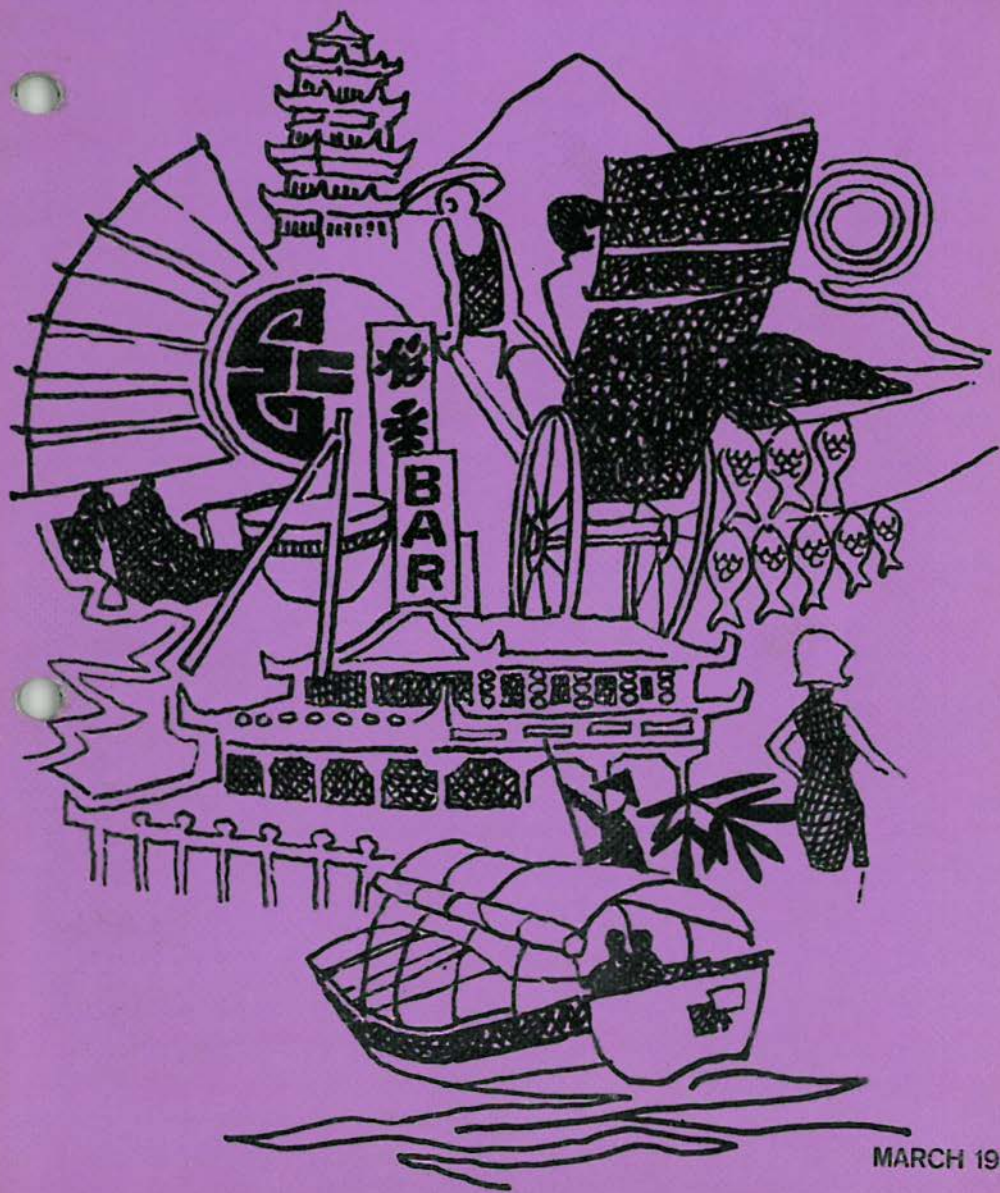




The Bulletin

The Hong Kong General Chamber of Commerce



MARCH 1971

談美國經濟形勢

雖然美國在一九七零年遭受經濟不景氣，香港輸美出口貿易却增加了超過百份之十七，轉口貿易亦增加約百份之十七，而香港入口之美國貨品，總值廿三億一千七百萬港元——比一九六九年增加百份之十六，而此舉對美國力求解決之外匯之平衡問題，亦不無幫助。

以絕對值而言，去年香港輸美總值為五十一億九千萬港元，轉口總值為二億四千四百萬港元，此等數字，與六九年出口增加百份之二十七及轉口增加百份之五十二相比較，當然畧為遜色，若與六八年出口貿易增加百份之三十九相提並論，則顯然相形見拙。但一九七零年之成績，並不令人失望。因為貿易額實在有所增加，而且是繼續每年遞增。站在一般商人立場來說，本來照預測，美國訂單應該減少，而到頭來却增加了，這是值得重視的。

一九七零年之輸美港製貨品中，有三十項顯著的增加，而祇有九項下跌。其中以棉織及毛織品之銷路減少，對本港至為重要。雖然人做纖維紡織品生產繼續增加，棉織及毛織品之生產却減少。

美國在經濟逆境中能夠有餘力向我們購買更多的貨品，此舉實有賴於美國經濟之潛在力。美國地方龐大而富有，且過去二十年來之成長，實在不易為局處一隅之人氏所能理解。

我們不妨將進展與香港另一大市場——英國，作一比較，以便有所啓發。我們在英國市場之表現，雖然未至完全令人不滿，但近來跡象停滯不前。關於評定我們在英國市場之銷售時，經濟學家指出一項難於衡量的因素，那便是由於英國即將加入歐洲共同市場，究竟出口商自覺地尋求新市場以代替英國，其積極程度如何。我們輸英貿易無滋長，可能是實行市場分散成功之象徵。話雖如此，英國之外匯問題與及以謀挽救之步驟——如英鎊貶值，入口儲金等，都對港英貿易一有定性的影響。換句話說，港英貿易與港美貿易在相同情況下，前者較易受其國內經

濟波動的影響。去年美國之生產為十一年來首次無增產紀錄，失業工人佔總勞工百份之六，而失業人數一年內增加三份之二，物價的增加超過工資的增加，去年底之物價比一九六九年十二月高出百份之五點五，其國際貿易，年中畧呈轉機後，最後一季亦告不振，使美經濟學家又發出警告。而香港對美貿易，在此逆境下，竟然有所增長。

在另一方面，美國不但增加輸入香港貨，對世界各國貨物之輸入，亦比一九六九年增加百份之十一。自一九七零年起，香港已超越法國，成為美國第八個最大輸入國。此種成果，是值得我們的出口商和廠家們告慰的。

