves so, Hong Kong will have every reason for solid confidence in our short and longer term future. Events in China will be of absorbing interest nevertheless over the next few months.

*The Bulletin* this month looks at the development of industrial estates and welcomes Vic Miller to Hong Kong. He has an exciting and important task ahead, one in which industry has a special interest. For me, the steady creation of the first estate at Taipo marks the end of the beginning, the realization of a dream which I shared with my old colleagues in the DCI through years of argument, explanation and policy formulation. I look forward to attending the opening of the first estate factory at Taipo.

**Jimmy McGregor**




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## Putting HK's Industrial Estates Into Business

**W**ORK on Hong Kong's first industrial estate at Tai Po is going ahead on schedule. The first sites, totalling some 5-10 acres, should be ready for occupation by next April or May. Manufacturing could be in progress on the Tai Po estate by the end of next year.

The planning and development of Hong Kong's industrial estates have so far received rather less than their fair share of attention, both in Hong Kong and overseas, especially when one considers the interest and controversy that have surrounded another multi-million dollar project currently underway — the Mass Transit Railway. Perhaps the comparison is not entirely fair, since both during its construction and after completion the MTR will exercise a considerable influence on the lives of most of the urban population of Hong Kong, whereas the industrial estates are tucked away in the New Territories and their construction and operation will directly affect comparatively few people. And while there has been vociferous opposition to the MTR project it would appear that nobody in Hong Kong disputes the desirability of industrial estates. Efforts should be made to broaden HK's industrial base, and the development of industrial estates provides the means by which this can be done.

What are industrial estates, when and why was the decision taken to develop them in Hong Kong and what progress has been made so far?

The Commerce and Industry Department has been aware for

many years that Hong Kong industry is narrowly based in comparison with competitors like Taiwan, South Korea and Singapore. In Hong Kong a small number of industries employs the great majority of industrial workers and a single industry — textiles — employs more than half the workforce. This was true a decade ago and unfortunately it is still true today. Whilst our competitors managed steadily to strengthen their industrial base and to upgrade industrial skills and technology by establishing industrial estates or export processing zones, and by offering a variety of investment incentives to attract overseas manufacturing concerns, no such programme was undertaken in Hong Kong.

The Hon. James Wu pointed out during the Legco debate on the Industrial Estates Provisional Authority Ordinance in April this year that Hong Kong had fallen behind its main competitors in the development of strong engineering industries as the nucleus of industrial development:

'Since the basic essentials of production are manpower, capital and land and as the Government holds most of the land, it is clear that the Government must assume an important role in economic development... It is a fact that the lack of an industrial land policy during these years has consistently made it difficult for such industries (i.e. engineering) to establish here and indeed those set up are limited to temporary sites on Crown land, thus restricting development and modernisation. At the same





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Flight Hostess Regina Lam from Hong Kong; interviewed March 19th, 1976.

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time as this was happening, our competitors in the region have been encouraging the development of strong engineering industries as the nucleus of their industrial development. We have over the years lost much of the initiative in this particular field and we are certainly behind our main competitors, although we can more easily marshal and develop the skill and the capital, and certainly the will to use them.'

In the past, overseas manufacturers were attracted to Hong Kong *despite* the high cost of industrial land and their interest did not owe much to deliberate promotional efforts on the part of the Government. Hong Kong certainly boasted many advantages over its Asian neighbours as a suitable location for offshore manufacturing: a central location, a deft and intelligent workforce, a low rate of taxation, a wide range of financial and commercial services, a minimum of red tape and so on.

But there was one major disincentive: as Mr. Wu put it, 'the lack of an industrial land policy'. The practice of selling industrial land by public auction to the highest bidder resulted in very high land costs and rentals. This was in keeping with the belief that property prices should be determined by market supply and demand, but it flew in the face of the oft-expressed desire to diversify HK's industrial base by attracting high technology (often relatively land intensive) industries from overseas. There was no stipulation that the land must be used for a particular type of

industry. The conditions attached to the sale of sites were only intended to ensure that the land was adequately developed within a reasonable period of time and indeed it was Government's policy to encourage urban sites to be used intensively in order to provide jobs for nearby population centres. It is believed that numerous economically desirable investment projects were lost to Hong Kong because the companies concerned were not prepared to pay HK's high land costs. And our loss was often Singapore's or Taiwan's or South Korea's gain.

### Other drawbacks

There were other factors which were detrimental to industrial diversification—for example the inadequacy of technical education facilities in Hong Kong (though no longer the case today) and the pattern of multi-storey industrial buildings which were unsuitable for medium or heavy engineering enterprises — precisely the industries which, as Mr. Wu said, provide a nucleus for the development of other new industries. Heavy machinery, or processes which require a horizontal layout for production cannot be situated in high-rise buildings.

Senior officials of the DC&I had similar views to those of Mr. Wu and following several years of policy formulation, major policy proposals were drawn up by the DC&I in late 1972. These proposals were subsequently supported by the Secretaries for Economic Services, the Environ-



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ment and the New Territories. The result was the modification to the Government's industrial land policy which received the Governor's assent the following year. It is known that Sir Murray MacLehose maintained a personal interest in these developments and it is reasonable to assume that this helped things along.

Under the new policy industrial sites were to be offered in development areas to interested companies in specific industries at a reasonable cost. This policy, it was believed, would lead to an improvement of technology in HK industry, wider skilled job opportunities, a strengthening of existing industries and a broadening of HK's industrial base. At the same time, it was appreciated that increased promotional activities would be required overseas to attract industrial investment and to foster joint ventures between local and overseas interests. Both Dow Chemical and the Outboard Marine Corporation established their multi-million dollar plants on Tsing Yi Island as a result of this policy change.

This modification paved the way for the establishment of industrial estates in Hong Kong.

The industrial estates concept has of course been practised for some time in a number of countries. The UK was the first country to introduce industrial estates in the 1930s and they have been highly successful in attracting industries of the desired kind into depressed areas like the North East of England and parts of

Scotland to overcome the problem of unemployment.

One of the most successful and best known industrial estates projects has been in Jurong in Singapore, which has been developed into a garden industrial town.

A Working Group on Industrial Estates was set up in mid-1974 to examine the feasibility of constructing estates and such matters as the criteria for selecting the type of industries to be given leases of land in the estates and the policy to be followed in renting and/or selling sites.

## Preparations

The committee, headed by the Secretary for Economic Services, Derek Jones, and composed initially of senior Government officials only, carried out intensive studies, prepared various policy papers and submitted proposals to the Financial Secretary. Mr. Haddon-Cave accepted the case for the estates and the basic proposals for financial outlay and control. These were subsequently approved by the Executive Council and the concept had become a working reality, but with much to do before production could begin.

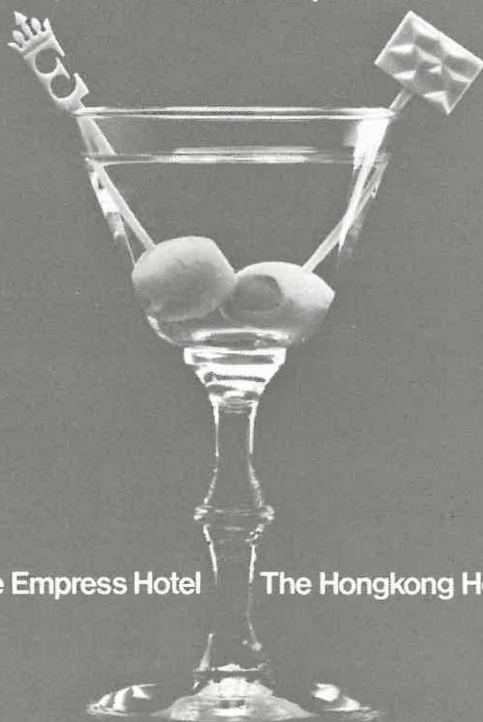
In October last year the Working Group was renamed the Steering Group on Industrial Estates and the Deputy Chairman of the Hongkong and Shanghai Banking Corporation, Michael Sandberg, was appointed Chairman. Work on planning was again intensified, since it was now clear that the responsibility for controlling and managing estates would



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be vested in a non-government autonomous organisation supported by public funds, much like the M.T.R.

