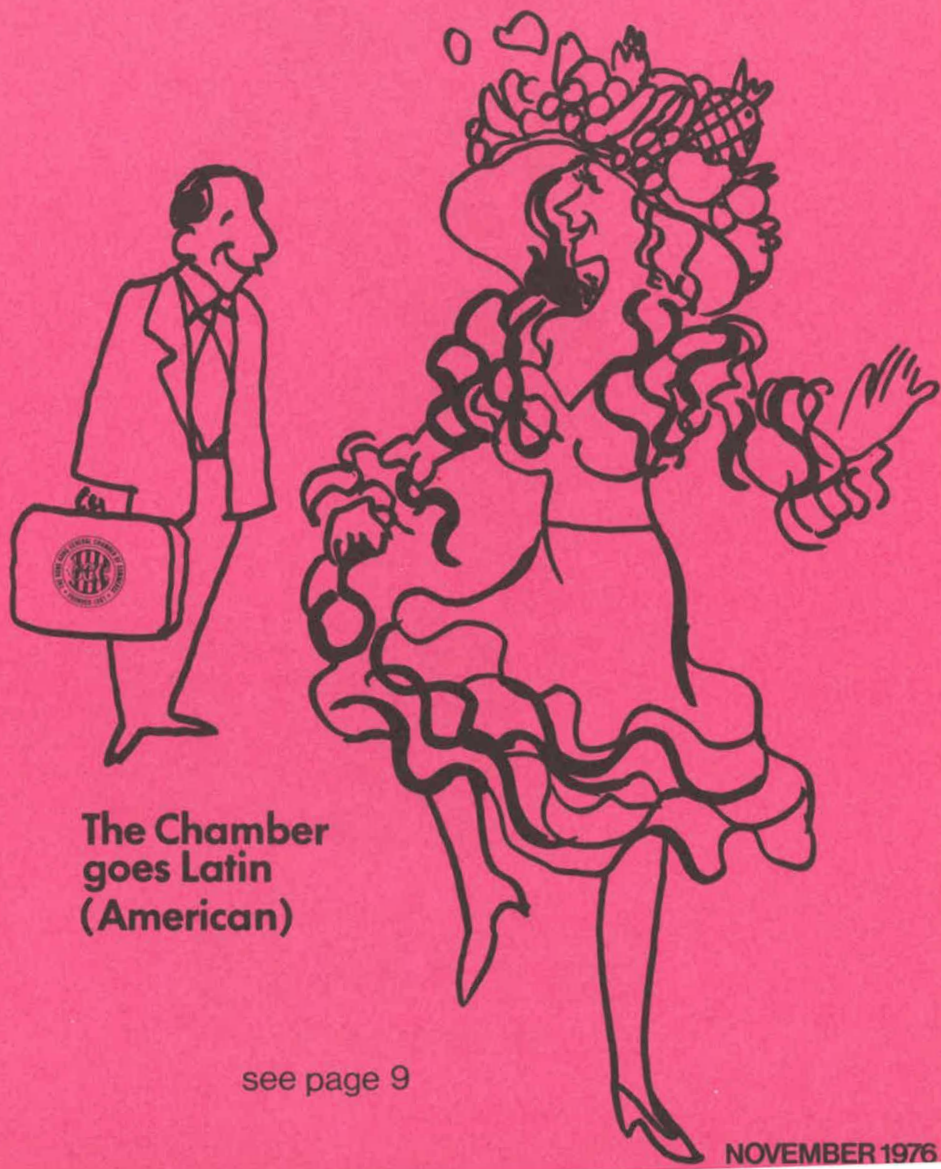




# The Bulletin



**The Chamber  
goes Latin  
(American)**

see page 9

NOVEMBER 1976

# 多

## 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，聯機機多，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顧客服務部查詢，本行人員隨時樂意為閣下服務。



# 渣打銀行

對你幫助最多

## 麥理覺專欄

### 政府計劃

#### 不一定是計劃經濟

處於自由企業及放任政策的最後堡壘，可否察覺港府在處理本港事務時已逐漸趨向於將經濟及社會政策與計劃結合起來？「計劃」一詞用來指政府及其事務，既不精確，又不恰當；不過有時也用來指一項工程或支持一種觀點。此詞近幾年來用得更多更廣，而且越來越經常兼指政策及工作。我們還聽到更多關於社會發展的事務，以及使社會目標與經濟目標達成平衡的需要。

港督於十月六日在立法局開幕式上的演辭，似乎進一步採取了此種值得歡迎的步驟。港督的演辭內容非常廣泛，涉及經濟及社會的各項問題，而且似乎有一種令人可以察覺的趨向，即將此兩個方面結合成一個範圍廣泛的整體計劃。當然，社會目標決定於經濟的現實及前景。經濟及財政的估價業已描繪出社會進展的可能情景。對於本港的資源存在着種種不同的利益及競爭的需求，現在似乎要將之結合成一個協調的政府規劃及支出預算。而且顯然有意在擴展經濟的預算與保障改善市民生活的預算之間達成平衡。大多數國家不會承認此種難形的過程是國家計劃，但似乎確實是一種開端。有些國家正在對國家經濟及社會的計劃所達到的程度（及所付出的代價）表示懷疑，而香港則正在此種過程中緩慢謹慎，小心翼翼地邁出了第一步。

華立治博士說過：「對計劃表示懷疑就像對常識表示懷疑。」華立治博士尚未光臨過香港。

### 勞工階級

#### 將會感到欣悅

港督提出了一個勞功法例的計劃，值得工商界人士思索考慮。初步的反應並非不讚同。港府肯定不會忘記香港勞工的成本是本港生產及出口的基本平衡要素。勞工的來源、質量及生產力是其他的要素，但不能認為香港領先於其競爭對手，所以能經得起大幅增加勞工成本。判斷香港的勞工情況，不應與英國及美國比較，而應與新加坡、台灣、菲律賓及南韓等國家比較。許多英國工黨議員似乎未能瞭解或接受此項根本的標準。

本會各委員會將詳細研審每一項在計議中的勞功法例，並且毫無疑問將謹慎估計其潛在的累積後果。與此同時，勞工處處長對於勞工事務建立了日益廣泛的諮詢顧問制度，確實值得稱讚。此種制度將對勞工處、港府及全港社會均大有助益。

### 本會代表

#### 再次出國訪問

本刊送達讀者手中時，本人已率領一工業投資促進團正在日本與許多日本工業公司代表會談。此行旨在促使日本工業廠商對香港特別是對來港進行工業投資感到興趣。此行是香港首次派團赴日促進日本工業來港投資的努力，請祝我們成功。

本會還籌組了一個大型貿易團，準備遠赴中南美洲推銷香港產品。雖然中南美洲地區存在種種入口問題，本會代表團仍充滿希望滿載而歸。

## 市場分析—中南美洲及其自由貿易區

世界各國的經濟雖然從全球性的衰退中逐步復甦，但各大先進工業國的貿易限制却日益嚴重。日本與法國一向是壁壘森嚴，澳洲最近已實施全面性入口限制，英國正在走向保護主義，美國及加拿大亦已開始加強入口管制。此等國家正是香港的主要出口市場，出口貿易是香港經濟的生命綫。既然主要市場壁壘林立，香港除了盡力確保原有買家外，必須大力開拓新市場，爭取新買家，建立新的貿易伙伴關係。此項工作已成了香港出口廠商的當務之急。

本會爲了適應世界貿易的新趨勢及滿足出口廠商的要求，決定組織貿易團前往中南美洲，定於今年十一月七日至二十九日訪問巴拿馬、委內瑞拉及巴西。

此行共有三大目標：一是推銷香港產品，二是採購當地貨物，三是考察中南美洲市場，尤其是巴拿馬的科倫、委內瑞拉的馬加里達及巴西的馬瑙斯三大自由貿易區。

本會中南美洲貿易團，大受會員商行歡迎，報名參加者非常踴躍。共計有二十七間出口廠商，委派其董事或經理爲代表參加貿易團。一行三十人，由本會貿易部經理蔡昭明率團前往。

### 拉丁美洲

#### ——潛在的龐大市場

中南美洲由於距離香港遙遠，語言通訊不便，政經制度欠穩定，出入簽證困難，貿易效率甚低，滙兌提款制度又欠健全，所以要在該地區拓展貿易確實相當困難。而且，有些國家爲了保護及促進本國工業的發展，

對於與本國製品有競爭的外國商品，均採取限制入口或提高關稅等貿易管制政策。

於是，香港出口商行大多對中南美洲視爲畏途。中南美洲雖是世界六大洲之一，人口近三億，面積二千餘萬平方公里，但在香港的貿易統計總表中，却一直名落孫山，只能歸入「其他」項下。此種情況，並非只以香港爲然。本港的競爭鄰國，如韓國、台灣及星加坡等，也大都只能對中南美洲望洋興嘆。

其實，中南美洲雖然是發展中地區，但地大物博，人口衆多，無論經濟基礎、居民生活水準及消費購買力，平均都要超過亞、非兩洲。香港在中南美洲的市場拓展活動固然畏難不進，還比不上在非洲市場。但香港的競爭鄰國，也尚未開拓拉丁美洲的市場。所以，對香港商人而言，中南美洲可以說是一個最有潛力而且急須爭取的龐大市場。

### 利潤高於歐美市場

香港對中南美洲的出口貿易總值，在一九七五年共達三億八千一百萬港元，今年上半年已達二億二千三百餘萬港元，比去年同期猛增百分之三十五。中南美洲若列入按國家統計的香港主要出口市場名單中，則可名列第十一位，超出法國、台灣和南非。

香港如能積極拓展並充分利用中南美洲市場的巨大潛力，則前景無可限量。中南美洲各國的出入口貿易，業務方式相當保守，制度效率也甚低緩。正因爲此，開始接洽生意時往往非常困難；但也正因爲此，一旦建立貿易關係之後，却很容易拓展業務；而貿易利潤亦較歐美等主要市場爲高。

香港商人如從自由貿易區開始拓展中南美洲貿易活動，則可避免各國政經制度所形成的種種入口困難。自由貿易區的通訊及交通設施比較便利，入口稅比其他地區低得多，而且自由區入口商的貿易額也較大。