一九七一年的展望如何，目下多數美國人都以為情況不會再壞下去。一般人都相信否極泰來，今年將會逐漸好轉。但經濟之復甦需要一些時間，而今後幾個月美國人將要吃些苦頭。尤其是通貨膨脹，美政府對此頗感棘手。政府似乎面臨選擇兩個同樣不稱心的對策。其一，減低通貨膨脹及改善外匯平衡的地位的措施，可能招至生產再度下降和失業比率增加。其二，如欲增加生產及減少失業人數，則將會使通貨膨脹之火焰重燃，而更招致外匯入超。

本年度之「會訊」將繼續如去年一樣，報導美國經濟之最新發展。我們基於下列因素，以為美國之經濟，值得特別留意。

第一，美國不但是香港最大的顧客，它購買了差不多我們一半的出口貨品。超過了英國、歐洲共同市場國家、歐洲經濟自由區國家及加拿大、紐西蘭及澳洲等國家之總和。

第二，美國的對外貿易和一般國際貿易間，那種不易捉摸的關係至為重要。美國

是一個如許龐大及豐裕的入口貨市場，任何的減少都對出口國有連鎖性的影響，當美國之消費增加，國際貿易隨其滋長，反則美國之消費停頓時，自由世界國際貿易，便不能迅速增加。這一種形式已因為日本和西德之經濟勢力加強而有所改變。西德有成為「小美國」的趨勢，這因為它賺取外匯能力強和容許廉價貨品入口以制止通貨膨脹之措施而造成其地位。日本是一個很有潛力的大市場，但由於它仍企圖託庇於關稅壁壘，它對整個國際貿易之增長，影響力尚屬有限。美國之影響力，不限於進出口之流動。至於利率之高下，股票價格之上落，美國之華爾街亦起帶頭作用，而其舉動足以波及國際貿易之式樣。

第三，美國是許多現代思想和流行趨勢的孕育和發祥地，而此等思想及趨勢的發展是和整個世界有關。此等發展在商業上及一般文化式樣上都可尋得。舉例來說，現代化之商業管理是美國一大發現。再從具體方面而言，現代汽車工業是美國一大成就。亨利福特所首先採用之大量生產技術，不但使汽車充塞世界各地，而且亦改變了千千萬萬人的生活方式。請以此例子舉出兩大影響。其一，汽車工業開生產行列技術之先河，世界各大工業都相繼仿效。其二，我們漸漸認識到大量採用內燃機引起空氣污濁問題，長期來說，此問題之嚴重性不下於核子戰爭。

我們無謂爭辯由美國發展所帶來之改善是好是壞，因為此等改變存在無疑。據美國權威性的商業刊物「財富雜誌」稱，由實驗室裏推出來的改變正多，美國今後二十年的經濟動向，實在是無從預測。他們指出，從歷史的數字來估計其日後的發展，已逐漸失去其準確性。例如，直至目前為止，汽車工業的增長可根據統計數字作預測——如人口增加，入息分配，及舊車廢棄率等。「財富雜誌」以為此等正常性的力量已不能作為可靠的指南，因為該工業未來十年的發展，有待其他因素而定，假若國會制定由汽車而招至的空氣污濁，由一九七五年起或一九八零

年起需要嚴加管制，則現時的未來預測，將毫無用處。除空氣污濁問題外，尚有其他因素，可決定美國經濟的發展。如各階層對工業態度的轉變，對逸樂社會的重視，不肯犧牲現在為將來打算，及探討對人生之目的等。如將各因素都包括在內，對美國在一九八零年國民總收入之估計，高低兩面相差達一百萬億港元，值得注意的是，這數字祇代高低兩面估計一年度的差額，而並不是國民總收入，由此可見美國不景氣對香港無影響一事不足為奇。

本會召開週年大會

本會定於四月六日，星期二下午五時三十分，召開全體會員週年大會，地點為文華酒店。會後將舉行酒會招待各會友。屆時請撥冗參加。

會訊

△遞寄本會之信件如欲遞送快捷無訛，請郵寄本會郵政信箱：香港郵箱八五二號。

△本會於一九七一年四月將舉行一組華語考試，詳情如後：

科目：粵語會話，分初、中、高三級。

日期：一九七一年四月二十四日，星期六，上午九時。

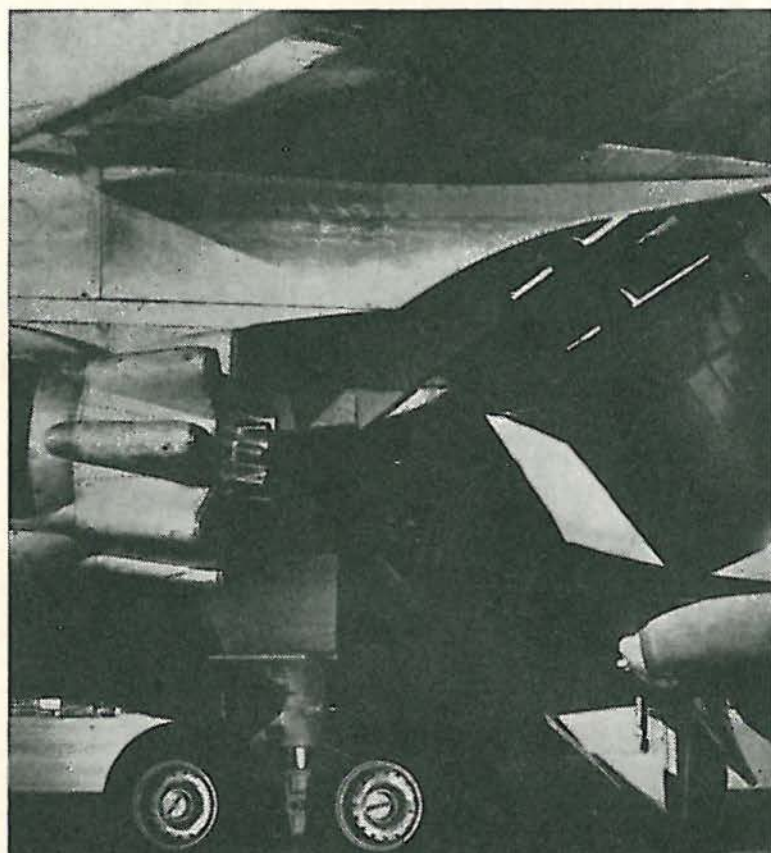
地點：本會會所，於仁行九〇二室。

範圍：考試範圍及其他詳情，可至本會索閱。

手續：考生應在一九七一年四月十五日星期四下午五時前到本會註冊，並填具應考表格，考生之公司名號與地址及聯絡電話號碼等。

費用：考試費為每位五十元，於報名時一併繳交，否則不予接受報名。如用支票，請劃線並書明交付「香港總商會」。

△本港工商署最近編印完備一有關假業調查之報告書。會員如欲參閱，請與本會商業促進部，余小姐接洽。電話：H 2 3 7 1 7 7 — 3 4。



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The Bulletin

The Hong Kong General Chamber of Commerce

The local press decided that it was not over-impressed with Hong Kong's Fourth Ready-to-Wear Festival.

Before the Festival started, one newspaper implied that many manufacturers stood to gain little by entering the Festival, while others participated for rather trivial reasons.

