



THE HONG KONG GENERAL CHAMBER OF COMMERCE BULLETIN

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Members are reminded that the contents of the Bulletin are confidential.



Round Table discussion in the Chamber's boardroom with members of the Cercle De L'Opinion.

Visit of Cercle De L'Opinion

APPEAL FOR LIBERAL FRENCH ATTITUDE

The hope that France would liberalise its import policy towards Hong Kong was expressed when members of the Cercle De L'Opinion, an influential Paris club, visited the Chamber on July 21st.

The French group, which was led by M. du Chastain, asked many questions about Hong Kong. Among these were the possibilities of importing into France canned foodstuffs and soft drinks. The Hong Kong position on container traffic was also raised and points were

brought out on the Colony's re-settlement projects and conditions of employment in textile mills.

Other questions were raised on the sale of land in Hong Kong, housing standards and Hong Kong's position in relation to the Common Market. There was also talk on Hong Kong's uneven trade with Europe, most of it being concentrated with West Germany and the Netherlands. Efforts, the mission was told, were being made to promote more two-way trade with

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NEW YORK STATE SELLS TO HONG KONG

New York State is the leading producer of men's and women's clothing in the United States. And more and more, it is dressing the rest of the world as well.

The largest industry in New York State, the manufacture of men's, women's and children's apparel employs about 317,500 people in nearly 13,000 establishments, accounting for roughly 17 per cent of all factory workers in the State. The manufacture of women's dresses, coats and blouses alone represents 43 per cent of the United States' total output of these goods.

Most of the State's apparel industry is concentrated in Manhattan, where the value added by manufacture to these products totals almost U.S.\$2 billion per year. It's no wonder that New York City is regarded as the fashion capital of the world.

The strength of New York State's apparel industry has a triple basis: historical, technical and artistic. The historic foundation of the industry goes back to 1861, when New York manufacturers pioneered methods for the mass production of apparel. This technology created a huge market for ready-to-wear clothing.

The State's apparel manufacturers soon learned the secret of translating high fashion — once available only to a few — into ready-to-wear coats, suits, dresses and trousers, so that men, women and children on every Main Street in America could be as well dressed as the residents of any of the cosmopolitan centers of the world.

Now, New York's huge apparel industry employs a wide range of creative, technical, administrative and sales talent to maintain its leadership in this highly competitive field. To help provide the unique mixture of skills essential to the continued growth of New York's largest industry, both the State and the City have developed several institutions devoted to the training of young men and women in design, production and merchandising in the apparel and allied fashion-oriented industries.

One of these schools is the Fashion Institute of Technology,

a two-year community college which accepts and trains students from not only throughout the United States, but also from countries all over the globe. Housed in a \$12 million, 9-story building in the heart of Manhattan's garment district, FIT offers the most complete, integrated courses in fashion design, management, production and merchandising available anywhere in the world.

So strong is the demand for apparel made in New York, that every day the State Division of International Commerce reports an increasing number of overseas inquiries, especially from Asian countries.

India seeks ladies' fancy wear, hospital clothing and woollen garments. Malaysia is interested in textile threads to weave into clothes, and Laos needs printed cotton piece goods. There also are numerous requests from Hong Kong, Japan and Kuwait, for wearing apparel of all kinds, ranging from infants' accessories, nylon stockings and men's underwear, to sports shirts, sweaters, suits and dresses.

Whatever your needs for clothing, New York State manufacturers and suppliers are eager and ready to serve you at any time. That's why no eyebrows were raised when one firm in Hong Kong several months ago asked for "men's and women's beatnik garments and related novelty items."

In making a request, you, the buyer, are encouraged to be as precise as possible in indicating the types of goods you want, quantities and other pertinent requirements. For instance, a buyer in Iran recently specified in his inquiry for woollen piece goods, that they consist of "from 92 per cent wool to 100 per cent wool fibre or nylon mixture up to 8 per cent." A buyer in Indonesia asked for children's knitted T-shirts in age groups, 1 to 6, 7 to 14; and one in South Korea wants woollen yarns suitable for either hand knitting or machine weaving.

Question Time in Parliament

Among the questions concerning Hong Kong that were raised in Parliament this month, were the following:

Mr. John Rankin (Labour, Govan) asked the Secretary of State for the Colonies what preparatory steps he is taking to enable the people of Hong Kong to achieve independence or some other status they have freely chosen.

The Secretary of State, Mr. F. Lee, replied: "There are obvious limitations on Constitutional development. The Hong Kong Government is examining the problems of local Government and will be consulting public opinion on changes in the present arrangements."