本會貿易團所以選擇巴拿馬、委內瑞拉及巴西三國爲訪問對象，因爲此三國政經制度較爲穩定，已與香港有貿易基礎，且有較大的市場潛力。

而所以選擇科倫、馬加里達及馬瑙斯三大自由貿易區爲訪問重點，因爲此三個地區是開拓中南美洲巨大潛在市場的起點及基地。

### 巴拿馬

#### ——「魚之鄉」

巴拿馬位於南美洲與北美洲之間的樞紐要衝。巴拿馬運河橫貫國中，溝通了大西洋和太平洋。人口約一百七十萬。面積近三萬平方英里。首都是巴拿馬城。

巴拿馬雖然幅員較小，人口不多；但在中南美洲中却較爲富有。政治經濟制度也較穩定，去年統脹率僅爲百分之一點八。巴拿馬運河每年直接爲巴拿馬帶來一億多美元的龐大收益。一九七四年國民總產值達十七億四千萬美元，每人平均收入爲一千零四十美元。運河區工人的收入頗高，消費能力相當可觀。

巴拿馬基本上還是個農業國，本國工業僅限於消費品製造廠及煉糖廠。入口貨品主要是原油、化學原料、資本貨物、工業製品及食品。出口貨物主要是香蕉、魚蝦及蔗糖。「巴拿馬」在印第安語中意思就是「魚之鄉」。

香港與巴拿馬的貿易近年來迅速擴展，但是只佔巴拿馬入口的百分之一。港貨輸巴

拿馬，一九七五年達八千一百萬港元，今年上半年已達六千一百萬元，比去年同期猛增百分之九十四。香港主要供應手錶及金屬錶帶，原子粒收音機、紡織品、成衣、內衣、童裝、玩具、電器用品、計算機等。另一方面，香港向巴拿馬購貨，一九七五年達二千萬元，今年上半年爲九百萬元。主要種類是藥品、科學及光學儀器、魚類、化學原料等。

巴拿馬的貿易制度較爲自由，並無外匯管制，只有與本國產品有競爭的外國貨才需入口證。關稅不高，對農業機器、肥料、飼料等資本貨物更予特別優待。配額制度也不嚴，對香港而言只影響部份內衣、恤衫及鞋類等。

巴拿馬目前正在積極進行國家基本經濟建設，目前的市場潛力到八十年代就更爲可觀。

### 科倫自由貿易區

科倫位於巴拿馬運河流入大西洋出口附近。一九五三年，巴拿馬政府爲了促進對外貿易，在科倫成立自治區，作爲免稅自由貿易區，劃歸國家海關直接管轄。成立時佔地僅十四英畝，只有十間商行；如今已擴展至一百多英畝，已有三百多間商行，代表八百間外國大公司。而且，已有六十四條海運綫及二十八條空運綫在此停靠。

科倫自由貿易區已成爲中南美洲著名的免稅轉口港及貨物集散地。自由區當局規定除違禁商品外，一切商品均免稅入口；但入口貨物的百分之六十必須轉口；而且在區內禁止零售。

因此，區內的數百間商行大都是倉庫、陳列中心、銀行財務公司及轉口服務公司，還有十來家加工及包裝廠商。貿易區特設公

共倉庫。另有若干管理服務公司，代各外國商行處理貨物貯存及轉口業務。有些大公司則設有辦事處。

科倫自由貿易區具有許多明顯的優點：地理位置優越，位於大西洋與太平洋，南美洲與北美洲的樞紐中心，四通八達，貨運便捷；貿易自由，入口免稅；銀行服務及轉口服務效率高；交貨快捷，連小量貨也接單；貨幣不用巴拿馬的巴波亞，而通用美金；信貸服務健全，可以應付拉丁美洲諸國的入口保證金及高入口稅，以及貿易政策的突然變化；便於推廣新產品，試銷成功即可將存貨就近搶先推銷。

由於上述各種優越性，科倫自由區近年來的貿易發展非常迅速。一九七五年，從美國、巴西、香港、日本、哥倫比亞及波多黎各等地入口近十億貨物。

轉口貨的百分之八十輸往中南美洲，其中巴拿馬及運河區佔百分之二十，是最大的轉口市場，其他轉口市場有委內瑞拉、巴西、墨西哥、哥倫比亞、厄瓜多爾、美國及日本等。

科倫自由區的轉口市場很分散，所以各種商品，只要價廉物美，均能爭取買家。尤以中價貨最有銷路。由於倉位少，傢俬等大型商品較難成交。

但一切輕巧的商品則大受歡迎，包括玩具、電器用品、原子粒收音機、手錶、珠寶、化粧品、成衣、藥品、相機、菲林、書等。所以，香港的主要出口商品全部會有銷路。

目前，香港貨出口巴拿馬有百分之八十在科倫卸貨。在自由區內，美國、日本及英國的貨品較為吃香。香港貨價廉物美，一向也很有競爭力，但由於拓展不力，加之價格上漲，最近似稍為遜色，已被台灣及巴西超過。

## 委內瑞拉

### ——石油之國

委內瑞拉位於南美洲北端，人口一千二百多萬。面積三十五萬多平方哩。首都加拉加斯。政經制度較穩定，貨幣堅挺。

委內瑞拉是石油之國，出產量佔世界第五位，出口量佔世界第三。出口原油的收入超過八十億美元，佔出口總值的百分之九十五，佔外匯收入的百分之七十三。一九七四年，國民總產值達一千二百六十七億美元。每人平均收入為一千零六十五美元，高踞中南美洲首席。

委內瑞拉主要入口金屬、資本貨物、運輸設備、化學原料、紙、飼料、小麥等。主要出口原油、石油產品、鐵礦、咖啡、可可、蔗糖等。

主要工業是石油加工、石油化工、鋼鐵、鋁、造船、食品加工、紡織業、化工、金屬製品、汽車等。

香港與委內瑞拉的貿易，近年來穩步增長，但仍只佔委內瑞拉入口的百分之一。港貨輸委內瑞拉，一九七五年約達九千二百八十萬港元，今年上半年已達四千八百七十萬港元，比去年同期銳增百分之二十九。主要種類有通訊器材、收音機、手錶、玩具、成衣、電風扇、紡織品、鎖鑰等。香港從委內瑞拉入口，一九七五年達三百九十多萬港元，今年上半年已增達四百三十多萬港元，主要是魚類、鋼鐵等。

委內瑞拉近年來實施「入口替代」政策，歡迎外國技術及管理，對機器設備等資本貨物入口給予優待。對與本國產品有競爭的外國商品則提高關稅且需入口證；反之則予低稅。外匯自由。

對香港貨而言，能獲低稅的是計算機，




## 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.

# 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

### National Planning Doesn't Have to Mean a Planned Economy

**I**N this last bastion of free enterprise and laissez faire, can one detect a gradual trend in the Government and in the conduct of our affairs towards an integration of economic and social policies and planning?

It used to be that the word 'planning' insofar as it referred to Government and Government action, or proposed action, was neither accurate nor particularly well regarded, although it was occasionally used in the context of a project or to support a point of view. We have heard the word a great deal more in the last few years and increasingly applied to both policies and projects. We also hear more about social and community development than we used to and the need for balance between social and economic objectives.

The Governor's address at the opening session of Legislative Council on the 6th October seemed to take this welcome process a little farther. His speech ranged widely across economic and social issues and there appeared to me to be an observable trend towards taking both sectors together into one overall and quite comprehensive plan for our future. Certainly the social aims were conditioned by the economic realities and prospects.

Economic and fiscal assessments have shaped and delineated the possibilities for social progress. There seems to be a drawing together of all the disparate interests and the competing claims on our resources into a coordinated pattern of Government

effort and expenditure. There is an obvious intention to balance expenditure between those things which will expand the economy and those which will improve and protect the life of the people.

Most countries would not recognise this rather embryonic process as national planning but there does seem to be a beginning of some kind. Whilst some countries are questioning the extent to which national economic and social planning has been taken (and the cost of the result), Hong Kong is moving slowly, carefully and a little fearfully, I think, up the very first steps on the ladder.

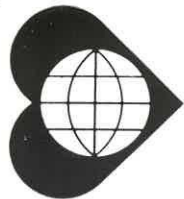
Dr. Harry C. Wallich writes, 'to question planning is like questioning commonsense'. Dr. Wallich hasn't been to Hong Kong.

### Labour Will Be Pleased

The Governor has set out a programme of labour legislation that will give our businessmen and industrialists something to think about. First reactions are not unfavourable and the Government will surely not lose sight of the fact that the cost of our labour is an essential element in the production/export equation. Availability, quality and productivity of labour are other essentials but it must not be supposed that we have such a lead on our competitors that we can risk a significant increase in labour cost.

Our labour situation must be judged

cont'd. Pg. 32



# TRAVEL LOVE

Your Assurance of

## Satisfactory Travel Arrangements... Economical and Reliable

With us you will have the satisfaction of knowing that your arrangements have been properly and effectively planned, so that you can depart on your journey with CONFIDENCE. Each one of our Travel Consultants has years of experience in handling both complicated and simple itineraries. Because of this the arrangements we offer are both ECONOMICAL and RELIABLE. . . . WE WILL GIVE YOU THE BEST FARES TO SUIT YOUR PARTICULAR JOURNEY. And what's more, THE FRIENDLY AND EFFICIENT SERVICE that goes with all our arrangements could only be obtained from a team of Consultants like ours that have worked together in harmony for many years.

\* \* \* \* \*

FOR YOUR CHRISTMAS, NEW YEAR AND CHINESE NEW YEAR HOLIDAYS CONTACT US NOW: TOURS ORGANISED TO LAKE TOBA AND PENANG, SRI LANKA, PHILIPPINES AND THAILAND.

for

HOME LEAVE – BUSINESS TRAVEL – PRIVATE TRAVEL – HOLIDAY TRAVEL  
TICKETS & VOUCHERS DELIVERED TO YOUR OFFICE OR HOME



# TRAVEL LOVE

Suite 823, Star House, Kowloon

Tel: 3-694108 (3 lines)

Cable: TRALOVE; Telex: 84994 LOVE HX

OPEN WEEKDAYS AND SATURDAYS TO 5.30 PM.

