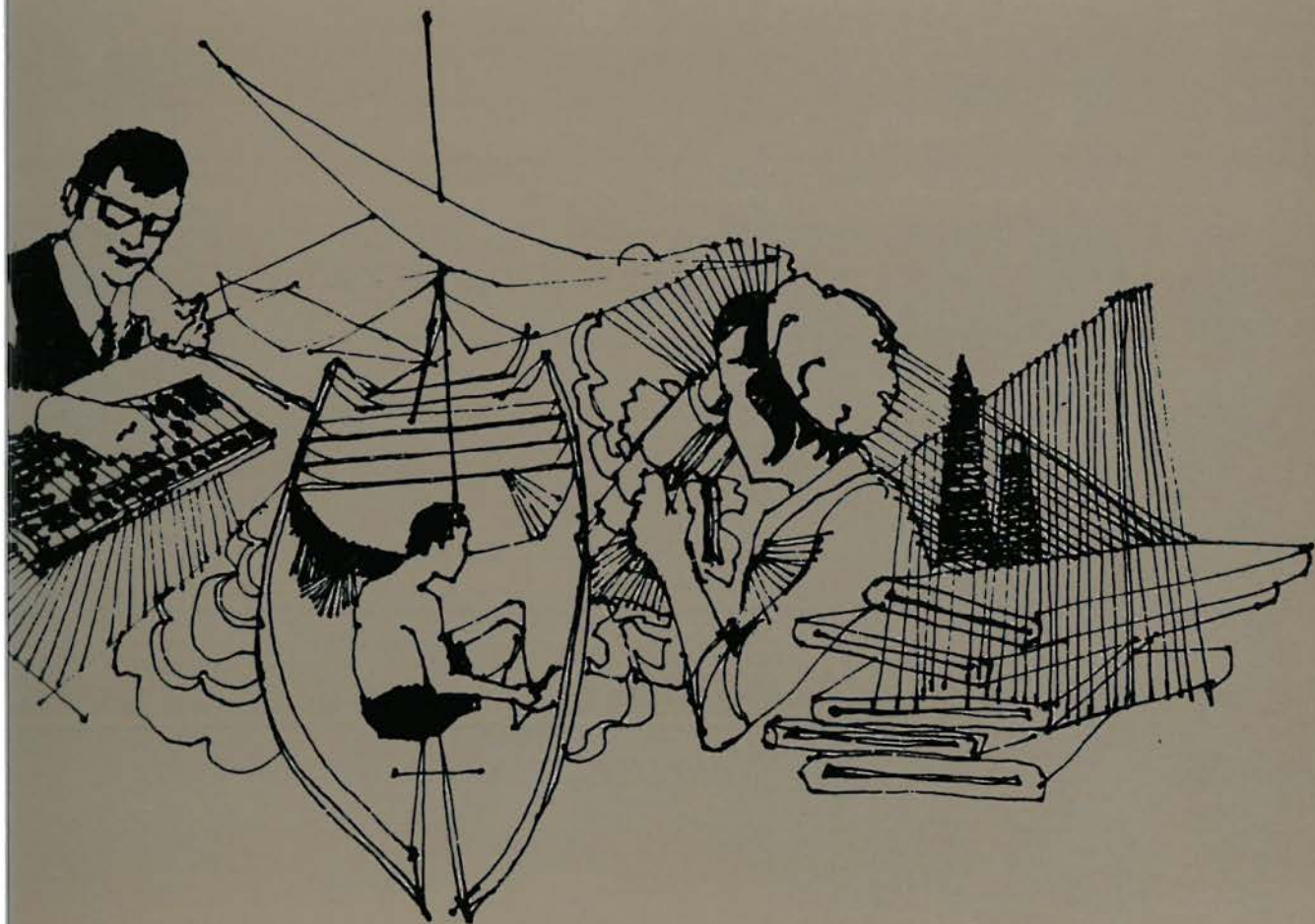


The Hong Kong General Chamber of Commerce
Annual Report and Accounts for 1973





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General Committee

Hon. P.G. Williams
(Chairman)

H.P. Foxon
(Vice-Chairman)

Hon. T.K. Ann, OBE

F.W.P. Bentley
Appt February 1974

J.H. Bremridge
H.J.C. Browne, OBE—res April 1973
R. Burrell, DFC—res May 1973

Hon. Sir Sik-nin Chau, CBE

Hon. Sir Douglas Clague, CBE, MC

Henry S.H. Fung

L.W. Gordon

Sir Lawrence Kadoorie, CBE,
Chev. Le^g d'Honneur

Hon. Sir Yuet-keung Kan, CBE, LL.D.

H. Keswick

J.L. Marden, MA
G.M.B. Salmon, OBE—res April 1973

N.A. Rigg

Hon. G.R. Ross, CBE

Hon. G.M. Sayer

Director

J.B. Kite, OBE

Bankers

The Hongkong and Shanghai
Banking Corporation

Treasurers

Lowe, Bingham & Matthews

Chairman's Statement

The optimistic view of world affairs which seemed justified at the beginning of 1973 was dimmed during the course of the year by the breakdown of the cease-fire agreement in Vietnam and the outbreak of renewed hostilities in the Middle East. As yet no solutions appear to be in sight in either area although successful efforts to secure the disengagement of armed forces may be the prelude to a political settlement of the Middle East conflict which if unresolved could present even greater threats than the economic and political consequences we have already experienced.

Increasing shortages of industrial raw materials in world markets have added cost-push to existing demand-pull factors to produce exceptionally high inflation rates. In attempting to curb inflation and reserve supplies for their own industries several Governments in 1973 suspended exports of vital foods and raw materials. A number of these suspensions have been removed but several still exist. With its complete dependence on imports Hong Kong is in an exposed position and reluctantly has been forced to follow suit to the extent of instituting a system of control over the re-export of plastic raw material. Such control is an example, fortunately rare here, but justified, of Governmental intervention in the market to assist continuity of supply to our factories and, indirectly, to reduce sharp, locally induced, price inflation and undue profiteering. Price controls alone in such a situation would have been difficult to administer and probably ineffective.

As long as it has been possible to obtain the necessary raw materials, Hong Kong factories have in the main been able to quote prices acceptable to overseas buyers even though prices had often to be renegotiated in the light of increased costs. However, as the raw material supply position has deteriorated, delivery dates have lengthened and cases have been reported of exporters not observing strictly the terms of letters of credit. Often new sources of supply have had to be sought. The decision by oil producing and exporting countries to reduce supplies and increase prices added a new dimension to the situation, bringing serious balance of payments difficulties to oil importing countries and a sudden fall in economic growth prospects in our major markets.

How well is Hong Kong equipped to cope with the situation and what precautions can we take?

On the liabilities side we are vulnerable because of our open economy and complete dependence on overseas trade. In our overseas markets, we face the danger of protective measures being taken even when they are against the spirit of agreed GATT principles. Tourism, our biggest source of income from invisible trade could be affected by the increasing cost of travel, likely fall in disposable income of visitors and cut back in air services. With a prolonged period of 'stagflation' there is a possibility of falling profits, of reductions in real wages, investment and employment.

On the assets side we have sizeable official Sterling reserves, as yet still guaranteed in terms of the US Dollar, to cushion any balance of payments difficulties; our commercial base and infrastructure is advanced and growing as are our technological and commercial skills; we have a strong currency and the ability to maintain it.

But Hong Kong's greatest asset is the mettle of its people shown by the bearing of many of small means who suffered severely with little complaint when the stock market collapsed in 1973. They are now also suffering from rising prices. To the extent that this is due to imported inflation little can be done. We must however ensure that inflation is not generated internally. There is every sign that Government is alert to its responsibilities in this respect but it is not sufficient to ensure merely that growth of aggregate Government expenditure does not exceed the growth of the gross domestic product. Even if we had an accounting system capable of producing a reliable estimate of the gross domestic product for purposes of fiscal policy, it would still be necessary to look closely at its composition and undertake a detailed sectoral analysis, since some factors of production are, of course, specific to a particular sector. Apart too from internal inflationary dangers, we must heed the warnings given by the Chairman of the Urban Council and by the Director of Public Works. Our enormous plans for public works and high building activity in the private sector could result in labour and material shortages, a deterioration in constructional standards and inability to adhere to contractual completion dates.

1974 sees the beginning of the end of the Commonwealth Preference Scheme with the first phase of the alignment of the United Kingdom's external tariff with that of the European Economic Community. We were prepared for this change. We were not prepared however for UK's adoption, at the same time, of an EEC Generalised Preference Scheme which discriminates against Hong Kong by excluding our textiles and footwear while admitting those of our main competitors. Such discrimination is inconsistent with the principles of the GATT of which the EEC is a leading member. In August the Chamber and other leading associations petitioned HM Secretary of State for Foreign & Commonwealth affairs stressing the dangers for Hong Kong should our exports of textiles and footwear be placed in the position in the UK market of losing Commonwealth Preference whilst our competitors' products would be gaining generalised preference. It was therefore a disappointment to Hong Kong when HMG adopted the EEC scheme albeit with the declared intention of seeking an improvement in its terms and operation when it comes due for review in 1975. Japan's more liberal attitude was welcome. The list of exceptions in her Generalised Preference Scheme was greatly reduced and we are sanguine that the few that remain will soon be removed.

The USA is now considering the establishment of a Generalised Preference Scheme and there are grounds for hoping that care will be taken to avoid the discriminatory aspects of the EEC Scheme. The effect of any discrimination against us in our main market could have fatal consequences. Business sentiment was heartened by the USA's decision to ease restrictions on foreign investments from the beginning of 1974, and we look forward to an increase in the already substantial American direct investments in Hong Kong.

