The Hong Kong General Chamber of Commerce

The Bulletin

The US Economy now – one view

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SEPTEMBER 1975

美・加經濟一覽

本年六月及七月本會公共關係部經理葛立科先生承渡假之便，造訪在美國及加拿大之總商會，世界貿易中心及其他機構。所與交談的人氏包括一些典型的出入口商人、銀行家、主理運輸的行政人員及政府官員等。此舉主要是告訴彼等關於香港在七十年代的狀況，並對彼等解釋香港和中國間的關係。葛氏並藉此機會和彼等討論該地經濟近況。本文是紀錄所得的實情和訪問後的印像。

一般來說，葛氏在兩國所訪問的是次要，但並不是不重要的機構。其旅程並不包括美國的紐約、芝加高和羅省的三大商會，加拿大之滿地可和多倫多的兩大商會，。因爲香港通過貿易發展局在這些地方，已經有了良好的代表。同時因爲是夏天，很多辦公地方都休假，因此兩國首都，華盛頓和渥太華都不在行程之列。所訪問的九個城市，以人口的多少來排列包括波士頓、三藩市、侯斯頓、水牛地、紐奧連斯、鳳凰城、愛比素、和加拿大的溫哥華及溫尼伯。

此等地方可以說得上由北美洲中部選出來而具有代表性的。各城市的經濟活動亦並不一致，由太空時代的侯斯頓到古老的紐奧連斯，由已有良好工業基礎的水牛城到「發展中」的鳳凰城（在亞里桑那），所訪問的城市沒有兩個是相同的，而每一個在某一方面對美國經濟都具代表性。

葛氏除了介紹香港是消費品的可靠製造者，和工業投資的穩健地方外，彼又企圖找出每處目下經濟狀況及商業復甦的程度，希望他們大量的落單定購港貨。

經濟漸復甦

大概來說，美國的經濟在六月及七月已開始有轉機的跡象。例如全國性的失業雖然仍然高，但並沒有增加，其百份率亦不如今年初之高。華盛頓官方的意見似乎是「我們已經渡過最壞的時刻」。從美元對加元的堅持亦可以反映出來。這與幾個月前美元疲弱的情況適得其反。

但商人並沒有如官方那麼樂觀。大多數對何時會好轉一事並不願作預測。對問及「某一城市經濟蕭條是否已成過去」的答覆都是：「還未過去」。最基層的美國商人都相信要再過一個時期——到一九七六年——經濟才可恢復重整起來。

困難重重？

美國仍受許多問題所窘擾。例如失業數字不但包括工人被解僱，亦有不少的行政人員失業。同時轉業的機會又有限。通貨膨脹率雖然不如一年前的高，但仍然存在。例如原油不久又要加倍。肉類的價格則差不多是有史以來最高。

現時的希望是由於美國總統大選期近，美國政府會迫於今年底或明年初採取行動使通貨復歸原先狀態，但又恐怕此行動會帶來物價更進一步的上漲。

簡單來說，整個情況並不明朗化。多數人都同意事情不會壞下去，但很少人會認爲他們已漸入佳景。

各區經濟有異

以上所說的是整體的情況，但在美國各地考察所得結論是美國並不是簡單地一個經濟區，而是很多個經濟區的。在訪問不同地區後所得的報告大爲有異。每一地區的形式和該地區的經濟活動很有關連。例如拿兩個極端例子來說，紐奧連斯的失業率是比全國的平均爲低，其數字爲百份之六而平均爲百份之九。在水牛城則超過百份之十五。

紐奥連斯

在解釋此差別時，有人指出紐奥連斯很少依賴製造的工業，主要還是一個港口，集中在商業和傳統上的航運事業。此等經濟活動並不如需要大量工人的工業，如汽車生產工業等。紐奥連斯亦有蓬勃的旅遊業來彌補經濟的不景。一位紐奥連斯商會負責人解釋說：「我們實在很少受着經濟衰退的影響，我們的失業情形和往年差不多。但我們目下的失業並不會因一般經濟好轉而消失。我們的問題是我們屬於這在睡眠中南方太久，而我們並不察覺其他地方正在經濟的成長中，祗有我們發覺近於喬治亞洲的「亞利他」城在前數年也發展起來，我們才發覺失去了機會，現在眞的做起一些補救工夫來。」

像香港一樣，紐奥連斯亦着重吸引新的工業，並有具體的計劃去爭取投資。目前正因爲該地並不過份依賴生產性的工業而市民得保持原有工作機會。

水牛城

在紐約州的水牛城，商人所陳述的則完全與以上相反。水牛城雖然是一個港口和穀類磨坊的中心，亦十分依賴製造工業。尤其汽車工業及鋼鐵業佔工人就業的一重要部份，此兩類工業在近月來表現甚差，因此失業率在水牛城比全國的平均數爲高。估計由百份之十五至百份之二十不等。一位商人解釋說：「我的主要經營是橡膠製成品的生產，而我們亦從事貿易，實際有時我們從貿易中所賺的錢比製造業多。我們一直維持橡膠製成品的生產而以爲這是我們經營的基礎。貿易這一方面是有衰退的一天的 。 但目前眞正是適得其反 ， 我們靠貿易來維持製造業。」

龐大的波士頓

在到訪各地最大的城市是波士頓。它本身亦有其問題存在。麻省是一個令人覺得沮喪的地方。失業問題是美國各地其中最棘手之一。波士頓目下的失業率是百份之十五。水牛城的失業問題是暫時性的，一旦汽車及鋼鐵業有轉機，失業便不復存在。但波士頓的問題則似乎更難控制。