Once the Festival was underway, critics suggested that arrangements were badly organised; that the displays were not well stage-managed; that too few buyers attended; that garments on display were dull and unoriginal; and that buyers were inconvenienced into making visits to factories in order to inspect ranges fully. All round, a pretty damning catalogue.

Local press comment is one thing, but what really matters is the opinion of those who participated in the Festival.

However, let's be clear on our points of reference. Firstly, we are talking about a Festival of Ready-to-wear, not a Festival of High Fashion. Our Festival is not intended to induce panic and despair in the Balmaines and St. Laurents of this world—yet.

Secondly, those associated with the Festival tend to fall into two camps, the Hawks and the Doves, as it were.

The hawks believe that the Festival is there to help them sell garments profitably and that everything should

be organised with this in mind. The doves do not conflict with the hawks on objectives, rather on methods. Their belief is — in the classic phrase — if you want to sell the steak, first sell the sizzle. In other words, the function of the Festival is to do a long term job of selling the HK image to the eventual benefit of all our manufacturers.

Committees being what they are, the end result is a compromise, and it is in this attempt to perform a double function that the Festival must be judged.

The alternative to having a Festival is quite simply not to have a Festival. Given that there is always room for improvement, and given that no human organisation will satisfy all of the people all of the time does the trade want a Festival next year, or doesn't it?

It is premature to assess the Festival immediately, since both buyers and sellers must be given time to follow up whatever was made in the way of initial contact.

During the year our membership representative, Clement Tsang, in the course of his visits will be asking Members who took part how they assess the Festival in general and the 1971 Festival in particular. Your views will be made available to next year's organisers.

Chairman: G. M. B. Salmon; Vice Chairman: P. G. Williams; Secretary: J. B. Kite, OBE; Assistant Secretary: R. T. Griffiths; Business Promotion: S. L. Chung, W. S. Chan, A. Chung, P. Choy, Miss C. Fung; Certification: A. C. C. Stewart, F. M. Castro, W. K. F. Wang, C. T. Wu, H. Cheng; Public Relations: Harry Garlick, Lee Sherard; Membership: C. Tsang, Office Supervisor: V. Wong.



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The Restless Giant Changes in the US economy today - and tomorrow

Despite the American recession during 1970, Hong Kong's exports to the USA increased by over 17 per cent. Re-exports were also up by almost 17 per cent, while Hong Kong did its best to lessen American balance of payments problems by buying some HK\$2,317 million worth of US exports, an increase almost 16 per cent in 1969.

In absolute terms, domestic exports to the USA totalled HK\$5,190 million and re-exports stood at HK\$244 million. These figures do not represent so great a percentage increase as the 27 per cent and 52 per cent for exports and re-exports respectively scored in 1969; and seem almost insignificant in comparison with the growth rate for domestic exports in 1968, which stood at 39 per cent.

It would be foolish to regard the 1970 performance as disappointing. Volume is up — and well and truly up — in absolute terms and continues to grow with each successive year. In comparison with this fact, the playing of games with the percentage rate of growth becomes something of a fun pastime of concern principally to statisticians. The significance for the ordinary businessman is that growth was achieved when, according to the more pessimistic forecasters, orders from the States were likely to fall off.

Almost all our principal exports recorded an increase — clothing, toys, wigs, radios and plastic flowers. Electronic products such as memory core planes, arrays and stacks jumped from virtually nil in 1969 to \$157 million last year. The only leading categories to register a decrease were transistors and rattan articles.

Admittedly, within the general pattern, there were variations that do take some of the gloss from the overall achievement. For instance, as is well known, wig exports dipped towards the end of the year, and textile exports saw a slowing down of cottons and woollen goods, although man-mades

continued to make progress.

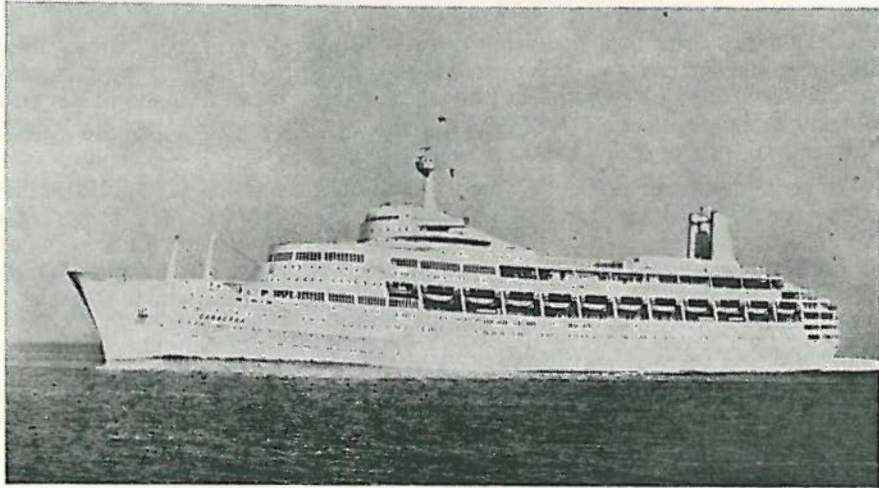
While in no sense minimising the skills of our exporters and manufacturers, the fact that the USA could afford to buy more of our goods at a time when they were not doing too well themselves is a tribute to the underlying strength of the American economy. America is so vast and so rich that those brought up in closer confines — economically as well as geographically — sometimes find it hard to comprehend the phenomenon of American growth during the past two decades.

Sluggish performance

It is enlightening in this context to compare performance in our next largest market, Britain. It is well known that our performance here, while not entirely unsatisfactory, has of late been sluggish.

In any assessment of our sales to Britain, the economist comes up against a factor that is difficult to quantify — the extent to which our exporters have consciously attempted to find new markets to replace Britain, in view of its impending entry to the EEC. Our recent lack of growth in the UK could in fact be a sign of

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success in market diversification. But even if this is part of the story, Britain's balance of payments problems and her attempts to remedy them — 1967 devaluation, import deposits, shortage of credit, and so forth — must also have had their effect. In other words, the reaction of the British economy to short term problems is felt in Hong Kong far more than equivalent movements in the USA.

Hard times

Growth in HK exports to the USA last year occurred at a time when real Gross National Product (i.e. adjusted for price changes) remained static; when consumer prices for the country as a whole increased by 5.5 per cent, and in New York alone rose by over 7 per cent; when industrial output dropped by almost three per cent, and was at the end of the year six per cent lower than the peak achieved in July 1969.

Unemployment throughout the year was at an average of 4.9 per cent, rising to six per cent in December, an increase of over two-thirds above the December '69 figure.

It is true that the US balance of trade was the largest for three years, but owing to a fall-off in exports during the Autumn, the overall balance at US \$2,700 million still remains at a figure that is regarded as unacceptable by the Administration, which had hoped for a US\$3,000 million surplus.