Chairman's Statement (Cont'd)

A notable achievement at the close of the year was the new Arrangement on International Trade in Textiles drawn up in Geneva under the auspices of the GATT. The new Arrangement covering cotton, wool and man-made fibres will last for four years from January, 1974, replacing the Cotton Textiles Arrangement which had been in existence for over 11 years. As a result of the terms of this new Arrangement it is hoped that the existing bilateral agreements which Hong Kong has with a number of its trading partners can be substantially improved. 1974 will be a busy year for our negotiators but their task is made easier by the fact that the new Arrangement is more specific and fair in setting out the conditions in which export restraint can be justified. The Arrangement is now open for acceptance by contracting parties to the GATT and by the EEC. The latter has here an opportunity to give a powerful lead in trade liberalisation.

In view of the difficulties of currency upheavals, raw material shortages, inflation and a relatively slow rate of growth of world trade, the 25 per cent increase to HK\$19,474 million in our domestic exports is surprisingly good and is convincing evidence that in 1973 Hong Kong at least maintained its relative competitive position. Inflation accounts for a large part but by no means all of the increase in value but trading up has helped and we estimate that in volume terms our domestic exports increased by at least 10 per cent.

The growth in re-exports of 57 per cent to HK\$6,525 million reflects Hong Kong's growing value as an outlet for China-made goods and now accounts for 25 per cent of our total exports.

Imports increased by 33 per cent to HK\$29,005 million leaving a deficit of HK\$3,006 million in our balance of overall trade.

Growth in our overseas trade can be maintained only by continued efforts to diversify our markets and improve the quality and widen the range of our manufactured products. Following an exploratory visit by the Director, the Chamber sponsored a trade mission to Central and South American markets and supported the Trade Development Council in a mission to African markets. We participated, for the fifth time, in the Berlin Fair and our East European Area Committee had a useful visit to countries in their area. With the Chinese Manufacturers' Association we launched a floating exhibition to Australia.

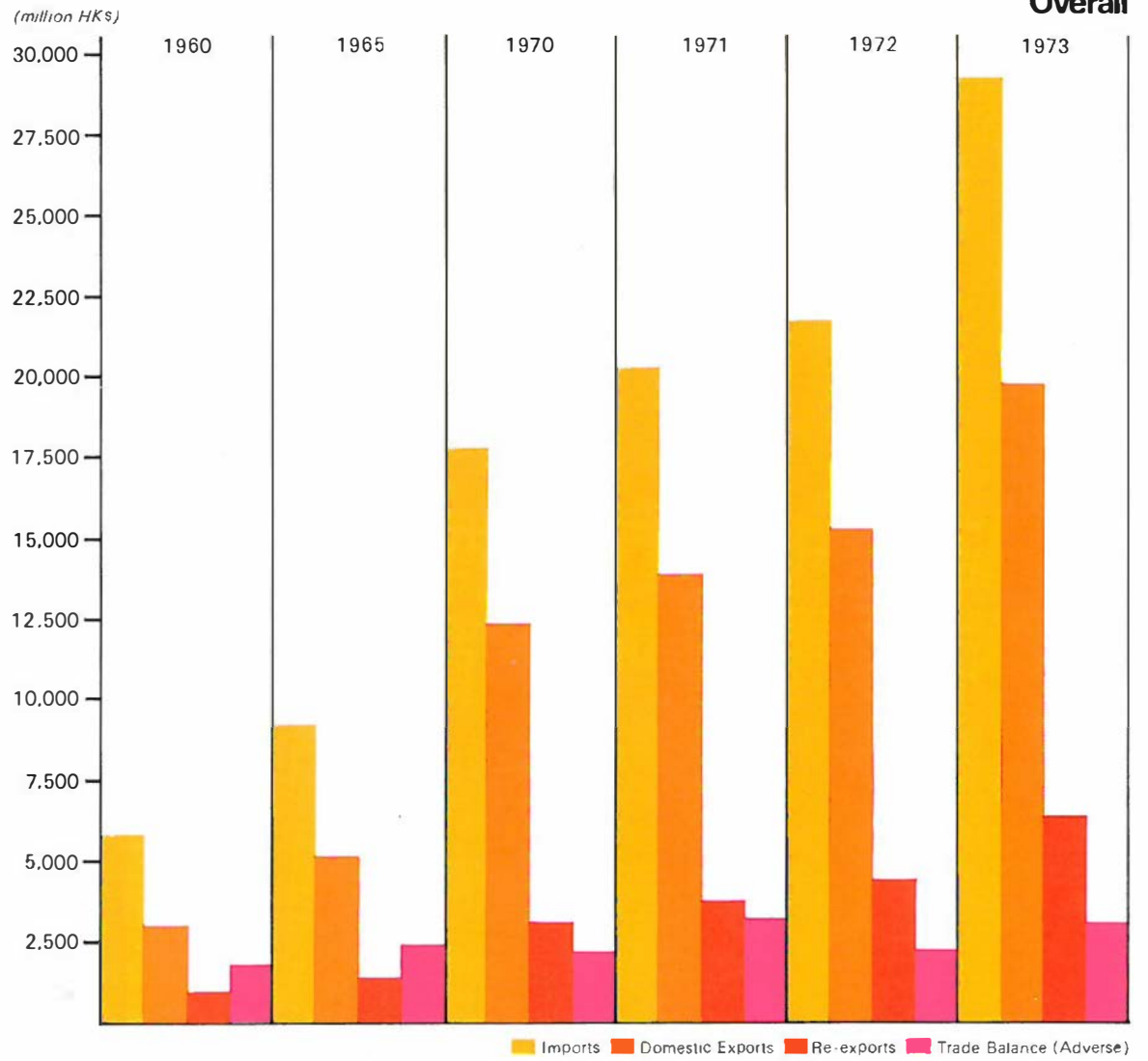
The scale and technological base of our industry will be broadened as a result of Government's decision to allocate land on favourable terms to selected land-intensive types of industry such as marine engineering and raw material processing recently attracted to Hong Kong as a result of the more flexible policy. The decision to investigate the possibility of zoning land in the New Territories for properly planned industrial parks is a sensible development but a pre-requisite for a successful policy of this kind is an efficient transportation system. The Chamber has already pointed to the need for Government to formulate and publicise an overall plan to include all forms of transport in Hong Kong. We look forward to the promised Green Paper on this vital subject.

Hong Kong continued to attract overseas bankers and other firms providing specialised financial services who see in HK not only a growing market in its own right but an ideal regional centre for operation in the Pacific Basin Area. Such interest will perhaps encourage Government to provide the necessary legislation and regulatory framework for the operation of an Asian Currency Unit market as outlined by the Financial Secretary in his 1973 Budget address.

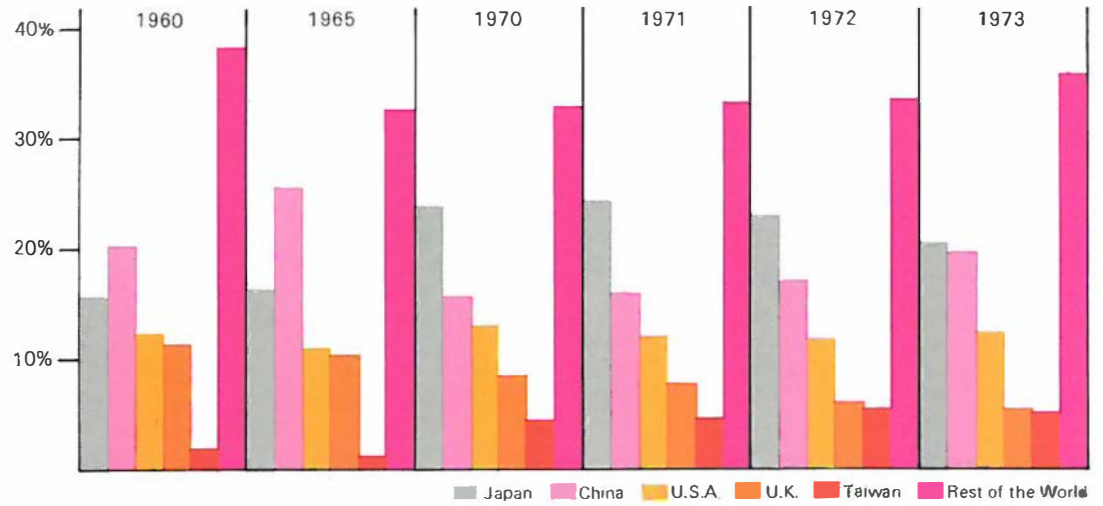
According to the seers, 1974, the Year of the Tiger, is one in which we must exercise caution and vigilance. We expect it to be a difficult year but with our pragmatic Government, resourceful workforce, managerial and technical knowhow and spirit of enterprise we can adapt quickly to the changing trading climate and, as in the past, overcome our problems.