In April this year the Industrial Estates Provisional Authority came into being and the members of the Steering Group were appointed members of the I.E.P.A., including the Chamber's Director, Jimmy McGregor, and the newly appointed Chief Executive of the Authority Mr. V. W. Miller.

Mr. Miller arrived in Hong Kong at the beginning of June to take up his new post. He is a surveyor and engineer by profession and his career to date has been with international construction and property companies carrying out major development projects in the UK, Gibraltar, Rhodesia, Cyprus, the West Indies and the Middle East. Prior to his arrival in Hong Kong he was the Managing Director of a large construction and property company in Malaysia associated with the Bovis Group.

*The Bulletin* recently asked Mr. Miller how work was progressing on the first estate at Tai Po.

'The Tai Po estate is wholly reclaimed from the sea and is being constructed in two stages. Reclamation work on Stage One began late last year and the first formed sites, amounting to between five and ten acres, should be ready for occupation by April of next year. Our proposals for terms and conditions of leasing should be published in October and companies will then be able to apply for sites. Stage One is scheduled for completion in mid-1978 and will pro-

vide a total of around 60 acres of formed and serviced land, of which some 40 acres will be industrial sites.

'Stage Two of the estate has a planned area of about 125 acres — giving a total area of about 185 acres for the whole estate, of which approximately 112 acres will be available for industrial sites. For the estate to be viable it is necessary to start work on Stage Two as soon as possible, and we are hoping to award the reclamation contract for Stage Two early next year. The whole estate is scheduled for completion in mid-1981,' said Mr. Miller.

## Facilities

What was being done on such matters as access to the estates, the provision of water, electricity and gas supplies, the availability of labour and housing, and so on?

'For the estate to be operable we shall of course have to ensure that all necessary facilities are provided, and these requirements will be examined in more detail by our Technical Director, who is due to take up his post this month.

'Housing is particularly important and one of the reasons for the choice of Tai Po as the site for Hong Kong's first industrial estate was the potential availability of labour and housing in the vicinity. Three public housing estates are planned for Tai Po. However, the sort of industries which we envisage will be attracted to the estate are not labour-intensive and the whole estate is unlikely to employ



more than about seven or eight thousand workers.

'One of the mistakes which was made at Jurong, from which we can learn, was a failure to devote sufficient attention to housing in the initial stages, and a resulting labour problem.' (The Jurong Town Corporation now controls the housing programme within the town area as well as the development of industrial estates in other parts of Singapore.)

'A service reservoir for the estate will be constructed nearby and water supplies should be sufficient by the time the first factories move in.

'As regards communications, there are already plans to improve the whole stretch of road between Shatin and Tai Po. Ting Kok Road, between Tai Po and the estate, will be widened and improved to dual-carriageway standard. Provision has been made for railway sidings within the estate — but the viability of a rail link is completely dependent upon timing.'

Apart from the housing aspect, were there any other reasons why Tai Po was chosen as the site for the first estate? Why not Junk Bay, for example?

'It was really a process of elimination. The committee sought various sites which would meet the criteria for access, provision of services and so on. The New Territories Administration were asked to examine potential areas and they came up with eight or nine sites, of which the com-

mittee short-listed four — Tai Po, Yuen Long, Junk Bay and Pillar Point. Consultants' investigations placed some doubt on the suitability of Junk Bay, and it was decided that Tai Po and Yuen Long were the most suitable. Of these the former was chosen as the first estate as it permitted the earliest commencement.'

Mr. Miller revealed that the Authority was now seeking the go-ahead for the second estate at Yuen Long, and all being well they would begin construction work there around the middle of next year. They envisage an estate of about 185 acres — the same size as at Tai Po. In the meantime, should demand for sites exceed supply there is an area of already formed land in Kowloon Bay which could possibly be made available quickly for any overflow from Tai Po.

What criteria will be used for selecting the type of industries to be located in the estates? Will any industries be specifically excluded and if so, for what reasons?

'We shall endeavour to keep the criteria as flexible as possible. We don't want at this stage to lay down rigid rules. Only those industries classified as 'offensive' under the Offensive Trades Ordinance will be specifically excluded. In addition, industries which can operate in flatted factories will not qualify. Of course pollution controls will have to be strict, particularly since the estate drains into Tolo Harbour, which is particularly vulnerable to pollution. With modern technology much can be

done to treat effluent, although this increases production costs. But initially we shall have to play it by ear and see what response we get and what type of industries express an interest in the estates.'

Did he expect the majority of applications for sites to come from local companies or from overseas?

'As I said, we don't intend to give preference to anyone in particular. There will be an equal opportunity for both local and overseas companies, but naturally whatever else happens we hope that the estates will attract high technology industries from overseas.'

### Overseas promotion

Although local companies are welcome to apply for sites in the estates, the Authority will obviously want to promote the estates overseas. Are there any plans for co-ordinating this promotion with the overall programme of overseas industrial investment promotion being undertaken by the Government, the Chamber, the TDC and other organisations?

'As you know, at the moment overseas promotion is co-ordinated through the Industrial Investment Promotion Co-ordination Committee, of which the Chairman of the Authority, Michael Sandberg, is a member. However, I think that with the growth of promotional activity the necessity for a full-time Industrial Development Board may arise.

'We are in the process of recruiting a Commercial Director, whose job it

will be to sell the estate and deal with enquiries from industrialists. He will probably participate in HK's overseas industrial investment promotion missions and also undertake independent visits to promote the estates.'

Perhaps the question many industrialists are asking by now is: What will be the likely rents and selling prices of land in the estates?

'They will be related to the cost of constructing and developing the estates and generally consistent, having regard to the permitted plot ratios, with land prices elsewhere in the NT. Our aim will not be to make a profit, but to cover the costs.'

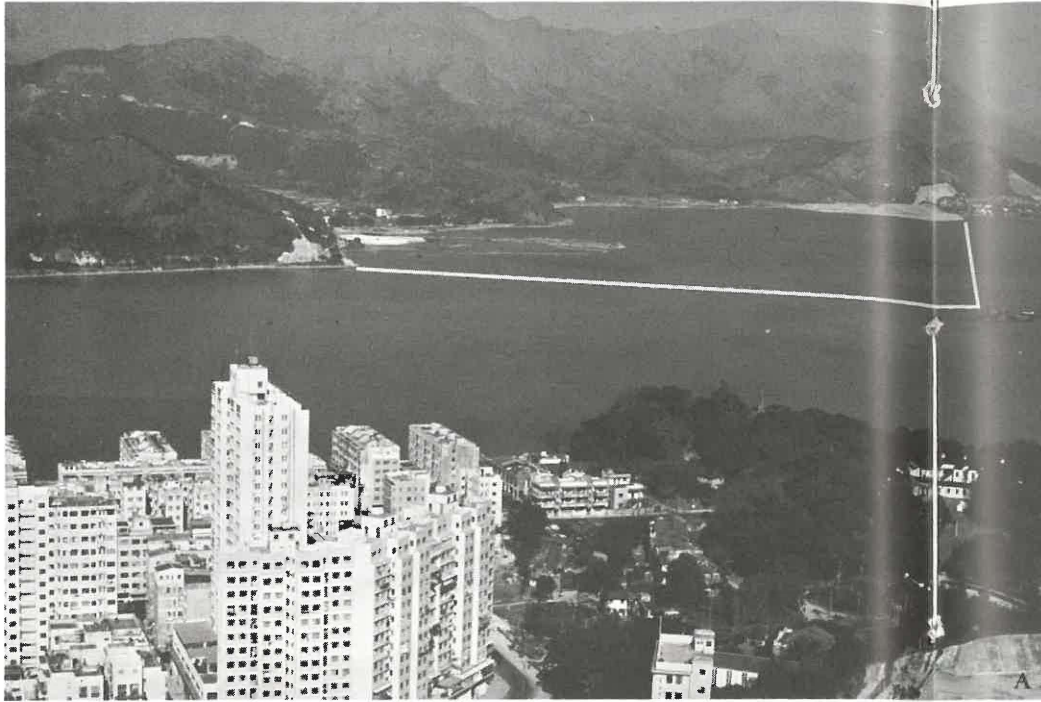
Finally, we enquired, how 'provisional' is the Authority? At this advanced stage is there still a possibility that the entire project will be abandoned?