侯斯頓之發展

與擠迫的波士頓成對照的是侯斯頓德薩斯州的侯斯頓是美國發展最快速的城市。和波士頓比較，兩者的差異可立即看出來。侯斯頓的商業是二十世紀七十年代的，而波士頓雖然有些現代化的建築，但整個城市或許可以說存有十八世紀的氣氛。侯斯頓因爲是石油工業的中心，故頗有辦法應付經濟衰退，比起波士頓或大多數美國城市，他們以爲經濟衰退對侯斯頓的影響甚少。

加拿大展望

如果說美國的經濟衰退主要是生產工業方面的現象，這似乎有些簡化了整個問題，但這種論調是有根據的。又如果說西岸比東岸應付經濟衰退有較好的表現，亦可以說有跡象顯示如此。在加拿大亦復如是。温尼伯和温哥華兩埠，因爲主要是農產品和基層工業，其經濟的狀況亦比多倫多等工業中心爲佳。

開拓新市場

此等情況對香港商人是不言而喻的者應該強調泛論美國一般經濟狀況是會受到誤解的。由於美國和加拿大兩國都是太富庶和太複雜，經濟學家很難作任何抽象統計。現時北美洲一些地方的繁榮是地區性的，主要看該地方以甚麼行業爲經濟支柱。

最後所可以帶給各位的，還要舊調重彈——分散市場的需要。近月來本「會訊」及其他論調均力主到亞拉伯各國和東歐國家找尋新的市場。在面積龐大的美國和加拿大，亦可從中找到新市場！

Launching Our Satellites

HONG KONG, as we all know only too well, is one of the most densely populated places on earth. At the time of the last census in 1971 there were 9,562 persons per square mile. But the greater part of Hong Kong — about 90 per cent of it — has a population density of less than 2,500 persons per square mile, while on the other hand some 3.5 million people are crammed into about 40 square miles — an area consisting of a narrow urban strip along the north side of the Island, the peninsula of Kowloon, New Kowloon and the industrial town of Tsuen Wan. In places the population density reaches more than 300,000 per square mile, and in one district — Mong Kok — it reaches a horrendous 400,612 persons per square mile.

It is estimated that Hong Kong's population will reach nearly five million by the end of this decade and nearly six million by the year 1991. Can Government continue, as in the past, to house these people, to provide them with all the necessary facilities such as schools, hospitals, community and recreational amenities, and so on? Will they be provided with jobs? Is there sufficient land left in HK to continue the process of urban expansion or has saturation point already been reached?

More room can of course be made by tearing down further hillsides and using the excavated material to reclaim land from the sea. But many people would claim that saturation point was reached long ago; that most if not all of Hong Kong's social problems — and perhaps even some of its economic ones — boil down basically to the problem of overcrowding; that although housing, schools, hospitals, recreational facilities, etc. have been provided, they have necessarily been of a basic, sometimes even makeshift, nature, and that the environmental conditions in which the great majority of people in Hong Kong have to live are not particularly pleasant.

Take Tsuen Wan, for example, a town of nearly half a million people. Old-timers in Hong Kong can clearly remember when Tsuen Wan was a peaceful little NT village, with a population of perhaps a few hundred. Then came the refugee influx after 1949. Squatter huts appeared all over the hillsides and industrialists from Shanghai chose Tsuen Wan as the site for their textile factories. Within the space of a few years Tsuen Wan had become the textile centre of Hong Kong and a rapidly growing industrial town. At such a pace did it grow, in fact, that it was virtually impossible to plan its development. As a result, Tsuen Wan today is sorely lacking in many of the social, cultural and recreational facilities that a town of its size really ought to have. Tsuen Wan is perhaps a model of "laissez-faire" development.

Industrialisation has invariably been accompanied by large-scale migration from the countryside to the cities and a steady centralisation of industry, commerce and administration. In many of the world's major cities it is common to find a comparatively small and older city centre, or perhaps a number of city centres, and then miles and miles of sprawling suburbia. In Hong Kong — fortunately one might say — the suburban spread has been limited by physical geography, but urban overcrowding is that much worse as a result. The only viable alternative therefore — apart from building upwards rather than outwards — is to decentralise. That is, to move people and their jobs out of the urban areas and into the New Territories.

Such decentralisation has been carried out in many large cities. Often satellite towns have been deliberately created within commuting distance of the city. In other cases, however, the new towns are not designed purely to 'feed' the city, but are independent, self-contained communities equipped with most of the facilities available in the older cities and with their own local industry, but with a far more pleasant environment.

10-year plan

If the 1950s and 60s were the era of industrialisation and urban expansion in Hong Kong, then the 70s and 80s will be the era of decentralisation — although of course both industrial development and urban expansion and renewal will continue. The ambitious 10-year housing plan launched by His Excellency in the Legislative Council in October 1972 called for the provision of new housing for up to 1.8 million people by 1984. The bulk of this new housing will be in the New Territories. Very little new public housing is planned for HK Island or Kowloon.

While Government has been thinking and talking about the need to decentralise since at least the mid-1960s, the 10-year plan marked the beginning in earnest of the massive task of shifting people into new towns. When the plan is completed there should be permanent, self-contained accommodation in a reasonable environment for everyone in Hong Kong. We shall see the elimination of most squatter areas and of the worst overcrowding in both the public and the private sectors. The sheer numbers of people involved, and the speed at which the plan is to be carried out, make it unique.

The 10-year plan was drawn up before the current recession necessitated curbs on Government expenditure. Progress on the new towns has recently slowed down to some extent. The '10-year' plan is now unlikely to be fulfilled before 1986. Nevertheless, Government is expected to spend about $517 million on new towns development this year, rising to about $680 million in 1976/77, $825m. in 1977/78, $1,025m. in 1978/79 and $1,070m. in 1979/80.

New towns are planned at Tsuen Wan, which is to be developed further (but this time in a planned way), Shatin and Tuen Mun (Castle Peak). There are also plans to build up the market towns of Taipo, Yuen Long and Fanling/Sheung Shui as ancillary centres. Each new town will be as far as possible self-contained in terms of both community facilities and job opportunities — although to be realistic it must be expected that there will be a certain amount of commuting in the early stages.