On the other hand, imports into the USA rose not only from Hong Kong,

but from the world in general, since the overall level at US\$39,600 million was some 11 per cent up on 1969. Part of the increase in imports can be attributed to the compensation factor whereby in times of hardship, consumers will defer purchases of high cost capital items, thus releasing spending power for relatively low cost consumer products. Likewise, in times of stringency, the lower priced import will often find a market denied to a more expensive domestically-produced equivalent. Much of the increase in imports was in fact in consumer goods.

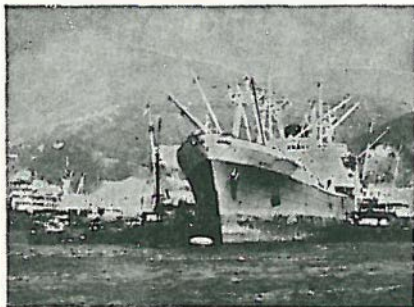
What are the prospects for 1971? The current feeling of most Americans seems to be — 'Well, it could hardly be worse . . .' It is generally believed that 1971 will show a slight but steady improvement.

It will however be some time before this improvement works through the economy, and for some months many Americans are likely to feel the pinch. In particular, inflation is proving more intractable than the Administration had hoped.

Imports will increase

Added to which, the balance of payments is expected to deteriorate, as it is thought likely that imports will increase during 1971 with a pick-up in the volume of production. Exports however are expected to decline owing to hardening conditions in some of the USA's markets. And, it is widely predicted, the unemployment rate is unlikely to drop below 4.5 per cent. Some predictions put the figure rather

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higher, since past experience suggests that unemployment continues to increase for some time after the worst of a depression is over. The only means available to the Administration of checking the rate of inflation would call for a further drop in the rate of production, and this, while it might help the balance of payments, would worsen the unemployment position beyond the already high level predicted.

During this year, the *Bulletin* will continue the practice established last year of bring you up-to-date reports on developments in the US economy, taken from on-the-spot reports published in the US press as part of our 'Pick of the Press' feature.

We make no apology for this preoccupation with the US economy. Firstly, America is not only our largest customer, but takes in fact not much short of half of our entire export output — more than Britain, EEC, CFTA, Canada, Australia and New Zealand combined. This fact cannot be too often stressed.

USA and the rest

Also of importance are the causal relationships between what happens in the USA and what happens to world trade in general. The USA is such a large and affluent market for imported goods that any cutback — other than a distinctly minor one — in US imports will set off a train reaction that affects all exporting nations.

This pattern is distorted somewhat by the growing influence of Japan and Germany. Germany especially has

tended to function as a 'mini-America', partly because of her high rate of foreign exchange earnings, partly because of her attempts to counter inflation by allowing access to low priced imports. Japan — a vast potential market — still tends to shelter behind protective barriers, so that her contribution to the overall growth of world trade has not yet been fully felt.

US influence is confined not only to movements of imports and exports. Fluctuation in interest rates and stock exchange prices for example also tend to follow the lead set by Wall Street, and have repercussions on the overall world trading pattern.

Trend setter

There is yet a third — somewhat more intangible — reason why developments in the USA are worth studying. The United States is, as it were, the womb in which most of the ideas, trends, influences that affect development on a world-wide scale are conceived and grow. These developments occur both in the field of business and also in what may more properly be regarded as general cultural patterns.

For instance, it is widely realised that modern business management is an entirely American invention (perhaps 'discovery' is a more apt word). On a vaster and more influential scale, the development of the modern automobile is again a largely American achievement. The mass production techniques pioneered by Henry Ford made it possible not only to flood the

Continued p. 18

Briefing

News from the Chamber ... and the rest of the world

□ Members are reminded that the **Chamber's Annual General Meeting** will be held on Tuesday, 6th April, 1971 at 5.30 p.m. at the Mandarin Hotel, and will be followed by a cocktail reception.

□ **The Israeli Trade Mission** which was in Hong Kong from February 25th to March 2nd was the first mission from Israel to visit the Colony, according to Mr. V. J. Zirinsky, the Honorary Consul-General of Israel.

During the visit of the mission to the Chamber, the possibilities for further expansion of two-way trade between Israel and Hong Kong were discussed and prospects for closer co-operation between Chambers of Commerce in the two countries were also stressed.

Some 60 business contacts — or over 80 per cent of all the business appointments made for delegates of the Mission — were arranged by the Chamber. (see also p. 16)

□ The Chamber's next series of **Cantonese Language Examinations** for all levels of colloquial Cantonese will be held on Saturday, 24th April, 1971 at 9.00 a.m. at the Chamber, 902 Union House.

Details of the syllabus and conditions for these examinations are available on application to the Chamber.

Candidates must register with the Chamber not later than 5 p.m. Thursday, 15th April, 1971 and should provide particulars of: (a) Level (b) Firm and address of candidate (c)

Telephone number at which candidates can be contacted.

An Examination fee of \$50 per candidate must accompany each entry. The Committee regrets that entries not accompanied by the appropriate fee cannot be accepted.

Cheques should be made payable to the Hong Kong General Chamber of Commerce and crossed.

□ The Chamber held the second of two **Luncheons for members of the Consular Corps** at the Mandarin Hotel on February 1st. The first Luncheon was held on January 11th. All commissioners, trade commissioners and Consul-Generals based in Hong Kong were invited. A total of 31 guests attended the two luncheons. The luncheons were given to enable committee members to become better acquainted with representatives of the countries Hong Kong trades with, and to introduce the members of the Consular Corps to the services provided by the Chamber.

□ Several copies of a **Report on Hong Kong's Clothing and Textile Industry**, prepared by the Trade Development Council for this year's Read-to-Wear Festival, is available to members on a first-come-first-served basis from the Chamber's Public Relations Department.

The report gives statistics and discusses Hong Kong exports of textiles and clothing in 1970 by major markets, and by materials, users, and method of manufacture.

Briefing - continued



D. Another Japanese Mission organised by the Higashi—Osaka Employer's Association called on the Chamber on February 14th. The group was on a labour management study tour of Southeast Asian countries. At the Chamber they were briefed on local labour conditions, wages, etc. The leader of the mission, Mr. Shinzo Yamashita, President of the Nihon Seisen Co. is seen 4th from the left.

E. A cheque from the Chamber's Special Relief Fund was received on behalf of the 6th Queen Elizabeth's Own Gurka Rifles on February 19th in the Chamber's Boardroom. The money will be given to the dependents of two Gurka soldiers killed in an accident on the border last December. The ceremony was also attended by Maj. Gen. D. G. T. Horsford, CBE, DSO and Lt. Col. J. N. Kelly, MC.