## The Chamber Goes Latin In Panama, Venezuela & Brazil

THE 1974-75 recession once again showed up the extent to which HK depends upon the purchasing power of consumers in a handful of developed countries for its economic well-being. As recession took root in our major markets in North America, Western Europe, Japan, Australia and New Zealand, so did the volume of HK's exports decline. And this decline was only minimally offset—however welcome it was—by an increase in orders from the oil-rich countries of the Middle East and Nigeria. We were shown just how little the overall pattern of HK's exports has changed in recent years. It is true that exports to a few developing countries have increased quite dramatically, but the *proportion* of our exports going to developing countries in Asia, Africa and Latin America in the first half of this year was only 18 per cent, or about two percentage points more than in 1972. Yet these countries between them contain the large bulk of the world's population.

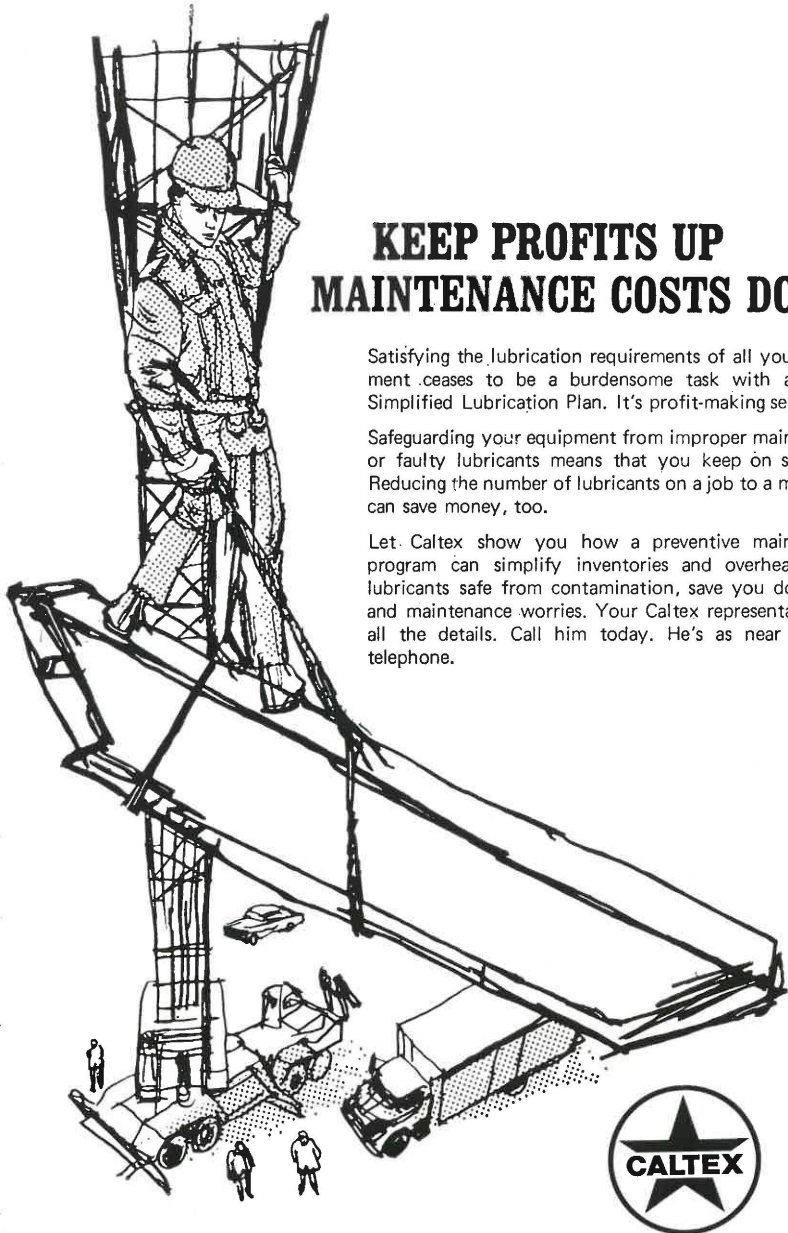
While the proportion of our exports going to countries in Asia and Africa has slightly increased during the past five years, in the case of Central and South American countries, it has actually declined, from 2.2 per cent in 1972 to 1.5 per cent in the first half of this year. Last year HK's exports to Central and South America totalled \$381 million, an 11 per cent drop from the previous year, and in the first half of this year the value of our exports to the region was \$223 million, an increase of 33 per cent over the same period in 1975. Latin America

is a smaller market for HK products than either Africa or the Middle East. In export terms the entire continent ranks alongside medium-sized nations like France, Taiwan and Italy. Perhaps this helps to explain why so little attention has been paid to promoting our exports in the region. Or perhaps it would be more appropriate to say that HK has been losing out in the markets of the region through sheer neglect. However, most Latin American countries have a higher per-capita Gross National Product than African and Asian countries and with a population of more than 300 million and a total area of some 12 million square miles, the region as a whole possesses very considerable economic potential.

### Difficult to penetrate

The truth is, of course, that there are fairly formidable problems confronting the HK exporter who wishes to develop his business with Latin American countries. The region is notoriously unstable politically. Communications are generally difficult and most Latin American countries operate various forms of import restrictions designed to protect domestic or regional industries and sometimes there are payment difficulties arising from foreign exchange problems. In short, the Latin American market, like the Amazonian jungle, is difficult to penetrate.

However, this is no reason to suppose that the region entirely lacks potential for our exports. Not all Latin American countries are 'Banana



## 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

Republics' run by unstable military dictators and not all imported products are subject to high duties or other forms of control. Obviously there is continued interest in the region among HK exporters. When the Chamber's Central and South America Area Committee decided to organise a Business Group to visit the region the response from members was surprisingly enthusiastic.

The group which leaves HK on November 7th will consist of 29 participants from 27 exporting and manufacturing member firms, accompanied by Philip Choy of the Chamber's Trade Division. They will spend three weeks in Panama, Venezuela and Brazil, concentrating on the Free Trade Zones of Colon, Margarita and Manaus. They will be hoping to place as well as to take orders and during their visit also hope to learn a good deal about market conditions and the prospects for increasing business in the future.

Panama, Venezuela and Brazil were chosen because they are our leading markets in the region and because they are comparatively more stable politically and economically than many other Latin American countries. The prospects for doing business in the Free Trade Zones in particular appear quite favourable.

Panama is situated at a major crossroads of world trade, straddling the narrow isthmus which joins North and South America and separates the Pacific and Atlantic Oceans. It is a small country, with a population of

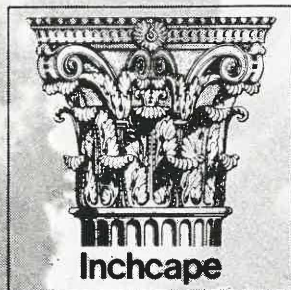
only 1.7 million and an area of about 30,000 square miles. However, Panama boasts one of the highest standards of living in Latin America. The Panama Canal brings the country an estimated direct income of more than HK\$500 million a year. Panama's Gross Domestic Product in 1974 was HK\$8,700 million and per-capita GDP was \$5,200. (By way of comparison, HK's per capita GDP in the same year amounted to \$8,109). Panamanians living in the US-administered Canal Zone are rather better off than those outside and their consumer purchasing power is relatively higher.

### **Inflation low**

Although a military dictatorship, Panama is stable politically. It also has one of the lowest rates of inflation in the region — less than two per cent during the first six months of 1975. It is still basically an agricultural country, with few natural resources. Industry is limited mainly to the manufacture of light consumer goods and sugar-refining. Principal exports are bananas, shrimps, sugar and oil products. Leading imports are crude oil, chemicals, capital goods, manufactured goods and foodstuffs.

HK's trade with Panama has grown fairly rapidly in recent years and today the country is our number one customer in Latin America, although we still manage to account for only about one per cent of its total imports. Last year HK's exports to Panama were worth \$81 million and in the first half of this year reached \$61 million, a whopping 94 per cent increase

# 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.                |

over the same period last year. Heading the list of our exports to Panama were watches and metal watch-bands, transistor radios, textile goods, adults' and children's clothing, toys, electrical goods and calculators.

## \$20 million

Our imports from Panama consisted of medicinal and pharmaceutical products, scientific, optical and photographic equipment, watches and clocks, fish and fish preparations and chemical elements and compounds and last year were worth about \$20 million.

Generally speaking, the Panamanian market is less protectionist than most other Latin American countries. There is no exchange control, although licences are required for certain goods which are likely to compete with locally manufactured products. Customs duties are moderate, but graduated to encourage imports of capital goods and to restrain imports of luxury items and goods competitive with local industry. Protective quotas are imposed on some items, including a few relevant to HK, such as certain categories of textiles, garments and footwear.

The Colon Free Zone is situated near the Atlantic Ocean end of the Panama Canal and is under the jurisdiction of the Panamanian customs authorities. Established in 1953, it has expanded from an initial 14 acres and 10 firms into a busy commercial enclave covering more than 100 acres and housing more than 300 companies engaged in manufacturing, trading,

banking, warehousing and other services. The Colon Free Zone has excellent port and airport facilities and is served by 64 shipping lines and 28 airlines. The volume of trade handled by the zone last year reached HK\$5,000 million, the bulk of imports coming from the United States, Brazil, Hong Kong, Japan, Colombia and Puerto Rico. More than 80 per cent of HK's exports and re-exports to Panama are now shipped to the Colon Free Zone.

## Facilities

Apart from the more obvious advantages offered by the Free Zone — such as geographical location, good communications, transportation, tax, banking and distribution facilities — it also offers a number of benefits for the exporter who wishes to trade with the region as a whole. The Colon traders offer very significant credit facilities to neighbouring importers, not only in the form of inventory financing, but more especially in cases where import deposits are required by other Latin American countries and where high interests rates prevail. They also allow importers to take advantage of sudden changes in import policy, as are wont to occur frequently in some Latin American countries. And a further advantage offered by the Zone is that the medium of exchange is the US dollar.

The Colon Free Zone is also an ideal springboard for introducing and testing new products, as importers in neighbouring Latin American countries can draw on Colon's inventory



facilities after successful market testing. Neighbouring countries, including the United States, account for more than 80 per cent of the zone's re-exports.

The Chamber Group will be spending five days in Panama City and the Colon Free Zone.

