



The Bulletin

Major Problems

Shortage of Labour & Quota

Business in General

Prospects Good

— results of the Chamber's Business
Confidence Survey

see page 9



奇妙的巧合

中文多字，與渣打銀行的新標誌，不僅形象相似，而且意義相同。渣打分行多，人才多，服務種類多，聯營機構多，以多字象徵渣打銀行，最貼切恰當。
私人或公司在渣打銀行開戶口，佔盡方便之利，需要任何服務，渣打隨時鼎力幫助，令你如願以償，事半功倍。
請移玉渣打銀行，或撥電話5-223302顧客服務部垂詢，本行人員隨時樂於為閣下服務。



渣打銀行

對你幫助最多

麥理覺專欄

從衰退到繁榮

不久之前，香港還對經濟衰退及失業問題深表關注。一九七五年九月，政府估計有十七萬七千人淪為失業，因而採取特別措施大批安排失業工人暫時當小販謀生。廠方雖深受市場緊縮及產量劇減之苦，仍設法將工作分攤，盡量維持工人就業。當時，關於經濟恢復必定漫長緩慢之說盛行一時。

會幾何時，六個月後本港似已接近充分就業。出口業績更為出色，定單源源不斷而來，即使最保守的人也承認本港經濟增長基礎堅實，確實可喜可賀。廠商又開始投訴勞工缺乏（及工資上升）。此種情況毫無疑問會在一九七六年及一九七七年繼續存在。

這是香港市民在貿易衰退期間仍然充滿信心的應得報酬及可喜前景。這也是某些國家官方過分干預私人企業因而抑制個人及企業積極性的一個教訓。香港所以能解決經濟及社會問題而迅速穩健復甦，大都應歸功於香港商人所享有的自由。本會一向大力讚揚此種自由，在本地及海外介紹香港的宣傳資料中都大書特書予以強調。如今事實證明：香港的自由的確經得起考驗，不負所望。

風塵僕僕 責無旁貸

本會職員最近風塵僕僕，奔忙於世界各

地。戈銳非斯飛赴歐洲參加貿易程序文件簡化會談。會錫權隨本會推銷貿易團訪問澳洲及南非。蔡昭明隨本會採購貿易團訪問韓國。馮若婷則赴澳洲促進工業投資歸來不久。本人曾赴馬尼拉在太平洋地區經濟理事會管理研討會上發表演說，經東京為十月份本會訪日工業投資促進團先行商談，飛加拿大與四位香港工商界要員一起參加太平洋地區經濟理事會年會，以及往美國進行工業投資促進訪問。

此種海外活動均由本會代表各會員商行進行。香港是一國際性開放城市，香港的生存與發展均須大量依賴世界各國。貿易聯絡實屬必不可少；促進外國工業來港投資也直接協助香港工業健全發展及確保競爭優勢。香港工商業組織責無旁貸，理應利用時機促進貿易及工業。

本會正在職員及資金許可範圍內盡量積極展開促進活動。本人希望本會能作出更大貢獻。然而，本會的功能職責已在原有人員基礎上空前擴充，實已感到心有余而力不足。進一步擴展計劃的關鍵是增加資金收入。本人樂意在此奉告：本會會員數月來穩步增加，目前共有一千九百四十四間會員商行，力爭在短期內增至二千間。本會盡力確保會員商行對於本會充分為其利益服務而感到稱心滿意。

經濟信心調查報告

本會今年五月份進行經濟信心調查。結果表明香港經濟情況良好。主要短期問題是勞力短缺，通貨膨脹率會偏高及出口貿易配額限制。主要長期問題是政治上的不穩定。

經濟衰退業已過去，工商業又告繁榮，經濟前景至少在今年下半年確保良好。此是本會五月份進行的經濟信心調查的結果。本

會會員商行眾口一詞，對香港短期及中期的經濟充滿信心。至於對香港的長期前途，難免有所擔心，但沒有一間商行表示目前的投

資決定會因此種不穩定感覺而受到影響。

答覆此次調查的會員商行中，有近三分之二相信香港工商業目前一般情況可稱良好；同樣有三分之二確信其本公司今後半年的前景將會良好。僅有一位答覆者認為，目前的經濟狀況頗壞。

主要的短期問題並不是沒生意做；恰恰相反，是生意太多，目前的勞工，配額或廠房不足以應付。會員商行還抱怨交貨遲緩，社會治安每況愈下，通貨膨脹恐會偏高，各種貨幣波動，港幣幣值過高等等；只有極少數公司訴說缺乏海外定單。而長期問題則眾說紛紜，莫衷一是，本文稍後再詳述。

信心調查 集思廣益

本會於一九七三年首次試行經濟信心調查，旨在為「信心」此一無形因素提供一項確切指標。此種指標對於決定事業成敗，實與消費需求或價格運動等純經濟指標同樣重要。而且，此種調查的結果能有效制止不時流傳的謠言蜚語。此外，也使工商界人士有機會將各自對香港經濟的看法與他人的觀點作一比較，以資借鑑，集思廣益。

本會原來打算每年進行一次調查，將結果在本會「會刊」發表。雖然一九七四年三月的調查，精確預測了經濟衰退的來臨，但此後就沒再進行調查，因為衰退期間的調查可能會引起反作用。如今既然經濟再次復元，本會亦相應恢復此項活動。

此次調查對象包括本會會員中各行業的大中小商行，足以代表香港的整個經濟狀況。並非如一九七三年本會首次調查後，某中文報紙所謂僅代表少數「西商」或大商行的觀點。

本會共發出三百八十份調查表，其中一百八十份寄給本會各委員會的委員；其他二百份寄給「普通」會員，佔本會會員總數的比例為十分之一。按統計學而言，可謂頗有

代表性的抽樣調查。

調查表包括七個問題。五個是是非選答題。第一與第二個問題是對於當前、今後半年及今後一年香港經濟一般情況的評價。第三題是對於各自公司前景的估計。第四及第五題是針對當前的兩個特殊問題——勞工短缺的普通性及通脹加劇的可能性——此兩個問題是相互影響的。

最後兩題不是是非選答題，而是「自由論壇」，列舉整個香港及各自公司的短期及長期的主要問題。此次調查的主題與前兩次信心調查相同。

至於此次調查的實際結果，本會要求會員在兩週之內答覆，到期收悉一百二十五封覆函。答覆率為百分之三十三，畧感令人失望，因為僅代表本會會員總數的百分之六點五，不到百分之十。本會原來以為前兩次調查反響極大，會員商行此次可望踴躍答覆。而且，本會此次調查表已改用中英對照形式。當然，答覆率不夠理想亦可以歸因於本會會員生意繁忙，無暇作答。本會今後調查時定當設法鼓勵會員積極答覆。

經濟情況 大致良好

本會預料對於第一題大都作正面回答，因為最近種種迹象均表示目前經濟狀況良好。最近發表的四月份貿易統計數字，顯示今年頭四個月出口貿易增加百分之五十，入口貿易增加百分之三十九。目前入口貿易額是未來出口貿易額的指標。今年四月份出口貿易比去年四月份分別增加百分之四十七及百分之三十八。最近發表的三月份就業統計顯示，本港失業人數為十萬零七千人，比去年九月的十七萬七千人，已大為下降。

然而，對此問題作正面答覆的比例之大，仍令人驚訝。百分之六十四相信經濟情況良好，百分之三十五認為是一般，只有一人答覆「頗壞」。

第三題對各自公司的估價，預料也會以樂觀為多。以往經驗表示，工商界人士即使認為一般經濟形勢不佳，也總是對各自的公司看好。此次調查的結果是：百分之六十四相信其公司前景很好，百分之三十四則認為屬於中等。

與七四年三月的調查成為有趣而顯明對比的是第二題——對於今後半年及今後一年一般經濟情況的預測。百分之六十相信今後半年情況很好，百分之三十三認為情況中平，只有百分之七擔心「可能會下降」。（一九七四年則恰恰相反，有百分之五十五確信經濟「可能會下降」。）

對於此題後半題的答覆雖然較不樂觀，但仍屬相當肯定。百分之三十七預料今後一年情況很好，百分之三十七相信可保平均，僅有百分之十四認為「可能下降」。（其餘百分之十二則表示「不知道」或未答覆。）由於許多不穩定因素（通脹率將是上或落？油價會不會再度提高？中國會發生什麼變化？等等），預測本港經濟尤感困難，所以百分之七十四相信經濟情況會保持中等或中等以上，可謂令人鼓舞。

勞工短缺 似非而是

至於勞工供給問題，近百分之七十表示有確實例證支持目前缺乏勞工的觀點。雖然不清楚工業會員與非工業會員的答覆比例，但顯然兩者均肯定目前勞工短缺。

值得一提的是：一方面勞工普遍短缺，另一方面失業比例直至今年三月仍高達百分之五點六。豈不是自相矛盾嗎？當然總有少數人實際上是無法僱用的，但難道能將失業人口的大多數歸入此一類嗎？既然不能，他們為什麼又找不到工作呢？