F. Several members of the Israeli Trade Mission, accompanied by Mr. V. J. Zirinsky, the Honorary Consul-General of Israel visited the Chamber on February 26th. Pictured from left to right are:— The Secretary; the Vice-Chairman; Mr. Y. Weiman, leader of the Mission; the Chairman; Mr. V. J. Zirinsky; and three members of the Mission (see also p. 12)

Ready-to-Wear Festival



Picture Briefing

A. Mr. N. A. Rigg, member of the Chamber's General Committee (see Pen Profile p. 19).

B. Mr. S. F. Kennedy (left) leader of the British Footwear Manufacturers Association Trade Mission called on the Chamber on February 8th. The discussion centered on the topic of marketing trends in footwear in Hong Kong. Mr. Kennedy is seen here with the Secretary and Mr. J. K. Blackwell, Senior British Trade Commissioner.

C. A ten member Finance and Investment Survey Mission organised by the Japanese Government met with representatives of the Chamber, the Federation of Hong Kong Industries and the Chinese Manufacturers Association in the Chamber's Boardroom on February 9th. The mission was in Hong Kong to study at first hand, the current economic situation, the investment and finance requirements, and the possible role that Japanese banks and securities companies can play in the Colony. The mission is making similar visits to a number of other Asian countries. The leader of the mission, Mr. Isao Masumune, President of the Industrial Bank of Japan Ltd. is seen addressing the meeting.



□ All members should have already received a circular concerning a **Survey on the Wig Industry** which is now available at the Chamber. However, should this circular have been overlooked, members connected with the wig industry are reminded that copies of this survey, which was carried out by the Commerce and Industry Department, are available from Miss Annie Yu of the Chamber's Business Promotion Department — Tel. 237177 Ext. 34.

□ The Business Promotion Department has several copies of a recent study done by the Trade Development Council on **Major Markets for Imported Footwear**. The major markets covered include Britain, Scandinavia, the Federal Republic of Germany, the USA, Canada and Australia. Members who are interested in this study may apply for their own copies from W. S. Chan, Business Promotion Department. Since the supply is limited, copies will be distributed on a first-come-first-served basis.

□ The Industrial Safety Training Centre of the Labour Department is organising a series of six five-day basic and advanced level **training courses on industrial safety** which will run from July through September. The courses, to be given in Cantonese, are open to workshop instructors, technical teachers, foremen, and supervisory personnel, and will be

free of charge. For further information, please contact Mr. Stanislaus Tsao of the Industrial Training Centre, Tung Ying Building, 100 Nathan Road, Kowloon, Tel. K-661438.

□ Members are reminded that there will be a **one-day seminar on 'Packaging — Facing up to the Market'**, given on March 26, 1971. All members should have already received a circular giving full details of this seminar. However, should this have been overlooked, please contact The Director, The Packaging Centre, United Chinese Bank Building, 12th floor, 31-37 Des Voeux Road, Central, Hong Kong.

□ The Department of Commerce and Industry has notified the Chamber that, in response to a request from the trade, it has decided to open an additional **Kowloon Certification sub-office**, on a trial basis, in Tsim Sha Tsui to meet the needs of businessmen and industrialists in the area. The new office will open for business on Monday, 15th March, 1971. It is located in Room 506B on the 5th floor of Tung Ying Building at 100 Nathan Road, and office hours will be Mondays to Fridays from 8.45 a.m. to 1.00 p.m. and 2.00 p.m. to 5.30 p.m.

The office will receive applications for, and issue certificates of origin and preference, and import and export licences. The actual processing of

continued p. 25

US Economy - continued

world with motor cars, but brought vast changes in life-style for millions of people, many of which have little to do with transport as such.

To take two of these effects at random — firstly, the use of production line techniques in the US automobile industry set a pattern which has been copied by many different industries throughout the world, and which still remains the norm, despite the growing changes introduced by the computer and the 'second industrial revolution'. Secondly, as we have become increasingly to realise, the wider use of the internal combustion engine has brought with it problems of environmental pollution that could give rise to long term effects as serious as those of an atomic war.

There is little point in arguing whether the changes consequent on American developments are right or desirable, the pertinent fact is that they exist. Facing up to the changes now emerging from the vast laboratory that is the USA, *Fortune*, the influential US business magazine, has said that is largely impossible to predict the course that the US economy will take over the next twenty or so years.

Figures not reliable

They point out that, for the first time in two decades, the forward-projection of historical figures are becoming increasingly unreliable as a guide to future progress.

For example, hitherto it has been possible to forecast the general growth of the automobile industry from statistics — population growth, income distribution, rates of scrappage and so forth. *Fortune* argues out that these 'normal' forces no longer provide a

reliable guide, since the development of the industry over the next ten or so years will be largely governed by other factors.

'Of what use are existing projections,' *Fortune* says, 'if Congress creates an end to auto-induced pollution by 1975 or 1980? This is not a vague prospect, there is a good chance that Congress will pass the Muskie bill which mandates a 90 per cent reduction in auto pollution in new cars by 1975'.

Brave new world

It is of course not only questions of environmental pollution that may determine the development of the US economy. Other factors identified by *Fortune* include the changing attitudes to work of all classes; the growing emphasis on a "pleasure-society"; the unwillingness to defer immediate satisfactions for a future goal; the general questioning of goals in life that is evident at all levels, and not just among rebellious students.

Taking these factors into account the difference between the high and the low projections for US Gross National Product by the year 1980 works out at an incredible HK\$3 billion (i.e. three million, million). This, be it noted, is the difference between the high and the low projections, not overall GNP, and is the projection for one year only.

It is equivalent probably to double the value of the international trade that has passed through Hong Kong since it first became a British colony in 1842. Is it surprising therefore if a recession in the USA has little effect on Hong Kong?

Pen Profile N.A. Rigg

'Insurance is a good financial barometer. It reflects the economy — and I'm happy to say that it has been doing very well in Hong Kong these last few years. There may be a slow down in the rate of growth this year, but that is to be expected. The phenomenal growth of the last three years could not go on for ever.'

Mr. N. A. Rigg, Director and General Manager of one of Hong Kong's oldest companies, the Union Insurance Society of Canton, Ltd., and a member of the Chamber's General Committee since 1968, is a friendly man with an open, easy-going manner.

Is Union House . . . ? 'Yes, Union House was named after us, although the original Union House took up only half of the present building.'

Like many of the Taipans in Hong Kong, Nigel Rigg sits on a number of committees. He is a Director of the Hongkong Electric Company, on the Councils of the Employer's Federation and The Insurance Institute of Hong Kong, and the Chamber's Representative on both the Board of Trustees for the United College of the Chinese University, and the Appointments Board of Hong Kong University. He is also Chairman of the Hong Kong Club, and Vice-President of St. George's Society.

One aspect of industry in Hong Kong concerns Nigel Rigg in particular — and that is the need for more technical training facilities.

'I know it has been stressed over and over again, but I feel that more often, the better. I am presently on a sub-committee set up by Govern-

ment to advise on the scope of initial courses for the projected polytechnic. This will be a school to provide post-secondary vocational training in technical, industrial and commercial subjects, lying somewhere between a technical institute and a university, and offering full-time and evening courses up to examination levels required for professional qualifications. The projected polytechnic is planned for 1974 — and hopefully eventually there will be two, one on each side of the harbour.'

