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A Hong Kong General Chamber of Commerce Magazine 香港總商會月刊



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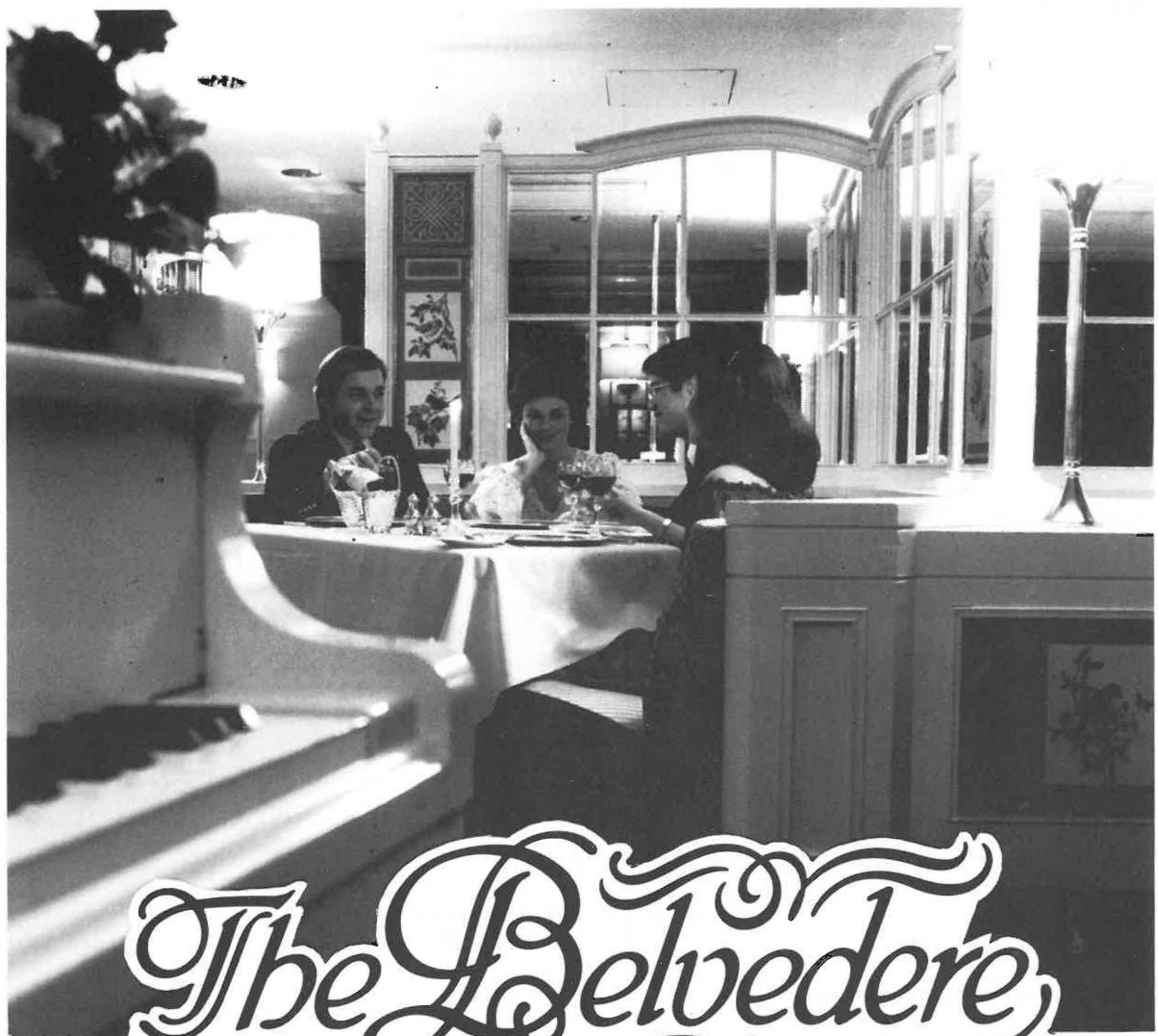
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Chairman: Jack C. Tang, OBE
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Director: J.D. McGregor, OBE, ISO, FRSA, JP
Editorial Board: J.D. McGregor,
OBE, ISO, FRSA, JP
Harry Garlick Maureen Wong
Graham Jenkins Virginia Ng
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董事：麥理覺
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Jimmy McGregor Reports...