St. Erik's Fair

The Trade Development Council is prepared to make enquiries on members' behalf at the St. Erik's Fair in Stockholm, on exporting to Hong Kong. Members at purchasing raw materials from Scandinavia or who are interested in developing imports from Scandinavia, should contact the Chamber with their specific requests.

These requests will be passed over to the Trade Development Council.

The St. Erik's Fair will be held from August 31st to September 11th.

SEACOM Cable Call

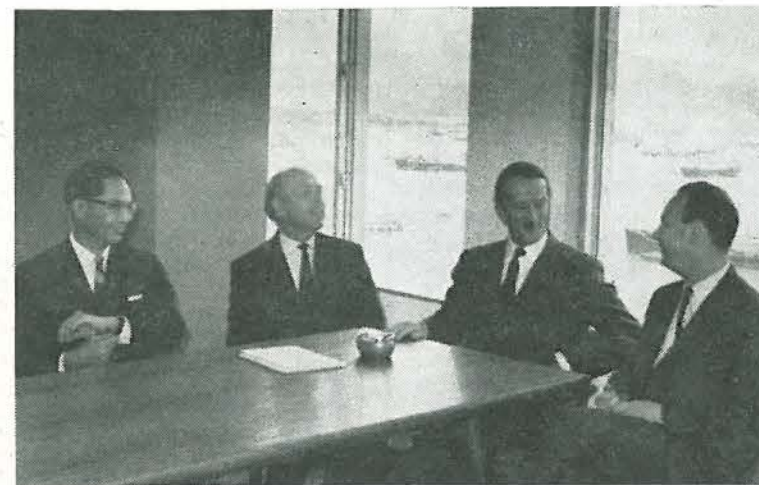
The Hon. G.R. Ross, Chairman of the Chamber, took part in the inauguration of the latest SEACOM telephone cable link.

Mr. Ross, spoke to Mr. J.H. Hamm, Chairman of the Hong Kong section of the London Chamber of Commerce, over the new link which connects Hong Kong with the United Kingdom through Guam.

The new link to Guam is part of stage II of the SEACOM cable which will eventually put Hong Kong into direct contact with Commonwealth countries throughout the world.

Just Fancy That

"Dear Sir, We should like to approach you for your invaluable help in connection with..." From a letter to the Chamber.



Mr. K. D. Robertson, Designate Commissioner of the new Export Credit Insurance Corporation, is seen here with Mr. H. Huie, Administrative Manager, Mr. G. Archer (Executive Director of the Chamber) and (right) Mr. D. C. W. Hill, Manager.

Export Credit Insurance

NOVEMBER START FOR NEW SCHEME

One of the most important steps yet taken in Hong Kong's export drive is the formation of the Export Credit Insurance Corporation. In this article, specially written for the Bulletin, Mr. K. D. Robertson, Designate Commissioner of the scheme, explains the aims of the new organisation.

"We are to be an independent Corporation fully guaranteed by the Hong Kong Government to provide credit insurance for Hong Kong's exporters. We will neither subsidise nor finance the export trade. We will operate on a business footing and aim to earn a premium income which, taking one year with another, will allow us to pay our way. We will be assisted by an Advisory Board with wide experience in industry, commerce and finance.

"It is our intention to provide a single policy document giving comprehensive cover against the risks of war, revolution, imposition or cancellation of import licence, insolvency, protracted default after acceptance of goods and transfer. This broad, sophisticated type of insurance has been developed over the past fifty years by the Export Credits Guarantee Department in Lon-

don and most credit insurers of the world have drawn upon their vast and valuable experience.

"As we develop and train our staff, we will be able to increase the scope of our facilities but the basic need in Hong Kong is for a comprehensive type policy covering consumer goods normally sold for cash or on not more than six months' credit. Under these policies the exporter insures the whole of his export trade for a period of twelve months and declares his business to us each month, paying premium at rates which vary according to the market concerned and the length of credit he grants. Initially, we propose to provide cover from date of shipment.

"The exporter is required to exercise normal business prudence and to retain some reasonable interest in the tran-

saction. The extent of the cover we will provide remains for Government to decide after the necessary legislation has been enacted probably some time in September, which should enable us to open for business during November.

"It will be necessary for the exporter to complete a proposal form which, inter alia, asks him to list his gross trade in the preceding year with each overseas market, and his anticipated turnover. These details, and all information about the proposal and the policy, are of course treated as strictly confidential. We then make a firm offer of insurance, with premium rate quotations, which requires formal acceptance by the exporter.