The youth

Nigel Rigg is also very concerned with the community's responsibilities to the young people of Hong Kong, who make up the majority of the total population in the Colony. 'We must think now about how to train them, and how they are to keep themselves occupied during their leisure time. More recreation facilities are necessary, although I realise lack of space is a real problem.'

'Also, I believe there are certain responsibilities that management must shoulder in regard to staff and one is to look after their social welfare not only from nine to five, but after office hours as well.'

Nigel Rigg was born in the London suburb of Wimbledon forty-five years ago and attended St. Paul's School in West Kensington, London.

In 1942, he left St. Paul's and joined the Merchant Service and spent the remainder of the war serving mostly on troop and assault ships in

the Mediterranean and Atlantic. From 1947 to 1949, he 'held a variety of jobs — while looking for something to settle down to, like so many young men did after the War,' and in 1950, he joined the Society in London.

Accident

Why did he pick insurance? 'I didn't, quite honestly.' Nigel Rigg answered with a smile, 'I joined because I had decided on a career in the Far East, and a relative suggested the Society as an established and reputable company based in the Far East. So you see I fell into it more by accident than by design.'

'My first posting was to India. Following that, I served briefly in Hong Kong, then the Philippines and back to India. In 1960 I returned to Hong Kong permanently, and in 1968 I was appointed General Manager succeeding Mr. J. Dickson Leach, who was Chairman of the Chamber in 1967.'

Is he happy with his profession? 'Yes, I love it. Many young people think it's dull and rather routine but it's far from that. Insurance practice changes continuously in line with developments in the commercial and industrial world. Insurance touches upon an enormous range of vital subjects — economics, trade, commodities and, most important of all, people. One has to know a little about lots of things, about ships and their cargoes, about buildings and their fire hazards, about the public and their legal and common law liabilities. The list is virtually endless and so one's general knowledge grows as a matter of course.'

'I don't handle any specific area of insurance now, but I used to deal primarily with marine insurance. That was my basic training and my main interest — probably arising as a result of my years at sea.'

Married in Manila, Nigel Rigg now has three sons, 'aged roughly nine, eleven and thirteen' all of whom are attending boarding schools in England.

'When they're home — usually during the summer — it's a full time job keeping them busy! But they all play golf and love most games as I do, so the four of us can enjoy sports together. I play tennis and squash as well.'

Sound of music

'Both my wife and I are fond of music. She plays the piano, and one of our sons is learning to play too. Actually my wife is the one really responsible for increasing my enjoyment of music.'

'Unfortunately there still aren't enough concerts, particularly orchestral concerts, given in Hong Kong — there has most definitely been an improvement in the eleven years I've been here.'

'Often, I find it's a matter of timing. A one-night concert may be given without much notice when an artist is travelling through, and you find that you can't go because of a previous commitment.'

'The trouble is there is no season as there is in London. If there were, then you could keep your schedule free and plan ahead. Still, I think Mr. Harry Odell has done a great deal for music lovers in Hong Kong.'

Industrial Opportunities in Western Nigeria

This article consists of excerpts from a contribution specially prepared for The Bulletin by Chief B.A. Ajayi, Commissioner for Trade and Industry and Economic Planning and Reconstruction, Ministry of Trade and Industry, Western State of Nigeria. The Chief visited the Chamber last year.

The present article considers industrial investment and further excerpts from his article, on the subject of trade, will appear in future issues of the Bulletin. Those who wish to study the complete document, which contains a comprehensive picture of Nigeria, should apply to the Chamber's PR Department.

The Western State is one of the largest and most easily accessible markets in the Federation of Nigeria, a country which, in the past decade, has been growing at rates comparable to any elsewhere in Africa.

By long tradition and the fact of its high population and accessibility to international markets, the State's internal market has grown to become one of the most sophisticated in Africa.

Turning to industrialisation, the Government is now embarking on the establishment of industrial estates to provide more built-in incentives to industrialists. In addition, there are generous incentives provided by the Federal Government of Nigeria over taxation paid by new industries and duty reliefs on imported raw materials. Several million pounds have been invested by the Government and private concerns (foreign and indigenous) in many industrial projects, whose products include vegetable oils, cocoa butter, beer, textiles, asbestos cement sheets, cement, plastic goods, aluminium wares, fibre bags, cigarettes, canned fruits, soft drinks and modern boats. Additional industrial projects are proposed under the Government's

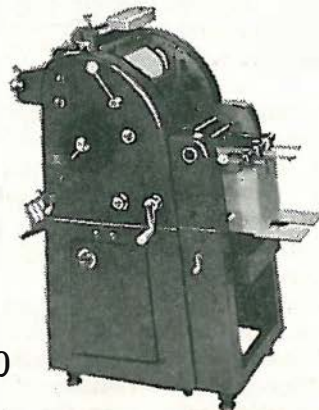
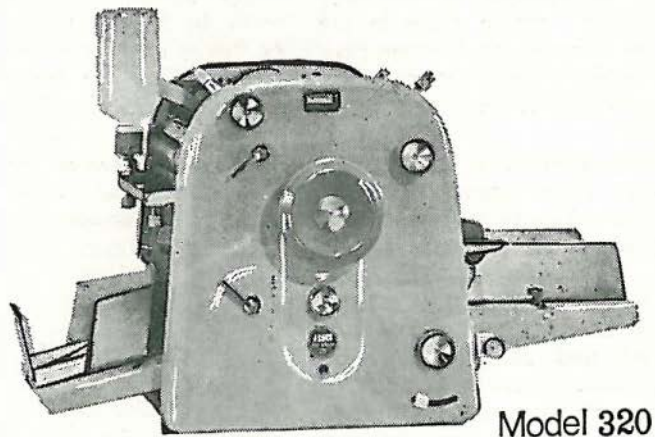
four year development programme, which has already created a very good climate in which foreign and indigenous investments are flourishing.

Of considerable importance are funds to execute this industrialisation scheme. Indigenous capital is in short supply in the Western State and indeed Nigeria. The country therefore welcomes overseas capital, managerial, and technical skills to develop her resources. The economic policy of the Federal Government of Nigeria is overtly designed to guarantee security of investments and profit repatriation by the foreign investors who usually feel reluctant to lend and invest their capital unless they can be assured that such investment will be welcome and the overseas personnel who may be required to make it successful will be accommodated.

Partnership

In furtherance of this policy, the Government of the Western State actively supports the principle of partnership between itself and overseas entrepreneurs. But it would prefer that where there are willing Nigerian investors, these should also be

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associated with any new enterprise to be established. While there may not necessarily be a rigid insistence on local participation in new industrial projects, however, the Government would definitely wish to share in the financing of certain large enterprises which are basic or which may have a special significance to the economy of the State.