Trade Statistics

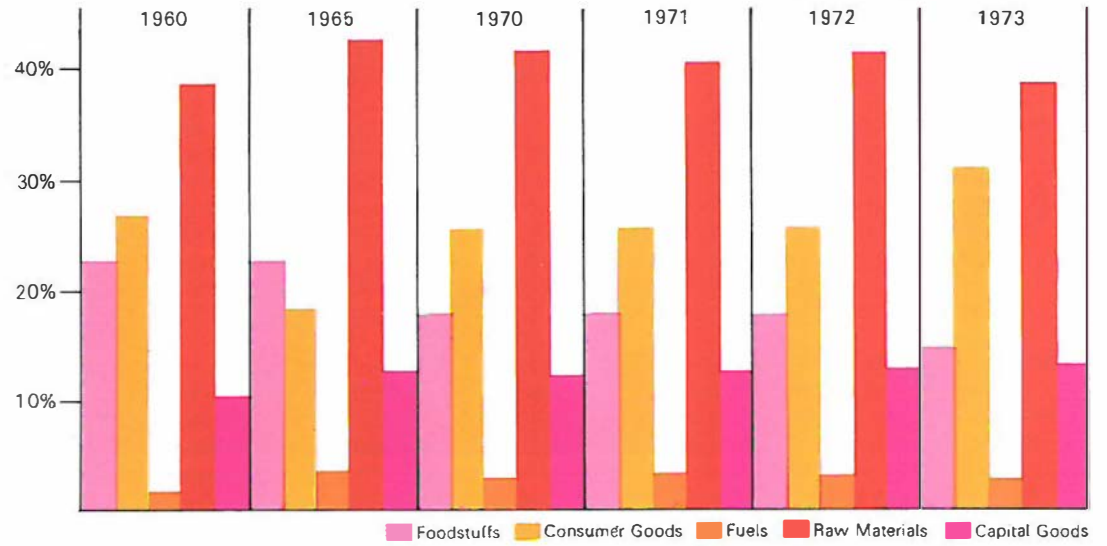
Overall



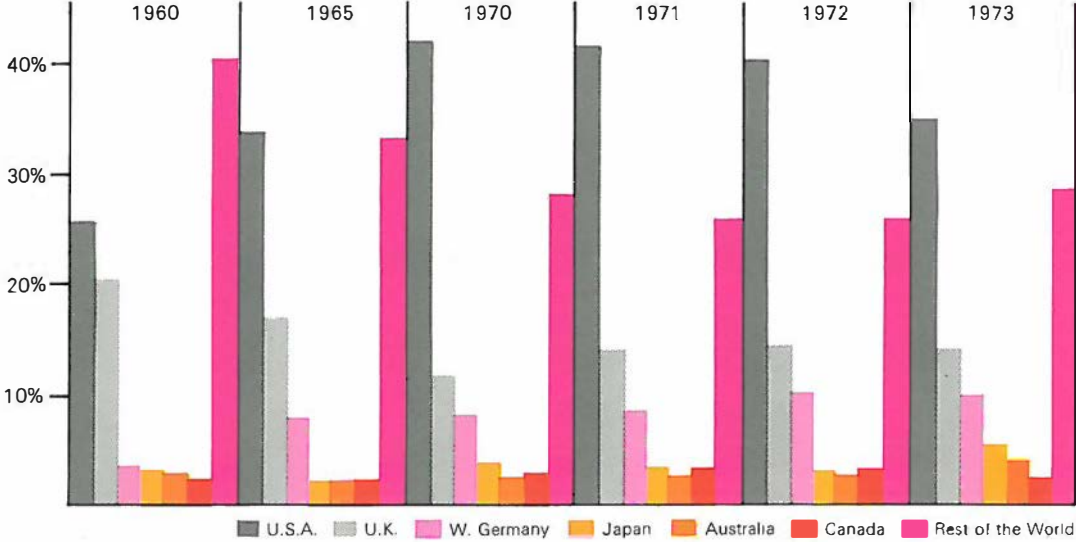
Imports by Country



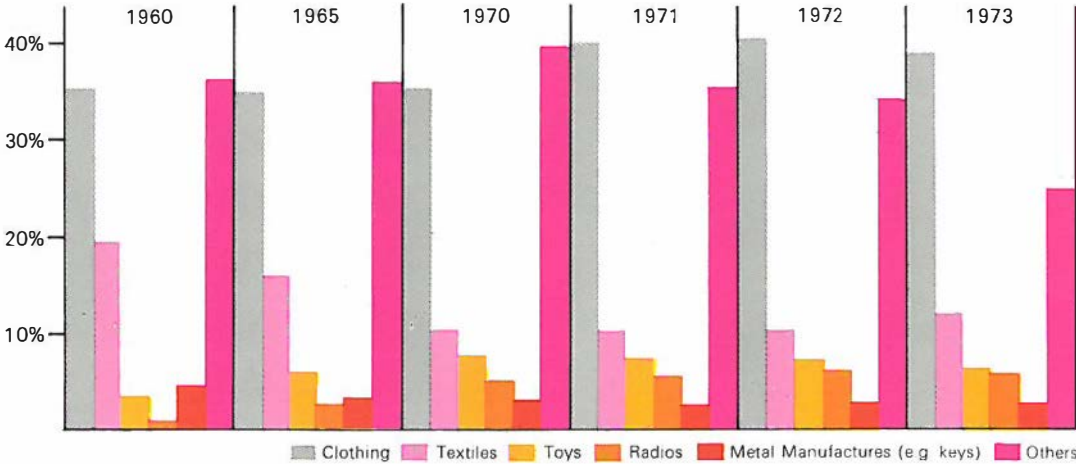
Imports by Commodity



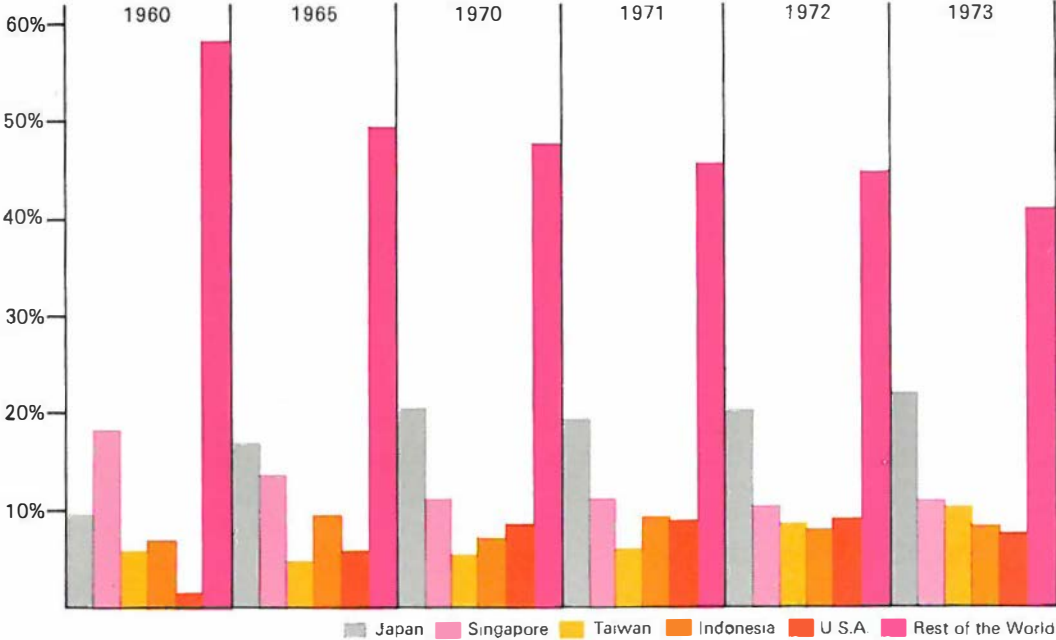
Domestic Exports by Country



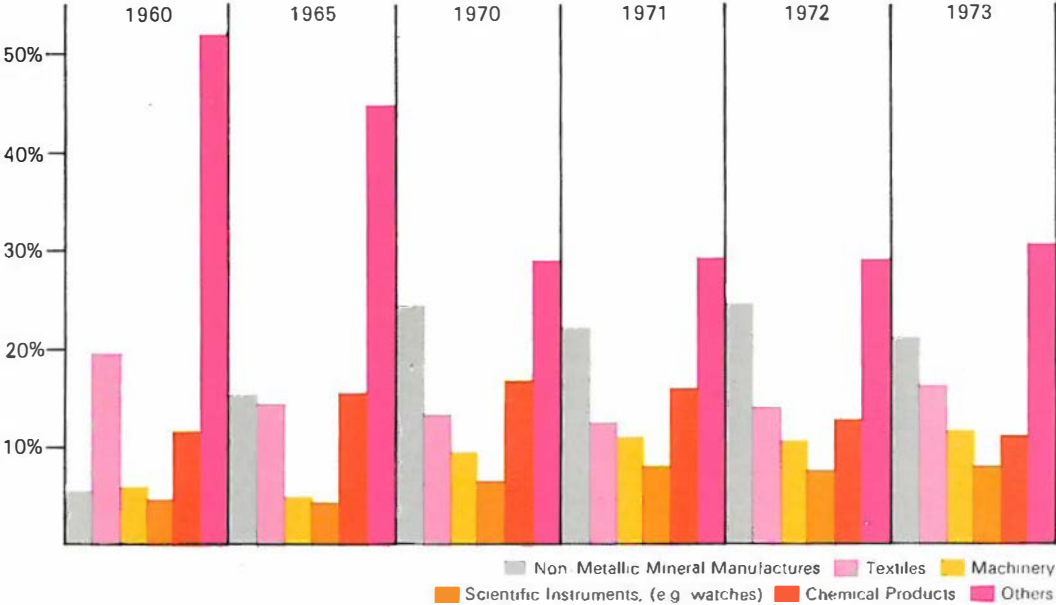
Domestic Exports by Commodity



Re-exports by Country

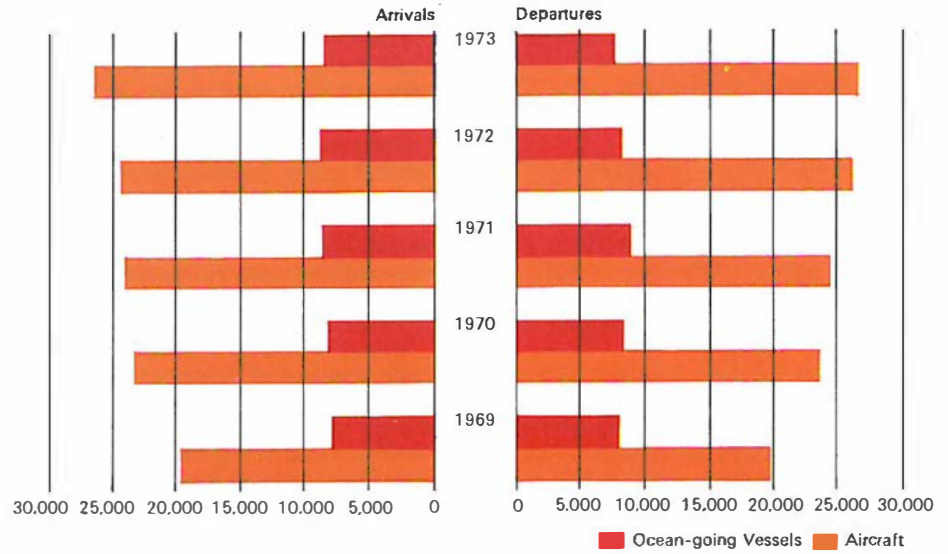


Re-exports by Commodity

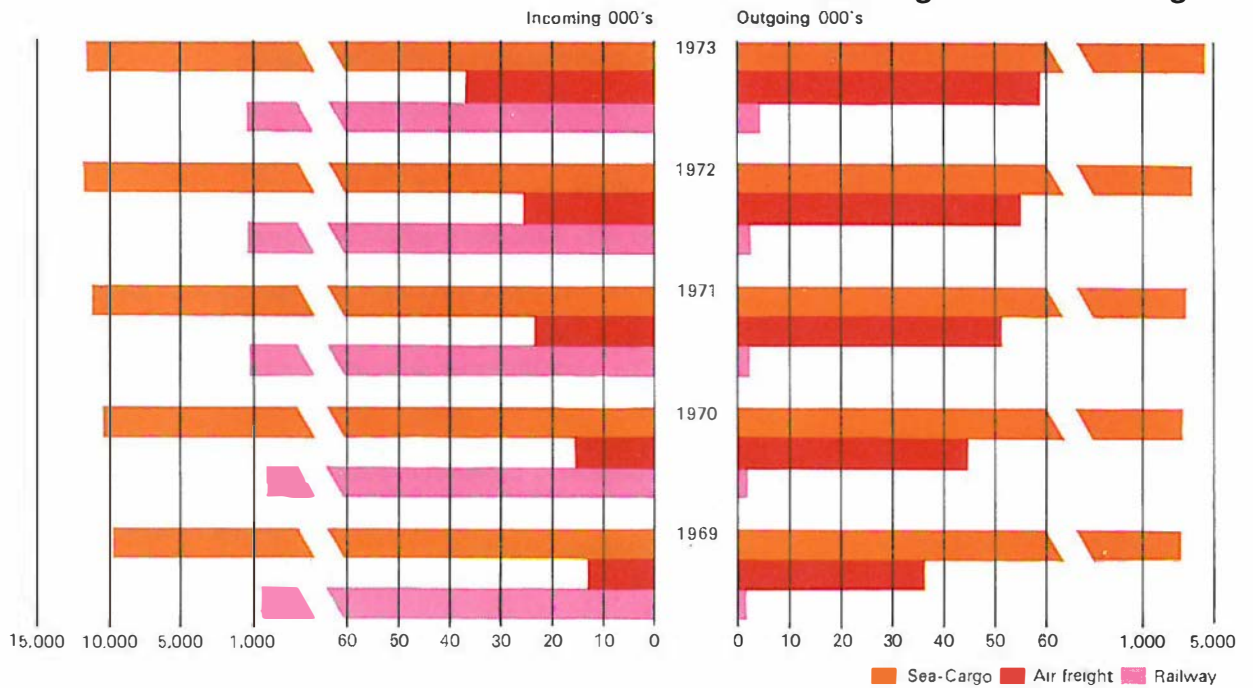


Transport & Cargo

Transport



Cargo (Metric Tonnage)



Directorate

Rapidly rising costs, notably those of office accommodation, supplies and staff, combined with a further year of comparatively static income, gave rise to some worries on the Chamber's financial position. Steps were taken at the Annual General Meeting to keep up income from Members' subscriptions. PA Management Consultants Ltd. were called in to advise on possible steps that might be taken to keep income and expenditure in line with each other and many useful pointers have come out of their report.

The Chamber Council has had three full meetings. The subjects discussed were *The Value of Hong Kong to the United Kingdom*, *The Report of the Companies Law Revision Committee* and *The Anti-Corruption Commission*.

The *Value to the UK* subject was inspired by a question asked by Sir John Tilney, MP, Chairman of the Hong Kong Parliamentary Group at Westminster, and sparked off some spirited debate, not only around the Council Table but also in the local press.

For the discussion on the *Report of the Companies Law Revision Committee* the Council was fortunate to have present Mr. W.K. Thomson, Chairman of the Commission. Following this meeting representation was made to Government that "insider trading" should be dealt with in the context of Company Law rather than in the Securities Bill; and that further thought should be given to the drafting of any legislation on this subject.

At the December meeting, for the discussion on corruption, Messrs. Jack Cater, J.V. Prendergast and T.J. Bedford of the Anti-Corruption Commission were present. It was agreed that the Chamber should play its part in the major task being undertaken by the Commission.

The Home Affairs Committee under the Chairmanship of Mr. N.A. Rigg has discussed a wide range of subjects ranging from environmental pollution to the Statistics Ordinances; from social statistics to the establishment of an oil refinery in the Colony.

Mr. D.H.S. Ting replaced Mr. R. Burrell, DFC, as Chairman of the Industrial Affairs Committee, when the latter retired from Hong Kong in June 1973. The Committee has had a busy year. The question of fuel oil supply and reserves—which took on new significance in the latter part of the year—had already been discussed by this Committee as early as February, when it was felt that there should be a contingency reserve of fuel oil in the Colony and that this should be financed by Government.

The Committee also worked on the formulation of a Chamber view point, and its submission to Government, on a wide range of subjects including the use of emulsifiers and stabilisers in food and beverages, disposal of industrial waste, reduction of overtime for women and young people, industrial statistics and supplies of raw materials.