"After acceptance it is necessary to agree credit limits and terms of payment for the exporter's overseas buyers and it is worth mentioning here that once an exporter takes a policy, credit investigation is primarily our responsibility. Thus, a large part of the responsibility and burden of credit control is taken, free of charge, off his shoulders.

"We already have potential business to keep us fully employed for some time after we open, so that any exporters who are interested will be well advised to contact us on the 23rd floor of the International Building as soon as possible — it will have to be a case of "first come first served."

Talk To Members

Mr. K. D. Robertson, Designate Commissioner of the new Export Credit Insurance Corporation, will talk to members about the scheme on Wednesday, September 7th. Further details will appear in the next issue of the Bulletin.

Cargo Pilferage

A member has informed the Chamber of heavy pilferages from his shipments to the United Kingdom. Other members who have had similar experiences are asked to contact the Chamber.

Mr. J. B. Kite Leaves for U.K.

Mr. J. B. Kite, the Chamber's Secretary, left at the end of July for three months' home leave.



Mr. Kite, who was accompanied by Mrs. Kite, has already travelled extensively this year for the Chamber. He is expected to return to Hong Kong in the latter part of the year by way of the United States and Canada where he is to explore trade opportunities for members.

While in the United Kingdom he will be having consultations with a wide range of Chamber contacts in London and will be joining a team led by the Hon. Sir Sik-nin Chau, C.B.E., which is to have a one-day conference with representatives of the Confederation of British Industry.

During his absence Mr. R.T. Griffiths will take over as Acting Secretary.

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Belgium, France and Italy.

In welcoming the mission, the Hon. G. R. Ross, Chairman of the Chamber, stressed the importance of overseas trade to Hong Kong's economy. He suggested that in her efforts to increase trade with mainland China, France should take advantage of the highly developed entrepot facilities in shipping, insurance, finance and storage available in Hong Kong. Mr. Ross outlined the problems that a large and sudden population increase over the last 15 years posed for Hong Kong and the steps taken by Government and private enterprise to meet this problem. Mr. Ross concluded by stressing Hong Kong's free economy and anxiety to increase trade with France.

Representing the Chamber at the meeting were: The Hon. G. R. Ross (Chairman), the Hon. J. Dickson Leach, P. G. Williams, Esq., A. C. W. Blaauw, Esq., D. G. Jeaffreson, Esq., Mr. E. J. Chaland, G. Archer, Esq. (Executive Director), J. B. Kite, Esq. (Secretary), and R. T. Griffiths, Esq. (Assistant Secretary).

Trade Talks with Sudan

Developments which led to a halt in trade between Sudan and Hong Kong were explained to the Chamber secretariat by Mr. Mousa Karim, leader of the Sudan Cotton Delegation which visited Hong Kong as part of a Far East tour.

Said Mr. Karim, who is managing director of the Sudanese Agricultural Bank: "Our currency reserves had dropped to such a level that the ban, imposed in December, 1965, was inevitable. If, however, we can improve our own trade with Hong Kong then there is no reason why we should not purchase much more from you in future."

The delegation's prime purpose was to interest Hong Kong cotton spinners in Sudan cotton. Mr. Karim explained that apart from the 1½th. cotton for which the Sudan was famous, they were also producing a shorter stemmed cotton. Both Sudan long-stemmed and short-stemmed cotton, he said, were of interest to Hong Kong spinners. Prices, he claimed, were competitive with those of world markets.

After the Chamber meeting, Mr. Karim and his delegation had talks with Mr. T. K. Ann, Chairman of the Cotton Spinners Association. There it was pointed out that Hong Kong's purchases of Sudanese cotton had not exceeded 2,000 bales a year and there was much room for expansion.

The need to improve communications and transport between the two countries, of adopting quality standards to facilitate sales, and of setting up active representation in Hong Kong, were also discussed.

Interest was expressed by the Sudanese in Hong Kong made air conditioning and refrigeration equipment.

Through arrangements between the Chamber and the Government Information Service, the delegation was shown the G.I.S. film "Made in Hong Kong."

In 1965 Sudan's purchases from Hong Kong were valued at HK\$7 million.

The Spaniards Are Coming!

Members are requested to pause at their bowling and standby for the Spaniards. A special charter flight for Spanish businessmen interested in developing trade with Hong Kong was arranged during the Barcelona fair. Now, word has been received that a group of eight business people, some of them accompanied by their wives, will arrive in Hong Kong on August 3rd.

Receptions for the visitors are being given by the Trade Development Office, the Tourist Association and the Spanish Society. The Chamber has reserved August 5th for meetings with members. It is expected the group will leave Hong Kong on August 11th.