Community facilities and services will be provided on the same basis as Kowloon and Hong Kong, although the new towns will benefit from being built later and therefore to the higher standards that now prevail. Perhaps the nearest parallel is Government's newest estate at Oi Man. However, rents in the new towns will be somewhat lower than they are at Oi Man.

Three Government departments are directly involved in new towns development. They are the New Territories Administration, the New Territories Development Department of the Public Works Department and the Housing Department. But it would be fairer to say that the overall development is a coordinated effort involving to varying degrees every Government department. This involvement is reflected in the membership of the committees which are responsible for the planning and overseeing of the development.

There are three New Towns Management Committees in charge of the actual day to day running of the three new towns. The Deputy Secretary for the New Territories chairs these committees and the relevant District Officers (i.e. Tsuen Wan, Shatin and Tuen Mun) are the Vice-Chairmen. The committees also include the respective Project Managers (who are under the New Territories Development Department of the PWD) and representatives of other Government departments such as Urban Services, Housing, Police, Transport, and so on.

The New Territories Development Planning Committee is chaired by the Secretary for the New Territories and includes representatives from the NT Administration and the PWD. The Works Progress Committees (again, there is one for each of the new towns) are concerned with the physical provision of facilities and the progress of construction work. The make-up of these three committees is similar to that of the three New Towns Management Committees, with the Director of New Territories Development as Chairman of all three.

Scaled-down

The projected target populations for Tsuen Wan, Shatin and Tuen Mun respectively by the year 1984 are 834,000, 447,950, and 467,000 — giving a total of 1,749,750. With the slow-down in the implementation of the plan, however, these figures should be scaled down accordingly.

The main plans for Tsuen Wan are centred in the area north of Castle Peak Road, and Tsing Yi Island. The first stages of development, consisting of resumption, clearance and some site formation are now underway.

The Tsuen Wan North Area is zoned for public housing and site formation is now in progress for the Cheung Shan Housing Estate (population 12,500). Preparations are also in hand to clear the land for the Shing On Housing Estate (population 27,000). These two estates are planned to be completed in 1978 and 1979 respectively.

To implement the whole of this development, several old villages will have to be cleared and reprovisioned, whilst a very large settlement of squatters will have to be provided with public housing. Naturally the villagers' rights and traditional way of life have to be respected and they are offered generous terms of compensation which include the construction of new houses.

With the completion of the bridge between Kwai Chung and Tsing Yi in February 1974 and with the existence of large platforms on the island, formed when this part of the island was used as a borrow area for the nearby Container Port, the way was open for the development of Tsing Yi Island. The island will eventually house 156,000, mainly in two large housing estates, the first of which is now under construction.

Tsing Yi Island will also be an important industrial area. This has been made possible by the Government's revised land policy of granting sites to industries considered to be of particular benefit to Hong Kong. Under this policy Outboard Marine International S.A. and Dow Chemical Pacific Ltd. were granted land in 1972 and 1973 respectively and work on both the marine outboard engine factory and the polystyrene plant is now in its final stages.

Other recent industrial proposals for Tsing Yi include the granting of seven acres of land to Feoso Oil Ltd. in 1973 for the storage of oil to be imported from China.

Development of the Shatin new town commenced in March 1970 with the construction of the bypass. Stage One, Phase One then comprised the formation of about 100 acres to support a population of only 30,000. The plan included a Government Housing estate for 20,000 persons, 10 acres of land for private housing and another 10 acres for industrial development at Fo Tan, the remaining acreage being for recreation, roads and community facilities. But the scope of the plans for Shatin was widened with the 10-year plan to include a further housing estate and additional roads required to cope with traffic from the new race course.

Progress

Responsibility for development of the Shatin new town was assumed by the Shatin New Town Development Office of the Public Works Department on August 1, 1973, working in close co-operation with the NT Administration which set up a separate Shatin District Office in 1974.

Progress on reclamation and site formation at Shatin has so far been good. About 180 acres of land has been formed, of which 58 acres are for public housing and the remainder for light industry, private residential and commercial, Government, institution and community purposes, and roads and open space. The construction of Lek Yuen Sun Tsuen estate, which will accommodate about 23,000 people, is maintaining steady progress, and intake has already commenced in the first two blocks. Reclamation for another estate, Wo Che, adjacent to Lek Yuen, is complete and piling work has begun. To handle the expected increase in traffic, design of the Tai Po road improvement is in hand and work is due to begin in January next year. Formation of a 10-acre industrial estate at Fo Tan is complete, and the construction of internal roads and drainage has commenced.

A report by Maunsell Consultants Asia was completed last December and recommended the development of a further 890 acres at Shatin, making a total of 995 acres, eventually to accommodate 250,000 people, of whom 69 per cent will be in public housing. The extent to which work on this development proceeds during 1975/76, however, depends to a large degree on financial constraints. All the new towns development programmes will be kept under constant review to adapt to economic, engineering and policy changes. But it is hoped that work will commence in 1975/76 to provide a site for public housing for a further 14,000 people and in Fo Tan, where a further 74 acres of land will be formed for light industrial development. Fo Tan is to be one of the main industrial areas in Shatin. So far two sites have been granted to China Resources for an oil-storage and dry-goods depot, and two further sites will be put up for auction later this year.

Government intends to make available large areas of Shatin New Town for private development. Tenders have been invited for the development of 140 acres of sea-bed, of which about 40 acres would be retained by the developer for private housing and the remainder would be returned to Government.