對於此一似非而是的問題，此次調查最後兩題——香港經濟及各自公司的主要問題——的答覆提供了部份解答。許多答覆明確

表示：問題不是勞工普遍缺乏，而是某類勞工的嚴重缺乏，尤其以年青女工及技術工人為然。此一問題後文將進一步詳加論述。

通貨膨脹 將會偏高

關於通貨膨脹問題：閣下預料今後半年通脹率將會加劇，大致維持現狀抑或改善？本會雖並未指明是指世界或香港的通貨膨脹，但香港經濟端賴出入口貿易，兩者其實密切相關，只有程度差別而無本質區別。

僅有五位答覆者（百分之四）認為今後半年通脹率會放緩，百分之五十三相信會大致維持現狀（據最近的消費物價指數計算是不到百分之三），百分之四十二則預料通脹率將會上升。而且，在最後兩題的答覆中，亦有不少會員擔心通貨膨脹可能會加劇，尤其是因為勞工供不應求，工人相應要求增加工資。

自由論壇 精彩紛呈

最後兩題是「自由論壇」，答覆者可暢所欲言，自由發揮，因而精彩紛呈，妙趣橫生。不過也就更難歸納。某一見解歸入那個問題之下，顯然就與歸納者的估價有關了。有時，一個觀點可同時歸入數個不同類別之下。例如，勞工短缺及通貨膨脹就如上述互為因果，相互關聯。工資上升會降低香港產品的競爭力，反過來意味本港廠商必須提高質量水準，因而必須吸引外國工業來港投資，必須促進技術，必須改善勞工訓練，如此等等。

調查結果表明，香港的最大短期問題是勞工——人工成本增加，僱員轉移過頻，尤其是勞工供應缺乏。有些答覆者特別指明是某類工業，例如紡織製衣工業；或某類勞工，主要是青年女工及技術工人。還有些答覆

者抱怨缺乏較好的經理行政人員，其中包括某些外資廠商訴說難於保留優秀華人行政人員為其長期服務。

配額不足 已成災難

第二個最大的短期問題是配額不足以及海外市場其他形式的貿易限制或保護主義措施。答覆者對於此點特別強調。有一位答覆者稱之為「配限災難」，另一位更是言簡意賅：「配額！！！！」

獲得充分配額的問題（值得指出：此點是指配額本身的不足，並非指配額分配制度）與通貨膨脹問題密切相關。凡答覆者指明是工資上升，均歸入勞力問題項下。但許多人關切其他形式的通貨膨脹：房租地價樓價上升，運費漲價，原料價上漲等等。

其他有一個以上答覆者提及的短期問題計有：罪行、貨幣波動及港幣幣值過高、政治不穩定、交貨脫期、廠房不足、興建地下鐵路影響營業。僅有少數幾個會員抱怨定單不足。

長期問題 政治不穩

至於長期問題，答覆大致類同。勞工缺乏，外國保護主義及貿易歧視政策（包括配額問題），通貨膨脹及罪案嚴重均名列前茅。然而，有一項顯著不同點：答覆者認為最大的長期問題是香港政治前途不穩定。此種觀點的表達方式却各有不同。有的稱之為「新界租約」或「一九九七年問題」，有的則稱之為「與中國的關係」或「必須對香港前途建立起信心，以吸引更多外國投資」。另有幾位提及「香港無法控制的外來因素的影響」，但對此種因素未加具體說明。還有一位、兩位特別指出香港本身毫無原料出產。

另一個被一再重覆的話題是必須提高產

品質及吸引外國更多高級技術工業來港投資。與此有關的是認為香港經濟基礎過份集中於少數幾種工業，不夠分散及系統化。本港出口貿易的市場亦存在此種傾向。一位答覆者指出，香港經濟繼續依賴少數幾種工業，尤其是紡織製衣工業，如再繼續遭受目前的配額限制，只會導致香港沉淪覆亡。

數位答覆者提到社會問題——住宅、教育、社會治安及人口過多（後者似是前三者的主要原因）。有幾項答覆則針對香港政府或港府的各项政策。然而，此次調查的答覆對港府的批評沒上次多。此次主要的批評目標（有五人提及）是對港府的土地政策，開始日益「干涉」私人企業及增加稅收。（一九七四年則與此相反，最多的指責是批評港府對通貨膨脹的態度及其「缺乏領導」。）銀行在上次調查時亦受批評，此次則沒有。事實上只有一位答覆者提及「銀行」一詞。

公司問題 琳瑯滿目

此次調查的最後一題是：「閣下認為貴號之主要問題何在？」如所預料，對此題的答覆與對上一題「閣下認為香港之主要問題何在？」的答覆並無多大分別。大多數公司認為，他們自己公司所面臨的主要問題亦就是整個香港所面臨的主要問題。故此從畧，以免重覆。

下面列舉一些較為有趣的答覆：

「招聘受過較好教育及訓練的本港職員。」

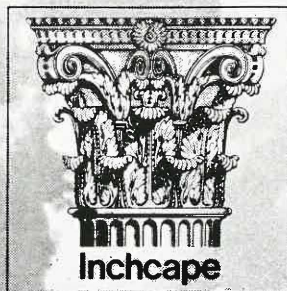
「日本的賣價。」（不知是指原料價格太昂貴，還是指推銷價格太低廉。）

「海外賣家來港設辦事處直接購貨。」

「在香港經營生意的成本太高（主要是營業及住宅租金）。」

「快活谷吸去大量收入。雖然其中百份之八十流回本港經濟，却大大削弱了一般的購買力。」

英三傑



Inchcape Far East Limited.

Inchcape Finance Limited.

Gilman & Company Limited.

Gilman & Co. (Re-Insurance) Limited.

Moutrie & Company (Hong Kong) Limited.

Hong Kong Reinsurance & General

Insurance Co. Limited.

Hong Kong Oriental Rug Company Limited.

James H. Backhouse Limited.

Central Engineers Limited.

Gibb, Livingston & Company Limited.

Tung Tai Trading Corporation Limited.

Metro-Dodwell Motors Limited.

Crown Motors Limited.

Intec Engineering Limited.

Young, Nichol & Company Limited

MetWay Limited

InchRoy Credit Corporation.

Inchcape (Hong Kong) Limited

41/F Connaught Centre.

THINKING OF YOUR STAFF?

For all forms of Retirement
Benefits and Group Life
Assurance Schemes
consult:

GUARDIAN ASSURANCE CO., LIMITED,
2nd Floor, Union House, P.O. Box 94,
Hong Kong. Telephone: H-233061.

You get a great deal from Guardian

Director's Viewpoint 'Famine to Feast'

IT wasn't very long ago that we were all expressing great concern at the downturn in the economy and the attendant unemployment. In September 1975, the Government estimated that about 177,000 people of employable age were unemployed and special arrangements had been widely used by the Government to help provide temporary employment as hawkers for many displaced workers.

Employers were contributing by encouraging work sharing in factories whose output had been drastically reduced as markets diminished. There was much talk of a long slow road to recovery.

Six months later, we appear to be close to full employment, we have an export record which even the faintest hearted will admit is solidly based and economically pleasing, our order books are happily full and manufacturers are beginning again to complain about the lack of labour (and upward pressure on wages). There is little doubt that this state of affairs will continue throughout 1976 and into 1977.

Hong Kong's ability to absorb economic and social punishment and recover strongly and quickly owes much to the freedom enjoyed by the businessman. We tend to boast about this freedom a good deal and it figures prominently in our promotional publicity material here and overseas. Now we have seen it put to a severe test and it has not failed us.