In March, the Chamber held a dinner in honour of the visit of the UK Secretary of State for Trade and Industry, the Rt. Hon. Peter Walker (standing), which was attended by His Excellency the Governor

One of the principal subjects coming before the Shipping Committee and the Container Lines Committee was, in the early part of the year, the kerbside parking of containers in industrial areas for stuffing and unstuffing. Eventually, the Commissioner of Transport found himself able to permit this to a considerable degree, although the prohibition had to be maintained in areas where streets are narrow.

The possible establishment of a separate autonomous register of Hong Kong shipping was a live topic in the second half of 1973, and the Committee strongly supports the establishment of the register. It seems quite illogical to have a Hong Kong owned fleet of merchant ships, close to the biggest in the world, all of which are registered elsewhere. Discussions were held during the latter part of the year with the Director of Marine and a team from the UK Department of Trade and Industry, and substantial progress was made.

A new venture undertaken during the year was a two-and-a-half day course designed to give expatriates coming to work in Hong Kong for the first time, an authoritative briefing on life in the Colony. The course, organised by the Public Relations Department under the direction of a special committee headed by the Chairman of the Chamber, gave participants an insight into the working of Government, the institutional structure of commerce and industry, factory conditions and, especially popular, working with Chinese businessmen. Over thirty executives attended and the course was regarded as a great success. A further course is being arranged in the Spring.

The Chamber Secretary, Mr. R.T. Griffiths, was elected Vice-Chairman of the Trade Facilitation Committee, chaired by Mr. I.R. Tomlin. This was set up in April to study trade documents and procedures and to advise the Director of Commerce & Industry on measures to facilitate the flow of Hong Kong's international trade.

In November, Miss Cecilia Fung (Executive Assistant) attended the ILO/NORAD Industrial Relations Seminar on effective labour management relations for productivity.



Sir John Tilney (right) past Chairman of the Hong Kong Parliamentary Group at Westminster, was a visitor to the Chamber in April. The Vice Chairman, H.P. Foxon, was on hand to welcome him.



The Chamber's audio-visual presentation, 'Take One Barren Rock' gave the First Lady of Costa Rica, Mrs. Karen Figueres, (3rd left), and her family an introduction to Hong Kong during their one-day visit in May.

Among the distinguished visitors to the Chamber during the year were Rt. Hon. Peter Walker, MBE, Secretary of State for Trade and Industry; Lord Thorneycroft, Chairman of British Overseas Trade Board and of SITPRO; Sir Patrick Reilly, GCMG, OBE, President of the London Chamber of Commerce; Col. Sir John Tilney, TD, MP, Chairman of the Anglo-Hong Kong Parliamentary Group; Conservative Members Hon. Nicholas Ridley, Messrs. Michael Jopling, M.N. Shaw, and Walter Clegg; and Labour Members Messrs. Tom Pendry and John A. Cunningham.