The development of Tuen Mun will take place in three stages. The first stage, due to have been completed around the middle of this year, makes available 230 acres of land, of which some 200 acres have already been formed and partly developed. The second stage entails large-scale reclamation work in Castle Peak Bay. Major building development will include the construction of three public housing estates with a total capacity of 85,000 people, private residential development to accommodate 11,000, plus 55 acres of industrial land. The total cost of this stage will be in the region of $1,200 million. The third stage of Tuen Mun is scheduled to commence in the late 70s/early 80s and preliminary studies are already underway.

Tuen Mun presents rather special difficulties in that it is more isolated than the other new towns. Good and fast communications are essential if industry and people are to be attracted to the town. Work is currently underway to build a three-lane carriageway from Tsuen Wan to Tuen Mun at a cost of over $300 million. A further three-lane carriageway will be constructed in the early 1980s at a cost of $200 million.

Private industrial development in Tuen Mun has not proceeded as quickly as should have been expected, partly because this is not a time of expansion for most developers, (indeed, there is still factory space available in more desirable areas of HK) and partly, perhaps, because the relative isolation of the area from the city

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Of Metres, Candelas and Moles

HONG KONG's success has often been attributed to its willingness to supply what the rest of the world wants. Whether the rest of the world actually *wants* to go metric is a point of some controversy. But regardless of convention, taste and tradition, most industrialised countries have, reluctantly or otherwise, accepted the fact that metrication could make life a lot easier — once the initial problems of its acceptance have been overcome.

Metrication is one answer to the world's need for standardization. It is of course a system of measurement using the decimal system of units as a base. Most are acquainted with it via the use of centimetres, metres, kilometres, kilogrammes and litres, and it is the system long used in a number of European countries.

Since 1875 all international matters concerning the metric system have been the responsibility of the General Conference of Weights and Measures (CGPM). In 1954 a system of units based on the metre, kilogram, second, ampere, the kelvin (as the unit of temperature) and the candela (as the unit of luminous intensity) was adopted. This system was given the title 'Système Internationale d'Unités', more commonly referred to as SI units. In 1971 the mole was added to SI as the unit for the measure of substance.

Why HK needs to metricate is perhaps best expressed in a guide booklet published by the Federation of Hong Kong Industries:—

'Realising the increasing world-wide use of metric units we have truly no option to stay imperial without suffering serious disadvantages and incurring substantial costs simply as a result of resisting change. To stay imperial Hong Kong industry will be partially crippled by the fact that most of our trading partners have gone metric and there would be repercussions on the standard of living.'

The complexity of the HK system is shown by the fact that rice and foodstuffs sold in the markets come in taels and catties while the supermarkets carry them in ounces and pounds, while milk and other beverages, including the hard variety, come in pints, quarts or gallons. Imported items from Europe and Australia give weights and measures in metric, but those from the US, Canada and to some extent the UK still follow the old imperial system.

The committee

The conversion to metrication in HK was originally the responsibility of the Metrication Committee. Established in May 1970 with the Hon. Dr. S. Y. Chung as its Chairman, the Committee's job was to consider the implications for Hong Kong of the increasing world-wide use of the metric system with particular reference to the UK and the USA; to advise the Governor on the timing of a change to metric in different sectors of the economy, including Government departments; and to guide and keep progress under review, including making recommendations on necessary legislation; and to set up subcommittees to study individual areas of commerce and industry.

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Picture Briefing

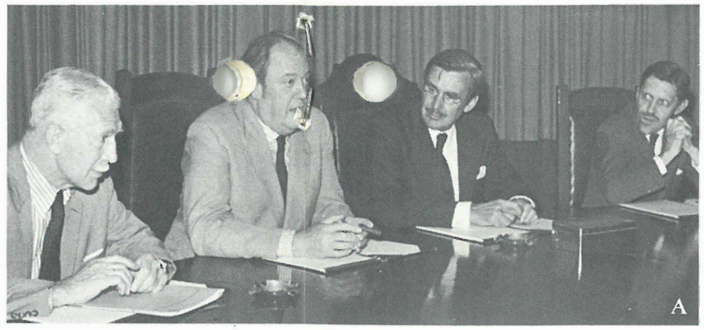
A. The Chamber recently received two important visitors from the European Economic Commission. Sir Christopher Soames, P.C., C.M.G. (2nd from left), Vice President in charge of External Affairs, and Dr. E. P. Wellenstein (left) held talks with the Chairman, Mr. Peter Foxon, and other senior Chamber officers.

B. Discussions were also held with Ambassador Paul-Henri Wurth (right), Chairman of the Textile Surveillance Body of GATT. He is seen here with the Vice Chairman, Mr. Leslie Gordon.

C. General Committee member, Mr. J. L. Marden, MA, spoke to members on trading opportunities in Brazil after his return from a fact finding tour of that country.

D. Over 215 members attended a luncheon talk on August 6 where Lawrence Mills, Deputy Director of the Department of Commerce and Industry, and Chief Negotiator at the recent textile talks with the EEC, presented an in-depth look at what Hong Kong can expect from the Textile Agreement with the Common Market.