We help the airlines too

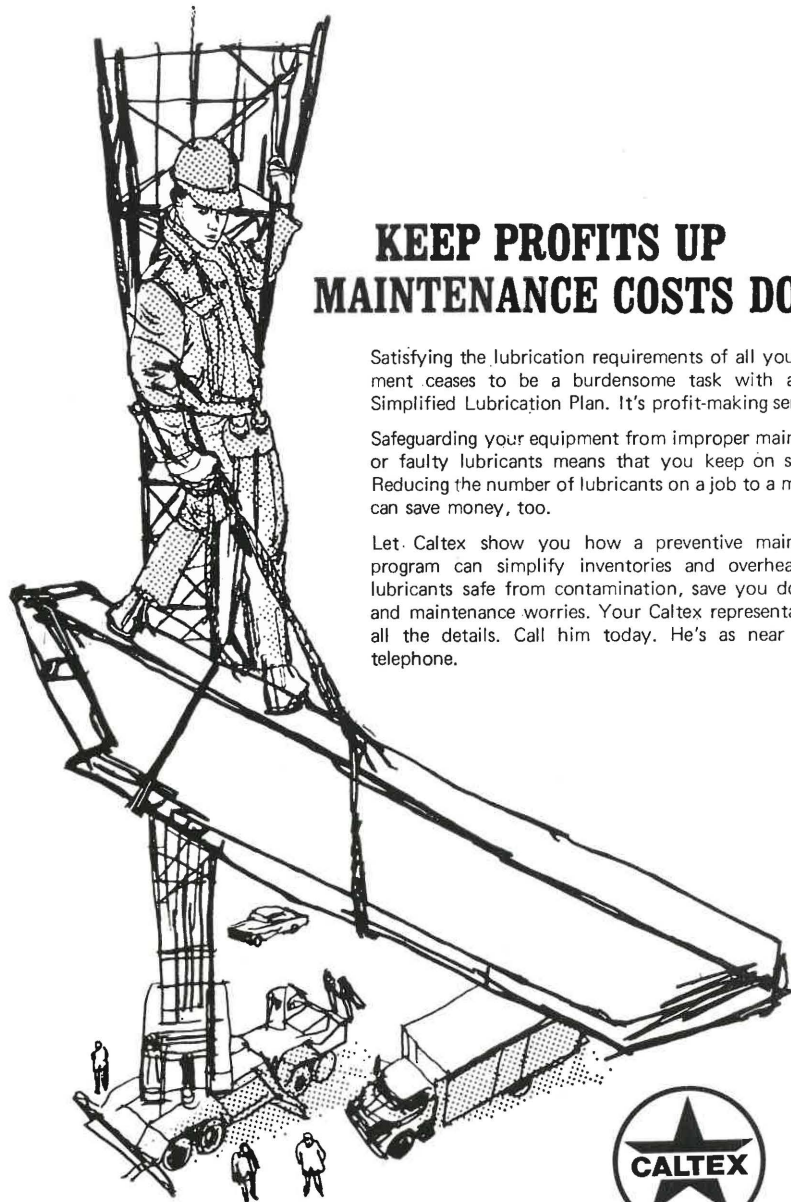
Chamber staff have certainly been on the move lately. Tudor Griffiths went to Europe for discussions on

trade facilitation matters, Clement Tsang has been to South Africa and Australia with a Chamber trade group, Philip Choy to South Korea with another Chamber mission (this time buying not selling) and Cecilia Fung is not long back from a successful Australian industrial promotion. I have been to Manila to address a PBEC Management Seminar, to Tokyo for discussion prior to our October industrial promotion in Japan, to Canada for the PBEC annual meeting (we had four senior Hong Kong businessmen participating) and to the United States for another industrial promotion.

This overseas activity is carried out by your Chamber on your behalf, either generally or specifically. We are an outward looking community and we depend upon the world at large for our continued well being.

Trade contact is essential and industrial promotion assists directly in the development of a strong, competitive industry. The Chamber is committed to the most active programme possible within our staff and financial resources. I wish we could do more. Revenue, of course, is an essential key to expansion of our programmes. In this connection, I am very pleased to report that our membership has steadily improved for many months. At the time of writing we have 1,944 members and we are aiming to have over 2,000 within a short time. It is also our aim to ensure that our members are satisfied that we are looking after their interests adequately. We are certainly trying!

Jimmy McGregor



KEEP PROFITS UP MAINTENANCE COSTS DOWN

Satisfying the lubrication requirements of all your equipment ceases to be a burdensome task with a Caltex Simplified Lubrication Plan. It's profit-making sense, too.

Safeguarding your equipment from improper maintenance or faulty lubricants means that you keep on schedule. Reducing the number of lubricants on a job to a minimum can save money, too.

Let Caltex show you how a preventive maintenance program can simplify inventories and overhead, keep lubricants safe from contamination, save you downtime and maintenance worries. Your Caltex representative has all the details. Call him today. He's as near as your telephone.

Keeps Machinery Moving

Caltex Oil Hong Kong Ltd., 7th Floor, Edinburgh House, Queen's Road Central, Hong Kong. Telephone: H-233091

Cheerful News—But We Need More Members' Views!

Results of Third Business Confidence Survey

THE recession is behind us. Business is booming and prospects, at least for the remainder of the year, are good. That is the message which came across loud and clear from Members who responded to the business confidence survey which the Chamber carried out in May.

Short and medium-term confidence in Hong Kong is high. It is perhaps inevitable that the longer term future of Hong Kong is a matter of some concern, although none of the companies responding to the survey indicated that investment decisions being made now were being affected by any feeling of uncertainty.

Almost two-thirds of those who replied believed that business in general in HK is currently good, while the same number believed that prospects for their own company during the next six months or so are good. Only one respondent stated that business is currently bad.

Too much

The major short-term problems appear largely to be due — not to any lack of business — but conversely to the fact that there is too much business to be handled by present resources of labour or quota availability or factory space. Members complained about delivery problems, deteriorating public order in HK, continuing inflation, currency fluctuations and the possible over-valuation of the HK dollar — but very few complained about lack of demand overseas. The long-term problems

are more complex and we shall consider these later.

The Chamber's business confidence survey was introduced in 1973, the idea being to provide an index of that intangible factor — confidence. This can be as important an element in determining success as the more easily quantified influences, such as consumer demand or price movements. The results of the survey, moreover, should provide an antidote to the rumours that circulate from time to time and allow the businessman an opportunity to see if his views on the local business scene coincide with those of other businessmen.

The intention was to carry out regular surveys — say half yearly — and to publish the results in *The Bulletin*. However, although a survey was conducted in March 1974, which accurately predicted the onset of recession, no survey has been held since then, because it was felt that as long as the recession continued the results of any survey might be misleading. Now that business is once again more healthy we have revived the project.

The cross-section of members covered by the survey tries to be typical of the Chamber's overall membership, which can itself be regarded as representative of overall economic activity in HK, despite the fact that a leading local Chinese newspaper discounted the findings of our first survey in 1973 as representing only the views of the 'western merchants' or of larger firms in HK.

We sent out 380 questionnaires.




Try us on for size

The Bank of Canton understands your needs and provides individual attention to you....regardless of your size. Yet, we're a bank with big capabilities. We have branches throughout South East Asia, and our affiliate, Security Pacific National Bank, has over 500 offices around the world. Come to see us soon..... You'll find us interested in you.

The Bank of Canton, Limited.

Hong Kong, Singapore, Malaysia, Thailand, Macau
Head Office: 6 Des Voeux Road, Central, Hong Kong.

 Affiliated with SECURITY PACIFIC NATIONAL BANK
Head Office:
Los Angeles, with branches and
representative offices around the world.

One hundred and eighty of these went to members of Chamber committees (yes, there are as many as that!) and the remaining 200 were mailed to 'ordinary' members — one to every tenth member, as listed in the alphabetically-ordered membership booklet. Most statisticians would accept this as a meaningful sample.

The questionnaire contained seven questions. The first two were intended to illustrate the state of business in general at the present time, over the next six months and over the next 12 months. These were supplemented by a question asking respondents about prospects for their own companies. Questions four and five related to two specific current issues — the alleged labour shortage in Hong Kong and the possibility of higher inflation in coming months (the economically with-it will appreciate that the two questions are to some extent related).

The final two questions were 'opened'. Instead of giving a restricted yes/no type of answer, respondents could reply in their own words. These asked for views on what were HK's most serious problems for the short and long term future, both in general and, again, for the particular company. In all these respects, the survey followed previous confidence surveys.

Now for the actual results of the survey. Members were asked to reply within two weeks and by the deadline 125 replies had been received. This represents a reply ratio of 33 per cent. Somewhat disappointingly, this repre-

sents not 10, but only 6.5 per cent of our membership. We had hoped that as this was the third survey and as the previous two had received wide publicity, Members might by now be prompted to answer in greater numbers. Furthermore, taking to heart the comments of our friends in the Chinese press, we had this time sent out a bi-lingual questionnaire. One might say charitably that our Members were so busy doing business that they had no time to respond. For future surveys we must devote more thought to encouraging response. We must therefore admit that the active sample is at least 'borderline' and we present the findings with this reservation.

Positive replies

We had expected the answer to the first question to be fairly positive, since most recent indicators have suggested that business is currently good. The most recent indication was provided by the April trade figures, which showed that during the first four months of the year exports increased by 50 per cent and imports rose by 39 per cent. Imports provide a good guide to future export figures. For the month of April alone exports were up by 47 per cent and imports by 38 per cent over April last year. The latest employment survey, conducted in March, showed that there were 107,000 unemployed in Hong Kong, a considerable decline from last September's 177,000. However we were still surprised by the *size* of the positive response — 64 per cent believed that business is good and 35

per cent thought it as average. Only one of the replies said 'Bad'.

It was also to be expected that the answer to question C (prospects for your own company) would be optimistic, since experience has shown that even when prospects in general are believed to be poor, businessmen are confident about their own company's prospects. This time 64 per cent believed that the outlook for their company was good and 34 per cent believed that it was average.

In stark and pleasing contrast to the March '74 survey was the response to the second question—prospects for business in general during the next six months and during the next 12 months. Sixty per cent of the respondents saw good prospects for the next six months, 33 per cent believed that business would be average and only seven per cent thought it 'may decline'. (In 1974 by contrast 55 believed that business 'may decline').