'I am very conscious that the term provisional suggests impermanence and we could experience more difficulty in promoting the estates if we continue to call ourselves the 'Provisional' Authority. Actually the amount of interest shown in the estate by industrialists has so far been most promising and I certainly hope that we will become the Industrial Estates Corporation in the near future.'

Mr. Miller's experience will obviously be invaluable in overseeing the construction and later the management of HK's industrial estates. Like Mr. Miller, the Chamber anticipates an enthusiastic response from both local and overseas industrialists when applications are invited for sites at the Tai Po industrial estate.



# Picture Briefing



- A. Reclamation work on HK's first industrial estate at Tai Po commenced at the beginning of this year. When completed the estate will yield about 185 acres. The picture shows the approximate extent of the completed estate.
- B. Mr. V. W. Miller is the Chief Executive of the Hong Kong Industrial Estates Provisional Authority. He took up his present post at the beginning of June.
- C. The retiring Manager of the Chamber's Certification Branch, Allan Stewart, is seen here admiring a silver salver which was presented to him by the Chairman, Mr. Leslie Gordon (shown left), at a ceremony held in the Chamber's Boardroom on September 3rd.
- D. The new Executive Director of the Hong Kong Productivity Centre, Dr. J. C. Wright, talked to *The Bulletin* recently about some of his ideas and plans for the Centre (see article on pages 23-25).





# The Building That Never Was

**F**ROM time to time during the past year Chamber members may have heard references to an 'institutional building'. And those who were present at this year's Annual General Meeting—or who read the report published in the May *Bulletin*—will recall that the out-going Chairman, Peter Foxon, referred to it in his speech.

What is the institutional building? Well, for a start, the question should be 'what was the Institutional Building?', since it is apparent for the time being at least that the concept of an institutional building has been relegated to the limbo of good ideas that weren't quite good enough. The term 'institutional' building is perhaps misleading. It conjures up, as one General Committee member implied, an image of a Victorian red-brick building of gloomy corridors clothed in lavatorial tiles, and peopled by seedy janitors in dirty, ill-fitting uniforms pulling furtively on an illicit cigarette and surrounded by half drunk cups of tea that have slopped over into the saucer.

Despite this, the building the Chamber actually had in mind was intended to be a modern and stylish building that would have stood out as a show place for its architect, a building that he could have shown proudly to potential clients with the confident claim, 'And this is what I designed for HK's leading trade and industrial associations'. The institutional building might in fact more aptly have been called the Associations' Headquarters Building. Perhaps

even 'Business House'.

The intention was to develop a building that housed the headquarters and/or main offices of the Chamber, the TDC, the Tourist Association, the Chinese Manufacturers Association, the Productivity Centre, the FHKI, the Export Credit Insurance Corporation, the Management Association and the Indian Chamber.

The concept of developing such a building arose from a meeting called by the Chamber in November last year. As a result of that meeting, an investigatory committee was set up consisting of representatives from the Associations with Harry Garlick, the Chamber's Assistant Director Admin, as Chairman, and S.K. Chan of the Productivity Centre as Vice Chairman.

## Made sense

The Committee quickly established that whatever else might be said for the concept of a joint building, it certainly made financial sense for those in rented premises. Five of those involved in the project were jointly spending in mid-1976 an annual sum of \$4.4 million on rent, with every likelihood that this would increase in years to come. Investigations undertaken with the assistance of the property department of the Hongkong and Shanghai Bank and the HK Society of Architects showed that the development costs of a good quality modern building, adequate to house the associations, was likely to be between \$25m. at minimum specification and \$50m. at maximum specification.

Finance for the development of the

building also seemed to be available. Several local banks expressed interest in the project, and whilst no firm commitment was given, there was every indication that reasonable terms would be available if the associations decided to proceed. There was however one considerable *sine qua non*. Although the Associations, with bank help, could reasonably hope to finance the development of the building, none had resources sufficient to purchase a site on commercial terms.

The Committee decided however that as the development of the building was in the public interest, Government might be persuaded to make available a site at an advantageous premium, as had happened in, for instance, the development of the Arts Centre. Accordingly an unofficial approach was made to Government in order to assess their preliminary reaction to the idea.

## Central site

Whilst Government was considering this proposal, the Committee developed in further detail its plans. It was agreed by the majority of the Associations that a site in Central was a necessity, since any site outside the Central area would probably inhibit rather than assist the Associations in providing a service to the business community. It was also appreciated that this would make it that much more difficult for Government to consider releasing land in view of the prime value of sites in Central.

The Committee also considered the advisability of attempting to reach a mutually acceptable arrangement with

Government concerning the housing of Government departments within the same building. Preliminary discussions were held with the Commerce & Industry Department, which was the most obvious choice of Government partner. No firm conclusion was reached, as DC&I had other priorities, although they indicated they would be prepared to consider the idea if the other priorities did not materialise.

## Extra partners

The Committee also considered the desirability of inviting other local Associations to participate in the project. After eliminating Associations which by their function would not want a site in Central, and those that were representative of specialist interests rather than HK trade and industry overall, the Committee felt that little would be achieved by bringing in extra partners at an early stage, although provision should be made in the building for committee and meeting rooms that could be hired by other Associations.

Discussion also touched on the desirability of including a display centre, perhaps even an exhibition hall, and maybe some sort of social facilities, such as a membership club for businessmen.

One complicating factor in the eyes of the Associations was that simultaneously with their development of plans, the Mass Transit Corporation was rapidly occupying almost every available piece of spare land in Central. Accordingly discussions were held with Mass Transit in order to see if any avenue existed for a joint ap-



proach. Once again, the idea was considered from several angles, although no firm arrangement was reached, in view of the many 'ifs and buts' surrounding the project at that stage.

It is fair to say that most of the committee saw the financial sense in a closer association of individual organisations, although the situation was somewhat complicated by the fact that some of the Associations paid rent, whilst others either occupied or were in the process of acquiring their own premises.

### Non-financial

What however was not so apparent were the other non-financial benefits that might result from a closer association. And consideration of these benefits had to take into account not only advantages to the associations themselves, but also, if the approach to Government were to be successful, the advantages for the commercial community, which of course included overseas businessmen dealing with HK, as well as local businessmen. Most of those associated with the project felt that there were real benefits to be gained in the form of an improved service to the business community, although the Committee on one or two occasions found that it had to stretch its ingenuity somewhat in order to try to quantify such benefits.