E. Mr. Samir E. Fares (right) Vice President of Intermarkets S. A. L., a marketing agency based in Beirut and consultants for the HKTDC in the Arab Area, discussed trading opportunities in the region with the Arab Area Committee on August 7.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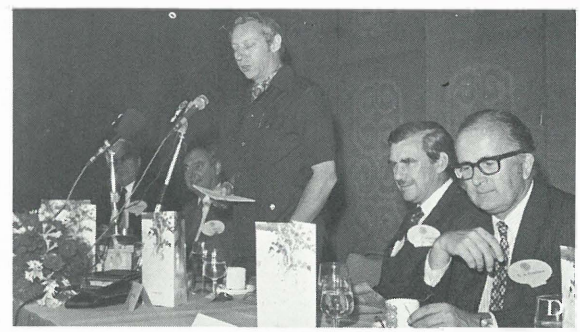
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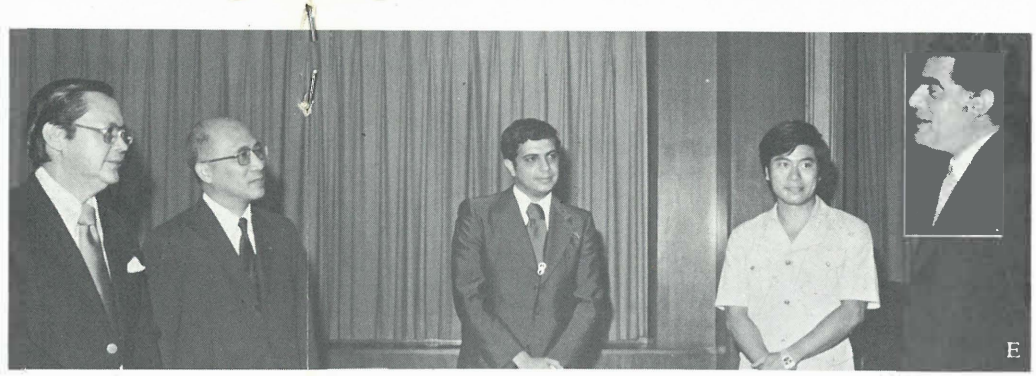
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The Committee adopted two principles. One was that conversion should be voluntary and no compulsory powers would be sought. The other was that the costs of conversion should lie where they fell and that there should be no compensation. The conversion to metrication could therefore seem a lengthy task.

In 1970 there were less than 15 countries that had not gone fully metric but were in the process of doing so. Our Asian neighbours, including China, our main European markets, the African countries, the Arab area, the Comecon — all these have long been using the metric system. Hong Kong however did not go metric largely because the UK had not converted fully. And other leading markets — the US, Canada, Australia, New Zealand and South Africa were at that stage still in a 'mixed' position.

Pressing need

Today the need for Hong Kong to convert is more pressing. Australia and New Zealand are talking metric. The United Kingdom, with its currency decimalised, is on its way but at a perhaps slow pace. But even in Britain, whatever is quoted in imperial weights and measures is now usually followed by the metric equivalent.

Canada's conversion to metrication started with the Federal Government's issuing of a White Paper in early 1970 setting out the basic principle that conversion was both inevitable and in the national interest. While no deadline has been set for Canada's full conversion, certain target dates have been set for individual areas of interest and industries.

The United States 'conversion to metric' may be slower. A plan for a metric conversion period of 10 years was refused by the House of Representatives. But three months ago legislation calling for a planned conversion to metrification (as metrication is called in the States) within an unspecified time was approved unanimously by the House Science Committee.

Early in 1971 our own Metrication Committee carried out a survey into the status of metrication in individual industries. The findings showed that metrication from outside had made some degree of conversion inevitable. In manufacturing industry, metric units were already being used extensively. The most stubborn difficulties of conversion, it was recognised, would come from the wholesale and retail trades.

The Metrication Committee recommended in its Report that Government make a firm decision in principle to embark on a programme of metrication in areas for which it was directly responsible. Foremost in their minds were public works and education. In May that year the Directors of Education and Public Works began to draw up plans to implement metrication in their respective departments.

A look at the Public Works Department today shows that the SI system is increasingly being used in government building and construction. The transitional stage is in fact nearly over.

Mr. M. M. Luxton, Govt. Quantity

Surveyor and Chairman of the PWD Metrication Steering Committee, says 'We set up our own committee as early as 1970. All areas of public works are represented on the Committee together with a representative from the Building Contractors' Association, Hong Kong University, private architects and the Colonial Secretariat. The full-time PWD Metrication Officer is the Secretary.'

'Our first task was to re-calibrate our equipment to meet metric standards and to familiarise our staff with metric calculations. The Metrication Officer and his small staff have been busy instituting training programmes. These courses have been supplemented by literature on metric information and visual aids.'

'A programme instituted in 1970 set mid-1974 as the earliest date that the PWD could expect to go metric. It was a massive task but the Department is now virtually all metric.'

Mr. Luxton stressed, however, the need for enabling legislation to bring the private building and construction sector into the metric picture. 'It will soon be a case of all public sector work being carried out in metric while private sector work will continue in imperial. What we need now is enabling legislation which would act as a guideline for us and would let the private building industry know where it stands.'

The Education Department too is anxiously waiting for a policy guideline. It has however taken the initial steps proposed by the Metrication Committee. In 1971 the Department informed heads of primary schools that from September 1972, emphasis was to be laid on the metric system in mathematics. In order to familiarise teaching staff, the Department holds seminars and workshops and supplies teaching aids.

In 1973, the Department issued a metricated primary school syllabus. Metrication was worked into the Secondary School Entrance Examination syllabus and Chinese terms for metric units were circularised.

'Metric units are now being taught together with other units of measurement in all primary schools,' said Mr. W. C. Wong, Inspector of Schools.

Enacting legislation was to have followed the 4th Interim Report of the Metrication Committee. The Committee was however dissolved after this Report. It felt that it had accomplished the work set out in its terms of reference and that it was now up to Government to take over. An advisory body was to be established with responsibility for metric conversion and to act as a focal point between Government and the public over policy matters and decisions. It was to be served by a Metrication Secretariat. However in 1973, the economic slump set in, and government decided to cut expenditure.

Mr. B. L. Coak, Assistant Secretary in the Economic Services Branch and a member of the PWD Metrication Committee, explained, 'The Metrication Bill has actually been drafted. But it must be realised that conversion is an expensive undertaking and would

cont'd. Pg. 25

US Economy

Recession lingers, but more with some than others

DURING June and July, the Chamber's Public Relations Manager, Harry Garlick, took the opportunity to combine a period of leave in the United States and Canada with visits to North American Chambers of Commerce, World Trade Centres and related organisations. He visited nine centres and spoke to audiences consisting typically of importers and exporters, bankers, transport executives, Government officers and others, in order to give them a view of Hong Kong in the nineteen-seventies, and — in response to repeated requests — an explanation of its relations with China.