Among the visitors arriving are: Snr. Jose Balet Rovira, Managing Director of Gales S.A. specialising in ready-made garments; Snr. Idefonso Sola Sabater, owner of a chain of pastry shops; Miss Maria Teresa Tiffon Brugarolas, Arte Iberico, manufacturers of art goods; Snr. Juan Perez Pujol, Managing Director of D. & J. Perez Pujol, textile enterprise; Snr. Antonio Buades Fiol, Managing Director of Buades Ferrer, S.A.; Snr. Ramon Esteban Fabra, Managing Director of Bordados Mallorca; Snr. Manuel Juan Quereda, Managing Director of Abnacen de Maderas Manuel J. Quereda, wood importers; Snr. Narciso Ibanez Serrador, television producer and Snr. J. Mestre of S.A.E. Public Relations.

The visitors will stay at the Mandarin Hotel and members who wish to meet the party should contact the Chamber.

NEWS FROM D. C. & I.

Ivory Coast Republic

The Government of the Ivory Coast Republic has announced global import quotas for the second half of 1966. The following items are of interest to Hong Kong:—

Item	Quota		H.K. Domestic Exports to Ivory Coast 1965 HK\$
	Thousand C.F.A. francs	Equivalent HK\$'000	
Knitted goods			678,224
Clothing including second-hand clothing	25,000	581	1,998,827
Non-printed fabrics; blankets	55,000	1,279	1,241,076 (All fabrics, except narrow and special fabrics)
Kitchen and household ware, tools and cutlery	150,000	3,488	2,476,393 (mostly enamelware)

Sierra Leone

The Government of Sierra Leone has published a new Schedule to the Customs Tariff Act. No major changes have however occurred in the rates of duty applicable to goods of interest to Hong Kong since those announced in OTR Circular No. 23/66.

A copy of the revised Schedule is available for inspection at the Overseas Trade Relations Branch Commerce and Industry Department, Li Po Chun Chambers, 12th floor, Hong Kong (Tel. 451919).

Ref. OTR Cir. No. 30/66

B.O.T. Journal

The following item of interest to Hong Kong manufacturers and exporters has been extracted from the Board of Trade Journal dated 8th July, 1966. Should you require further details, please contact Mr. K. C. Tam, Overseas Trade Relations Branch, Commerce and Industry Department, Li Po Chun Chambers, Hong Kong. (Tel. 442022).

QUARANTINE

Quarantine restrictions have been imposed against arrivals from Moulmein, Burma, on account of cholera.

India —

Import Regulations

The following article regarding Indian import regulations has been extracted from the Export Service Bulletin (published by the Board of Trade) dated 7th July, 1966, and is circulated for general information.

"Government of India import regulations require all imports into the country to be licensed, such licences being issued on a c.i.f. value basis. Goods shipped in excess of the licensed value are regarded as imports without licence and the importer/owner concerned is liable to penalties under the Customs Act 1962. The Import Trade Control authorities will not regularise the excess by the issue of an ex-post-facto licence nor will they amend existing licences to cover an excess once shipment has been made.

"Fines or penalties imposed in respect of unauthorised imports are likely to be heavy and may lead to confiscation of the goods or prosecution of the importer or owner. In special circumstances the importer/owner may be allowed to re-ship the goods but the fine/penalty may still be imposed. It is therefore important that . . . exporters should be careful to avoid excess shipments.

"In the event it becomes apparent that a consignment will be in excess of the licensed value the exporter should withhold shipment and advise the Indian importer, providing full details in order that application may be made to the appropriate authority for amendment of the licence. It must be noted, however, that there is no certainty that an amendment will be granted and it is strongly advised that shipment should be withheld until the matter is clarified. Applications made after shipment will not be considered by the Import Control Authority."

For further information please contact Mr. J.C.C. Chan, Overseas Trade Relations Branch, Commerce and Industry Department, Li Po Chun Chambers, 12th floor, Hong Kong (Tel. 448148).

Ref. OTR Cir. No. 31/66

Farnham Castle Courses

The Overseas Service College at Farnham Castle have announced their regional briefing courses for August, September and October. Among the highlights of the programme are courses on South-East Asia and the Far East (August 30th — September 3rd) and Living in Britain (September 12th — 17th.)

The standard fee for these courses is 35 guineas. This covers all charges including full board and lodging and transport during the course.

The former Governor of Hong Kong, Sir Robert Black, is on the board of directors of the Overseas Service College. Members visiting the United Kingdom who wish to attend these courses should contact the Chamber.

Trade Enquiries

During July the Chamber's Trade Enquiry section dealt with 627 enquiries from 89 countries (these were additional to those handled by the punch card system).