The second stop on the group's itinerary is Venezuela. A country of great economic potential, Venezuela is more than 10 times the size of Panama, with a population of 12.2 million. It is the fifth largest oil producing country in the world and a leading member of OPEC. Per capita GNP is the highest in Latin America at HK\$5,325. Inflation has been high in recent years, although by last year it had declined to just over 10 per cent.

Although Venezuela operates import controls over a fairly wide range of products, certain types of imported goods do not require a licence, or at least do not command prohibitive duties. As far as HK is concerned, these products include electrical and electronic goods (particularly calculators, small transistor radios, cassette and tape recorders, electric fans and large air-conditioners over 30,000 BTU), battery operated toys, watches, clocks and metal watch bands, photographic equipment, hardware, hand-tools, locks, metal decoration products and motor accessories.

Products which are manufactured in Venezuela, the import of which is therefore strictly controlled, include textiles and plastic products, shoes, dolls and travel goods. The price

differential for textiles imported from the Far East and those produced locally is in the region of 40 per cent. Were HK textiles able to establish a reputation for high quality and fashion in Venezuela there might still be some potential, but unfortunately this has not yet been the case and we are unable to compete with the well-known European brand-names.

### Imports

Venezuela's principal imports are metals, capital goods, transport equipment, chemicals, paper and grain and its chief exports are petroleum products, iron ore, coffee, cocoa and sugar. Imports from HK account for under one per cent of Venezuela's total imports and in 1975 amounted to \$93 million. During the first half of this year there was a 29 per cent increase in HK's exports to Venezuela over the same period last year. Our leading export items are transistor radios, watches, plastic toys, electric fans, locks, padlocks and keys. We import very little from Venezuela — less than \$4 million worth last year.

The free port of Margarita is situated on an island off the coast of Venezuela. It is mainly a retail centre where Venezuelans can purchase up to 750 Bolivares (4.3 Bolivares = US\$1) worth of goods duty-free every month, although this limitation is not strictly enforced. The annual sales volume at Margarita is estimated to be in the region of \$250 million, despite the fact that duties are free on only a comparatively small range of goods, including clothing, watches, radios,

TV sets, calculators and liquor. Toys are not duty-free and there is little demand for electronic goods at Margarita as they do not attract a very high import duty in Venezuela proper. Visitors to Margarita tend to be middle class people who can afford to buy luxury and household items.

### Phenomenal

The expansion of sales at Margarita has been phenomenal. In the past three years the number of stores has grown from four to 30 to 200. Previously each store imported direct, but now wholesalers have sprung up. Many of these traders buy direct from the Colon Free Zone and only a few have offices in the Venezuelan capital, Caracas.

Construction continues at a rapid pace and many banks are moving in. All indications point to Margarita's continued expansion. It has even been suggested that manufacturing industry might be developed on the island in the future.

The Chamber Group will be in Caracas from 13th — 16th November and will visit Margarita between the 16th and 18th.

Brazil is the largest country in Latin America and the third largest in the world, covering an area of 3.27 million square miles. It has a population of 107 million. Its capital is Brasilia, but the leading commercial and trading centre is Sao Paulo.

It is a land of enormous potential, much of it yet to be developed. Gross Domestic Product in 1974 was HK\$390,000 million, giving a per-

capita GDP of \$3,644. Its economic growth rate in recent years has been one of the highest in the world. In the past five years GDP has increased by 70 per cent and the government headed by General Geisel, which came to power in March last year, is determined to maintain the annual economic growth rate at 10 per cent. The main obstacle to attaining this target appears to be inflation, which was galloping ahead at 34.5 per cent in 1974 and was still well above 20 per cent in 1975. Since the increase in oil prices Brazil has had a large balance of payments deficit and borrows heavily on the international markets.

### Investment incentives

In recent years the Brazilian government has introduced substantial incentives to encourage domestic and foreign investment in industry, the objective being to broaden the country's industrial base and develop backward regions. While this might offer opportunities for HK manufacturers interested in entering joint ventures with companies in Brazil, the implications for our exports are correspondingly gloomy.

Through its import substitution policy the Brazilian Government encourages imports which are considered beneficial to the country's development and tries to discourage, by levying very high import duties, those which would compete with domestic industries. This policy adversely affects the majority of HK exports. At the end of last year the government raised

the import duties on 400 consumer goods items which were regarded as 'superfluous' and earlier this year it suspended the issuing of import licences on a long list of goods. However, this suspension does not apply to the free trade zone of Manaus.

Certain items which are produced in HK were not affected by the increases (although most of them are affected by the suspension). These include calculators, watches, photographic and optical equipment, some electrical products, electronic components (transistors, colour TV tubes, capacitors, resistors and transformers) and educational products. There is also continued demand for some products, despite the high duty, where domestic production is either inadequate or of poor quality. These products include plastic flowers and battery operated toys.

However for HK's mainstay exports — textiles and clothing, footwear, radios, clocks, cutlery, costume jewellery, stationery and many electrical products — there is little potential (and none whatsoever while the issuing of import licenses remains suspended).

The situation is far less depressing, however, in Manaus. This is a 10,000 square kilometre free trade zone situated on the Amazon, several hundred miles from the sea and far from international commercial routes. Incentives are offered by the government to developing industries and the tourist trade, the objective being to revitalise the city and the surrounding area, which was formerly a centre for

the rubber industry. Brazilians go to Manaus for duty-free shopping and are allowed to purchase up to HK\$1,000 worth of goods per person. Only six or seven companies in Manaus import directly. The rest are small retail shops.

A major drawback is poor communications. There is at present no direct shipping service between the Far East and Manaus and shipments from HK have to go via Europe. However, despite the problems, and providing its free trade status is maintained, Manaus promises to expand into a fairly lucrative market for HK exporters in the years to come.

HK last year exported \$23 million worth of goods to Brazil. Leading exports were watches (\$9 million), parts for transistor radios (\$3 million), and plastic toys. HK purchases from Brazil, on the other hand, amounted to more than \$200 million last year and \$80 million during the first half of this year. Many of HK's industrial raw materials are imported from Brazil, including precious stones, organic chemicals, paper and paper-board and, of course, coffee.

The Chamber business group arrives in Sao Paulo on November 20th and will stay in Manaus from 24th to 28th before returning to Hong Kong via Bogota, Los Angeles and Tokyo.

They are due to arrive back in HK on December 2nd, tired but — we hope — satisfied that it was all worth the time and the expense. *The Bulletin* will report on the results of the trip and the opinions of some of the participants after they return.

## What The Bankers Said

IT has been a busy month for Hong Kong's banking community. The holding of the Commonwealth Finance Ministers Conference here can have done no harm to our image as an up-and-coming financial centre. It has also provided an insight into what some of the world's top bankers and financiers think about us. Clearly they are impressed. One would not of course expect these people to be other than polite to their hosts, but one sensed that their admiration and enthusiasm for HK's achievements are largely genuine.

At a time when many developing countries — including Commonwealth countries — are still struggling with the effects of recession, and when even the industrialised countries, despite some improvement, are still tormented by high unemployment and inflation, HK's economic success cannot go unnoticed. The sorry state of affairs in the UK, where socialistic economic policies prevail, and HK with its successful free-enterprise system, provided an ironic contrast for the delegates attending the Commonwealth Finance Ministers Conference.

Both the Chairman of the Standard Chartered Bank Group, Lord Barber, and the Chairman of the Chase Manhattan Bank, Mr. David Rockefeller, commented on the example provided by Hong Kong while they were here.

Lord Barber — Chancellor of the Exchequer in the last Conservative Government — in his address to the HK Cotton Spinners Association on 28 September, explicitly contrasted

conditions in HK with those in the United Kingdom:

'After the economic problems which we face in the UK, the trials and frustrations of those who manage the private sector and the excessive taxation of rewards for extra effort, it is for me personally both stimulating and refreshing to return to Hong Kong. I would not pretend that Hong Kong has no problems, but I think you would agree that the authorities and the business community, co-operating together, are succeeding. And if in the process some people do well financially, it is also the case that the whole of HK is the beneficiary.'

He seemed to be using the UK as a negative example of the dangers of excessive public expenditure when, in reply to comments by the Chairman of the Cotton Spinners Association, Mr. Y. C. Chen, he said:

'You, Mr. Chen, referred to the dangers of measures which put up industrial costs. I would only say this. Every society, as it becomes more prosperous, must devote more in absolute terms to what you call "welfare". But if the proportion of a society's output which is devoted to "welfare" increases too rapidly, then there is a danger that it will either be financed through inflation or that the burden will be carried by productive industry with the inevitable consequences for the level of employment.

'As an objective observer of the HK scene I believe that you have so far managed to maintain a responsible

# Picture Briefing

- A. The Venezuelan Consul-General, Mr. Oscar E. Michelena (second from right), briefed participants in the Chamber's Business Group to Central & South America recently. The Group leaves Hong Kong on November 7th.
- B. The Chairman of the Anglo-Hong Kong Parliamentary Group, Sir Paul Bryan DSO, MC, MP, met members of the Chamber's Council and the Hong Kong Association at a luncheon held at the Chamber on 17th September. Sir Paul (right) is shown with the Chamber's Chairman, Leslie Gordon.
- C. The Chamber's Home Affairs Committee, chaired by John Marden, recently invited the Head of the University of Hong Kong's newly established Department of Management Studies, Professor David Lethbridge (right), to talk about some of the Department's plans.
- D. The Chairman & General Manager of the British-American Tobacco Co. (HK) Ltd., and member of the Chamber's General Committee, Mr. H. W. L. Paul, returned to the UK recently. Before he left he was interviewed by *The Bulletin* (see page 22).



balance, in the light of the crucial necessity to remain internationally competitive. But you are right, Mr. Chen, to warn of the dangers of any society allowing the public sector to pre-empt too large a share of the national cake.'

Pointing to the Government's 16 per cent growth forecast for the HK economy this year, Lord Barber said 'The fact that such a forecast is credible at all is a mighty endorsement of a regime of low taxation and competitive enterprise.'

Lord Barber said that both policy-makers and the people at large in the industrialised countries had finally realised the dangers of uncontrolled inflation. 'The winding down of inflation is a process that commands popular support, even though it may bear hardly on individuals. So, for instance, although the image abroad of the British Trade Union movement is not exactly all that we would like it, I have no doubt that most of the leaders of our major trade unions have learned the lesson the hard way and want to support a policy of pay restraint. It is only sad that a lot of people had to suffer before the lesson really went home.' However, he added, Britain still had a long way to go in bringing down inflation.