He also took the opportunity to discuss the current state of the US economy with those he met. This article records some of the facts gathered and impressions formed.

In general, visits were made to secondary — but by no means unimportant — centres in both countries. The US Big Three of New York, Chicago and Los Angeles were avoided, as well as the Canadian Big Two of Montreal and Toronto. HK is already well represented, via the TDC and other bodies, in these centres. And since it was the summer season and many offices closed, the capital cities of Washington and Ottawa were also avoided — from a business point of view at least. The nine centres visited included — in order of size of population — Boston, San Francisco, Houston, Buffalo, New Orleans, Phoenix and El Paso and in Canada, Vancouver and Winnipeg.

This gave a representative selection of 'Middle America', from the very large to the medium sized, and took in centres varying widely in their economic activities — from space age Houston to old world New Orleans, from the well-established industrial centre of Buffalo to the 'developing area' of Phoenix, Arizona. No two centres were similar, yet each in its own way was typical of an aspect of the American economy.

Pulling-out of recession?

Apart from the primary purpose of selling Hong Kong, both as a reliable manufacturer of consumer goods and as a stable centre for industrial investment, an attempt was made to find out how each centre was faring economically at present and to what extent a business revival — and thus hopefully an influx in orders for HK-made goods — was imminent.

In the overall sense, the US economy was beginning to show signs of an upturn during June and July. The national rate of unemployment, for example, whilst still high, was not increasing at anything like the same rate as earlier in the year. The official view from Washington appeared to be 'we're over the worst'. This was reflected in, for instance, a strengthening to an above par position for the US dollar vis-a-vis the Canadian dollar, thus reversing the situation that had obtained for some months previously.

This optimism was not however widely shared by private businessmen, most of whom were reluctant to put forward any forecast as to when things might really get under way again.

The question 'how has city X come through the recession?' was all too often met with the reply 'it hasn't — yet'. At grassroots level many US businessmen believe it will be some time — say, not until 1976 — before business activity starts to build.

Americans are still bothered by many problems. The unemployment figure, for example, includes not only the many operatives laid off (apart from those working short time) but also a considerable degree of executive unemployment. Many in the latter category have been out of work for some months, and lack the opportunity open to the less qualified worker of being able to switch jobs with relative ease. Inflation, although not running at the heights of a year ago, still remains an unwelcome house-guest for many Americans. For instance, gasoline prices are due for another price hike shortly, and meat prices are currently running at, or close to, an all time high.

President to act?

The hope — which is tinged also with some apprehension — is that the forthcoming presidential election will force the Administration to take reflating action early next year or later this year. The fear is that this action will also bring with it a further severe increase in the already high level of prices.

In short, the overall situation is somewhat unclear. Most agree that things are not getting worse. But few would care to suggest that they are actually getting better.

So much for the overall picture. But what emerges strongly — indeed overwhelmingly — in any whistle stop tour of the US is simply that it is not one economy but many.

Varied reports

Different centres visited gave a very different report of what had happened to them during the past year or so, and this in turn was linked to the predominant form, or forms, of economic activity in such area. Thus, to take two extremes, it was claimed that unemployment in New Orleans was running considerably below the national average — as low as six per cent against an average of nine — whereas in Buffalo it was more probably in excess of 15 per cent.

To explain this discrepancy, it was pointed out that New Orleans relied little on manufacturing industry, but was primarily a port, concentrating on the commercial activities traditionally associated with a shipping centre. These activities were not so prone to the swings in unemployment levels as more labour intensive forms of activity such as the automobile industry. New Orleans is also fortunate in having a deservedly flourishing tourist industry, which has helped shelter local employees from the worse effects of recession.

An executive of the New Orleans Chamber explained: 'We've really been little touched by the recession. Our level of unemployment now is

much what it has been in previous years. But unfortunately the unemployment that there is — which is probably high in comparison with other places during better times — is not going to disappear once times get easier. Our problem is that for too long we were part of the sleepy south, and we didn't realise that growth was going on elsewhere. It was only when Atlanta, nearby in Georgia, really started going places some few years ago, that we found what we were missing. And we're doing something about it at last.'

New Orleans, like Hong Kong, is keen to attract new industry, and has established an aggressive programme for bringing in investment. In the meantime, however, New Orleans has, somewhat paradoxically, benefitted by being able to keep most of its citizens in jobs as a result of not having committed itself too heavily to manufacturing.

Buffalo hit

Businessmen in Buffalo, New York State, presented a completely opposite picture. Buffalo, although a port and grain milling centre, is heavily dependent on manufacturing. In particular, automobiles and steel employ a large sector of the labour force. Both industries have done particularly badly in recent months. Consequently the unemployment rate in Buffalo is running way ahead of the national average. Fifteen per cent is the figure usually mentioned, although in private discussion some businessmen opine that the figure might more accurately be put nearer 20 per cent.

One businessman explained, 'My staple business is manufacturing rubber products, but we're also active in trading, and in fact sometimes make more money out of trading than out of manufacturing. We keep the rubber business going under the impression that it's really our basic insurance when things go sour on the trading side. But at present, the exact opposite is true. It's the trading side that is keeping the manufacturing side going.'

Tougher problem

The largest centre visited, Boston, also has its problems. Massachusetts state is something of a depressed area with one of the tougher unemployment problems in the US. Currently unemployment in Boston is around the 15 per cent level, but whereas Buffalo's unemployment problems are temporary and will disappear once the automobile and steel industries improve, Boston's problems appear to be more intractable.