Chamber Activities

We had a relatively busy month of activities in March. Among these were Chamber organised trade and industry oriented missions travelling abroad and arrangements for the efficient reception of a number of foreign business missions visiting Hong Kong. There was a general increase in trade related committee meetings and in Chamber participation in the wide range of Government and private sector advisory committees dealing with issues affecting Hong Kong's trade and industry. Some of these activities are described in the following paragraphs.

Consultation Procedures

It may not be generally known that, quite apart from servicing the Chamber's own 23 committees, we provide representatives to more than 60 non Chamber Councils, Boards and Committees. This requires quite a prodigious effort in ensuring adequate consultation and advice. The Chamber is pleased however to play an effective role in these activities both directly through executive appointments and indirectly through membership representation. In the absence of an elected Government, a substantial responsibility rests upon the major trade and industrial organisations to ensure, through the consultative and advisory process, that the Government is correctly and fully advised on those matters which affect the development of trade, industry and the economy. For that reason, we have always advocated the widest possible system of consultation and the right of major organisations to nominate suitable representatives to important consultative bodies. Our efforts have at times met with resistance but we have been reasonably successful in bringing about improvements in the consultative system. Members will not be surprised there-

fore that, during March, the major trade and industrial organisations represented on the Labour Advisory Board, in making a joint submission to a UMELCO Panel regarding Government proposals on revision of the legislation on severance pay, also took the opportunity to suggest ways and means of further improving the consultative arrangements by which the organisations make their views known to the Government. It is hoped that our suggestions will be supported by UMELCO and eventually accepted by the Government departments concerned.

1983 Annual Report and Account

We have just issued the published Annual Report for 1983 which I believe our members will agree is an attractive and readable document. The Report highlights the very wide range of activities and subjects with which the Chamber was involved last year, and indeed every year, and also indicates those issues about which we are concerned at present. Notable among these is the continued danger of trade protection and restriction by developed country markets and especially when this may be applied in a discriminatory manner. The extension of the U.S. G.S.P. scheme beyond 1985 poses the threat of Hong Kong's exclusion altogether for the ironic reason that Hong Kong, a free market, does not give U.S. goods reciprocal advantages. The 1997 issue is another matter of considerable concern to the Chamber as it is to the entire Hong Kong community. The Report takes the view that despite serious uncertainty at present, a satisfactory solution will be found, one which will allow our economic system to continue to develop along established lines.

Chamber Identity Document

I am pleased to advise that the Chamber's new Identity Document for members travelling abroad has been widely accepted by the Consular Corps in Hong Kong and has been welcomed by all foreign Chambers of Commerce with which we are associated. We have so far issued over 200 of these documents to our members.

Trade Committees

The Africa Area Committee received on 7th March a delegation from Transkei arranged by the South African Consulate General in Hong Kong. Useful views were exchanged on the promotion of two-way trade between Hong Kong and Transkei.

A 20-member Business Group jointly organised by the Chamber and the TDC returned to Hong Kong on 7th March after a tour of four major commercial centres in the Middle East. Mr. Sidney Fung, Manager, Trade Division, who accompanied the Group reported that over 1,200 potential importers and buyers visited the exhibitions put up by the Group. On-the-spot sales of Hong Kong products amounted to about HK\$18 million with further orders worth over HK\$27 million in the pipeline. Buyers were mostly interested in watches, toys, jeans, imitation jewellery and artificial flowers.

The Central and South America Area Committee received on 7th March a high level Panamanian Mission led by Dr. Mario Luis Typaldos, Managing Director of the Investment Council of Panama. Investment opportunities in Panama and expansion of two way trade were among the topics discussed. A luncheon was organised on 9th March in honour of the newly arrived Japanese Consul General, Mr. Hiroaki Fujii, at the Furama Hotel. Over two hundred members and guests attended



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The Chamber in Action

this function at which Mr. Fujii spoke about the development of trade between Hong Kong and Japan.

The Japan, Taiwan and Korea Area Committee met on 27th March to finalise arrangements for the forthcoming Chamber goodwill mission to Japan. A video tape of the film "50,000 Can't Be Wrong" was shown to members. The Japanese version of the tape will be taken along by the mission for showing to Japanese businessmen and government officials.

The North America Area Committee met with a trade and investment mission organised by the Windsor Essex County Development Commission on 30th March led by Mayor Elizabeth Kishkon. Useful views on trade and investment opportunities were exchanged. The West Europe Area Committee

received a high level mission from the Organisation for International Economic Relations, a Consultative Body for the Economic and Social Council of the United Nations and the Council of Europe. The meeting discussed, among other issues, methods of doing business with East European countries.