He concluded with a further tribute to Hong Kong:

'When one has pondered all the imponderables, weighed up all the statistics (usually out of date) and tried to chart the unforeseeable course of events, one comes back to a consideration of the prevailing state

of mind. It is, after all, the case that, whether in our personal lives or in business, human decisions affecting the future cannot depend on a strict calculation; this kind of mathematics simply does not exist.

'We choose between the alternatives as best we are able and we hope events will prove us right.

### Lord Keynes

'Writing 40 years ago, in the aftermath of the Great Depression, that acute observer, Maynard Keynes, put it this way: "Most of our decisions to do something positive, the full consequences of which will be drawn out over many years to come, can only be taken as a result of animal spirits — of a spontaneous urge to action rather than inaction. Industrial initiative will only be adequate when reasonable calculation is supplemented and supported by animal spirits."

"Animal Spirits" is an odd phrase to use in this context, but I think that we all know what meant. The zip, the determination, the confidence — call it what you will — is simply not present in the old industrial countries at the present time. Yet this is what is needed to bring them back to belief in sustained recovery. Perhaps they could learn from the countries of Asia and particularly from Hong Kong, where the industrial community has so long known how to combine spontaneous optimism with a sufficient dose of reasonable calculation.'

In his speech, entitled "Trade, Investment and Inflation — A World Outlook". Mr. Rockefeller discussed

economic trends in the world in general and the US in particular. The overall tenor of his speech was one of guarded optimism.

'The US economy has led to the recovery of the rest of the industrial world by a period of some six to nine months and of the developing nations by a somewhat longer time. It began with the preliminary phase of a major shift in inventory trends as inventory reductions came to a halt, followed by a strong surge of consumer buying later in 1975 and in the first quarter of 1976. Since then there has been a marked curtailment in the pace of economic growth, marked by considerable slowing of the rate of increase in consumer spending.

All things considered, it is probably just as well that the business recovery downshifted toward a more moderate rate of growth. There is less danger now of overheating, of shortages of materials and industrial capacity, of speculative inventory-building and, most important, of escalating inflation. And there are, therefore, much better prospects that we will enjoy an extended period of economic growth.

'So we at Chase now expect this moderate rate of advance to continue throughout this year and next, with real Gross National Product (in the US) up about 6.5 per cent in 1976 and five per cent in 1977. And we look for the rate of industrial production at year-end to be 10 per cent ahead of a year ago, and to be up another six per cent at year-end 1977.'

There had been a political swing

toward protectionism in the United States during the past year or two, Mr. Rockefeller said. This was one of the natural consequences of recession. However, in a post-election environment and with the improvement of the job situation he expected less protectionist sentiment and action in 1977.

There were signs of increased capital investment in the US. However, domestic capacity was still more than adequate in many industries and he could see no signs of the kind of capital boom which was often displayed at corresponding stages of past recovery cycles. US direct investments abroad were unlikely to show increases at all comparable to domestic capital spending. A number of factors contributed to the reluctance of US investors to make heavier capital commitments abroad.

### Dampened

Chief of these, he said, has been the worldwide recession of the past two years, 'which has dampened investor interest in both the industrial and the non-industrial countries, and Southeast Asia is certainly no exception. Another important influence has been the deterioration in the investment climate, which is marked by a trend towards increasing economic nationalism and more stringent foreign investment requirements.'

Mr. Rockefeller wound up with a prediction for inflation in the leading industrial countries during the next two years: 'No major country has truly been able to put the lid on price

cont'd. Pg. 32

# Taipan Talk

## With Harry Paul

**M**R. H. W. L. Paul, Chairman and General Manager of British American Tobacco (HK) Ltd. for the past four years, left HK at the beginning of October. Before his departure *The Bulletin* talked to him on a wide range of subjects. We started off with the Hong Kong economy and future prospects:

*The Financial Secretary recently forecast a 16 per cent growth in HK's Gross Domestic Product and an increase of 25 per cent in our exports this year. From your own local business experience, Mr. Paul, do you agree that our present trade growth will be sustained?*

For this year yes, but these large percentages obviously won't be sustained next year. It would be unrealistic to expect otherwise. After all, this year's high growth rate in GDP and exports is compared to last year's recessionary figures.

*In the longer term, say the next 10 to 15 years, how do you see the HK economy developing?*

With one's best crystal ball, forecasting even two years ahead is difficult enough! But you have asked for my views and I will not try to avoid the question.

Assuming political stability in China and an indication from her leaders in, say, the next five to eight years that HK's status after 1997 will not alter drastically; and also assuming no undue pressure from a socialistic government in the UK to press expensive social welfare schemes on HK, thus necessitating heavy taxation, higher wages and so on, I would see HK continuing to be a very competitive exporter of more sophisticated technological merchandise and relying

less on textiles and garments. I also see HK growing further as a financial centre.

However, should there be the slightest doubt in the minds of potential investors that HK's future after 1997 is not secure, then by 1985 one can visualise investment slowing down and possibly some disinvestment by those who wish to protect at least some of their capital to use elsewhere. People can say one is being pessimistic drawing attention to that. But if you are on the board of a company which wishes to invest \$100 million in HK in 1985 and if there is a date beyond which you cannot see, how can you possibly justify your plans to your shareholders or to those from whom you are borrowing your funds?

Personally I don't expect China to say out loud "Carry on HK", but they might give indications which are understood by the people who want to invest here, and that would be sufficient.

*You have seen the recent highly critical report on HK prepared by the UK National Union of Tailors and Garment Workers. What should HK do about this sort of criticism?*

I have little time for 24-hour experts. The report you refer to is an excellent example of an emotional, biased expression of views by unionists with vested interests. Let me quote just one passage from this report:

"The damage to the UK clothing industry by imports from Hong Kong is not the result of manufacturing competitiveness or superiority. Rather it is the result of suppressed living standards to a level that would not be tolerated in any other part of the United Kingdom."

Have you ever read anything quite so naive? Hong Kong is *not* a part of the UK! It is — and let us never forget it — situated in China and will one day be Chinese. Anyone in the UK who does not understand that ought not to be allowed to open their mouths and criticise.

The report claims that living standards in Hong Kong are suppressed. I find this completely unacceptable. Unlike some local Taipans, I do go around with my salesmen, visiting various retail outlets, factories and housing estates and I have never seen a situation where there are a lot of suppressed people. In every society there are people who are not so well off, but that doesn't mean they are suppressed. You go to any housing estate in HK and look at the shops and you'll see that people are buying fresh meat and vegetables. Most families in England don't eat fresh food. They eat mostly frozen or tinned food.

When I ask ordinary people in HK — through an interpreter — what their priorities are, they tend to suggest that the biggest priority is the family and the freedom to spend their discretionary income as they think fit on good food, education for their children, and

so on. Very few reply that they are over-crowded in their home. I think we tend to make more of this than they do, because we ourselves live in larger houses.

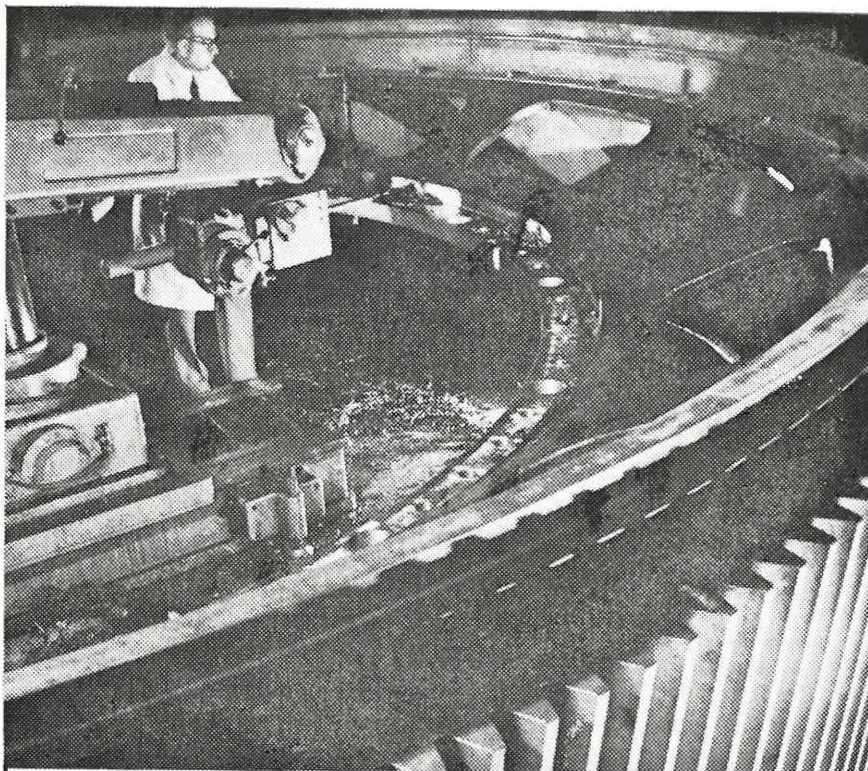
You can't talk about HK people being suppressed, yet that report takes this as a primary reason why we can compete with the UK.

You asked what HK should do about these criticisms. I think it would be interesting to prepare a table showing average annual increases in real wages in HK and the UK over the past 10 years. My bet is that the percentage annual increases in HK would be far in excess of after-tax percentage increases for comparable jobs in the UK.

### Womb to tomb

I personally admire a fiscal policy which does not allow social welfare expansion to run away with itself and I very much doubt whether the man in the street in HK really wants to be cradled, to have everything provided for him from womb to tomb. I haven't met a single person in HK who expects this. There is a tremendous pride in having a job and a great loss of face involved in not working for one's living. Mind you, I'm sure if we wanted to teach people UK's bad habits we could gradually do so.

Please don't classify me as being complacent. There are many areas in HK which can be improved—housing, schooling, medical facilities, personal security and so on. But if one examines the progress being made in



## Doesn't this tell you something about Australia?

It's indicative of Australia's large industrial capacity. A capacity that includes an extremely wide range of manufactured products.