International Trade Department

The International Trade Department continued to act as a spearhead for the Chamber in the field, particularly via its business travel groups.

The Department continued under the management of S.L. Chung, assisted by the Department's three area specialists, Clement Tsang for the UK, Europe, East Europe and Africa; F.M. Castro for the Americas and the Arab Area; and Philip Choy for Australasia, the Far East and the Pacific.

The Chamber has been actively developing the relatively untapped East European market in the last two years, and in September the East European Area Committee formed the Hong Kong Business Group to East Europe and visited Leipzig (for the Fair), Prague, Brno, Warsaw and Budapest. The Group was led by John MacKenzie, Chairman of the Area Committee, and was accompanied by Clement Tsang.

Another untapped market is Central and South America. Early in the year the Director made a personal visit to the region and recommended that a business group visit the area. In late October the first Business Group to Central and South America left HK. The leader of the 17-member group was Fung Hon-chu, OBE, with F.M. Castro as the Chamber Representative.

In April a group was organised in conjunction with the Chinese Manufacturers' Association for a buying and selling trip to Australia. The 13 participants were accompanied by Philip Choy as Chamber Representative and J.P. Lee of the CMA. A product display was held on board a Royal InterOcean Lines vessel in Sydney and Melbourne.

S.L. Chung continued his visits to China and was present at both Fairs in Kwangchow with the Director joining him for the Autumn Fair. Clement Tsang also made familiarisation visits to the United Kingdom and assessed prospects for a business group to the UK with the London and Edinburgh Chambers of Commerce. He also attended the 11th Overseas Import Fair "Partners for Progress" in Berlin. The Chamber is now the Honorary Representative in Hong Kong for the Fair Authorities.



*The Chamber is administrator of the **Good Citizen Award Fund** which rewards local people who assist the police in the fight against crime. Jack Cater, Chairman of the Fight Violent Crime Campaign, congratulates award winners. To his left is Chamber Secretary, R.T. Griffiths.*

The year also saw a joint mission with the Trade Development Council, this time to Africa, with E.U. Lyen, Chairman of the Africa Area Committee, and Clement Tsang participating.

The Department continued its programme of business luncheons and talks by prominent personalities in trade and commerce.

Over 600 appointments were made for Members to meet visiting traders and 803 letters of introduction were issued for Members making business trips abroad. The Department's Trade Enquiry service continued its activities under the direction of Dennis Yeung and 15,515 enquiries were handled in 1973. The Department, besides arranging for two commercial arbitration cases, handled 131 trade complaints in 1973, and achieved considerable success in bringing about amicable settlements. This success was partly the result of the cooperation received from Members concerned.

Other services provided by the Department included the production of monthly trade analyses with HK's trading partners, prepared by the Statistics Section (under Miss Veronica Lo). The Rank Xerox copying service and an employment register were also active.

Total staff establishment for the Department at the end of December stood at 19.

The Area Committees, under the coordination of the International Trade Committee, played host to nearly 30 visiting missions. In April a joint annual general meeting was held to elect the respective committees for the 1973/74 term. In 1973 total membership of area sections stood at 916.

Certification

For the third consecutive year, the Department recorded a decrease over the previous year in the number of certificates processed. A total of 146,501 certificates of origin were issued in 1973, representing a decrease of 4.6 per cent against 1972.

This downward trend is brought about by factors beyond the Chamber's control, notably the insistence by importing countries that Government be the issuing authority for certificates of origin covering shipments made under the various Generalised Preference Schemes.



During the year a number of British MP's held discussions with Chamber officers while visiting Hong Kong. One of these was Labour MP, T. Pendry (left) seen here with the Vice Chairman.



Student winners of a Commercial Design Competition, sponsored by the Chamber as part of the Festival of HK, were presented with Scholarships in August. Present at the ceremony was R.H. Lobo, Chairman of the Festival Committee (seated), and the Chamber Chairman, P.G. Williams.

In revenue terms, however, a 16.69 per cent increase was recorded because, at the beginning of the year, fees charged to Members were raised from \$7.50 to \$10 per certificate. Fees for non-Members remained at \$15.

Business was fairly constant during the year. The critical situation in the Middle East resulted in a falloff of shipments out of Hong Kong to that area and uncertainties in the US market also had a depressant effect.

The Department maintained its usual high rate of consignment checking throughout the year. Of all consignments shipped under the Chamber's certificates of origin, an average of 12 per cent were subjected to inspection, with a staff of nine inspectors being fully employed on this work.

During the year, some progress was made towards the Chamber being able to issue A.T.A. Carnets under the various Customs Conventions, which have now been extended to Hong Kong. It is anticipated that the necessary formalities will be completed in the near future.

Due to sharply rising rental costs, it was considered no longer economical to maintain two certification offices in Kowloon. The Star House Office was accordingly closed from December 1 and certification services in Kowloon are now concentrated in the Mongkok Office under the supervision of W.K.F. Wang, Assistant Manager of the Department.

Continuing to head the department is A.C.C. Stewart, who is responsible for all Chamber certification. As always, the Department cooperated closely with the Certification Coordination Committee on which the Chamber is represented together with other issuing authorities.

Public Relations

One major innovation designed to bring about an improvement in communications with Members was introduced at the end of the year, combining the themes of cost reduction and better service.

This is an attempt eventually to reach the stage where all mail to a Member—apart from correspondence direct with individuals and the odd 'emergency' circular—is mailed on one day of the week only. Thus our various publications, *The Bulletin*, *Trade Enquiries*, *Operation Contact*, *Area Newsletters*, etc. will arrive together in one parcel and may be allocated or acted upon by the Member in one effort. This scheme is being introduced in stages, and it is hoped that by the mid-year it will be fully operational.

At the same time the opportunity was taken to review the Chamber's 'house style', and a new format for stationery was introduced, covering everything from the letterhead to visiting cards.

The Bulletin has appeared regularly and it is gratifying to record that it has on several occasions been spontaneously referred to, by media quoting from it, as 'a leading business magazine'. Sales of advertising pages are in the hands of outside agents and as a result of their efforts *The Bulletin* paid for its own production costs during 1973.



Gerald O'Brien, Executive Vice-President of the American Importers' Association, was guest speaker at a joint American Chamber/General Chamber luncheon in September.

The Department also maintained its regular publication of the *Trade Enquiries and Exporters Digest*.

The audio-visual slide presentation *Take One Barren Rock* continues to be in regular demand and showings have been frequent. The Department has established several regular 'customers' among member firms, who bring along visitors or new members of their staffs to see it.

Assistance has been provided to the HK Government in its recent campaigns—both Clean Hong Kong and Fight Violent Crime. In particular, the Department assists with the administration and publicity for the 'Good Citizen's Award Fund', established in July as part of the Fight Crime campaign.

Plans for 1974 include the full implementation of the new approach to mailed communications; a thorough revision of and extensions to the audio-visual show; and further New Arrivals courses; in addition to other regular activities, such as the production of the Chamber's diary for Members, and liaison with press, radio and television.

The Department continued under the management of Harry Garlick assisted by Miss Glynis Djeng and Miss Sharon Au, while the PR Committee met throughout the year under the Chairmanship of Mr. Nigel Rigg.

Membership

During 1973, 173 new firms were enrolled as Members and 163 resignations were received. At the end of the year, the number of Members on the register of the Chamber was thus 2,131.

In conjunction with the Public Relations Department, the Chamber's Membership list was up-dated and distributed to Members. A new internal Membership record was also produced. At present, importers/exporters account for 62 per cent of Membership while manufacturers represent about 27 per cent. Significant increases occurred in the services and the transport categories, which comprise eight per cent and three per cent of Membership respectively.

Continuing the regular programme of visits to Members, W.S. Chan, Assistant Secretary-Membership, called on over 600 Member companies. Members were informed of the activities of the Chamber and reminded of the facilities open to them. Comments and suggestions from Members were regularly referred to the Departments concerned.

Recruitment of new Members continued. Over 1,500 prospects were approached about Membership of the Chamber.