Government had made it clear that it was of a similar frame of mind. It was indicated that the financial benefits of saving in rent from the subven-

tions granted to organisations such as the TDC could be reasonably clearly quantified, but this of itself would not justify foregoing the considerable commercial revenue from land that could otherwise be sold, unless a clear case of public interest could be established.

### Formal approach

The Committee submitted its report to the governing bodies of the Associations last May, recommending that a formal approach be made to Government asking for the grant of a site at nil or a very favourable premium. Committee deliberations continued for several weeks, and in the meantime it emerged that Government was not convinced that it could support the project.

Eventually, several of the associations most closely concerned with the scheme felt that the odds against success were too great. Faced with this divergence of opinion, the Committee felt there was little point in proceeding, and the concept was regretfully put into wrappers and placed back on the shelf, for re-examination perhaps another day.

This then is the history of the building that never was. But the work that went into the project was not entirely wasted, since it brought together HK's leading trade and industrial associations, both Government financed and those financed by the private sector, as closely as any other matter has ever done and, if nothing else, has helped to improve the cordial working relations that already existed between the various organisations.

## The Productivity Centre In the Wright Direction

**T**HE new Executive Director of the Hong Kong Productivity Centre, Dr. John Wright, is a man with a wealth of practical experience of the technical aspects of industry and this experience is evident when he talks of his plans for the Centre:

'One of the things I think we must do is to shift the emphasis of the Centre more towards the technical side. By this I mean advising and planning on new processes, resiting of industry, re-organisation of plants and production lines, optimisation of production, safer and pleasanter working conditions, and so on — principally aiming at increasing the proportion of added value in HK-made products.

'Now there are two ways of doing this. At one end of the process we can produce more expensive, but hopefully marketable products, so that the added value rises because the price at the far end is increased. This HK is doing already.

'But one can also look at the other end of the process, where HK brings in expensive, so-called raw materials. They're not raw materials in the sense that a fully developed country would mean. They're partially processed materials, already pretty expensive, which HK then turns into finished products.

'Hong Kong does not have the more basic industries to produce a lot of these so-called raw materials. We will probably always have to import steel billet, for instance. But there's no reason why we should not move gradually back towards the iron ore, as it were, by doing some sheet

rolling, or by expanding our presently limited facilities for producing rod, angle, and extrusions of shapes.

'To take another example, HK imports an enormous amount of paper for a huge number of purposes. Perhaps we should go back to importing the raw materials and actually making the paper here? Some industries do this already. For example, cotton is imported in a fairly raw state and made into cloth here and then into garments. Why not other materials too?

Dr. Wright joined the Productivity Centre at the end of June. He replaced the retiring Bill Newton (now installed in Brisbane as the Chamber's part-time representative for industrial investment in Australia).

Prior to his arrival in HK Dr. Wright was the Director of the British Steel Castings Research and Trade Association (SCRATA) and was also closely involved with the formation of an Economic Development Committee for the UK ferrous foundries industry under the National Economic Development Organisation framework.

One of the differences between the Productivity Centre and some similar organisations in Hong Kong, Dr. Wright continued, is that it has no membership. It is roughly 50 per cent Government subvented and the other 50 per cent of its income comes from clients who pay for services. As a result, the Centre does not have a two-way exchange of information with Hong Kong industry.

'One way of getting round this is to have regular members who are in



direct communication with us, even at times when they don't specifically want any advice. We are therefore strongly considering going over to a membership type of structure.

'We do not regard membership as an important new source of income, but as an aid to communication both ways. The Centre has resources which it ought to use more broadly, but doesn't because it can't make the contacts. I think membership would enable clients to contact it far more freely.

'This would also fit in with the business-like philosophy of HK. They are paying a subscription, they know they can get some of that back in the form of services and they will make sure they do.

'Another development which is already well in hand is to produce information packages. There's a great deal of information within the Centre on a number of topics, but it exists in various forms and much of it tends to be rather indigestible.

'We would like to 'package' it in the form of case studies, films and slide shows, video-tapes and so on. These might be on specific industries or processes. Or they might be on 'horizontal' topics, like industrial safety, which are applicable throughout the spectrum of industry.

Dr. Wright believes this is an area where other organisations or individual companies can help greatly. As a first step the Centre would try to find out exactly what is available and then take steps to avoid duplication of effort.

He continued: 'As I said earlier, in the past the Centre has only reacted to clients asking for a particular job to be done. But we may well generate ideas *before* they are asked for by a particular client, to build up expertise and advice for stock, so to speak. In other words we can build up know-how about a particular situation—even though there isn't an immediate need for it—in the hope that we've judged correctly and that need will arise in say 18 months or two and a half years' time. We might even try to make that situation come about.

'Finally, we've got to work out very carefully the relationship between other sources of income and Government subvention. One way is to attract income from Government which isn't direct subvention, but is in fact work sub-contracted to the Centre on behalf of Government, either to supplement the Government's own technical resources in areas where the Centre has more expertise than a particular Government department, or to use the Centre in a professional consultancy role, to give a better assurance of independence to a particular Government study.

'Many UK organisations like the Productivity Centre have gone over to contract work rather than Government subvention in the past few years.'

There were other ideas the Centre was working on, Dr. Wright explained. He had just mentioned a few of the main ones.

'Hong Kong tends to be a bit profligate in the way it uses many of its raw materials. So another thing the

Centre could do is to point out ways of using more economically the expensive material that is imported. This can be done through scrap control or by thinking up ideas of how what would otherwise be scrap can be turned into material for another process.

Dr. Wright cited as an example the manufacture of plugs, switches, adaptors and other electrical fittings. Many of the pieces which go into the assembly of these products are punched out of metal and there is inevitably waste, even though HK manufacturers very sensibly arrange the punching in such a way that they get maximum yield from the material being used. Manufacturers are left at the end with a lot of pieces which are not big enough to be used in *their* particular process, but which could perhaps be used in another industry or another process—for example in making costume jewellery Dr. Wright believes that designers and workers in HK are sufficiently creative to be able to make fashion jewellery out of what other manufacturers regard as scrap.

'If instead of saying "Somebody wants to buy this product, how can we make it?" we say "Can we create a product from this material?" then you get a different approach to the subject. This is quite a legitimate thing for the Centre to be doing if you take the broadest definition of what productivity means, which is simply increasing the added value per man or the added value per square foot.

'One of the problems we're up

against in Hong Kong,' he continued, 'is the reserve of the local businessman. He is reluctant to make full use of the Centre's services, particularly in confidential matters. It's difficult to get a Hong Kong businessman to be absolutely frank and discuss what his ideas or problems are. This problem probably arises because organisations like the HKPC are still relatively new to Hong Kong and they represent a new way of thinking, whereas in the UK or the United States such organisations have been accepted for many years; people know how they work and can trust them.'

'Some local businessmen perhaps feel that they ought to have done things differently in the past or that they don't do things right now. That may well be so, but at the same time the fact that they have expanded so well is very creditable. So would it not be better to take the point of view that they have succeeded with limited resources and how much better could they have done if they had used further advice?'

Dr. Wright has great admiration for the ability and hard work of the Hong Kong businessman and this makes him optimistic for the future. At the same time he realises that local industrialists are facing increasingly greater challenges which will require an up-dating of sometimes outmoded methods and ideas, perhaps a certain degree of reorganisation, and the introduction of higher technology. And these things can be achieved through expert advice and guidance of the Productivity Centre.



# The Boom Watchers

**F**EW youngsters can have been more anxiously watched through childhood and into adolescence than the current boom in world trade.