Agricultural equipment, building materials, automotive parts and accessories, materials handling equipment, refrigeration and air conditioning equipment are some that are typical of Australia's output. Australian companies have developed modern production techniques and considerable manufacturing expertise. This has helped bring about the success of Australian made products in international markets. It's very likely that Australia can supply the goods you are seeking. It could pay you to find out.

### Ask the man who knows Australia

All you have to do is contact the Australian Senior Trade Commissioner who will put you in touch with suppliers of Australian products.

You can contact him at:  
10th Floor, Connaught Centre, Connaught Road, HONG KONG.  
Telephone: 5227171.



**Ask the Australian Trade Commissioner**

these fields it really is encouraging.

We should not be afraid to invite people out here, show them what has been done and what is planned for the future. But if they can merely say "You must have a social welfare system which covers everybody who is out of a job" then they are being foolish. HK would just price itself out of the market. We wouldn't be much use to China then, would we? And the day we stop being useful to China is the day we lose HK!

We should be careful about paying attention to our UK critics. If they had anything going for themselves one would listen. But they're making such an appalling mess of their own affairs, why should we listen to them? We don't want a UK-type economy here, do we?

*What do you think is basically wrong in the UK? Is it a question of the wrong policies, the wrong leaders?*

I think it's a question of confidence. Now I don't honestly believe that the pound is only worth US\$1.67. But unless people outside the UK have confidence in the country's ability to cure its ills — too much public expenditure, too few people working hard, trade unions shouting for more money even when there has been no extra productivity — then regrettably nobody outside the UK can take the view that its currency is stable.

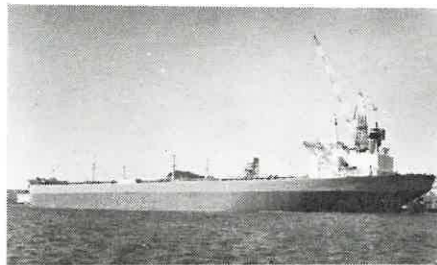
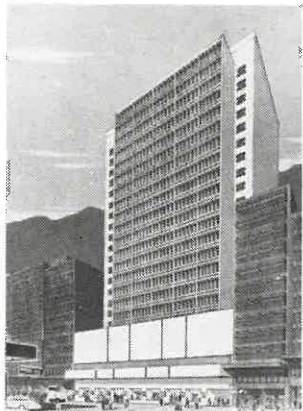
If there was a leader able to come out and galvanize the people on the shop floor, like the wartime leaders were able to do, and put over to them what the real problems are and to tell

them that the only alternative to the present state of affairs is to knuckle down and try to recreate an image of strength and power and the ability to control the economy — if you could find a leader who could do this, then I don't think it matters which party is in power frankly.

We've seen signs of a turn around recently. The Prime Minister came out very strongly at the Labour Party conference in Blackpool and told the unions that unless they allow companies to make profits and generate wealth, then there's no stopping the decline. The trouble is, I'm not sure how far the Labour Party actually controls labour. To my mind the people who are really in control of the country are the trade unions and the larger the union, the more power it has. However good the government is, if the trade unions are not behind its philosophy or ideology, then it is powerless to act.

*In recent years large multi-national companies like B.A.T. have been accused of "interference" and "exploitation" of the economies of the developing world. It has also been alleged by trade unions in the developed countries that they "export jobs", thus contributing to unemployment. Is HK affected by such accusations? Are multi-nationals good for the HK economy?*

My company presently operates in some 60 countries in the world, many of which fall into the category of developing countries. I have personally seen service in several of the lat-



## The Wheelock Marden Group Moving with the times.



Look into what the Wheelock Marden Group is doing today and thinking about for tomorrow.

ter and have also been faced at times with the accusation that multi-nationals like ourselves are exploiting their economies.

One tries to pre-empt these accusations by inviting opinion leaders in the host country to look round our installations and in discussion we try to balance the pros and cons of our involvement in their economies. I've never known this method to fail in convincing the critical or potentially critical person. In many developing countries tobacco is a major source of government revenue and in many there is considerable dialogue between the industry and the government at a high level.

I agree that trade unions in the developed countries may have a point when they say that the multi-national tends to export jobs and thus contributes to higher unemployment at home. However, frequently these critics forget that the alternative could be no business and a loss of foreign exchange. In B.A.T.'s case, in many countries tariff barriers prohibit mass importation of our products ex-UK factories and if we didn't go into those countries and operate there we could lose business overall and the UK would not benefit from the repatriation of dividends etc. which they currently enjoy.

You asked whether multi-nationals are good for the HK economy. Providing the multi-nationals are responsible citizens in the host country then the answer must be yes. After all, multi-nationals, from the interchange of ideas and methods available to

them, must surely be constantly improving business techniques and thus helping to raise the general business and industrial standards in the host countries.

Add to this the investment they make and the jobs they provide and I'm sure you have to accept that the advantages are considerable.

I think another positive point arises from involvement by multi-nationals in HK. Their presence must indicate confidence in the longevity and trading climate in HK.

*Turning to your own company, B.A.T. under your direction has acquired a leading reputation in the field of staff/management relations. How has this come about?*

People frequently think that we pay higher than average wages, but a recent survey proved to me beyond a doubt that this is untrue. We certainly offer our workers good conditions, but they centre on the working environment, cleanliness, hours of work and so on, rather than on salary.

We try to create a sense of belonging. For example, we have a company magazine which is all about the people inside the organisation, we have an annual sports day and a sports club, we organise Sunday outings and boat trips, we try very hard to keep people together. It's easier in a small company than a large one, but the theory and principles are the same.

How has HK managed to be so successful without strong trade unions, while those countries that have powerful unions keep having problems? Why

How Britain's leading private health care organisation can help you with your company medical scheme.

## Introducing BUPA Group Protection, a new factor in medical cover for Hong Kong.

### BUPA

BUPA Limited is now established in Hong Kong as a wholly-owned subsidiary of The British United Provident Association Limited.

The British United Provident Association Limited, a non-profit organisation established in 1947, is by far the largest of its kind in the United Kingdom. It now protects around 2 million people throughout the world against the cost of medical care. Over 17,000 BUPA Group Schemes are in operation and these include 95 of the top 100 UK Companies.

Now, in response to demand from a number of leading companies in Hong Kong, BUPA has designed a range of special group schemes to suit local conditions.

### The growing need for employee health care

More and more companies are adopting the policy that employee health care makes sound business sense. With BUPA, you not only provide your employees with all the benefits of good medical care — you will be making what so many employers consider to be the soundest possible investment in good staff relations.

### International, reliable, experienced

Because of its size and depth of experience, BUPA can offer companies two major advantages: complete reliability and a comprehensive range of cover — cover which is tailor-made to suit your company and the needs of your staff.

### Some advantages of BUPA Group Protection to you and your company

- 1. Security**  
You can rely on BUPA, Britain's leading private health care organisation.
- 2. Comprehensive Protection**  
You can add 'Clinical care' for out-patient treatment and 'Maternity cover' to Hospital and Surgical Benefits cover to provide a fully comprehensive health care plan.
- 3. Choice of Benefit Levels**  
You can select the Level of Benefits required, and vary them for different levels of staff if you so wish.
- 4. Dependant Cover**  
You can include the wife and children of employees in your BUPA Groups.
- 5. Liberal Benefits**  
Your group members are entitled to up to 26 weeks hospitalisation benefit each year. There is no limit to the number of operations, and a full range of supporting benefits.
- 6. Choice of medical facilities**  
Your group members are free to choose their hospital and specialist, in consultation with their doctor.
- 7. Value for money**  
You enjoy discounts for size on larger groups, and even groups of 50 or more employees will receive rebates if your claims are low.
- 8. Worldwide protection**  
Your staff are entitled to the same level of BUPA benefits when temporarily abroad on business or holiday.
- 9. Immediate cover**  
Your company group scheme can be formed from the first of any month, and cover starts from that date. There is no waiting period for entitlement to benefit.
- 10. Group size**  
You can form a Comprehensive BUPA Protection group with a minimum of 50 employees, but Hospital and Surgical cover only can be arranged for as few as 15 employees.
- 11. Existing BUPA subscribers can transfer easily**  
Existing BUPA subscribers may continue their cover if they wish, but they can easily transfer to this new scheme which is specially designed for Hong Kong, by forming a Group for their Company.
- 12. And finally . . . minimum administrative work for your company, speedy claims settlement and personal service in Hong Kong**

### How to find out more

To find out more about BUPA protection and to enable BUPA to find out enough about your needs to prepare a tailor-made proposal for your company, simply complete and mail the coupon. Needless to say, all inquiries are dealt with in the strictest confidence and incur no obligation whatever.

To: D.C. Booth, Esq., Director, BUPA Ltd.,  
30th Floor, Gammon House, Harcourt Road, H.K.

I am interested to know more about BUPA.  
Please telephone me to arrange an appointment,  
without obligation.

Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_



is it that HK, without trade unions, is so competitive? Why was HK first out of the recession? The trade unions in the UK would say, this is because you suppress your labour and the workers know that if they are out of work they won't get paid. But I would take the view that if people are *not* afraid of being out of work, as is the case in the UK, then obviously there is a greater chance of them being prepared to risk being out of work because they know they are not going to suffer.

And who is better off in the long run if employers are forced to give their workers a wage rate above what they deserve from a productivity point of view? The employer has to put up the price of his goods, which causes inflation. Are you better off if you are getting £10 a week today and £20 a week tomorrow, when inflation has been 100 per cent?

I think HK still has a lot to learn about how to deal with people. It is up to the responsible employers — the sort of people who sit round the Chamber's boardroom table — to ensure that their companies set an example. I am sure that lots of these companies are doing this already, but there are more than a few bad companies in HK too.

*What do you consider to be HK's principal strengths and weaknesses?*

Hong Kong's strengths are its people, who are realistic, flexible and very hard-working (witness the way we came through the recent recession); minimum interference by government in commerce and industry; sensible

fiscal policies designed to motivate development and investment and to avoid living beyond our means; and a strong currency.

HK's weaknesses are the uncertain future long-term — 1977 and all that; too much reliance on textiles and garments, which are facing increasing competition from less developed countries; the fact that because of its 'colonial' status HK tends to suffer undue pressure from the UK government and trade unions; and the generally poor management standards and practices and lack of awareness of corporate ethical standards.