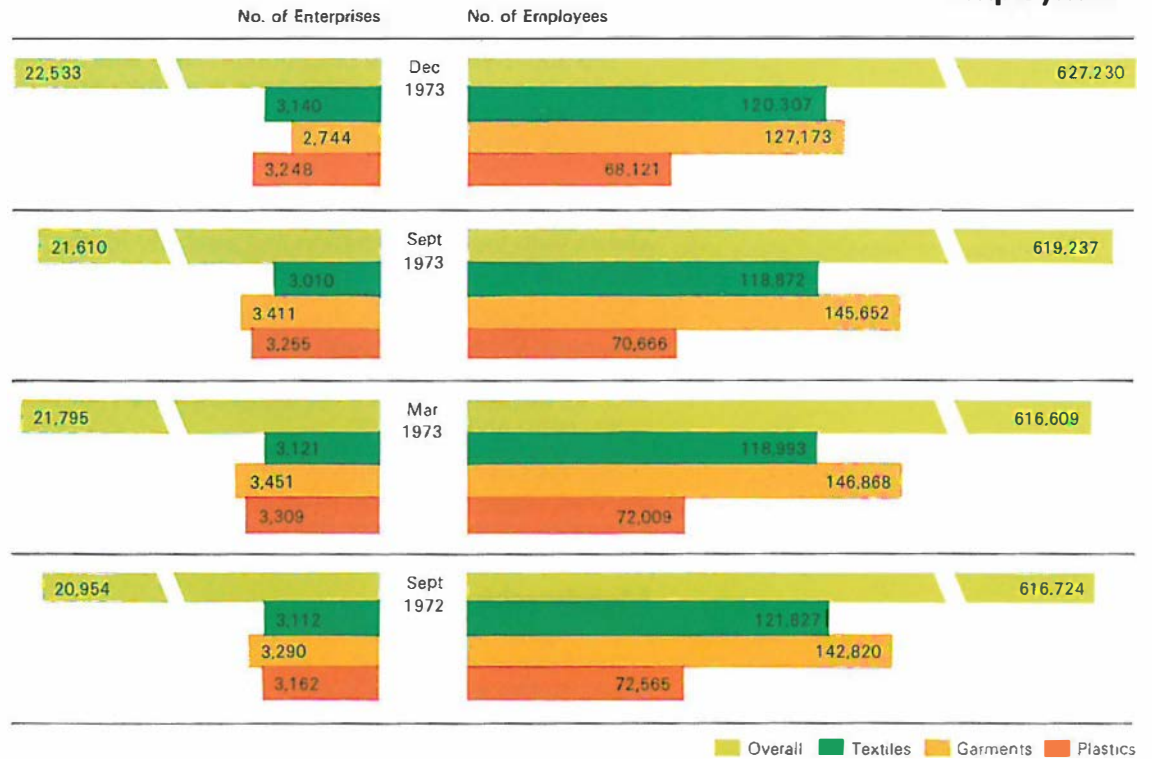
Apart from the successful recruitment of 173 new Members, another 100 firms are currently interested in becoming Members of the Chamber.



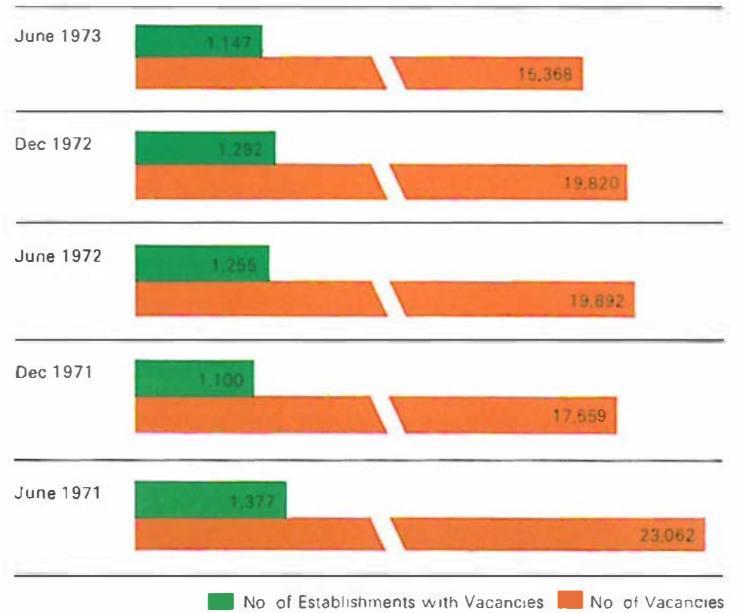
A London Chamber of Commerce mission was in HK during October. From left: J.H. Hamm, Chairman of Dodwell & Co. Ltd. in London, Sir Patrick Reilly, Leader of the mission, P.C.S. Deveson of Dodwell & Co. Ltd. in H.K., Brigadier R.G. Lewthwaite, Director of Protocol, and Sir Paul Reilly, Director of the London Design Council.

Industrial Employment

Employment



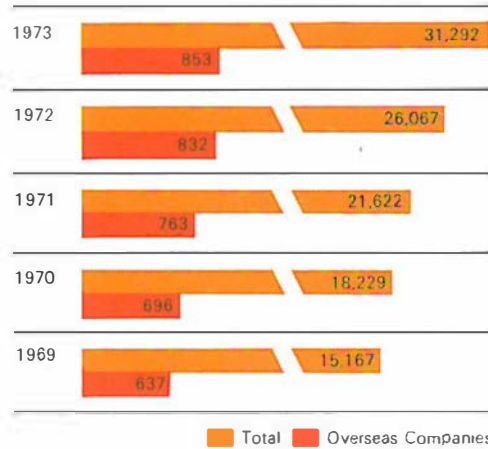
Vacancies



Company Information, Price & Wage Indices

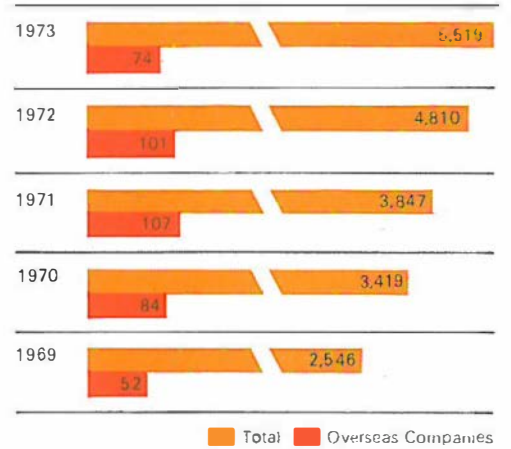
Firms Existing

(as at end of each period)



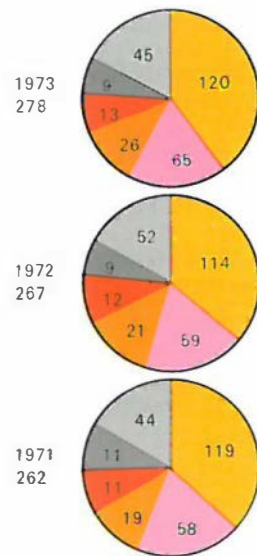
Firms Newly Registered

(during period)

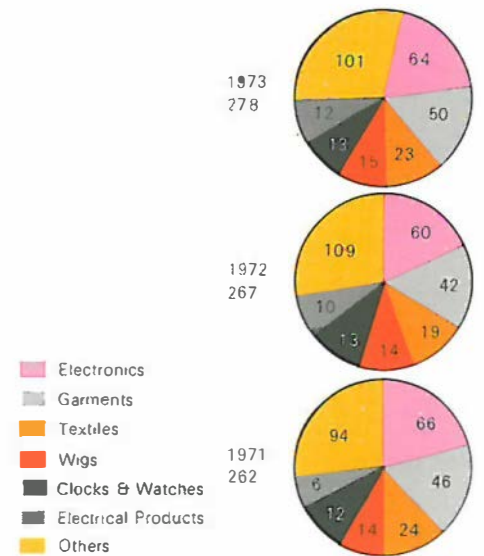


Industrial Joint Ventures

By Country of Origin

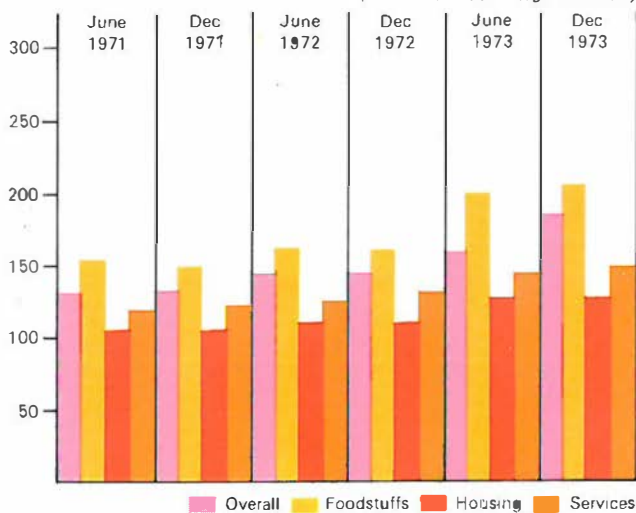


By type of industry



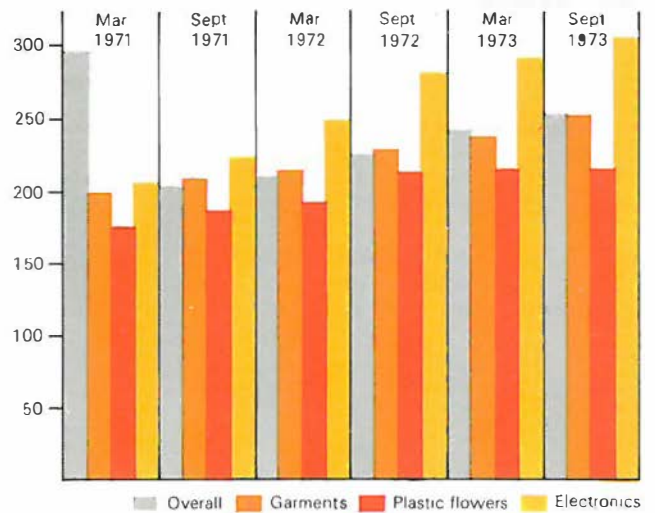
Consumer Price Index

(Base Sept '63—Aug '64 = 100)



Industrial Wage Index

(March 1964 = 100)



Balance Sheet

As at 31st December, 1973

1972		HK \$
	General Fund	
\$1,191,732	As at 31st December, 1972	\$1,055,446.77
<u>136,285</u>	Less: Excess of Expenditure over Income for the year	<u>80,716.89</u>
<u>\$1,055,447</u>		\$ 974,729.88
	Reserves	
\$ 200,000	Trade Promotion	200,000.00
<u>45,000</u>	Staff Hospital and Surgical Expenses Fund	45,000.00
<u>78,240</u>	Staff Superannuation Reserve	59,491.34
	Current Liabilities, Provisions and Receipts in Advance	
\$ —	Leave Passages	\$ 25,350.00
660,000	Subscriptions for 1974 Received in Advance	773,000.00
<u>57,071</u>	Creditors	<u>67,581.67</u>
<u>\$ 717,071</u>		865,931.67