Uganda

Further to paragraph 3 of OTR Circular No. 28/66, details have now been received of the Government of Uganda's Statutory Instrument No. 77. The provisions are that, with effect from 15th June, 1966, the importation of any class of goods without an import licence is prohibited, with the exception of the following items:

- (a) goods in transit or for transshipment;
- (b) *bona fide* baggage as defined in Item 144 of the Schedule to the Customs Tariff Ordinance;
- (c) goods admitted free under Items 150 (containers, being ordinary trade packages, for goods not liable to an ad valorem duty) and 160 (official, military and naval stores and goods imported by civil, military and naval officers) of the Schedule to the Customs Tariff Ordinance;
- (d) commercial travellers' samples;
- (e) goods sent by post on proof to the satisfaction of the Minister that they are *bona fide* unsolicited gifts and not for sale;
- (f) currency notes or coin issued by the East African Currency Board, the Bank of Tanzania, the Bank of Kenya or the Bank of Uganda; and
- (g) goods imported by the Government or by any of the scheduled services of the East African Common Services Organisation.

Irish Republic

The Irish Republic Government have announced that the Special Import Levy of 15% (see OTR Circular No. 72/65) will continue in operation until September 30, when it will be terminated.

Trade Publication

The Department has received a copy of each of the following publications which are available for inspection during office hours in the Department's Trade Reference Library on 3rd floor, Fire Brigade Building, Hong Kong:

- (a) Bottin International Business Register, 1966.
- (b) Directory of New York Importers.

Ref. OTR Cir. No. 32/66

Flammable Material

Nightdresses made of flammable material, under new regulations to be made by the Home Secretary, will have to be marked with a permanent label warning the customer or user of the fire danger.

This was announced by Miss Bacon, Minister of State, Home Office, in a parliamentary answer yesterday. She said various recommendations from the Working Party on Flammable Clothing had been accepted.

They asked that all women's nightdresses more than 45 in. long which did not satisfy the low flammability requirements specified in regulations on children's nightdresses should bear a permanent label giving a warning that they are not safe from fire.

They also suggested that the exemption of infants' gowns from the provisions of earlier regulations should be partly removed and that in children's nightdresses made from thermo-plastic materials the use of non-melting embroidery and button-hole threads should be permitted above the waist and elbow.

Any Length

Miss Bacon said regulations would be prepared giving effect to these recommendations, except that the Government proposed that the labelling requirements should apply to all adults' nightdresses coming within the scope of the new controls, regardless of their length.

The present exemption of infants' gowns from the Children's Nightdresses Regulations, 1964, would be limited to gowns with a chest measurement not exceeding 21 in.

Garments which owe their flame resistance to chemical treatment of the fabric will have to bear a label giving a warning against washing them with soap or soap powder and against boiling or bleaching them.

The Times, 30.6.66

Office Space

Office space of 600 square feet is available on 1st November, 1966, in an office building in Mongkok area in Nathan Road. Interested members contact the Chamber for particulars.

TRADE FAIRS

- **Syria.** The 13th International Fair of Damascus will be held from 25th August to 20th September 1966. Application for participation is available at the Chamber.
- **Australia.** The 3rd Biennial Engineering, Industrial and Machine Tool Exhibition and the 4th Ideal Home Show will be held at the Brisbane, R.N.A. Showgrounds on the 11th/15th October, 1966 and the 14th/22nd April, 1967 respectively. Further information at the Chamber.
- **Canada.** The British Columbia International Trade Fair will be held from 17th to 27th May 1967 at Vancouver, B.C. Interested members may read literature concerning this fair at the Chamber.
- **Sweden.** The International Swedish Trade Fair, Gothenburg is scheduled for 19th — 23rd May 1967. Interested members write direct to:
Mr. Sven Hammarstrom,
Director General,
Svenska Massan, Goteborg
S. Sweden.
- **United Kingdom.** The Business Efficiency Exhibition — 1966, will take place at Olympia, London, from 4th to 12th October. It is organized by Business Equipment Trade Association, 109 Kingsway, London, W.C. 2. For information and assistance on hotel accommodation, write to the London Hotels Information Service, 20 Upper Brook Street, London.
- **Denmark.** A list of Danish exhibitions in 1966 (June-December) and 1967, examined and approved by the Supervisory Board of Business Exhibitions in Denmark, is at the Chamber for interested members to read.

TENDERS

Hong Kong.

Tenders are invited for the supply of:-

1. Paper and stationery
2. Fresh water to Green Island Gunpowder Depot
3. Concrete cable tiles
4. Pig food.

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