### Efficiency

I think it is the efficiency of the place that impresses one most. This morning I went round my factory for the last time and the boards which show machine efficiency were showing efficiencies in the 90s. I've worked in many parts of the world and I've never seen such efficiency. I'm sure this is found not only in cigarette factories, but in other factories too.

I think HK will remain highly competitive, except perhaps in textiles and garments, where it is threatened by countries like the Philippines and Indonesia where labour rates are much cheaper. But instead of moaning about "unfair competition", instead of accusing these countries of "suppressing labour", HK manufacturers see it as a challenge to apply themselves elsewhere.

HK people are terribly practical. They never blame someone else if they can't compete. They say, now



# 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

look, there is a weakness, let's find out what it is and put it right.

*Isn't this similar to the Japanese method, where the company is almost like a father to the workers?*

We're not benevolent. We don't mother people. We don't give them everything. We allow them to organise things themselves.

On the other hand, we don't allow people to do exactly as they please. When a matter has been discussed, when all the various points of view have been heard and a decision is made, people must go along with that decision even if they didn't vote for it. It's not a question of authoritarianism. Things have to be run in this way. Besides, I have found that so long as people have had their say, they are happy. It's when they don't get the chance to have their say that they go around moaning about it. (Benevolent or not, B.A.T. claims to have a very low staff turnover, unlike many companies in Hong Kong, which suggests a fairly contented workforce).

I see everyone who leaves the company — even someone who has been fired. I think you can learn a lot about your organisation from someone who is leaving. You can find out things which someone still there might not necessarily tell you.

It is primarily up to the management itself to improve industrial relations by taking a responsible attitude towards employees. If an employer is responsible and has regular joint consultations with employees, then trade unions are not needed. If, on the other hand, as happened recently, you have a company which suddenly

closes its doors, sacks all its workers (initially without recompense), showing no concern for labour, then you have a definite breeding ground for militant trade unions.

We don't have trouble with our workers. That's not because we're very clever, but we do try to involve them in decisions. But, you say, isn't that rather dangerous? If you involve them in decisions can't they ask for more money and you have to give it to them? But we don't run away from difficult decisions. If somebody says they want a 20 per cent pay increase we sit down with them and say "Now please tell us how you work it out". When you can produce a categorical case showing what the trends are, what the labour market is like, what other companies are giving and what the cost of living has been doing, you don't have too much trouble.

*What sort of memories will you take with you when you leave?*

We have had a very happy four years in HK. It is a great place in which to live and work. It is a dynamic, pulsating environment where everyone seems to work hard and where one can enjoy life to the full without feeling guilty!

I think the only unpleasant memory that I am likely to take away with me is the "Peak Mist". Where we have been living it seems to strike for more than 100 days a year!

*Fortunately the "Peak Mist" has not in any way impaired Harry Paul's view of HK. He might have been living in the clouds, but his feet, clearly, have been planted firmly on the ground!*

## BANKERS

### —continued

increases and we expect them to continue through 1976 and 1977. We expect consumer prices in the United States to be up 5.7 per cent this year and 6.1 per cent next year.

‘We do not expect most other industrial countries to do as well in terms of price inflation this year and next. For Japan, we see an increase in consumer prices of more than nine per cent this year and more than eight per cent in 1977. For France the price increases for the two years are expected to be 10 per cent and 12 per cent. Italy and the United Kingdom are almost certain to have even sharper increases, while Germany and Switzerland are expected to do somewhat better than the United States.’

‘The problem of worldwide inflation, of course, will continue to be closely related to the price of oil. It now appears clear that the OPEC nations will raise oil prices before the end of the year. One would hope that this increase will be less than 10 per cent. But at the same time there are fears that the rise will be as much as 15 per cent, which would pose especially serious problems for the non-oil developing countries that have not yet adjusted to the earlier oil price increases.’

‘While it is doubtful that an oil price increase would halt the growth of the US economy, the prospects for continued economic expansion in Europe and Japan may be somewhat more fragile and a sharp increase in oil prices might trigger a setback.’

## DIRECTOR'S VIEWPOINT

### —continued

against such countries as Singapore, Taiwan, Philippines and South Korea rather than the UK and the US. A good many British Labour MPs seem incapable of understanding, or accepting, this fundamental criterion.

The Chamber's various committees will study each proposed piece of labour legislation carefully and will no doubt be concerned to assess the potential cumulative effect.

In the meantime, the Commissioner for Labour must be congratulated for establishing an increasingly broad spectrum of consultation and advice in labour matters. This should help his Department, the Government and the community.

### Here We Go Again

Round about the time you read this, I shall be in Japan with a small promotional group talking to the representatives of a good many Japanese industrial companies. We aim to interest them in Hong Kong generally and industrial development specifically. We'll be holding a large-scale public seminar in Tokyo on October 22 and Mitsuo Kikuchi, Director of JETRO in HK, will be flying out to join us. Wish us luck; it's our first such effort in Japan.

We have another much larger Chamber trade group getting ready to go to Central and South America to sell Hong Kong products. Despite all the import problems associated with that area, our group has good hopes for added business.

Jimmy McGregor

原子粒收音機、卡式錄音機及錄音帶、電風扇、冷氣機、電動金屬製玩具、攝影器具、小五金工具、鎖、汽車零件等。須付高稅的是紡織品、塑料製品、鞋類、公仔、旅行用具。因而，港製紡織品售價要比當地貨高百分之十。中國工藝品也受歡迎。

委內瑞拉政府於今年初已將外國油公司全部收歸國有。同時，委內瑞拉正在全面發展工農商業，改變偏面依賴石油的局面。在短期內，統脹率增加（去年為百分之十點三）及石油產量控制減少會放緩經濟增長。但就中長期展望，全面經濟建設會促進繁榮，前景樂觀。

總之，委內瑞拉雖然稅率高，但國民收入也高；所以購買力大，貿易利潤也大；是一個極有潛力的市場，而且高價及低價貨均有銷路。香港的主要競爭對手是美國、日本、法國及西德等，最近則加入新加坡、台灣和韓國。委內瑞拉是拉丁美洲自由貿易協會成員國，但該等成員國雖然獲得低稅優待，却尚無強大的出口能力，所以並不足以構成威脅。

### 馬加里達自由貿易區

馬加里達是加勒比海中的一個島嶼。馬加里達自由貿易區在短短三年內，就從四間商行增加到三十間，再擴展到二百間。馬加里達與科倫不同，並非是轉口集散地，而是旅遊購物中心。區內大都是零售商店及批發商行。顧客大多數是本國遊客，每個遊客每三個月可攜帶七百五十博利瓦貨物出境（約等於一百七十五美元）。全區每年的銷售額估計高達五千多萬美元。

馬加里達自由貿易區實行免稅政策，但免稅品僅限於衣着、酒、手錶、收音機、電視機、計算機等若干種類，而玩具則須付稅。到馬加里達遊覽購物的大都是中等階級，

主要購買酒、衣着、家庭用品、化粧品、手表等。

香港貨主要是手表、電器、家庭用品、衣着及收音機等。高價紡織品及成衣也有銷路，但港貨沒有歐洲名牌貨吃香。此外，珠寶玉器也可吸引入息高的顧客。

免稅則利潤高。各國商人趨之若鶩。目前，馬加里達自由貿易區正在繼續擴展。銀行紛設分行，商行擴展業務，工業也擬建廠，呈現一派繁榮、興旺的景象。

## 巴西

### ——「經濟奇跡」

巴西是拉丁美洲第一大國。面積八百五十一萬平方哩，佔世界第三位。人口一億零七百多萬，佔世界第七位。首都巴西利亞，但經濟貿易中心是聖保羅。政治較穩定。

巴西原來是一個落後的農業國。戰後，大力促進美、歐、日等國先進工業前往投資；同時逐步實現農業現代化。六十年代末至七十年代初，採取入口替代政策，工業突飛猛進，農業自給自足。五年內國民總產值躍增百分之七十，如今已達每年一千億美元。確實無愧於南美洲「經濟奇跡」的榮譽，已是介於發展中與已發展之間的國家。

然而，由於入口替代、工業擴展及出口貿易失調，從一九七三年起，累積起龐大貿易赤字。由於巴西原油需求的百分之七十五依賴入口，油價高漲更是火上加油，統貨膨脹日趨嚴重，一九七四年高達百分之三十五，一九七五年仍達百分之三十。去年貿易赤字達三十五億美元，外債總額在去年九月共達二百二十七億美元。於是，只得放緩經濟，緊縮入口，管制外匯，採取種種貿易限制及物價管制政策，今年已有所好轉。

巴西入口貨物主要是原油及其產品、機器設備、有色金屬、肥料、小麥、化學原料等。出口貨物主要是咖啡（世界第一），可及大豆（世界第二）、棉花、蔗糖、鐵礦、電工機械、各種車輛。工業已是拉丁美洲第一，主要是汽車製造（世界第八）、鋼鐵、水泥、造船、石油化工、食品加工、紡織等。

香港與巴西的貿易，近年來大受限制政策的影響。港貨輸巴西，一九七五年達二千三百萬港元，今年上半年僅七千八百九十多萬港元，比去年同期下跌百分之十七。種類最大宗是手表，還有通訊器材、辦公器材、儀器、收音機零件、玩具、珠寶等。香港入口巴西貨物，一九七五年達二億一千三百多萬港元，今年上半年已達七千八百九十多萬港元。最大宗的是棉花，已成為本港紡織原料主要供應地之一，還有咖啡、可可、寶石、紙等。

巴西目前實行的入口限制政策要繼續到今年底，對三百多種商品暫停簽發入口證，要付百分之二百保證金，還須凍結一年，惟有馬瑙斯例外。對香港而言，未受限制的有手表、計算機、照相器材、光學儀器、某些電工及電子產品等。有些商品關稅雖重，仍有需求，如塑膠花（稅率185%）及高級玩具