Notes:

1. These Accounts do not include the Assets and Liabilities of the Staff Provident Fund for which the Chamber acts as Trustees.
2. U.S. Dollar balances have been converted at the following rate of exchange in the above Balance Sheet: US\$1.00 — HK\$5.08

P. G. Williams

Chairman

H. P. Foxon

Vice Chairman

R. T. Griffiths

Secretary

Lowe, Bingham and Matthews

Chartered Accountants
Certified Public Accountants
Treasurers

\$2,095,758

HK\$2,145,152.89

1972			HK\$
	Fixed Assets		
	Property—R.B.L. No. 588		
	At cost less amounts written off		
	per last Account	\$ 5,600.00	
\$ 5,600	<i>Less:</i> Amount written off	<u>840.00</u>	\$ 4,760.00
	Motor Car—at cost less amounts written		
	off per last Account	\$ 3,230.00	
3,230	<i>Less:</i> Amount written off	<u>810.00</u>	2,420.00
	Furniture and Fittings—at cost		
	less amounts written off		
		Office	Staff Quarters
	As at 31st December, 1972	\$181,300.00	\$ 26,400.00
	Additions during year	<u>16,866.00</u>	<u>6,441.00</u>
		\$198,166.00	\$ 32,841.00
	<i>Less:</i> Sales	<u>450.00</u>	<u>—</u>
		\$197,716.00	\$ 32,841.00
	<i>Less:</i> Amounts written off	<u>39,546.00</u>	<u>6,571.00</u>
207,700		<u>\$158,170.00</u>	<u>\$ 26,270.00</u>
<u>\$ 216,530</u>			184,440.00
			<u>\$ 191,620.00</u>
	Investment		
	\$157,000 Hong Kong Government 3.5%		
	Rehabilitation Loan 1973/78 at cost		
\$ 141,180	<i>Less:</i> Provision for Diminution in value	\$ 141,180.22	
<u>25,000</u>		<u>7,730.00</u>	
<u>\$ 116,180</u>			133,450.22
	(Market Value as at 31st December, 1973— \$133,450)		
	Current Assets		
	Stock on Hand—Stationery and Supplies		
	as certified by the Director	\$ 36,167.15	
\$ 22,385	Debtors and Prepayments	174,867.63	
163,936	Bank and Cash Balances		
	Deposits	1,557,198.73	
1,540,900	Current Account	43,229.66	
28,229	Cash on Hand	<u>8,619.50</u>	
<u>7,598</u>			1,820,082.67
<u>\$1,763,048</u>			
			<u>HK\$2,145,152.89</u>

Auditors' Report to the Members of The Hong Kong General Chamber of Commerce

We have examined the above Balance Sheet and have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Hong Kong General Chamber of Commerce's affairs as at 31st December, 1973 according to the best of our information and the explanations given to us and as shown by the books of the Chamber.

Hong Kong, 8th March 1974

Signed Peat, Marwick, Mitchell & Company
Chartered Accountants
Certified Public Accountants

Income and Expenditure Account

For the year ended 31st December, 1973

1972	Expenditure	HK\$
	Staff	
\$1,659,757	Salaries and Staff Quarters	\$1,683,138.27
175,028	Contribution to Staff Provident Fund	166,221.12
42,471	Medical Expenses	34,956.45
56,444	Leave Passages	80,603.83
13,604	Local Travelling	12,447.55
5,188	Training	8,398.90
903	Recruiting	—
<u>\$1,953,395</u>		<u>\$ 1,985,766.12</u>
	Office	
\$ 376,399	Rent, Light and Telephone	\$ 451,683.49
127,359	Printing and Stationery	134,968.64
59,470	Postages	58,200.24
1,499	Telegrams and Telex	4,645.35
21,149	Sundry Expenses	22,771.23
30,216	Maintenance, Repairs and Cleaning	32,173.27
2,770	Structural Alterations	850.00
15,402	Books and Newspapers	16,007.66
<u>\$ 634,264</u>		<u>721,299.88</u>
<u>\$ 6,431</u>	Insurance	<u>6,964.20</u>
	Services	
\$ 2,000	Audit Fee	\$ 2,000.00
15,000	Treasurers' Fees	24,000.00
3,000	Survey Fee	—
1,200	Legal Fee	2,300.00
	Management Consultants' Fee	41,000.00
<u>\$ 21,200</u>		<u>69,300.00</u>
	Property Expenses and Depreciation	
\$ 15,347	Property Expenses—73 Mt. Kellet Road	\$ 34,321.00
53,961	Depreciation on Property, Motor Car and Furniture and Fittings	47,767.00
<u>\$ 69,308</u>		<u>82,088.00</u>
	Subscriptions and Educational Donations	
\$ 21,089	Subscriptions to Trade Associations	\$ 19,667.74
11,300	Scholarships and Other Donations	13,700.00
<u>\$ 32,389</u>		<u>33,367.74</u>
\$ —	Exchange Loss	\$ 85,539.64
115,441	Publications	67,146.46
16,043	Advertising	13,757.95
120,961	Trade Promotion Expenses	131,849.60
<u>\$ 252,445</u>		<u>298,293.65</u>
<u>\$2,969,432</u>		<u>HK\$3,197,079.59</u>

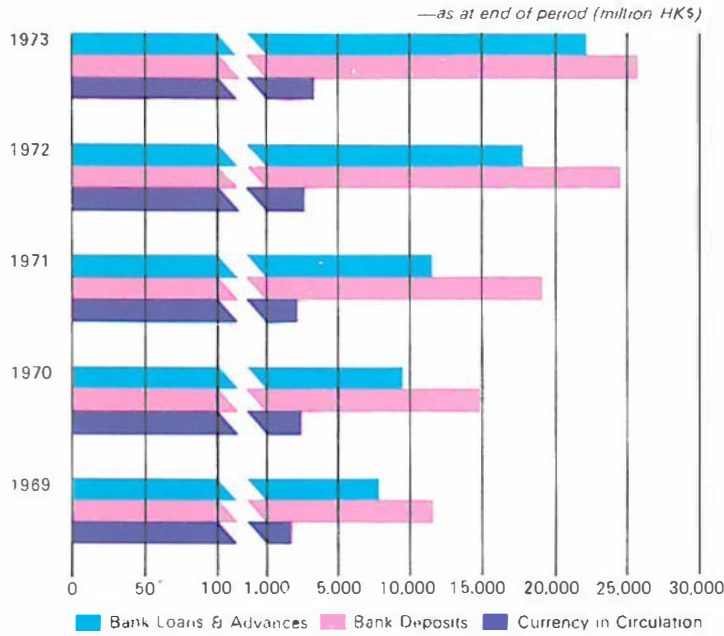
1972	Income	HK\$
\$1,219,300	Members' Subscriptions	\$1,237,600.00
1,515,187	Fees	1,768,140.00
86,670	Interest	93,352.70
3,864	Interest Tax Recovered	—
126	Exchange Gain	—
8,000	Provision for Diminution in value of Investment written back	17,270.00
136,285	Balance—Excess of Expenditure over Income for the year	80,716.89