The response to the second part of the question was understandably less optimistic, but nevertheless still very positive. Thirty-seven per cent believed that business would remain good for the next year, 37 per cent believed it would be about average and only 14 per cent thought it 'may decline'. (The remaining 12 per cent were either uncommitted 'Don't know' or else did not reply). Given the large number of uncertainties which cloud the economist's crystal ball and make local economic fore-

casting particularly difficult (what will happen to the rate of inflation? will oil prices be raised again? what will happen in China? etc) it must be considered encouraging that 74 per cent of respondents thought that business will be average or better than average.

Labour

Turning to the question regarding labour supply, almost 70 per cent of respondents subscribed to the view that labour is currently in short supply. It is not known what percentage of replies were from industrial as opposed to non-industrial members, but clearly both sectors are acutely aware of a current labour shortage.

It is digressing somewhat, but it would be interesting to relate this widespread labour shortage to the level of unemployment which, as we have seen, was still running as high as 5.6 per cent as recently as March. Is there not a contradiction here? Of course there is always a small number of people who are virtually unemployable, but must one assume that the majority of those currently unemployed fall into this category? And if not, why then are they unable to find work?

The answer to this paradox was provided partly by the response to our final two questions, where we asked Members what they regarded as the major problem for the Hong Kong economy and for their own companies in particular. Many replies were specific on this point: what we have is not so much a labour shortage *per se*,

but a severe shortage in certain categories of labour, particularly young female labour and skilled labour. But more on this theme later.

The next question concerned inflation: during the next six months do you expect inflation to get worse, remain at about the same level or improve? We did not state whether we were referring to worldwide inflation or specifically to the rate of inflation in Hong Kong. However, since most of the factors which are likely to lead to an increase in our own inflation rate are themselves external and since the Hong Kong economy relies so greatly on imports, the distinction may be one of degree rather than of category.

Only five respondents (or 4 per cent) believed that the rate of inflation would ease, 53 per cent thought that it would remain at more or less the current level (ie less than three per cent according to recent movements in the C.P.I.) and 42 per cent expected inflation to increase during the second half of the year. Again, the answers to our two 'open-ended' questions emphasised that members are worried about the possibility of higher inflation, and particularly about wage demands resulting from the increased bargaining power of workers now that labour is in short supply.

The final section of the survey, where members are given the opportunity to express their own views in their own words, is in many ways the

most interesting. It is also more difficult to process, since one has to group views under various common headings—which obviously involves an act of judgement on the part of the assessor. Sometimes one comment might be categorised under a number of different headings. For example, as we have just said, labour shortages and inflation are linked, since one can lead to the other. Higher wages can also make our exports less competitive which in turn means that HK manufacturers must strive to raise quality standards; more investment must be attracted here from overseas, technology must be upgraded, labour must be better trained, and so on.

Shortages

Hong Kong's greatest short-term problem, said respondents, is labour—its increasing cost, its high level of mobility and above all its short supply. Some replies mentioned shortages in particular industries, for example textiles and garments, or in particular categories of labour, mainly female labour and skilled labour. There were also a few complaints about a shortage of good managers.

The second biggest short-term headache, said our respondents, is the insufficiency of quota allocations, as well as other forms of import protection in overseas markets. The point was strongly emphasised. One respondent referred to the 'quota disaster'. Another simply stated: QUOTA!!!!

The problem of obtaining sufficient quota (and it is worth noting that it

was the absolute limitation imposed by quota, rather than the quota allocation system, which apparently was seen as the problem) was followed closely by inflation. Where respondents referred specifically to wage inflation we have included this under the general heading of 'labour problems'. But many were worried about other forms of inflation: high rents and the high cost of land or housing; increases in freight costs; the prospect of higher raw materials costs and so on.

Other short-term problems mentioned by more than one respondent were crime, currency fluctuations and/or the 'over-valuation' of the Hong Kong dollar, political uncertainty, delivery problems, shortage of factory space and disruption caused by the construction of the Mass Transit Railway. A few members complained about lack of orders, but only a few.

The second part of this question concerned long-term problems. Replies followed a largely similar pattern. The labour shortage, overseas protectionism (including the quota problem) and discrimination, inflation and crime all figured high on the list of long-term problems.

However, there was one very important difference. According to respondents the long-term problem which overshadows all others is HK's uncertain political future. This view was expressed in a variety of ways. Some replies referred to the 'New Territories lease' or 'the question of

1997,' others to the 'relationship with China' or to 'the need to establish confidence in HK's future in order to attract more foreign investment'.

Several other replies mentioned 'the influence of external factors over which Hong Kong has no control'. The factors were not defined. One or two replies also specifically mentioned our lack of local raw materials.

Over concentration

Another recurring theme was the need to improve quality and attract more sophisticated technology from overseas. Related to this was a belief that HK's economic base is over-concentrated and insufficiently diversified and that the same is true of our export markets. To continue to rely on a small number of industries, particularly textiles and garments, said one respondent, can only lead Hong Kong to oblivion, given the restrictions imposed by the present quota system.

Several replies mentioned social problems — housing, education, public order and over-population (the latter presumably as a major cause of the first three). A few respondents took a dig at the Government or at various aspects of Government policy. However, the Government did not come in for nearly as much criticism as it did in our last survey.

The main targets this time were the Government's land policy, which was mentioned by five respondents, its alleged 'interference' in business and increases in taxation. (In 1974, by

contrast, the most common criticism was Government's supposed attitude to inflation and its 'lack of leadership'!) In our last survey the banks were also picked out for critical mention. Not so this time. In fact only one of our respondents even mentioned the word 'bank'.

The final question of the survey was: 'What do you regard as the major problem for *your* company?' As expected, replies to this question were little different from replies to the question 'What do you regard as HK's major problem?' since most companies have an understandable tendency to think that the major problem confronting their company is also the major problem confronting HK as a whole.

So in order to avoid repetition we have listed some of the more interesting replies below:

'Obtaining sufficiently well-educated and trained local staff'.

'Japanese selling prices'. (raw materials too expensive? or sales prices too competitive?)

'Overseas buyers setting up offices to buy direct'.

'The high cost of doing business in Hong Kong (mainly business and residential rentals)'.

'"Happy Valley" syphoning off discretionary income. Although apparently 80 per cent of this is repaid into the economy, there is a significant erosion of general purchasing power'.

'Competition from neighbouring countries producing similar textiles. Inadequate legislation, allowing irres-

possible operators to function'.

'Reluctance on the part of manufacturers to invest in industry and scarcity in spending money on consumer goods'.

'Three month off-season is too long — only 20 per cent of business is done during the off-season'.

'Increased labour, transportation and utilities charges may make finished products uncompetitive with Taiwan and Korea'.

'The introduction and education of the general public to the concepts of credit card facilities'.

That other problem

Finally, to our surprise only one respondent said 'Section 9 of the Prevention of Bribery Ordinance' although one other member summed up this problem more tellingly by saying, 'To cope with increasing competition of small firms who obtain their orders by paying 'inducements' and who are not concerned about the ICAC as they don't keep proper books. This may ultimately put us out of business'.

The Bulletin hopes that this summary and selection of points of view will be of interest to Members. Whatever else it may achieve the survey does provide the ordinary Member with a chance to make known his problems. Unless problems are made public, nothing can be done to find solutions. It is helpful to organisations representing commerce and industry, and one would suppose the Government also, to be made aware of the strength of feeling on particular issues.

Picture Briefing

- A. A Two visiting Members of Parliament, Mr. K. W. Baker and Mr. N. S. H. Lamont met members of the Chamber's Council on June 1st (From left-right: Mr. H. W. L. Paul, Hon. P. G. Williams, O.B.E., Mr. Baker, Mr. L. W. Gordon and Mr. Lamont).
- B. The guest speaker at a joint Chamber-Amcham luncheon held at the Furama on May 15th was Mr. Lief Olsen, Senior Economist of Citibank.
- C. Two members of the Chamber's staff were invited by British Airways to join an Inaugural Flight from Hong Kong to New Zealand on May 19th. Pictured at the BA check-in counter at Kai Tak are Michel Yau (left) and Tsang Kwun-shing.
- D. As a result of the industrial investment promotion efforts of the DCI and the Chamber, HK's first completely versatile fusible coating plant will shortly be in operation. The new company is called Lantor Hong Kong Ltd. and the company's Selling Agents will be Lebel Ltd. Pictured (l — r) are: Mr. A. W. Hacker, Managing Director of Lebel Ltd; Mr. Michael Lee of the Commerce and Industry Dept.; the General Manager of Lantor Hong Kong Ltd., Mr. Warner Oliveiro; and Miss Cecilia Fung, Assistant Manager in the Chamber's Industry Division.
- E. A 13-member business group organised by the Chamber in conjunction with the Korea Trade Centre (KOTRA) and the Korean Traders Association visited Korea between May 30th and June 6th. The leader of the group was Mr. Wong Po-yan (sixth from left) and the group was accompanied by an Assistant Manager in the Trade Division, Philip Choy (third from left). (see article on page 18).
- F. Sergeant Hastabahadur Rai, pictured here, is a beneficiary of the Chamber's Special Relief Fund. (see article on page 22).