## 興包華利先生一夕談

英美煙草（香港）有限公司董事長兼總經理包華利先生已於十月初遷離香港。本刊記者在他啓程前專門訪問，請他暢談在港任職四年的體會及感想。

訪問一開始就提及財政司最近預測今年香港經濟增長百分之十六及出口增長百分之二十五。

本刊記者詢及包華利先生是否同意此種

（稅率205%）。其他香港產品則大受影響。

香港在巴西市場的主要競爭對手，是美國、日本、法國及西德，最近則加入台灣和新加坡。拉丁美洲自由貿易協會成員國尚非對手。

### 馬瑙斯自由貿易區

馬瑙斯不像其他自由貿易區均在國際通商口岸，而是位於巴西內陸亞馬遜河與尼羅革河的匯合處。馬瑙斯原來是南美名城，本世紀初以來逐年衰落。巴西政府為了復興馬瑙斯成為新的工商業中心，使西亞馬遜地區跟上全國經濟的發展，決定成立馬瑙斯自由貿易區。短短幾年，已有人口四十多萬，佔地一萬方公里，商行二千多間，每年營業額高達二億多美元。香港貨輸入馬瑙斯在一九七四年已達四百五十萬美元。

馬瑙斯為鼓勵工商業及旅遊業，採取免稅政策。結果外資相繼設廠，商店紛紛建立，遊客大量湧來，前景頗為樂觀。

× × ×

限制貿易的各國政府，從上述自由貿易區的空前興旺，發展和繁榮，豈不是應該獲得深刻的啓示嗎？

增長將會繼續。

「今年確會如此，但明年就顯然不會再有此種大幅增長。今年的增幅所以大，畢竟是與去年的衰退數字比較而言。」

### 香港經濟 發展前景

香港經濟在今後十至十五年長期之內將會如何發展？

「實在難於作長期預測。假定中國政局穩定，且在今後七、八年內表示香港現狀到一九九七年後不會大變；假定英國政府不會促使香港實施龐大的社會福利制度，而引致稅收加重及工資上漲；則本人預料香港將繼續保持高級技術產品出口中心的競爭優勢，而且較少依賴紡織品及成衣。香港作為金融中心的地位也將繼續加強。」

「但若投資人士對於香港在一九九七年後的前途有所懷疑，則到一九八五年投資就會放緩，可能有些人還會將投資轉到其他地區。有人會說此種說法是悲觀論調。但若某公司擬於一九八五年在香港投資一億元，而身為董事者對十二年後的前景却茫無所知，試問如何向股東交代？

「我本人認為中國不會公然明說『維持香港現狀』，但也許會暗示準備來港投資的人士，那就夠了。」

### 英國批評 不符事實

最近英國製衣工人總工會對香港嚴厲抨擊。香港應該如何對待此類批評？

「此份批評報告是工會領袖出於本身利益而發表偏激觀點的典型例證。請看這一段：『香港入口貨對英國製衣業的損害，不是質量競爭的結果，而是英國其他地區無法容忍的受壓迫生活的結果。』

「還有比這更幼稚的嗎？香港不是英國的一個地區！我們必須牢記——香港位於中國，而且將會歸屬中國。英國如有人連這點也不懂，還是免開尊口。」

「此份報告硬說香港人生活受壓迫。我認為完全不能接受。我與有些大班不同，真的與營業員一起，訪問工廠、零售店和住宅，從來沒有看到許多市民受到壓迫。任何社會總有些人比較窮，但並非就是受到壓迫。香港人吃新鮮蔬菜魚類，但英國人大都吃冷

凍罐頭貨。

「我常問香港普通居民優先考慮甚麼。他們往往表示是家庭，自由化錢來吃得好及讓子女受教育等等。極少人回答住屋太擠迫。而這份報告却認為這是香港能與英國競爭的主要原因。

「香港應如何對待此類批評？我以為可以準備一份港英近十年每年平均工資增長的統計表。香港的增長率一定大大超過英國工人除稅後實際收入的增長率。」

### 社會福利 過猶不及

「我本人贊同預算政策不讓社會福利過份擴展。我認為香港人並不想從小到老被政府照料。香港人以能工作謀生為榮，以不自食其力為恥。如果一定要教人學英國的壞習慣，也得慢慢來。」

「我並非滿足於現狀。香港有許多地方應予改進——居住、教育、醫療、治安等等，但上述各方面的進展也確已令人鼓舞。」

「我們並不怕請人訪港，參觀我們的成績及未來的計劃。但他們一定要我們建立全面失業保障制度，就是愚蠢之見。香港不願苟同。否則，香港就對中國毫無用處了。而我們不再對中國有用之日，就是我們失去香港之時！

「英國人把本國的事搞得一團糟，我們為什麼要聽他們的批評呢？

「我們當然不想讓香港的經濟步英國的後塵。」

英國的問題症結何在，是政策錯誤呢，還是領導錯誤？

「我認為是信心的問題。我不相信一英鎊只值一點六七美元，但英國領袖必須能說服工會，重新樹立足以控制經濟的形象，至於那個黨派執政則並無多大關係。而目前却似乎是工會實際控制着英國。」

## 跨國公司 利多於弊

近年來，類似英美烟草公司的龐大跨國公司曾被指責「干涉」及「剝削」發展中國家的經濟，又被已發展國家工會指責「出口職位」而加重失業。香港是否受此種指責的影響？

「本公司目前在世界上約六十個國家經營業務，其中許多屬於發展中國家。我本人親自經歷過，而且也曾面對過類似的指責。解決方法是邀請所在國的輿論領袖參觀香烟廠，並討論其投資的利弊，一定能令其信服：烟草工業是許多發展中國家政府歲入的主要來源。

「已發展國家工會的指責是片面之辯。以英美烟草公司為例，許多國家的海關禁止英國生產的香烟大量入口。如果不在該等國家投資生產，英國的香烟廠就無生意可做，也無法享受目前的利潤及外匯收益。

「跨國公司財雄勢大，當然有利於提高所在國的工商業水準，而且提供就業機會。對香港而言，香港的長期前景增添信心。」

## 勞資關係 相輔相存

英美烟草公司因閣下領導有方，獲得勞資關係融洽的美譽，可否畧予介紹？

「人們以為是本公司工資高，最近的調查證實並非如此。本公司當然為工人提供良好的工作條件，但主要不是工資，而是工作環境和時間等等。本公司努力確立一種歸屬感，出版員工刊物、成立體育會、舉辦運動日、組織假日遊覽等，使僱員歡聚一起。」

「但另一方面，並不聽任員工為所欲為。凡事討論決定後，即使不同意，也必須遵守執行。工人有機會發表意見，就不會牢騷滿腹。」

香港以職員轉換頻繁著稱，而英美烟草

公司是例外，可見工人確實感到滿意。

「我約見每一個辭離甚至被解僱的職員。與他們談話能使我深入了解公司的情况，在職的僱員也許不會如此坦率直言。

「廠方理應對工人負責，才能改善勞資關係。如果僱主經常與僱員諮商，工會就非必需；否則，工潮就勢必出現。

「香港沒有強大的工會却治理得很好，而有些國家有強大的工會却問題一大堆。香港沒有工會，却保持競爭優勢，首先擺脫衰退。」

「本人認為香港仍須學習如何處理人與人的關係。此一方面應由負責任的僱主——坐在香港總商會會議桌旁的人——確保各自的公司樹立榜樣。香港許多公司都已在着手，但仍有不少公司非常糟糕。」

## 香港特點 效率最高

香港的主要優點和弱點是什麼？

「香港的優點是香港市民注重現實；隨機應變，刻苦勤奮；港府極少干涉工商業；財政方針促進發展投資而避免入不敷出；港幣堅實。

「香港的弱點是一九九七年的長期前途不穩定；過份依賴競爭日烈的紡織品及成衣；由於『殖民地』地位而時時受到英國政府及工會的無理壓力；工商管理水準及商業道德水準欠高。

「我認為香港予人印象最深的是效率極高。今日上午我最後一次巡視工廠，控制台顯示機器效率均達百分之九十以上。我曾在世界許多國家工作，從來未看到此等效率。

「香港將保持高度的競爭優勢，不過紡織業及製衣業可能受菲律賓及印尼等國的廉價勞工威脅。然而，香港不會指責該等國家『不公平競爭』或『壓迫工人』，而是視之為一種挑戰。」

## Asia: room for growth.

# Here are just four of the ways your company can profit from The Hongkong Bank Group's extensive knowledge and experience in Asian markets.

Unlike many international banks, The Hongkong Bank Group's origins lie in Asia. For over 110 years, we have been a prime mover behind much of the financing of trade and investment throughout Asia and beyond. If you are about to do business in Asia, you need careful forethought, a lot of initiative and all the help you can find. Here are four of the ways your company can profit from the accumulated knowledge, understanding and resources of The Hongkong Bank Group.



Electronics, Asia's great growth industry.  
We're helping it grow.

1. All told, The Hongkong Bank Group has more than 400 offices in 40 countries, of which over 200 are in Asia alone. In fact our network of branches covers more of Asia than any other international bank. As a result, we can help you with a full range of banking and financial services in just one country or in all the major countries in this region.

2. We have accumulated an unmatched understanding of Asian markets. Information and statistics are collected from each major branch for the use of our clients.

You do not need to visit each country to obtain business information, local facts or help with government regulations. The total picture is available through all major branches of The Hongkong Bank Group.

3. The people from The Hongkong Bank Group in every country can quickly introduce you to the right people in Asia. Agents, suppliers, fellow businessmen, government representatives, people in technology and industry. Contacts it might otherwise take you years to establish.

4. With assets currently totalling US\$13 billion, The Hongkong Bank Group is in a strong position to organise the kind of financial help you need to do business in Asia. Short or long term financing, export

finance, credit facilities, foreign exchange dealings, and even our own internationally-accepted Hong Kong dollar traveller's cheques; these can all be handled by us. We can also help avoid delays that often occur when dealing with local or correspondent banks outside Asia - delays that sometimes can cost money.

These are just some of the areas where we can help. For further information about The Hongkong Bank Group's expertise in Asia, please contact our nearest office.

The Hongkong Bank Group includes:  
The Hongkong and Shanghai Banking Corporation;  
Mercantile Bank Ltd; The British Bank of the Middle East; The Hongkong Bank of California; Wardley Ltd; Hongkong Finance Ltd, Australia; Wayfoong Finance Limited; Wardley Canada Ltd; Wardley Middle East Ltd; Wardley Gibbs Ltd; Wardley Insurance Co Ltd; Hang Seng Bank Ltd; Wardley Investment Services Ltd.



## 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, United Arab Emirates, United Kingdom and Channel Islands, United States and Yemen Arab Republic.