Immediate Projects

Industrial Development Projects scheduled for 1970-74 include Small-Scale Enterprises Development, Rural Integrated Development, Tourism, Blanket Towels Industry, Brewery, Soap/Detergents, Cement, Hygienic Cotton-Wool and Bandages, Glass/Bottle, Ceramic, Cotton Ginnery/Plantation, Tomato Puree/Plantation, Inland Fishery, Pulp Paper, Electric Wire and Cable, and Industrial Estate. The Chamber can supply details of the type of assistance and participation sought in respect of each project.

In addition to these large-scale enterprises, it is the plan of the Government to undertake the establishment of small-scale industrial projects. Whilst it is not the intention of the Government to seek partnership with foreign investors for the purpose of setting up the industries, it is envisaged that technical expertise and managerial skill would be required in the execution of the scheme. The list of small-scale industries proposed for establishment in the State can be obtained from the Chamber.

Besides facilities described in the preceding paragraphs, the Federal

Government, which has exclusive powers in the fields of company taxation and tariff policy, offers special incentives to industrial enterprises where such assistance is held to be in the overall economic interest of Nigeria. These are embodied in four acts — the Industrial Development (Income Tax Relief) Act, 1957; the Customs Duties (Dumped and Subsidized Goods) Act, 1958; the Customs (Drawback) Regulations, 1959, and the Income Tax (Amendment) Act, 1959.

These four acts are described in detail in the papers in the Chamber's possession, and can be obtained on application to the PR Department.

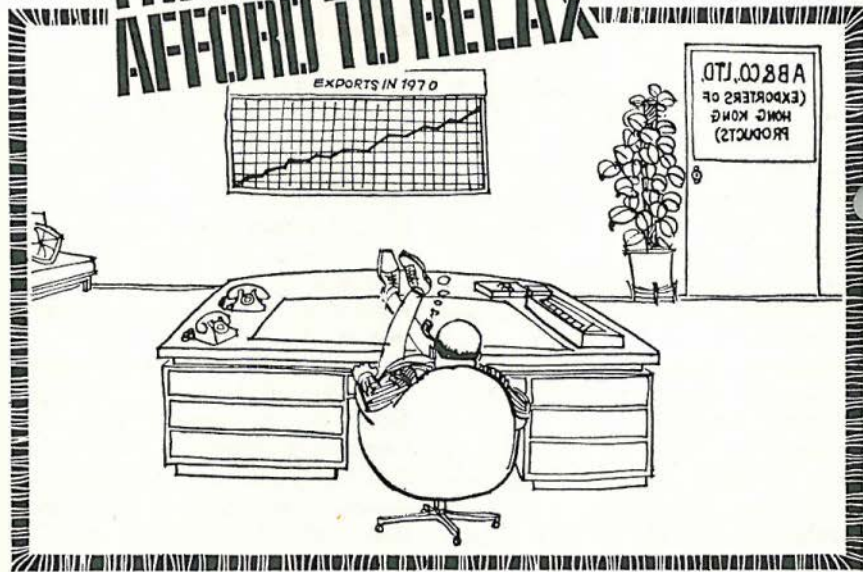
There are no restrictions preventing the ownership of a business in the Federation by foreigners although companies motivated by a spirit of partnership are preferred. All companies—whether indigenous or foreign—are governed by the same laws. There are throughout Nigeria several firms in which foreign interests have a substantial financial stake.

Published Guide

A "Guide to the Registration of Companies" has been published at 1/- a copy post free, by the Federal Ministry of Information and may be obtained on application to the Permanent Secretary, Federal Ministry of Information, Lagos or the Federal Ministry of Trade, Lagos.

In the Western State of Nigeria it is often not easy to obtain land quickly with a clear title. But where difficulties (Drawback) Regulations, leasehold land for an approved indus-

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trial project, Government may compulsorily acquire such land and lease it to the company. The main feature is that without the approval of the Government there is an absolute prohibition in the acquisition of land by persons who are not natives of Nigeria or by companies consisting of such persons.

Enquiries regarding land for industrial purposes and for housing should be directed to the following: The Ministry of Lands and Housing, Ibadan, or the Provincial Land Officer of the area concerned.

Mining is governed by the laws of Nigeria published as Caps 120 and 121 of the Laws of Nigeria. All minerals are vested in the State. Prospecting may be carried on by the holder of a prospecting right or an exclusive prospecting licence for which provisions are made under the Act. The condition for the granting of mining leases includes the payment of rents and royalty on minerals produced.

Further information and a list of minerals obtainable in commercial quantities may be obtained from the Federal Ministry of Mines and Power, Lagos.

Nigeria welcomes foreign capital investment. Capital directly invested is granted "Approved Status" after assessment of its economic benefits to the country. Profits and dividends arising from an investment may be freely transferred to the country of origin after payment of income tax. Capital may also be repatriated with Exchange Control permission.

continued from p. 17

these documents will, however, be carried out in the Head Office of the department in Fire Brigade Building, Hong Kong, but they will be returned to the sub-office for collection when approved.

Members may care to note that mail gets to the Chamber quicker if our post office box is used instead of the Union House address. **Our GPO box is 852.**

Hong Kong trade statistics for the years of 1966 to 1970 analysed from the published figures of the Census and Statistics Department are now available to members. These include HK Overall Trade and HK trade with the UK, USA, Canada, West Germany, Japan, Australia and all other significant markets.

During February the Business Promotion Department arranged over 110 business contacts for members to meet delegates of visiting trade missions and businessmen, and issued or endorsed 456 letters of introduction for members to various trade organisations overseas. The Department dealt with 1,369 enquiries for importers and exporters. Compared with the same period last year, the number of enquiries from Japan showed a particularly marked rise, while enquiries from the US have also shown an increase of over 10 per cent.

The Certification Department reports that a total of 12,358 applications for Certificates of Origin were received in February. This is an increase of 25 per cent over the same period last year. Spot checks on over 15 per cent of all consignments were carried out.

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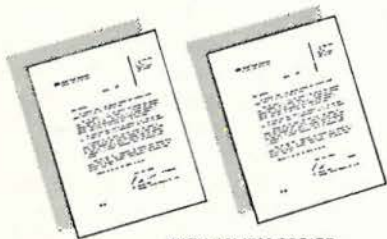


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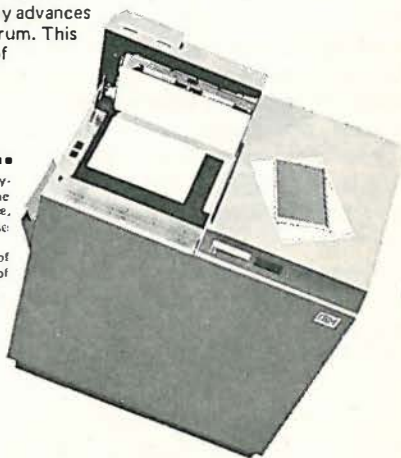
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往「奈幾利亞」投資