Africa, Australia, Korea

Our Roving Missionaries Report

THE months of May and June were busy ones for the Chamber's Trade Division. Two separate trade promotions were organised, to Australia and South Africa from May 1st to 27th, and to Korea between May 30th and June 6th.

Hong Kong's first business group to Korea was organised by the Chamber in conjunction with the Korea Trade Centre (KOTRA) and the Korean Traders' Association. The 10-member buying group was headed by a leading industrialist, the Managing Director of United Oversea Enterprise Ltd., Mr. Wong Po-yan. Assistant Manager Philip Choy accompanied the group. They spent six days in Seoul, contacted more than a hundred suppliers and placed orders worth more than HK\$4 million.

Korea is Hong Kong's seventh largest supplier and one of our fastest growing sources of industrial raw materials. Last year HK purchased more than \$935 million of raw materials and goods from Korea and in the first quarter of this year our imports from Korea increased by more than 100 per cent over the same period last year. The principal imports consist of raw materials for our three largest industries — textiles, plastics and electronics. They include textile fabrics, yarn and thread, petro-chemical products, electrical and electronic machinery and components and building materials.

In addition to satisfying their purchasing requirements and establishing closer contact with Korean businessmen and trade and industrial or-

ganisations, the group also had an opportunity to see at first hand some of the impressive industrial development currently underway in the Korean capital.

Having twice been destroyed during the Korean War, Seoul has risen like a phoenix from the ashes, and has been transformed into one of the 10 largest cities in the world with a population of some 7.5 million. The first line of the city's new underground railway was completed two years ago and the second line is currently under construction.

The whole group was deeply impressed by the progress on the industrial front in the past few years. It was a real eye-opener for them and provided a clear indication of what our own industry and exports will be up against in years to come.

Wong Po-yan told *The Bulletin* that he had last visited Seoul in 1974. Returning this time after two years he was struck by the rapid pace of industrialisation. This resulted, he believed, from the energy and whole-hearted cooperation of Korean people in all walks of life.

Undoubtedly the leading factor in this development is the support and active encouragement given by the Korean Government to industrial and export promotion. A Bureau of Foreign Investment Promotion under the Economic Planning Board seeks to attract overseas investment in Korean industry from advanced industrial countries such as Japan and the United States. The main targets of this promotion are petro-chemical,

steel, shipbuilding, vehicle manufacturing and other heavy industries. One project which has resulted is a huge petro-chemical and oil refinery complex, which is a joint venture between Dow Chemical Co. and Mitsubishi.

A second factor is the quality and low cost of the labour force in Korea. Workers are comparatively well educated and have a strong sense of responsibility and discipline. Wages are only about one third of those in Hong Kong.

The third factor

A third factor is the confidence and determination to get ahead of Korean industrialists. They were prepared to invest in new machinery equipment and skills, to expand production and raise output. For example, the group paid a visit to a large chemicals plant, the Korea Hapsun Co., Ltd., where they were told that as a result of the installation recently of a new \$10 million machine for producing nylon fibres, the plant had been able to increase its output several-fold.

Mr. Wong told *The Bulletin*: 'Korea has a somewhat peculiar trading relationship with Hong Kong. On the one hand it is an important supplier of raw materials. On the other, it is an export competitor. Thus we are both cooperating and competing.'

Korea is rapidly becoming HK's number one competitor in our leading markets in North America, Europe and Japan. Mr. Wong predicted that in the case of plastic products, 'their low priced plastic goods are already replacing ours, their medium priced

products will catch up with ours in five years and their high priced goods will catch up with ours within 10 years.'

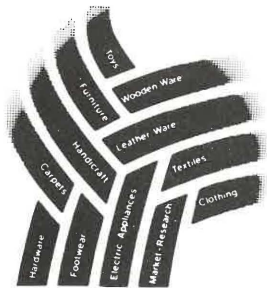
What should Hong Kong do in order to retain its competitive edge? Mr. Wong replied: 'HK must make the most of its advanced facilities in such areas as finance, banking and communications. We must continue to remain abreast of changes in fashion and continue to improve our level of technology and to trade up.'

'Hong Kong depends entirely on imported raw materials for its own manufacturing industry. This is not a healthy position to be in. For example, our textiles, plastics and electronics industries all require synthetic plastic materials, yet only now does HK have its first plastic raw materials plant — the new Dow Polystyrene plant on Tsing Yi Island. We still have to import other types of plastic raw materials. This situation is most detrimental to HK industry. It is a problem to which some serious thought should be given.'

The Australia/South Africa promotion consisted of nine members, accompanied by Assistant Manager, Clement Tsang, and visited Sydney and Melbourne in Australia and Johannesburg and Durban in South Africa.

Both Australia and South Africa are leading export markets for HK, the former in particular, and although both suffered rather severely during the recession, there are signs in both of renewed potential for HK sales.

continued



14th Overseas Import Fair

Partners for Progress

The 14th Overseas Import Fair "Partners for Progress" will in 1976 again be a busy trading place for manufacturers and exporters from the economically expanding countries of Asia, Africa and America.

Exhibitors at Europe's biggest and only specialised trade fair for overseas products register in Berlin annually rising business contracts. European importing circles regularly conform particularly intensive follow-up business. In Berlin the exchange of experience and opinions becomes for all parties concerned a basis for future-looking and thus successful export marketing.

Main features at the 14th Overseas Import Fair 1976 are: Clothing, household linen, sports articles, handicrafts, jewellery and precious stones, leatherware,

timberware, foodstuffs, carpets and technical products. With the support of chambers of commerce and economic associations the exhibition company offers to exhibitors a complete service in regard to trade information. Exploit the opportunities offered to you by this trade fair.

Take part in Berlin!

**Berlin,
August 26 to 30, 1976**

AMK Berlin
Company for Exhibitions, Fairs and Congresses, Ltd.
P.O. Box 191 740, Messedamm 22
D-1000 Berlin 19
Phone: (030) 30 38-1, telex: 0182 908 amkb d

Despite a 20 per cent decline in purchases from HK last year, Australia remains our fourth largest market. In the first quarter of this year our exports to Australia picked up by 58 per cent.

Product displays held in Sydney and Melbourne attracted a flood of visitors, keeping every delegate fully occupied throughout the day. Appointments were made with more than 300 buyers and orders received in Australia amounted to around HK\$1 million. Most popular with Australian buyers were piecegoods, garments, children's clothing, footwear, electronic calculators, electronic watches, transistor radios, toys, gift items and travel goods.

Australia is still plagued by a high rate of inflation, a substantial trade deficit and currency instability. Many Australian importers are adopting a wait-and-see attitude, being unprepared to risk placing large orders.

The Australian Government continues to apply a protectionist policy towards imports and in particular operates tariff quota controls on textile imports. Added to this, the HK exporter is competing in the Australian market with neighbouring Taiwan and South Korea. These are all factors which currently make it difficult to sell in Australia. In the circumstances the group can feel pleased with its success with Australian buyers.

Last year South Africa was HK's 12th largest market and its second largest in Africa, behind populous and oil-rich Nigeria whose imports from

HK last year increased by a phenomenal margin. Sales to South Africa last year did poorly, declining by 17 per cent.

As the world's number one producer of gold and diamonds and a leading trading partner of the UK, the world recession and the slide of sterling have both had serious repercussions on the South African economy.

According to trade and industrial circles in the country, the economy even now has not fully recovered and is not expected to do so for another six months. The Government is trying to encourage more self reliance among South African industry and boost consumer expenditure. It has imposed steep import duties and introduced a system of import permits. Nevertheless, during the first quarter of this year South Africa increased purchases from Hong Kong by 57 per cent and has now regained its position as our leading African market, Nigeria having been forced to take emergency action to control imports.

The South African domestic textile industry is unable to meet the current demand for fabrics from the country's garment industry and there therefore continues to be a demand for textiles and garments from Japan, Hong Kong, Korea and other places. Efforts to improve the welfare and employment prospects of the black and coloured population are also leading to a steady increase in their purchasing power. Thus short-term and long-term prospects for Hong Kong must be regarded as reasonably good despite the restrictive import policy.

Kite in Kathmandu Relief Fund in Action

THE Chamber's Special Relief Fund has been in operation for nine years now. The Fund exists to assist members of the forces of law and order in Hong Kong injured during the course of their duties, as well as the dependents of people killed in such circumstances.

The Chamber's former Director, Jock Kite, recently paid a visit to Nepal to ascertain the position of some of the beneficiaries of the Fund — Gurkha soldiers or their dependents who were formerly in Hong Kong. The following account was provided by Mr. Kite after his visit. (Mr. & Mrs. Kite, incidentally, have left HK and are now enjoying their retirement in the South of England).