Both academic economists and businessmen remember perhaps the false boom of 1973/4, when growth in trade was accompanied firstly by shortages, some seemingly more real than others, then by rising costs leading to the stinging inflation of consumer prices; and then, to cap it all, the oil crisis.

Certainly in the latter stages, this was a boom that fed on itself, as businessmen traded with each other and overlooked the fact that the consumer had ceased to buy. As a result of over-stocked inventories and a consumer retreat, the false boom rapidly rolled downhill into recession.

Equally, economists and businessmen, with the wisdom of hindsight, were convinced in 1975 that no true improvement in economic conditions would occur unless it originated in a real pick-up in consumer demand. Every index tracing movements in consumer spending was anxiously scanned for signs of growth, and even when movements did occur spasmodically, few were anxious to place much faith in their significance, until several months consecutive growth was apparent.

The reference to consumer spending means, of course, consumer spending in the wealthy OECD countries, and in particular the United States of America. It is a phenomenon well-enough known to Hong Kong that movements in the trade cycle both

start and finish with the US consumer.

So cautious had the official prophets become that the re-appearance in the US of an upturn in the economic cycle, which started probably during the middle of 1975, was not regarded as 'for real' until several months of solid progress during the winter of '75/6 assured the more cautious that the worst was indeed over.

But the note of cautiousness lingers. In this HK was no exception. It was only at the mid-year that the HK Government admitted that its earlier expectations were perhaps unduly conservative.

And the 'boom-watching' game continues. Recently there has been a spate of new data released by official and not-so-official economists, some of it contradictory. Indeed, the whole business of boom-watching seems to have become as complex an industry as China watching.

A useful survey of the recent findings of boom watchers appeared in the newly established *Asian Wall Street Journal*. The article is by Lindly H. Clark Jr:—

The drama builds toward election day. In the balance hangs the fate of the U.S. economy next year and beyond.

Or does it?

Economists left, middle and right say the course of the economy is largely set for the next two years, no matter who wins the presidency in November. Nearly all of them expect the business recovery to continue into late 1978, although the current

slowdown has led many to cut down the size of the gains they expect next year.

Of course there will be some differences if Jimmy Carter, the erstwhile Georgia governor, becomes President. Both the Democratic candidate and his advisers have called the rapid reduction of unemployment their main economic goal, whereas the Ford administration's main economic goal has been to curb inflation. Mr. Carter has said he will ask for standby wage-price controls for use if needed.

The years 1979, 1980 and beyond are precisely what businessmen are thinking about as they plan new factories and other expansion moves. They worry that efforts to stimulate the economy to create more jobs could eventually mean a return to double-digit inflation. The political uncertainties, analysts say, are partly responsible for the current business slowdown.

## Political Pause

"There's a definite pause in the business climate, and no one can come up with a very good economic reason for it," says George McKinney, senior vice president of Irving Trust Co. New York. "So perhaps the reasons are at least partly political."

Economists stress that politics is only part of the current uncertainty. The 1973-75 recession was much deeper than businessmen or economists expected, and the accompanying inflation was the worst since World War II. "If history is any guide, the current cautious attitudes of businessmen

and consumers will be with us for years to come," says A. Gary Shilling, chief economist of the New York brokerage firm of White, Weld & Co.

The gross national product, adjusted for inflation, rose at an annual rate of only 4.3 per cent in this year's second quarter over the first quarter, sharply lower than the 9.2 per cent gain in the January-March period. With or without Jimmy Carter, most analysts now expect gains to continue at a rate of around 5 per cent in the second half of this year and through 1977, with somewhat slower gains in 1978.

The next recession? Few economists see any possibility of one until after 1978, at the earliest. An exception is George Hitchings, Vice President of MacKay-Shields Financial Corp., a New York consulting firm.

"If business is as strong next year as I expect it to be and if a Carter administration pushes through tax cuts and spending increases, you could increase inflationary expectations," Mr. Hitchings says.

"That could lead businessmen to build up inventories in anticipation of price increases—and create the inflationary pressures they fear. This could lead the Federal Reserve to tighten credit and bring on trouble in 1978."

Most analysts think such pressures would take longer to build up, and at the moment they see no signs of the boom that almost always precedes a bust.

"I'm inclined to feel that we aren't getting anything going strongly enough to give us a recession,"



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says Miss Eickhoff of Townsend-Greenspan. "With the possible exception of auto sales next year, there doesn't seem to be the likelihood of anything doing anything."

Some other aspects of the outlook, as viewed by bankers and economists:

**Inflation:** Analysts on the average expect the consumer price index to rise at rates ranging from 4 per cent to 6 per cent through 1978. Such forecasts are based mainly on the assumption that economic growth will continue to run at no more than moderate rates.

Michael K. Evans, president of Chase Econometric Associates of Bala-Cynwyd, Pa., a subsidiary of Chase Manhattan Corp., recently scaled down, to 5 per cent from 6 per cent, his forecast of the rise of inflation-adjusted gross national product for the year ending next June 30. "Because of the likelihood of slower growth," he says, "the prospect of shortages in the last half of 1977 has dropped sharply." Shortages and bottlenecks, of course, could intensify inflationary pressures.

"There is a chance of a temporary bulge in industrial prices as companies seek to position themselves for a change in administration," says Otto Eckstein, president of Data Resources. "But good agricultural crops and the changes in the outlook for real growth will limit any reacceleration of prices during the months immediately ahead."

**Interest Rates:** The prospect of only modest growth and no reac-

celeration of inflation helps to explain why most analysts foresee only moderate changes in interest rates. And although Arthur Burns, chairman of the Federal Reserve Board, has warned that the Fed will have to slow the growth rate of the money supply over the coming year to check inflation, analysts think the slow pace of the economy will delay any move in that direction.

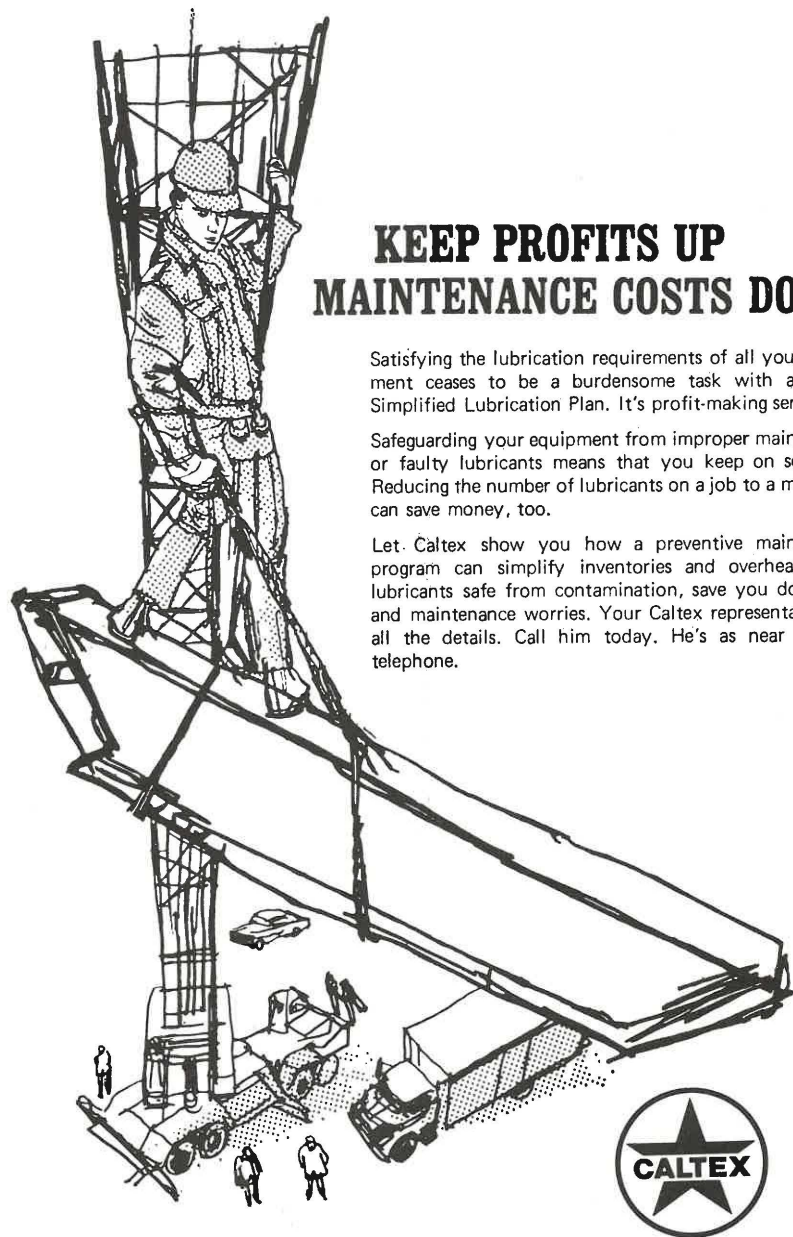
William E. Gibson, economist with the New York brokerage firm of Smith Barney Harris Upham, feels that inside the Fed as well as outside, the concern has moved at least temporarily away from "the dangers of inflation and toward questioning the soundness of the recovery."