\$2,969,432

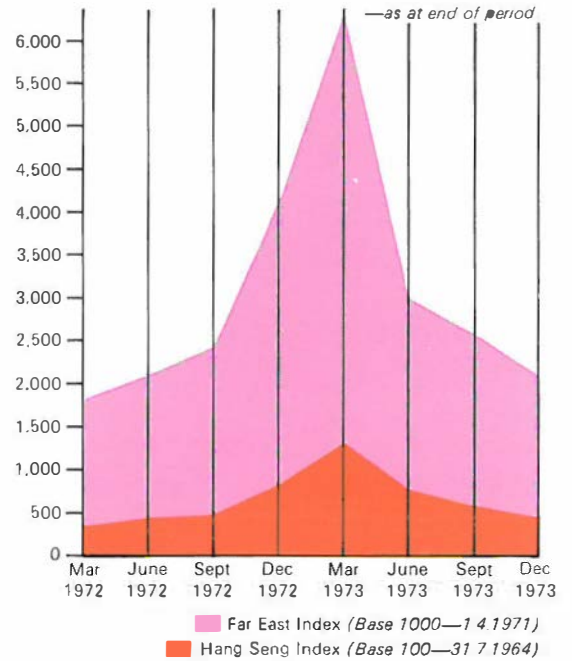
HK\$3,197,079.59

Finance, National Accounts

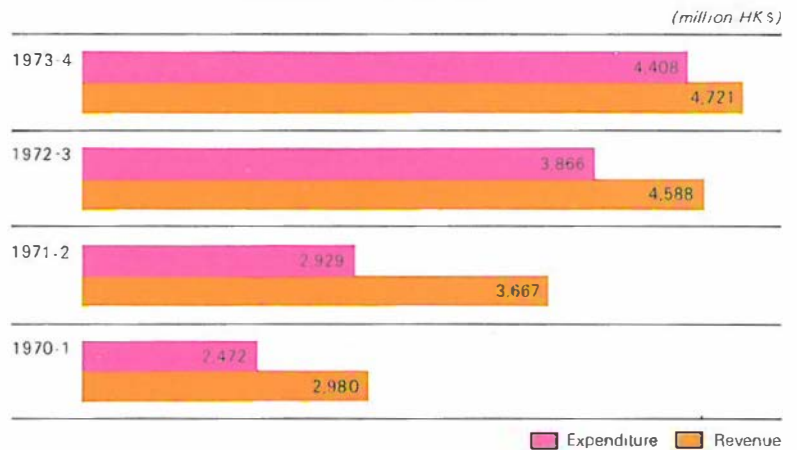
Banking



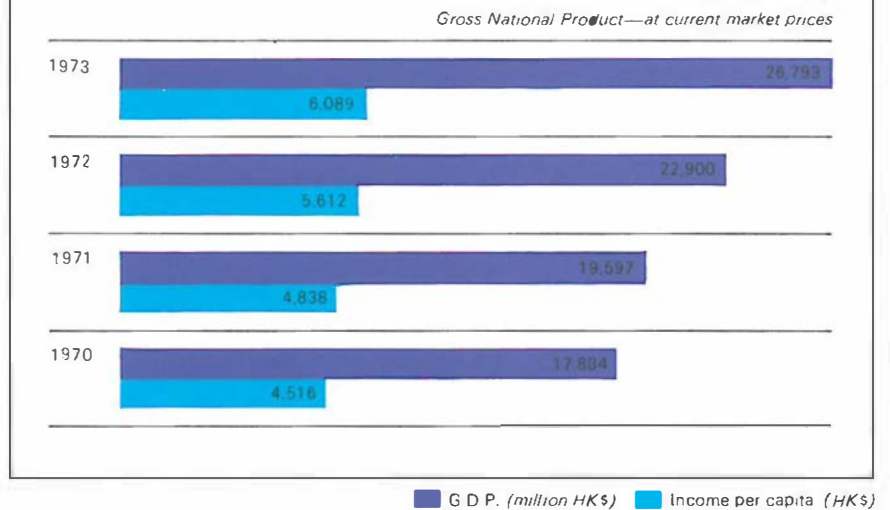
Stock Exchange



Government Expenditure & Revenue

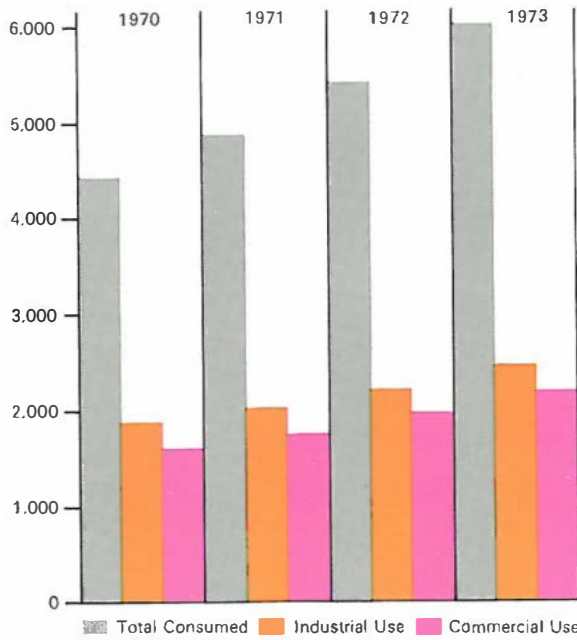


GDP



Electricity Consumed

(Million Kw. Hrs.)



Miscellaneous

Incoming Tourists



Chamber Council

Hon. P.G. Williams
(Chairman)
H.P. Foxon
(Vice-Chairman)
Hon. T.K. Ann, OBE
F.W.P. Bentley
J.H. Bremridge
H.J.C. Browne, OBE—res. April 1973
R. Burrell, DFC—res. May 1973
Hon. Sir Sik-nin Chau, CBE
Dr. the Hon. S.Y. Chung, OBE
Hon. Sir Douglas Clague,
CBE, MC
H.M.G. Forsgate, OBE
Henry S.H. Fung
L. W. Gordon
Hon. Sir Sidney Gordon, CBE
M. Jebsen
Sir Lawrence Kadoorie, CBE,
Chev. Leg. d'Honneur
Hon. Sir Yuet-keung Kan,
CBE, LL D
H. Keswick
K. S. Lo, OBE
J. MacKenzie
J. L. Marden, MA
D. L. Millar
N. A. Rigg
Hon. G. R. Ross, CBE
A. de O. Sales, OBE
G.M.B. Salmon, OBE—res. April 1973
Hon. G. M. Sayer
J. Wolf

Committees

Arbitration

Hon. P.G. Williams
G.H.P. Pritchard
E.J.S. Tsu

Certification

H. Keswick
A.C.W. Blaauw
B. Johnson
O.E. Julebin
J.R. Wimbush

Home Affairs

N.A. Rigg
Andrew Eu
H.M.G. Forsgate
J.L. Marden
J.H.W. Salmon

Industrial Affairs

Dennis H.S. Ting
H.L. Ho
J. Peacock
J. L. Soong
I.T. Yu

International Trade

H.P. Foxon
A.M. Blackstock
Henry S.H. Fung
L.A. Heming
J. MacKenzie
D.K. Newbigging
G.H.P. Pritchard
A.C.W. Blaauw
E.U. Lyen
S.H. Sung
I.G. Daniel
Richard Wang
S. Bennema
D.P. Inglis
N.A.S. Mills
J.J.G. Brown
K.J. Greenwood

Legal

P.A.L. Vine
I.R.A. MacCallum
B.S. McElney
G.E.S. Stevenson
J.R. Wimbush

New Arrivals Course

Hon. P.G. Williams—
res. January 1974
G.P.T. Carpenter
Stephen Chou
T.K. Ho
M.J. Pridham
G.H.P. Pritchard

Public Relations

N.A. Rigg
D.A. Adkins
Stephen Chou
Shum Choi Sang
R.J. Warren

Shipping

D.K. Newbigging
J. A. Clarke—
res. December 1973
R.M. Hall
H. Hennig
Simon Lee
W.R. Large
H.M.P. Miles—
res. September 1973
C.L. Pan
F.O. van Randwyck
J.P. Richardson

Taxation

L.W. Gordon
J.C. Hodson
B. Johnson
Thomas Le. C. Kuen
M.K. Tan
P.A.L. Vine

Through Transportation

R.C. Tucker
D.A. Crawford
P.C.S. Deveson
Frank C.H. Jen
A.J.D. Lygo
G.G. Snowden
G.E.S. Stevenson

Area Committees

United Kingdom

G.H.P. Pritchard
E.J.S. Tsu
Henry Chan
C.I. Chan—
res. August 1973
G.D.M. Cook
P.S. Crosby
D.C. le F. Edwards
D.L. Ford
D.J.B. Middlemass
S.G. Smallwood
K.C. Tam
Mrs. M. Williams

Europe

A.C.W. Blaauw
L. Kneer
H.K. Salander—
res. December 1973
R.D. Beasley
D.C. le F. Edwards
B. Geissler
J.B.H. Litmaath
E.U. Lyen
M. Schuetz
H.P. Southwell
Thomas Szu-tu

East Europe

J. MacKenzie
A.J. Moody
S.F. Fairchild
S.H. Miller
M. Milliken
O.J. Nicholl
E.J.S. Tsu
Paul T. Yin

Africa

E.U. Lyen
F.O. van Randwyck
K.K. Chu
J.F. Holmes
N.P. Pavri
S.J. Shroff
S.H. Sung
K. Wong

Arab

S.H. Sung
Omer A.K. Al-Aidarroos
Mrs. V. Boogerman
P. Brownbridge
T. Dayaram
Fung Wai
A. Ko
M.P. Ladharam
N.P. Pavri
Wong Kai-hong

North America

I.G. Daniel
M.K. Brown—
res. November 1973
C.D. Beale
Geoffrey Archer
A.C.W. Blaauw
Robert Choa
Randolph N. Earman
Colin Jekyll
Henry Tseng Chiu-hin
Y.C. Wong
Y.K. Wong
Paul T. Yin

Central America

Richard Wang
L.L. Pomeroy
D.A. Crawford
H.D.R. Edwards
R.A. Fuller—
res. August 1973
Moti Karamchand
G.B. Mahbubani
V.K. Parekh
C.D.L. Williams
M. Yuen

South America

S. Bennema
C.W. Dalrymple
A.M. Blackstock
R.A. Fuller
Ho Man
D.K. Patel
G.G. Snowden
D.D. Walker

Australia, New Zealand & S.W. Pacific

D.P. Inglis
Henry S.H. Fung
P.I. Archer
S. Bennema
Henry Chan
C.I. Chan—
res. August 1973
R.A. Fuller
J.D. Webster—
res. June 1973
J.G. Hunt
J.D. Mackie
Richard Wang

Japan, Taiwan & Korea

N.A.S. Mills
Y. Kitahora
Simon Lee
M.J. Simpson
R. Sundin
Wong Po Yan
H. Yoshizawa
L. van der Kroft—
res. December 1973

South East Asia

K.J. Greenwood
A. Gopi
J. Chang
P.A. Hirst
R.C. Kwok
G.D. Moore
Solomon Saul
Miss Dora Wu

China

J.J.G. Brown
J.L. Boyer
M.G.R. Sandberg—
res. December 1973
J.W.F. Chandler
J.M.S. Walls—
res. September 1973
N. Horn
Y.C. Huang
D.P. Inglis
H. Luehrs
H. Schneider—
res. December 1973
W. Russell
M.J. Simpson
W.M. Sulke
F.O. van Randwyck