'During the visit which my wife and I paid to Kathmandu at the beginning of April I visited the British Army Transit Camp and had talks with the officer commanding, Major Bob Duncan, about the various beneficiaries of the Special Relief Fund who had returned to Nepal. I met and had a long and friendly chat with former Sergeant Hastabahadur Rai, whose photograph I took (see page 16).

In addition to Sgt. Hastabahadur (the 'Rai' is only the clan name and is not used in ordinary communication) who is employed at the Transit Camp, Major Duncan had also obtained information of the widow of Corporal Tankaprasad Limbu. Sgt. Hastabahadur was injured during the 1967 disturbances and his leg was amputated in 1969. He was eventually invalided out of service in 1971. The

Special Relief Fund have him a cash grant of HK\$6,000 which, with the Nepal Rupee at R12.45 = US\$1, made his cash grant worth, at current rates, about NR16,000. His pension and disability pension amount to NR 198 (about HK\$100) per month.

On his return to Nepal Sgt. Hastabahadur got his present job as Ration Store-Keeper in the Transit Camp, a job which is within his physical capabilities and the pay from which, together with his pension, enables him to live quite well. The proceeds of his cash grant are, meanwhile, on fixed deposit with the State Bank at very good rates of interest and when he finally does have to retire from active work he anticipates being entirely independent.

I also visited the widow of Corporal Tankaprasad Limbu. Cpl. Tankaprasad died in an accident in December 1971. The Special Relief Fund gave his widow a cash grant of HK\$5,000 and her widow's pension amounts to Nepal Rupees 168 (HK\$83) per month.

She is living in the Dhoran area, owns some land and employs a man to work it for her.

There are three children — a boy aged 14 and two girls aged 11 and nine. All are attending school, thanks, according to the widow, to the Chamber Fund's cash grant.

It looks therefore as though the grants made by the Chamber have been successful in achieving what the Trustees had in mind, which makes it all seem worthwhile.'

'We're Smaller—We Try Harder'

IN the developed countries, it is a well established trend that manufacturing capacity tends to be concentrated in ever larger, more capital intensive units. As wages and other costs rise, the employer finds it increasingly difficult to remain competitive, and one answer to his problems is merger, amalgamation or the outright sale of his business to a larger concern. And, it is argued, the so-called 'economies of scale' bring eventual benefit to the consumer in that they allow a greater volume of goods to be produced at a lower cost per unit.

Latterly, economic pundits and business school academics have been casting doubts on the accuracy of the 'economies of scale' theory. They have argued that in some cases exactly the reverse process applies, and that the larger scale units use resources not more, but less efficiently, than the smaller concern — with the monolithic, monopoly marketing, nationalised industries using resources least efficiently of all.

Whatever the merit of this argument, those who accept its validity would find good evidence to support their view in Hong Kong.

Far from having found themselves squeezed out by larger concerns, the number of small industries — defined as those employing less than 200 workers and with proprietors' funds of not more than HK\$ 1 million — has continued to increase. In 1965 there were 8,492 manufacturing establishments in HK, of which 85.9 per cent employed fewer than 200 workers. They accounted for 51.4 per cent of

the total manufacturing workforce. Ten years later there were 31,034 establishments, of which 98.4 per cent employed less than 200 workers. They accounted for 67 per cent of the manufacturing workforce.

In 1973 small industries contributed 52.5 per cent of the gross output of HK industry and accounted for 19.7 per cent of our Gross Domestic Product.

While the Chamber, in conjunction with Government and the TDC, is intensifying industrial investment promotion work overseas to attract sophisticated, capital-intensive industries to HK, the substantial contribution which small industries have made and continue to make to the HK economy should not be forgotten. In fact a large proportion of our own industrial members — who number over 500 — come into the 'small industry' category.

At a seminar on 'The Future Industrialisation of Hong Kong', jointly sponsored by the Chamber and JETRO (the Japan Trade Centre) in April, the Secretary-General of the Chinese Manufacturers' Association, J. P. Lee, presented a paper on the contribution of small industries to the Hong Kong economy. He outlined their historical contribution, listing a number of factors.

Firstly, said Mr. Lee — contrary to common belief — many small industries boasted an above average output performance, measured by the gross output per manhour. In 1973 the overall average output per manhour in HK industry (excluding establish-



“I’m proud of my uniform, too.”

“Like the national dress of the Philippines, the Cathay Pacific uniform is a part of my world, and I’m proud to be associated with it.

Being a flight hostess for Cathay Pacific is something I’ve always wanted to do. I think it’s the best job a girl could ask for. It certainly is for me.

Before I joined Cathay Pacific, I was a secretary. Compared to meeting people from all over the world, that was a humdrum existence. When you encounter other girls in airports, you can see the envy in their eyes.

I really like people. During a long flight I may get tired, but just talking with passengers makes me feel alive again.

Really, working for Cathay Pacific is the next best thing to marriage.”

Flight Hostess Angie Perez; interviewed February 18th, 1976.

People. They make an airline.

Hong Kong's discovery airline
CATHAY PACIFIC
The Swire Group 

ments with fewer than 20 workers) was HK\$21,940. The average output per manhour of factories employing between 20-49 workers was HK\$23,895 for factories employing from 50-99 workers it was HK\$21,092 and for establishments with between 100-199 workers the average was HK\$22,696.

Secondly, he said, within HK's industrial structure, small industries contribute their usefulness in their effective integration in the production and sale system. Small industries play a very important role as subcontractors to larger companies. The “putting out” system is still not uncommon in HK and in this regard small industries play a complementary role with export houses.

Thirdly, the fact that HK has so many small businesses has contributed substantially to its excellent labour relations.

Mr. Lee continued: ‘Hong Kong’s economic philosophy demands, in my opinion, the continued participation in industrial development by small industries. Free enterprise has been the driving force behind HK’s achievements in the past and competition the test to efficiency and economic freedom. Our economic system must permit enterprise and initiative and provide the opportunity to work, to organise, to venture and to be rewarded.’

‘The existence of small industries therefore preserves competition and encourages free enterprise and the development of vital and efficient small industries must be assisted.’

Small industries are often at a disadvantageous position in production and marketing, Mr. Lee said, they require official understanding and external assistance. He cited the example of the plastics industry. In 1971 there were 3,193 plastic factories in HK, of which 2,297 employed fewer than 20 workers and the average factory area for such factories was only 982 square feet. If the proposed law to restrict the weight of plastic materials, goods in process and finished products in factory premises is passed, he said, these small businesses will be in danger of being thrown out of existence.

Adaptability

On the other hand, of course, small industries should be able to accept new ideas and new techniques and adapt to change. Granted that Government recognises the desirability of assisting small industries and provided the industries themselves can accept the need to adapt to change, Mr. Lee suggested a number of ways in which Government might assist small industries.

Firstly, small industries suffer from an acute accommodation problem. Few can afford to buy their own premises. Moreover, insecurity of tenure and high rentals prevent them from optimum utilisation of space and discourage them from innovation and long-term planning. More importantly, he said, nearly 69 per cent of HK factories are situated in non-industrial premises and the majority of these are small industries. It may be socially desirable to remove them, but for

A GOOD WAY TO MAKE A GREAT IMPRESSION



... If you are interested in having your product or service make a solid impression on the Hong Kong market, we'd like to introduce you to the SOUTH CHINA MORNING POST ... the best impression maker of them all ...

In fact it makes*102,000 English language impressions every day, on a high concentration of Hong Kong's most affluent Chinese and expatriate households.

MAKE A GREAT IMPRESSION ON HONG KONG ... ADVERTISE IN THE

South China Morning Post

For rates and additional information about advertising, please contact: Mr. George Spence, Group Advertisement Manager, G.P.O. Box 47, Tong Chong Street, Hong Kong

* SOURCE: SRH MEDIA INDEX 1975

many there is no economic alternative. Therefore, some scheme should be worked out to allow factory ownership for small industries and to encourage them to move to planned zones.

Secondly, although Government operates a Loans For Small Industry Scheme, the scheme is limited to loans for the purchase of equipment. There is no provision for loans for working capital, a need which arises when production capacity is increased as a result of the purchase of new equipment. Nor does the scheme make funds available for the purchase of factory premises. However, the financial needs for premises, for capital investment and for working capital are inter-related. Thus it appears that the terms of reference of the current loan scheme need to be reviewed and the existing facilities broadened.

Thirdly, he said, technical information and consultancy and allied services help small industries to improve their production, quality control and product development. However, the value of such services is frequently discounted because of their cost. This may well be shortsightedness on the part of the factory proprietors, but they might be persuaded to take more interest in such services if their cost could be reduced to a more attractive level.

Fourthly, since many proprietors of small business have received little formal education and possess no comprehensive knowledge of the trade, they need advice and training on all aspects of business operation, such as

finance and costing, production planning and control, marketing and so on.