In that sort of atmosphere, he says, the Fed will not feel that it has to "pounce immediately" to head off any speed-up in the growth of the money supply. The upshot, in the view of most analysts, is that short-term interest rates will rise gradually over the next year while long-term rates will remain near current levels.

**Unemployment:** The 1973-75 recession deepened so suddenly and unexpectedly in the fall and winter of 1974 that employers cut payrolls with unusual speed. Companies have been cautious about rehiring workers throughout the recovery, wanting first to make sure that the recovery is solid. The current slowdown, economists say, is heightening that caution.

The unemployment rate rose from 7.3 per cent of the labor force in May to 7.5 per cent in June and 7.9 per





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cent in August. The summertime rise is explained partly by problems of seasonal adjustment and partly by a substantial expansion of the labor force.

"Many labor market indicators have been quite encouraging," says Lacy H. Hunt, economist for Philadelphia's Fidelity Bank. "The layoff rate has been unchanged at a very low level in recent months, help-wanted advertisements in newspapers have been on the rise, and total employment has continued to advance smartly."

All things considered, economists on the average expect the unemployment rate to fall to about 7 per cent by the end of this year, to drop to 6 per cent by the end of 1977, and to less than 6 per cent in 1978.

**Housing:** This industry has been a major disappointment to economists not to mention home builders. Housing starts slipped to a seasonally adjusted annual rate of 1.39 million in July from 1.53 million in June. The picture, however, has been spotty. Construction has been depressed in the Northeast and the Southeast, in part by past overbuilding, while housing has been fairly strong in the middle of the country and booming in the West.

In addition, single-family homes have been doing better than multi-family construction. Apartment building has been held down by tenant resistance to the rent levels that builders say they need to make projects profitable.

Nonetheless, a number of factors — a continued strong flow of funds into savings institutions, rising income levels, a rising rate of family formation — lead analysts to predict steady gains for housing. Argus Research Corp., the New York investment-research organization, expects housing starts to rise from 1.51 million this year to 1.84 million in 1977.

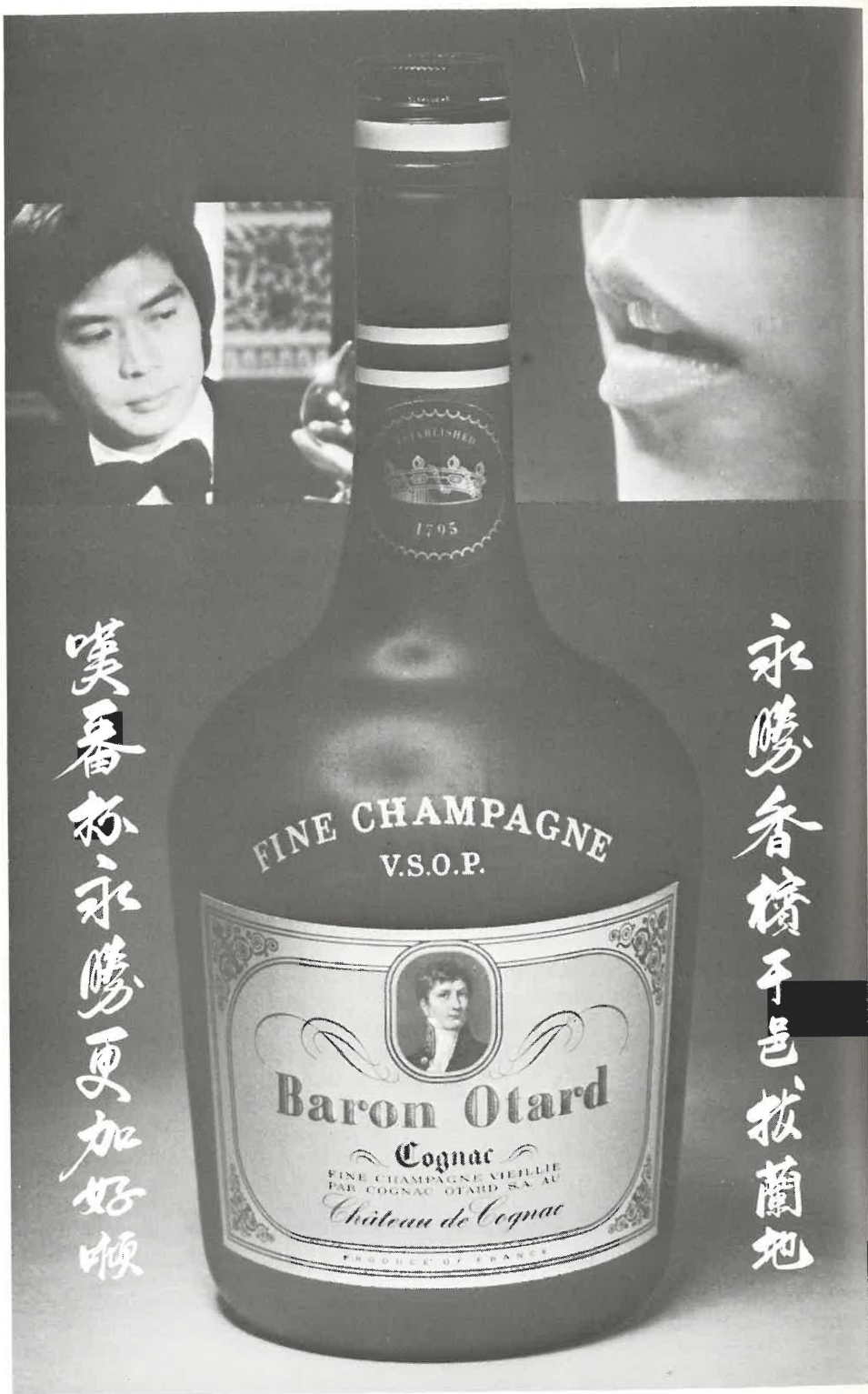
**Consumer Spending:** Outlays for automobiles, appliances, apparel and the like have been the main support of the business recovery. Analysts think that consumers now have largely satisfied the pent-up demands generated during the 1973-75 recession; in their opinion, this explains why sales have flattened out in recent months.