去年「奈幾利亞」西州工商業部之工商業及經濟重建專員艾珍宜先生訪港，特為本刊撰文，該專文譯譯如下。文中談及工業發展，有關商業問題則日後在本會訊繼續發表。讀者如欲參閱艾氏所撰關於「奈幾利亞」之專文，可向本會公共關係部詢問。

「西州」是奈幾利亞聯邦內其中一個最大而又最易與外界接觸的市場。在過去十年來，其經濟增長率遠美任何非洲國家。由於傳統深遠，人口眾多，及易於接近國際市場——該州現已成為非洲最獨特的市場。

從工業化方面來看，政府現已着手興建工業大廈，給工業家們更多可靠的鼓勵。再者「奈幾利亞聯邦政府」對新興工業有課稅豁免和入口原料減收關稅等鼓勵性措施。政府及私人企業（外資和本地人氏資金）已投資數百萬英鎊於許多工業計劃上，其產品包括，植物油、椰子油、啤酒、紡織品、石棉瓦、英泥、塑膠製成品、鋁質用品、纖維布袋、香烟、罐頭生果、飲料、及現代小船等。在政府的四年發展計劃下，很多新的工業計劃都方興未艾，做成甚為良好的氣候，使國內國外的投資都欣欣向榮。

資金對於完成工業計劃甚為重要，由於「西州」及「奈幾利亞」缺乏資金，因此歡迎海外資金，管理及技術人材發展本身的資源。「奈幾利亞」的經濟政策是保證外來投資的安全和所得利潤可以自由移動。「西州」並積極支持與外商合夥經營的原則。

一九七〇年至一九七四年之工業發展計劃，包括小型企業的發展，鄉村工業發展，旅遊、毛巾、釀酒、肥皂、及規粉、棉花種植及收割、番茄種植、內陸畜魚、製紙、電鍍、及工業大廈。本會可免費供給關於各種扶助計劃及參加之詳細資料。除大型工業外，政府並助長小型工業之成立。政府雖然不打算尋求外資投資該等工業，但需要管理及

技術人材幫助籌設該等計劃。本會有一份詳列待建立之小工業目錄以備參考。

西州之工業政策是鼓勵私人企業來發展該州的經濟。除上述各項便利外，聯邦政府認為對該國有利投資，將在公司溢利稅及入口關稅方便予以優待。並已訂下四項法案，以便執行。詳情請向本會公共關係部查閱。

外資在「奈幾利亞」境內擁有企業是不受限制，雖然「奈幾內亞」喜歡與當地人合夥的投資。所有公司無論外商或當地人開設都受同樣法律管制。「奈幾利亞」新聞部印有「公司註冊指南」一書，可向「奈幾利亞」新聞部秘書處郵購。地址為：

Permanent Secretary,
Federal Ministry of Information,
Lagos or The Federal Ministry of
Trade, Lagos.

在「奈幾利亞」購買土地，常有地權不清楚問題發生，但如因為購買土地興建工業而引起困難，政府可將該地收回為公有而租與該公司。因為如未經政府許可，外來人氏不得在「奈幾利亞」擁有土地。關於工業用地問題可向田土屋宇部查詢。

一切在「奈幾利亞」的礦產都屬國有，如欲從事採礦，須得特別申請，如獲允准，承辦人需付租金及採礦所得一部份與政府。詳情請向礦務及動力部查詢。

「奈幾利亞」歡迎外來投資。所得利潤付溢利稅後可自由匯返原有國家，而帶來資金經外匯管制，批准後可以移回原處。

介紹本會會董力加先生

於仁洋面及火險保安有限公司總經理——力加先生自一九六八年
年起，被選任為本會董事會董事。

力加先生謂：「保險乃金融之晴雨表，它反映整個社會經濟之狀態。於過去之數年中，保險業欣欣向榮。余以為今年，此行業之增長率也許會較緩慢，但此乃意料中事。」

據力加先生指出，於仁大廈之命名，來自於仁燕梳，雖然當年之於仁行之面積僅及現時大廈之半。

力氏謂：「於仁燕梳頗為著名，我們於世界各地均設有分公司。」

「本公司於一八三五年，在廣州創立。當時合資之四間公司中目前祇有怡和有限公司仍存在。於一八四二年，總公司遷至香港。一九四一至四七年大戰期間，曾一度遷往澳洲之雪梨辦公。」

力加先生身兼數職，彼為香港電燈公司董事及僱主聯會會董。彼又為香港中文大學聯合書院信託會及香港大學學生職業輔導會之總商會代表。同時，彼亦為香港會所會長及聖佐治會之副主席。

力加先生對增設更多之工業訓練設備問題最為關注。

他表示，「雖然此一問題常被談及，余以為談論愈多愈好。余正出任一政府之小組委員會，處理在籌備中之工業專門學院之課程。此一學院之性質，介乎工專與大學之間，授課時間為晚上。此一學院計劃在一九七二年完備。我們希望將來於港、九兩地同時設立各一間此等之學院。」

力加先生對社會對香港年青人之責任，亦甚表關懷，因青年佔本港人口之大部份。

「吾等要考慮如何訓練他們，及如何使他們好好利用閒暇之時間。雖然我們缺乏地方，但我們甚為需要更多之康樂設備。」

「余認為公司方面應照顧員工福利。本公司有見及此成立了一康樂文娛會，該會常舉行野火會、旅行及遊河等活動，甚受員工歡迎。」

力氏於四十五年前生於倫敦，卒於英國著名之聖保羅中學。於一九四二年大戰期間，服務於航海界。於一九五〇年，力氏加入於仁燕梳之倫敦公司。

問及他為何會選擇保險此行業？

他說：「坦白地，我也不明白。由於我希望來到遠東，並得到一位親戚提示於仁燕梳創自遠東很有名氣，因此很偶然地，我便加入本公司工作。」

「最初，我被派往印度，其後到菲律賓及印尼。於一九六〇年到香港。一九六八年被任命為本公司經理。」

「余對此行業深感興趣。很多年青人認為此工作甚為沉悶，也許他們所想像的只是人壽保險，但我並不以此為然。保險業是涉及多方面的範圍……包括經濟、人事和各種各類之事情。我們要熟識貿易、航運貨物、工廠、火險及樓宇險等事情，因此我們的知識，由此而增長了。」

「我現在之工作並不限於保險之某一方面。以前我是專門處理水險。此乃余之基本訓練所在及喜愛……也許由於我嗜愛海上之生活所至。」

力氏已婚，有子三人，其長子年齡為三，次子十一歲，幼子為九歲，均肄業於英國。

力氏謂其本人及三位公子均嗜高爾夫球及網球，而其本人亦愛迴力球。

「我並愛閱讀，但可惜並無時間作閒暇閱讀。因要覽閱各委員會之公文，已化了不少時間。」

力氏夫婦均好音樂。夫人為一傑出之鋼琴家。並謂：「可惜目前在港舉行之音樂會次數方面並不足夠，雖然在過去的十一年來已有顯著改進。」

力氏又指出歐德禮先生對本港嗜愛音樂之人任貢獻尤多。



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