Finally, assistance to small industries must be comprehensive and coordinated. The logical solution, said Mr. Lee, is to set up industrial estates for small industries. These estates would provide factory ownership, establish a centre for technical services and assistance and allow for 'cross fertilisation' among small industries. By implication the land and the factory premises in the estate would have to be provided at below-market prices. This would be possible if the Government were to acknowledge the rationale for such assistance. There is a good case for such assistance, suggested Mr. Lee.

For better or for worse, the fact of course remains that a very small number of medium and large manufacturing concerns — less than *two per cent* of the total number of manufacturing establishments in HK — account for almost *half of HK's manufacturing output*. It is a fact worth keeping constantly in mind.

Yet the very substantial contribution made by the small industries cannot be overlooked. They form an important sector in the HK economy and make a significant contribution to production, exports and industrial employment. Their assets are flexibility, their ability to take on work 'put out' by the larger establishment and their drive and determination. And perhaps most importantly of all — today's small business, if given a fair chance, is tomorrow's big business.

DIAL 999
REPORT CRIME
GIVE INFORMATION
RAISE A "HUE AND CRY"
PROTECT YOUR PROPERTY

撲滅罪行



FIGHT CRIME

「生產同類紡織品的隣近國家競爭烈日。法制不嚴，致使不負責任的廠商有機可乘。」

「廠商不願投資工業，購買消費品的貨幣稀少。」

「三個月的淡季太長——淡季中只有二成生意可做。」

「人工、運輸及公共事業的費用增加，會使本港製成品無法與台灣及南韓競爭。」

「向廣大市民介紹及灌輸信用卡服務的概念。」

最後，出乎意料的是僅有一位答覆者提及「防止賄賂條例第九條」，另一位則更為

具體：「必須應付小商行日益加劇的競爭；小商行通過付賞金而獲取定單，他們不按正當規矩做賬，所以也不必担心廉政公署。長此下去總有一天要使本號結束營業。」

× × ×

本刊希望此一總結及所舉論例能使會員商行感到興趣。此次調查的效果之中，肯定有一條是給予一般會員商行一個機會將其問題公諸於眾。問題如果不公諸於眾，就無法謀求解決方法。此次調查對代表工商界的組織均會有所助益，同時希望港府當局亦能瞭解工商界對於某些問題的觀點。

香港貿易團訪問澳洲、南非及韓國

本會最近組織貿易團，分訪澳洲及南非與韓國，均大獲成功，凱旋歸來。

「廢墟上建起的奇跡」

本會與大韓貿易振興公社及韓國貿易有限公司聯合組織香港首次訪韓貿易團，一行十一人，由本港著名工業家、聯僑企業有限公司董事長黃保欣先生率領，由本會貿易部副經理蔡昭明陪同，於五月卅日至六月五日訪問漢城。此行以採購定貨為主，會晤了一百位韓國供應商及出口商，定貨總值四百萬港元。

南韓是香港第七大供應國，去年輸貨來港總值達九億三千五百萬港元，今年首季又激增百分之一百。來貨有本港紡織製衣、塑膠及電子三大工業的原料，包括化學纖維、紗綫、尼龍、地毯、合成塑膠、電子及電工機械及零件。

該貿易團除圓滿完成購貨任務及增進與韓國工商界的親善關係外，還實地考察了漢城的工業。漢城在韓戰時曾二度毀於戰火，會幾何時，如今已躋身為世界十大都城之列

，被譽為「廢墟上建立起來的奇蹟」。漢城第一條地下鐵路已於年前建成，目前正在加緊興建第二條地下鐵路。該團成員對韓國工業近年來的飛速發展，均表示大開眼界，深感欽佩，印象極佳。

該團團長黃保欣先生在接受本刊記者訪問時表示，他在一九七四年曾訪問過韓國，此次再度前往，深感韓國工業的突飛猛進確是日新月異。此種飛躍發展是南韓「舉國上下齊心合力的結果」。

「全企業，全輸出」

首先是韓國政府的大力支持及積極資助。總統親筆題辭「全企業，全輸出」，全力以赴促進工業及出口貿易，爭取世界市場。副總統親自掛帥，在經濟企劃院成立規模巨大的投資振興局直接策劃，大力促進美國及日本等先進國家來韓投資，重點是石油化工、鋼鐵、造船、汽車製造等重工業，以建成較完整的工業體系。例如，美國陶氏及日本

三菱兩大集團合資在南韓建成國際規模的麗水煉油化工廠。

其次是韓國勞工優秀、人工低廉。工人教育程度較高，工作責任心較強，勞動紀律嚴明，生產效率甚高，而工資僅為香港的三分之一。由於政府控制通貨膨脹，仍保持市民的生活水準。

第三是廠商既有充分信心，又有進取精神；敢於投資，購置最新機器及採用最新技術，擴大生產，提高質量。該團參觀的工廠中，高麗合纖株式會社，二年前計劃擴展生產，現已裝置一台價值一千萬港元的最新式合成纖維機，經已加入生產，使產量激增數倍。

值得深長思之！

黃保欣先生指出：「韓國是香港比較特殊的貿易對手，一方面是原料供給地，另一方面是產品競爭者。雙方的貿易關係，又合作，又競爭，可謂多姿多采。」

韓國正在成為香港最強的競爭對手。黃先生預測韓國的塑膠產品，「低價貨正在取香港而代之，中價貨在五年後可追上香港，高價貨在十年後可追上香港。」

香港為保持競爭優勢應作何努力？黃先生指出：「香港應利用及發揚本身的優先條件，諸如先進的金融、銀行、運輸，尤其是適應世界新潮流的彈性，不斷向高級技術及高級產品發展。香港工業的原料完全依賴進口，決非善策。如香港紡織、塑膠及電子三大工業均大量需要的合成塑膠原料，迄今才有陶氏公司一家，而且只生產聚苯乙烯一種塑料，其他均須進口。這對香港非常不利，值得深長思之！」

第四大出口市場

本會訪問澳洲及南非推銷貿易團，一行九人，由本會貿易部副經理曾錫權帶隊，於五月一日至十二日訪問澳洲工商業重鎮墨爾本及雪梨，於五月十三日至廿七日轉訪南非

工業中心約翰尼斯堡及德班。

澳洲是香港第四大出口市場，僅次於美國、西德及英國。一九七五年購買港貨共達十億零三千四百萬港元，而與香港出入轉口貿易總值共計十九億四千七百萬港元。確實對香港經濟及貿易關係重大。

本會貿易團舉辦香港商品陳列，參觀者十分踴躍，使全團成員整天應接不暇。該團會晤新老買家共三百多位，接獲定單價值一百多萬港元。定貨主要是布匹、成衣、鞋類、童裝、電子計算機、電子錶、原子粒收音機、文具、禮品、旅行用具及什貨等。

由於澳洲經濟本身仍有通貨膨脹，出口業績欠佳，貿易持續逆差，幣值亦趨下跌；因此澳洲買家多持觀望態度，不敢放胆入貨。而且澳洲政府為保護本國經濟，實施極為嚴格的入口限制政策，包括規定紡織品入口配額。加之南韓及台灣在澳洲市場與香港競爭激烈，例如白色恤衫的售價就比港貨便宜得多。上述種種因素直接間接均影響港貨在澳洲的銷路。

所以，此次香港貿易團能取得上述成績，實屬難能可貴。該團成員均表示今後將繼續加強及拓展澳洲市場。

「黃金鑽石國」之行

南非在香港買家中名列世界第十三位，是非洲第二大市場，僅次於人口眾多、油藏豐富的尼日利亞。一九七五年購買港貨共達二億二千五百萬。今年首季業績更佳，已超過尼日利亞。因此受到香港出口商的日益重視。

本會貿易團在南非舉辦香港產品陳列，會晤三百位買家，共接獲一百萬港元定單。由於該團成員主要是製衣廠商，所以定貨大宗是紡織品、成衣、童裝、鞋類、其他雜貨及電子產品。該團還接獲三十項貿易諮詢，大都是香港電子產品，包括電子計算機、電子表、收音機、錄音機、手電筒、電燈、小五金製品以及短襪、地氈、裝飾品等，均轉

達有關會員商行接洽生意。

南非是世界最大的黃金及鑽石出產國，又是英國的主要貿易對象。因此，最近國際貨幣基金會拍賣黃金及英鎊連續狂瀉對南非的經濟及貿易影響極大。據當地工商界估計，六個月後可望恢復正常。目前南非政府為保護本國經濟，鼓勵本國消費品自給自足，取消貿易特惠，徵收入口重稅，並實行入口批准書。最近剛頒發第二期入口批准書，數量較前略有減少，對香港貨物在南非的入口

小型工業對香港經濟貢獻巨大

現代工業的發展趨勢，是規模龐大，資本雄厚，設備精良，人員眾多。於是，集團系統，壟斷企業，跨國公司，紛紛出現，愈來愈大。那末，小型工業是否已經落伍，失去存在價值，將被逐漸淘汰呢？答案是絕對否定的。