In a widely shared view, Data Resources expects a reacceleration of consumer spending after the current quarter. The consulting firm points to continuing gains in disposable income, even after adjustment for inflation, and the improved condition of consumer balance sheets, a reflection of the high savings rate.

Analysts regard the reaction to the 1977 car models as crucial. Auto makers are raising prices, but Townsend-Grøenspan doesn't think that consumers will regard the increases as excessive.

"The big question," the firm says, "will be the buyer's ability to handle the monthly payments. We would expect lenders to make whatever adjustments are necessary to encourage demand." So, the firm says, General Motors' forecast of record sales in the model year "seems reasonable."





嘆番杯永勝更加好順

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本中心甚至可以設法促進某些情況發生。

「此種改革還有輔助利益，可讓低級職員參加有趣的工作，受到訓練，避免錯誤，為工商界提供更佳服務。

「最後，本中心必須仔細確定政府資助與其他收入之間的關係。方法之一是在政府直接津貼之外，由本中心為政府簽約工作。既可利用本中心的專門人才和設備，為政府部門進行技術工作；也可由本中心扮演專業顧問角色，使政府的調查研究更具客觀獨立性。

「近年來，英國生產力促進中心及其他許多英國組織，都減少政府津貼，依靠合約工作。」

#### 利用廢物 節省原料

胡禮智博士表示，他還在從事其他許多改革，前文只是提及幾個主要的方面。

「香港在使用原料時，往往相當浪費。本中心的另一項任務，是指導更加經濟使用昂貴入口原料的方法。可以實行廢料控制，或將廢料轉變為原料以供再次使用。」

胡禮智博士以開關、插頭等電器的製造程序為例說明。該類產品的許多零件，均由金屬薄片沖壓而成，即使香港製造商已想方設法盡量利用原料，但必然仍會有浪費。剩下來的邊邊角角，對本廠已無用處，但其他工業或其他工廠也許仍能加以利用。例如，胡禮智博士相信，香港的珠寶玉石設計師及

工人，就很有創造性，能將其他行業的所謂廢料加以利用，再做成新潮玉飾。

#### 專家指導 提高功效

「不應被動地等顧客要求製造某種產品，而應主動地設法用材料創造新產品。此項工作正是本中心承擔的職責。就廣義而言，促進生產力就是提高每個人的加入價值，或是每方呎的加入價值。

「本中心反對本港商人的過份謹慎及保守。本港商人不肯充份利用本中心的服務，尤以秘密事務為然；也不願完全坦誠商談其想法及問題。此種問題的產生，是因為生產力促進中心雖然在英美等國已有多年的歷史和信譽，但在香港還新近成立不久，仍代表一種新的思想方式。」

「本港某些商人有種保守的觀念：唯有昨非才能今是。此種說法當然也有道理，但已經取得的巨大進展，却很有說服力。因此，應該改持另一種觀點：既然用有限的資源也能獲得成功，如果應用更好的指導豈不是會獲得更為巨大的成就？」

胡禮智博士高度稱讚香港商人的能幹及勤奮，因而也使他對前途極為樂觀。他同時指出，本港工業家正面臨着日益嚴峻的挑戰，必須不斷改進有些過時的觀念及方法，有時還需要適當的改組及採用更高級技術。香港生產力促進中心，提供專家的指導意見，正是為了更好地達到上述的目標。

## 聯合辦公大樓的來龍去脈

本會會員在過去一年內可能時而聽人提及「聯合辦公大樓」。凡參加本會今年週年大會，或閱讀本會五月份「會刊」，也會記得本會前任主席霍沛德曾在報告中提及此事。

究竟「聯合辦公大樓」是怎麼回事？首先，不妨交代結果：聯合辦公大樓被認為雖

是好主意，但却好極有限，暫時已經打入冷宮，束之高閣。

聯合辦公大樓是香港各大工商組織意圖興建的一幢大廈，以設立各自的總部及辦事處。此等組織計有香港總商會、貿易發展局、旅遊協會、中華廠商會、生產力促進中心、工業總會、出口信用保險局、科學管理協



會及印度商會。此幢大廈將是一現代化的優美建築，足以成為香港建築業的樣辦及香港工商業的櫥窗。

本會去年十一月曾召集一次會議，提出發展此一大廈的概念。會後，為此成立了一個調查委員會，由各有關組織委派代表組成，由本會助理執行董事葛立科任主席，由生產力促進中心行政部經理及促進中心秘書陳少感任副主席。

該委員會立即確定，聯合辦公大樓無論有何種爭議及困難，但對於租用樓宇辦公的組織肯定具有經濟價值。其中有五個組織，在一九七六年中計算，合共每年須付房租高達四百四十萬元，而且今後還會繼續加租。香港上海滙豐銀行物業部及香港建築師協會協助進行調查，表示一幢高級新式大樓，足以容納上述各大工商組織，其發展成本約為二千五百萬元至五千萬元之間。

興建此一大樓的資金似乎也可籌得。幾間本港銀行表示對此項工程感到興趣。雖然並未正式簽訂合約，但種種跡象表明各大工商組織如決定將此計劃付諸實行，將可獲得合理優待。然而，還有一大必要條件：各大工商組織有銀行支持，當可籌集大樓建築工程的資金；但卻絕對無力按商業條件購置一幅地皮。

該委員會決定，既然發展此一樓宇是爲了公共的利益，或許可以說服港府以特廉價格提供一幅地皮，如同對藝術中心一樣。於是，該委員會非正式地諮詢港府對此一計劃的初步反應。港府表示須要考慮此一提議。

與此同時，該委員會進一步制定了詳細計劃。各有關工商組織大多同意，地盤必須位於中區，如在中區以外則非但不能協助反而會防碍各大組織爲工商界提供服務。當然，由於中區是地王，相應會使政府更難同意提供地盤。

該委員會還考慮過與港府達成協議，在此大樓內也容納政府部門——最佳合作對象

顯然是工商署。該委員會曾與工商署初步商談，但並未獲致明確結論，因爲該署另有其他優先條件，只有在該等條件無法實現時，才會考慮加入聯合辦公大樓。

該委員會還考慮過邀請其他工商團體參加。但某些團體無意在中區設辦事處，另一些機構則代表特別利益而並非代表香港工商業。於是，該委員會決定，短期內不宜增加成員，但應在大樓中設置會議室，供其他組織租用。

討論中還提及在大樓中設置一間陳列室，甚或一間展覽廳，以及一些社交場所，例如一個工商界人士的會所。

各有關工商組織認爲，此一計劃面臨一項複雜的因素：地下鐵路正在迅速佔用中區幾乎所有的空地。於是與地下鐵路管理局洽商，是否能達成一致。但因此一計劃的「如果」及「但是」實在太多，結果仍未達成明確協定。

平心而論，各有關工商組織中，有的租用他人樓宇，有的已有自置樓宇，有的正在自置樓宇，情況勢必較爲複雜，但大多均認爲聯合辦公大樓確具經濟價值。然而，此一計劃還有其他更多的價值。各大工商組織位於同一幢大樓之中，必然能對工商界提供更佳的服務，也能爲本港及海外商人提供諸多便利。

港府表示對此一計劃亦持類似看法，能大量減少對貿易發展局等機構的房租津貼，確有節省經費的價值；但僅是此一點却並不足以證明有必要放棄出售土地的商業收益，除非能確定此一計劃真的符合公眾的利益。

該委員會於今年五月向各有關組織的決策機構呈交了一份報告書，建議正式向港府要求免費或按特別優待價格撥予一幅地皮。該委員會持續商討達數星期之久，結果港府却表示無法支持此一計劃。