In complete contrast to crowded Boston, Houston, Texas, is the most rapidly expanding city in the USA. The difference shows immediately. The business centre of Houston is strictly nineteen seventies, whereas Boston, although it has its share of impressive modern buildings, might be more aptly described as seventeen-nineties. Which one prefers architecturally is a matter of taste, but Houston, partly because it is an important centre for the oil industry, has managed to come through the recession better than Boston or indeed most

US cities. Once again it was claimed that the recession had made relatively little impact on Houston.

Yet also within the state of Texas, though considerably further west, the town of El Paso, which, like HK, is a centre for the clothing industry, reports unemployment running at about the national average, largely owing to world wide sluggishness in the textile industry.

Manufacturing hardest hit

It would be over-simplification to suggest that recession in the USA is largely a phenomenon of manufacturing industry. But the generalisation would appear to have some foundation. It would be an even greater distortion to suggest that the west might have coped with recession rather better than the east, but again there is some evidence to suggest it. This same pattern emerges also in Canada, where Winnipeg and Vancouver, with heavy reliance on agriculture and other primary industries, seem to have fared better than manufacturing centres such as Toronto.

But however one assesses the manifestations of recession, it is apparent that there is a vast discrepancy between different centres as far as their current economic health is concerned.

The implications for the Hong Kong businessman should not require spelling out. But it is perhaps worth stressing that the tendency to talk of 'the US economy' can be misleading. One might perhaps be able to talk meaningfully of, let us say, the Macau economy, since this is a reasonably simple and coherent whole, and any form of downturn in one sector is likely to be reflected in others. But both the USA and Canada are too big, too rich and too complex to fit into the next abstract statistics of macro-economists.

The current prosperity of any particular parts of North America will to a great extent depend on the local circumstance, which in turn will be related to the extent to which that centre is primarily concerned with manufacturing, shipping, commerce and finance, agriculture, mining or whatever. One would for example like to know the current rate of unemployment in Las Vegas. Gambling may have been affected by the recession, but has it lead to the hardship experience by the automobile industry?

Familiar theme

Ultimately, the message therefore is the same old familiar theme — the need for diversification of markets. In recent months, much has been said both in this magazine and elsewhere about the need to find newer markets such as the Arab states and Eastern Europe, so as to compensate for fall-offs elsewhere. The same message would appear to hold true — at least to some extent — within countries of the size of the USA and Canada. The need to get out and explore new markets, and to sell aggressively within them, remains true on a national as well as an international basis.

NEW TOWNS—continued

is rather off-putting to would-be developers. However, there are now positive indicators that the pace is picking up. A total of 31 lots has been sold since 1970, comprising some 900,000 sq. ft. and there remains some 400,000 sq. ft. of industrial land available for disposal.

The successful development of new towns must be a joint effort between Government and the private industrialists and developers. In order to encourage industrial development in the new towns, Government has recently introduced a new scheme of land disposal by public tender. A site of 38,000 square feet has been set aside in Tuen Mun for this purpose. Under this scheme, the industrial land to be disposed of will not necessarily go to the highest bidder, but rather to the genuine developer who has demonstrated his earnest intentions to develop the land in a manner which would be beneficial to the economy. Tenders were invited early this month and the closing date is August 30. It is Government's intention to dispose of two further sites in Sha Tin on the same tendering basis.

Launching Hong Kong's first satellite towns is an enormous task. To quote His Excellency in that far-seeing speech to Legco in October 1972, 'Quite apart from the financial aspects of such a programme, a massive administrative and professional effort will be required and a high degree of efficiency and co-ordination will be essential in the planning, management and construction of housing under the new programme.'

METRICATION—continued

need a minimum of five years to implement.

'The UK is going about it more slowly and over a longer period. For Hong Kong a swift changeover would probably be far more effective. This would necessarily mean a larger staff for a Secretariat. Restrictions on the size of the civil service prevents the setting-up of a Metrication Secretariat at present.'

Mr. Coak says Government is looking into less costly staff alternatives to enable the Bill to go forward. 'One suggestion has been the build-up of the PWD Metrication Unit. The unit could perhaps be brought into central Government so that it could initiate allround movement towards metrication in government. The Unit could then be built up and possibly transformed into the Secretariat administering both the Government and the public changeover to metrication.'

Says Mr. Richard Liu of the FHKI's Testing and Standards Centre, 'The situation is unsatisfactory in that we are waiting for an official commitment from Government to go metric. In the meantime we hope to pass on the 'think metric' message to more sectors of the public, hence the metric exhibition we are holding later this year, which is being organised in conjunction with the Polytechnic and assisted by the PWD Metrication Officer.'

'We have also been circulating metric information through our quarterly Standards Bulletin. The Federation is also contemplating continuing the Metrication Guide Series.'

發展新市鎮

如衆所週知，香港爲世界人口稠密地方之一。一九七一年之人口調查統計顯示本 港平均每方哩人口爲九千五百六十二。但本港百份之九十之地區，其人口密度每方哩只約二千五百人，而約共三百五十萬居民部擠身於四十方哩土地上——這包括港 島北部、九龍半島、新九龍及荃灣工業區。

在上述地區中一些地方人口密度爲每方哩三十萬人，在旺角甚而每方哩四十多萬。

估計在一九七零年代末期，本港人口將增至五百萬人，於一九九一年將約爲六百萬。

政府能否繼續供給居民所需之樓房？學校、醫院及康樂場所？工作？

香港還有足夠地方作市區擴展之用？

誠然，我們可移山填海，但很多人仕均一致認爲很久以前已達到飽和點，而本港許多之社會甚而經濟問題基本上皆因居住環境過度擠迫所致。

荃灣工業區

以荃灣而言，現刻人口約五十多萬。前輩們當記得荃灣以前爲一平靜小鄉村，居民只約數百。一九四九年難民湧進香港期間，山坡木屋林立，從上海而來之工業家均選擇荃灣建立紡織廠。因此在短短數年間，荃灣成爲本港之紡織中心及發展迅速之工業城市，其發展是如此迅速至未令添設合適之文娛設備。