近來，經濟學權威及工商管理專家已開始對「大規模生產提高經濟效率」的理論表示懷疑。他們提出一系列論例，證明事實恰恰相反，大規模企業利用資源的效率往往不及小型企業，尤其是壟斷性企業及國有化工業的資源利用率最為低下。

生產規模的擴展受到種種制限。尤其是市場需求對於產品種類，總是力求多姿多采。大型工業的產品，高質多產則可有餘，款式花色勢必不足。唯有小型工業才能滿足此種需求，「百花齊放，萬紫千紅」。此種情況，在重工業、開採工業中尚不明顯，而在製造日常用品的輕工業中，就顯而易見了。

香港雖然正在迅速邁進現代化先進領域，但目前仍屬於發展中地區。而且香港工業絕大多數是生產日用品的輕工業。因此，本港小型工業就特別興旺，其工廠數目、製品產量、產品種類、就業人口，均達全港工業一半以上。對香港經濟舉足輕重，貢獻甚鉅，厥功甚偉。

額及銷數均有影響。

目前，南非本國紡織廠無法滿足本國製衣廠的原料需求，因此仍須向香港、日本、南韓等購買布料及成衣。而且，南非政府已在逐步改善其種族政策，佔人口大多數的有色人種的就業機會及薪酬福利正在日益提高，他們的消費力及購買力也必然隨之提高。所以，南非無論就短期及長期而言，均是香港極有潛力的一大市場。

最近，本會與日本貿易振興會聯合舉辦「香港未來工業化」研討會，中華廠商聯合會秘書長李澤培先生以「小型工業對香港經濟的貢獻」為題發表演講，列舉大量統計資料，深刻闡明了小型工業的重要性。

按香港工商署的標準，小型工業是指僱員不足二百人，資本不足一百萬元的小廠。一九七五年，小型工廠共有三萬一千多間，佔全港總數的百分之九十八點四。小廠僱用勞工約六十七萬八千八百多人，佔全港勞工總數的百分之六十七。本港主要工業如紡織業、製衣業、塑膠業、五金業、電器業中，小型工廠無論是工廠數目、就業人數、生產總值、產品種類，均佔全港工業一半以上。由於不滿二十人的小廠在本港不能註冊為公司，所以實際比例往往高達八成甚至九成。

小型工業不僅獨立經營，交貨快捷，極富彈性；而且在工業多元化方面，隨機應變，順應時尚，大有建樹。對香港工業結構及出口貿易均有不可或缺的作用。

小型工業在過去已為香港經濟建立功績，在將來如何繼續對香港的發展作出貢獻？李澤培先生指出：「香港經濟的規律需要小型工業繼續參加工業的發展……小型工業的存在維繫自由競爭，鼓勵自由企業，因此必須支助小型工業的發展。小型工業未來的發

展主要取決於政府的政策。因為小型工業在生產及銷售方面處於不利地位，在設備、財務、技術及管理方面存在問題，而且需要政府的瞭解及外界的支持。」

此種支助首先是提供廉價工業樓宇。根據一九七一年統計，本港百分之五十九點五的工廠，平均僅有一百六十一點五平方公尺廠房。而且本港工廠百分之六十八點七均在非工業樓宇中。政府應制訂切實計劃，改善此種落後局面。其次是提供財務援助。政府小

型工業貸款只能用於購置機器設備，不能作流動資金或購置廠房，似有修改之必要。

還有技術資料及顧問服務，亦有賴於政府不牟利機構擴大有關方面的服務。

本會共有五百多個工業會員廠商，其中大部份是小型工業。因此本會對小型工業極為重視，並積極支持。

當然，小型工業本身亦應認識新形勢，接受新思想，掌握新技術，追上工業現代化的潮流，為香港經濟作出新的貢獻。

特別救濟基金收效甚佳

本會特別救濟基金成立迄今已有九年。此基金旨在救助執勤時因公死傷的香港軍警人員或其遺屬。

本會前任執行董事祈德先生最近赴尼泊爾探訪該基金部份受益人——曾在香港軍隊服務的啞喀兵或其遺屬。下文為祈德所寫之訪問記。（祈德夫婦已離開香港，現正在英國南部享其退休生活）。

「本人偕內子於今年四月初前往加德滿都。本人訪問了英軍營地，向長官鄧根少校探詢了特別救濟金各受益人已返回尼泊爾者的近況。本人且與退休的沙展哈巴杜進行了友好的長談，還為他攝影留念。（見本刊中頁）

「除了在英軍營房工作的哈巴杜沙展之外，鄧根少校還轉告本人關於在一九七一年十二月死於意外的鄧卡巴沙軍士遺孀的近況。

「哈巴杜沙展雖已退伍作為平民僱員，但顯然十分愉快，仍要我稱呼他為『沙展』。他在一九六七年暴動中負傷，於一九六九年動手術切除一條腿，一九七一年因傷殘退伍。特別救濟基金撥捐給他六千港元現金，依一美元兌十二點四五尼泊爾盧比計算，則折合一萬六千尼泊爾盧比。他的退伍金及傷殘撫卹金每月達一百九十尼泊爾盧比（約

為一百港元）。

「哈巴杜沙展回到尼泊爾以後，即獲得現職，在英軍營房中擔任軍需倉庫管理員。這份工作他能勝任愈快，工資加上撫卹金亦足以使他生活寬裕。他將特別救濟金捐款存入國家銀行作為定期存款，利息甚高，增值可觀。因此他將來退休後完全可以自立。

本人還遠道走訪了鄧卡巴沙軍士的遺孀。鄧卡巴沙軍士於一九七一年十二月死於一次意外事件。鄧卡巴沙夫人每月可獲撫卹金一百六十八尼泊爾盧比（折合八十三港元）。

「她住在鄉間一個小村裏，有一些田地，請了一個僱工為其耕作。

「她有三個子女。長子十四歲，兩女分別為十一歲及九歲。她說，三個子女均能上學讀書，全得多謝香港總商會特別救濟基金的捐助。

「她想必獲得極佳指導，對於這筆錢善加利用。據鄧根少校說她家每人所獲捐款在銀行的定期存款已達每人約一萬港元。加上還可能有一筆保險費。按啞喀鄉村生活的標準而言，足可令她成為一位富孀。

「所以，香港總商會的捐款結果頗為成功，達到了特別救濟基金託管人的期望，證明確實極有價值。」

The Middle East.

Here are just four of the ways your company can profit from The Hongkong Bank Group's extensive experience in the Middle East.

Through The British Bank of the Middle East, which was established in the Middle East in 1889, The Hongkong Bank Group operates one of the largest and most experienced international banking networks in the Middle East. This network encompasses the major oil-producing states in this vitally important region. If you are interested in tapping the vast potential for business success in the Middle East, here are just four of the ways we can help you.



Experience is a big asset in the Middle East.
We've been there for 87 years.

1. As one of the oldest established banking concerns in this region, The British Bank of the Middle East has built up an enviable accumulation of knowledge, understanding and experience. Over the years we have supplied a great deal of support for the economic and social progress that has taken place in this region.

2. This accumulation of knowledge has been disseminated to all our offices. Therefore, we can provide you with specialist knowledge on local and regional investment and natural resources. You won't need to visit each country. You can get the information you want from any branch of The Hongkong Bank Group, anywhere in the world.

3. The people who work for The British Bank of the Middle East are well-known and respected throughout the region and can introduce you without delay to useful contacts. They know the people you should meet in business circles, in industry and in Government.

4. With worldwide assets currently exceeding US\$11 billion, The Hongkong Bank Group can offer strong financial help. International finance, long or short term finance, foreign exchange; all are handled by us.

These are just some of the areas where we can help you. For further information about The Hongkong Bank Group's expertise in the Middle East and around the world, please contact any of our more than 380 offices in 40 countries.

The Hongkong Bank Group, working worldwide in banking and finance, includes The Hongkong and Shanghai Banking Corporation; Mercantile Bank Ltd; The British Bank of the Middle East; The Hongkong Bank of California; Wardley Ltd, Hong Kong; Wardley Canada Ltd; Wardley Middle East Ltd; Wayfoong Finance Limited, Hong Kong; Hongkong Finance Ltd, Australia; Hang Seng Bank Ltd, Hong Kong.



THE HONGKONG BANK GROUP

Serving Asia and the world.

HEAD OFFICE: 1 Queen's Road Central, Hong Kong.

Offices in Australia, Brunei, People's Republic of China, India, Indonesia, Japan, Macau, Malaysia, New Hebrides, Philippines, Singapore, Solomon Islands, South Korea, Sri Lanka, Thailand.

Also in Bahrain, Brazil, Canada, Djibouti, France, Germany, Guam, Jordan, Lebanon, Mauritius, Oman, Qatar, Saudi Arabia, Switzerland, Tunisia, United Arab Emirates, United Kingdom and Channel Islands, United States and Yemen Arab Republic.