於是，幾個有關的組織認爲，失敗的可能實在太大了。該委員會決定，既然意見出現分歧，就沒有必要再繼續下去。可惜此一

計劃就此被束之高閣——將來或許會有一天重新予以檢討。

本文就是此一紙上大樓的來龍去脈。然而，對於此一計劃的研討工作並非全屬浪費

## 「繁榮觀察家」叢談

舉世都在密切觀察世界貿易的繁榮趨勢。經濟學家及商人均會記得一九七三至七四年的虛假繁榮：貿易增長，勞工短缺，成本增加，物價飛漲，直至石油危機，相繼發生，接踵而來。到了後期，此種繁榮可謂作法自斃，商人相互交易，豈知消費者已停止購買。結果，存貨大量堆積，消費力普遍下挫，虛假的繁榮急劇轉變成了經濟衰退。

經濟學家及商人吸取了教訓，到一九七五年，確信唯有消費力確實回升，經濟才會真正復甦。於是，消費指數的升降成爲密切注視的焦點。但即使間或略有上升，也無人再敢過份奢望。直到連續數月明顯增長後，才恢復了樂觀信心。

當然，消費力通常是指經濟合作及發展組織的富裕國家，尤其是美國的消費力。香港人已很熟悉此種現象；貿易盛衰的周期隨美國消費力的強弱而始終。

美國經濟在一九七五年中已開始回升，但官方的預測却過份謹慎，認爲此種回升「並不真實」。直到七五年底，連續數月穩定進展後，才普遍確信最低點已經真正過去。

但謹慎心理依然存在。香港也不例外。香港政府直到今年年中，才承認其原先的預測可能過份保守。

然而，「繁榮觀察家」的熱潮方興未艾。最近，官方與半官方經濟學家紛紛發表大量新的數據資料，有些頗爲相互矛盾。事實上，繁榮觀察似乎與中國問題觀察一樣，業已成爲一種相當複雜的行業。

新近創刊的「亞洲華爾街日報」上，有一篇論述繁榮觀察家各項新發現的文章，作

者。此項工作使香港各大工商組織，無論屬政府資助或私人組織，集中商談研討，密切程度可謂前所未有，確實有助於增進各大工商組織之間的親密合作關係。

者是林德美·卡拉克。本文摘譯如下：

美國大選的帷幕即將升起。天平上放的是美國經濟在明年及往後的命運。

難道不是嗎？

左、中、右的經濟學家都表示，無論十一月裏何人當選爲總統，今後兩年的經濟趨向業已確定。他們幾乎一致預測經濟恢復將持續到一九七八年下半年，不過目前的滯緩已使許多人減少了對明年增長的預測。

當然，如果喬治亞州長卡達當選爲總統，就會有所不同。此位民主黨候選人及其智囊團宣稱他們的主要經濟目標是迅速減少失業；而福特政府的主要經濟目標却一直是抑制通貨膨脹。卡達已經表明，他會在必要時提議採取控制工資及物價的政策。

經濟顧問及銀行家表示，對卡達政策的難以確定，有助於放緩存貨的支出及擴展廠房及設備的支出。與此同時，卡達當了總統可能至少要强行控制物價，似乎已經促使鋼、鋁及其他工業設法加價。

如所預料，共和黨提名福特競選總統後，卡達在民意測驗中遙遙領先的地位已告衰退，但仍然佔先，很可能成爲下屆總統。然而，經濟分析家們強調，任何新的卡達政綱——增加開支，減少稅收等等——在一九七八年前對工商業不會有多大影響。

工商界人士計劃開設新廠及其他擴展行動時，考慮的正是——一九七九年、一九八〇年及此後數年。他們担心，刺激經濟以增加就業的措施，結果又會導致十位數的通脹率。經濟分析家們認爲目前經濟恢復放緩，部份應歸咎於政治的不穩定。



紐約歐文信託公司高級副總裁佐治·麥堅尼指出：「工商業的特別停頓，如果並無明顯的經濟原因，就至少部分是出於政治原因。」

經濟學家強調，政治只是造成目前不穩定局面的部份因素。一九七三至七五年的經濟衰退遠比經濟學家預料的深重，隨之而來的通貨膨脹是二次大戰以來最嚴重的一次。紐約華偉公司經紀行首席經濟學家格列·薛林表示：「如果歷史有指導作用，商人與消費者目前的謹慎態度，就會在今後數年中繼續存在。」

美國國民生產總值，今年第二季度比第一季度只增加百分之四點三，比一至三月的增幅百分之九點二大為降低。無論卡達當選或落選，大多數經濟學家預料今年下半年及一九七七年的增幅均將是百分之五左右，而一九七八年的增長將會進一步放緩。

那末，下一次經濟衰退何時來臨？極大多數經濟學家認為，至少在一九七八年之前沒有任何可能發生。紐約一間顧問公司，麥凱西茲財務公司副總裁佐治·赫青斯則另有異見。

「如果明年的經濟如本人所料相當堅穩，又假定卡達政府實行減少稅收及增加開支的政策，通貨膨脹預料就會加劇。結果，商人為防加價就會囤積存貨，反而促發他們所害怕的通脹壓力。於是，聯邦儲備金就要緊縮貸款，到一九七八年就會發生麻煩了。」

大多數經濟學家認為，目前尚未能看到衰退前總會有的繁榮景象。其他各方面的情況如下：

**通貨膨脹：**一般預測消費物價指數在一九七八年的增幅約為百分之四至六。此種預測的根據是估計經濟增長的幅度不會很大。

數據資源公司總裁奧圖·艾克斯表示：「工業公司企圖改變行政管理，會使工業物價暫時漲價。但農業收成良好及商人希望實際增長會在今後數月中阻止物價上漲。」

**利率：**經濟緩慢增長及通脹不致加速的

前景，有助於解釋大多數經濟學家預測利率變化甚微。儘管聯邦儲備委員會主席亞瑟·彭斯曾警告在明年將放緩貸款增幅以制止通脹，經濟學家仍然認為經濟的緩慢增長會延遲任何此類行動。

大多數經濟學家預測，明年的短期利率將會逐漸提高，而長期利率將維持目前的水平。

**失業：**僱主因為在經濟衰退期間大量裁員，以致經濟恢復以來，仍不敢貿然招聘工人。目前的滯緩，更使僱主們份外謹慎。失業率，五月為百分之七點三，六月為百分之七點九。

費城費特列銀行的經濟學家萊錫·亨脫指出：「勞工市場有許多跡象相當令人鼓舞。最近數月中的解僱率一直維持極低水平，報紙招聘廣告不斷增多，就業總數繼續迅速增加。」

經濟學家大致預測失業率到今年年底將會降至百分之七，到一九七七年年底將會減至百分之六，到一九七八年更會跌至百分之六以下。

**住宅：**經濟學家認為此一方面最令人失望。住宅動工興建總數，六月份是一百五十三萬個單位，到七月份減為一百三十九萬個單位。單家獨戶的住宅比多家合住的住宅較受歡迎。公寓住宅則因住客反對加租而大為減少。

但蓄儲存款增加，收入提高及成家率升高等多種因素，使經濟學家預測住宅會積極增加。紐約投資研究組織阿古斯研究公司預料，住宅興建總數今年將是一百五十一萬個單位，明年將增至一百八十四個單位。

消費開支：汽車、用具、服裝等的消費是經濟恢復的主要支持。經濟學家認為，消費者已大致滿足了衰退期中久已抑制的需求，因此最近數月中銷售量大為增加。

數據資源公司指出國民收入提高，儲備存款增加。因此，預料消費開支在本季度後將會增加，此種見解相當普遍。



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