「衛星城市」

工業化使人們從鄉村移居至城市，在世界許多主要城市常見其結構爲一古舊城市中心，四週遍佈廣大的郊野。在香港，鄉郊地域受其地理環境所限制，而城市內又造成人口擁擠。其解决方法也就是把人們從城市移向新界定居及作工。因而建立了衛星城市。該等城市能自供自給，有其本身工業及環境幽美。一九五零及六零年代爲香港之「工業及城市擴展期」，而一九七零及八零年代將爲「分散期」。

十年房屋大計

一九七二年十月，港督麥理浩爵士在立法局會議席上公佈屋宇建設計劃，政府計劃在一九八四年能多使一百八十萬人在公共樓宇居住。新建之公共樓宇將在新界各區。

此屋宇十年建設計劃也就是使居民移居新的市鎮，取締現有之簡陋木屋及減輕了目下公共及私人樓宇之稠密情況。但此計劃乃於政府决定削減經費前所釐訂，現今新市鎮之興建計劃有所延阻，估計「十年計劃」很難於一九八六年前實現。但本年度，政府在新市鎮所花費款項達四億五千萬元，於一九七六年將達八億萬，一九七七年九億萬，及於一九七八及七九年則增至十一億。

設備齊全

新市鎮興建地區爲荃灣、沙田及青山之屯門。目下之計劃亦包括在大埔、元朗、粉嶺及上水興建「輔屬中心。」

部門分工合作

負責新市鎮建設及發展之政府部門爲新界民政署，工務局及房屋司署等。但差不多其他政府部門亦予以協助。

新市鎮建設日常工作乃由三個新市鎮管理委員會負責，新界民政署之助理秘書長出任主席，而荃灣、沙田及屯門三區之區內民政主任爲副主席。委員會其他委員包括策劃主任（爲工務局人員）、市政事務署、房屋司署、警署及交通部等要員。

新界發展策劃委員會之主席爲負責管理新界行政之秘書長，其他成員包括工務局人

員等。

工務局屬下之工作進展委員會負責興建程序中各項工作事宜。

人口一百七十萬

於一九八四年，預料新市鎮之人口，荃灣爲八十三萬，沙田爲四十四萬及屯門爲四十六萬——總數爲一百七十多萬。

於大埔而言，該處人口將爲八萬一千，粉嶺及上水爲七萬六千，元朗爲八萬四千。

荃灣·青衣島

荃灣之發展計劃主要爲青山道以北及青衣島。發展之第一階段包括土地清理及地盤形成等事宜。

荃灣以北之地區將爲興建公共樓宇之用。目下在興建中之兩組樓房將分別於一九七八及七九年完成。其間，一些古舊村落將被清除，村民均獲安置於公共樓宇內。

一九七四年二月，葵涌及青山間之橋樑興建完竣，有便青衣島之發展。該處區興建樓宇將爲兩組，居民將約十五萬六千。

該處在政府之更改土地政策下予以本港特別利益的工業將可獲撥地發展。基於此，於一九七二年，船外機國際公司，及於一九七二年陶氏化學太平洋有限公司，均獲撥地發展廠房。

一九七三年，一煉油公司獲地七畝以興建油庫存貯從大陸運致之原油。據悉，金山輪船有限公司可能獲青衣島西南部土地約十二畝以擴展其船塢服務。

沙田發展大計

沙田新市鎮之發展始於一九七零年三月，興建的第一階段包括一沙田小路，及整理完竣土地約一百畝，作三萬名居民住居之用。該處計劃興建之公共樓宇可容居民二萬名，十畝土地作私用樓宇之用。另外在火炭區之十畝土地則作工業發展之用。其餘將爲興建道路及文娛設備等用途。

於屋宇建設十年計劃下，沙田將興建多一幢政府樓房及道路，以應付新馬塲交通方面之需。

自一九七三年八月，工務局之沙田辦事處便開始負責沙田新市鎮發展事宜目下，在沙田已有土地一百八十多畝備用，其中，[illegible]十八畝將用作公共樓宇之興建，其他則爲[illegible]用住宅、工商機構及道路等。

現刻，政府正研究改善大埔道以應付未來車輛之增加，預料一切工作將於明年一月進行。在沙田火炭興建面積約十方畝之工業新區業已完竣。

目下政府正考慮把沙田新市鎮一些土地予以私人機構作發展之用。再者，政府亦在研究吐露海港之塡海工作。

屯門新市鎮

屯門之發展計劃可分三階段。首期於去年中完成，可供地二百三十畝。第二階段爲青山灣塡海工程。該處興建之公共樓宇預料可容納居民八萬五千人，私用樓房料可容居民一萬，工業土地約佔五十五畝。政府現正研究第三階段之工程計劃。

屯門新市鎮遠離其他市區，因此該處急需良好之交通系統以吸引居民。而故此於荃灣及屯門之間將興建一耗資超過三億元之大道。於一九八零年亦將興建另一總值二億[illegible]之康莊道路。

現刻，屯門之工業發展使人失望，主要原因除却其隔涉之地理環境外，目下並非擴建發展之時刻。

策劃週詳

一個衛星城市之建立並非易爲。一如港督於一九七二年十月之立法局會議上說道：「除却經濟一欄外，我們需要行政上，技倆上高度之效率，及在策劃、管理與共建設上之相互合作才行。」

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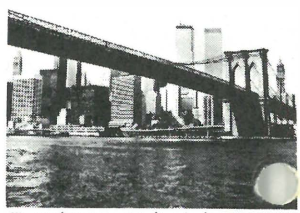

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