Preparations for the Chamber Business Group to Europe in May were well underway. So far, 13 companies have confirmed their participation. The mission will visit Rotterdam and Barcelona between 13th and 26th May.

Shipping Committee

The Committee met on 29th March. It was agreed to address the Financial

Secretary on the question of buoy charges and to make further suggestions to the Census and Statistics Department regarding the compilation and publishing of shipping statistics.

Hong Kong Trade Fair (Consumer Week)

The Hong Kong Trade Fair (Consumer Week) will be held at the Hong Kong Exhibition Centre, Wanchai from 29th October to 3rd November 1984. The Chamber will construct its own pavilion and a circular to invite participation of members was issued on 29th March. Due to the success of the previous fairs, we expect to receive a good response from our members.

Trade Enquiries

During March 1984, 1,351 trade enquiries were dealt with of which 334 were received from the TDC. Our computerised records are used to very good effect with those enquiries which must, by their nature, receive selective placing. Over 30% of all trade enquiries are in this category.

Other Committees

Taxation Committee

The Committee met on 5th March to consider reactions to the Financial Secretary's Budget Speech. A submission was made to the Financial Secretary and Members of the Inland Revenue Board regarding a more professional approach to meetings of the Inland Revenue Board of Review. The Committee will meet on 13th April to consider the Inland Revenue (Amendment) Bill.

Legal Committee

The Committee is considering a letter from the Law Reform Commission on

WARNING

International Telex Directories

The Chamber continues to receive complaints and information from member companies which have been the target of foreign companies promoting advertisements in international telex directories allegedly printed in the countries concerned.

Many of these solicitations also seek payment and some are prepared to resemble invoices for services already rendered. The experience of the Chamber over many years is that the majority of these companies are not worthy of support and some are undoubtedly fraudulent in character.

The Chamber refers complaints to the Commercial Crime Bureau of the Royal Hong Kong Police Force (Mr. M.S. Barklem, Detective Senior Inspector, Tel. No. 5-284511) and will continue to do so.

The Chamber also draws the attention of the appropriate Consulate or Trade Commission in Hong Kong to such practices as effective action can sometimes be taken against fraudulent practices of this kind and bogus companies and services.

The Chamber urges all members to instruct their staff to copy such solicitations to the Chamber for information. The Chamber will liaise with the Police and with Cable and Wireless (Hong Kong) Ltd. which is able to advise on genuine telex directory promoters.

Unfair Contracts. A meeting will be held to consider submissions and form a Chamber viewpoint on 6th April.

Committee on Terms and Conditions of Employment

The Committee met on 2nd March to consider the Civil Service pay claim. A press statement was prepared which was further considered by a meeting of the Joint Associations Committee on Employer/Employee Relations, with the Chairman of the Committee on Terms and Conditions of Employment present, on 7th March. A joint press statement was issued following this meeting.

Chamber Essay Competition

Eighteen entries have been received. A set of guidelines for the judges was drawn up and circulated. The judges are the Hon. J.N. Henderson representing the Education and Manpower Branch; Dr. A.A. McLean representing the Economic Services Branch; Dr. J. C. Wright, ad personam; Mr. G. Searls representing the Morning Post; and Harry Garlick representing the Chamber.

The judges will carry out preliminary

grading and then meet on 27th April to select major prize winners.

Video Show

Two shows were organised during the month — one for the Japan, Taiwan and Korea Area Committee and one for an outside hirer. A programme of improvements to the original installation has now been completed and the unit is in full working order. A user's manual will be issued shortly.

China

A delegation composed of members of the China Committee of the Chamber visited Beijing from 14th to 16th March during which they had discussions with senior officials from C.C.P.I.T., C.I.T.I.C., State Planning Commission, State Economic Commission, Ministry of Foreign Economic Relations and Trade and five other government bodies. A wide range of matters affecting two way trade and investment were discussed.

The China Committee is presently planning a group visit to Xiamen for late May and another visit to the Zhu-

hai Special Economic Zone, possibly also in May. 48 members have now registered for the Xiamen visit.

Alexander Au, Manager of the China Section in the Chamber, visited Shanghai and Fuzhou recently for discussions with appropriate officials and organisations on ways and means to further expand the Chamber's liaison in trade and industrial promotion with these cities. As a result, the Chamber has been asked to organise a group mission to visit Fuzhou as soon as possible.

Following the successful group visit to Shekou and Chiwan recently, the Chamber is organising a second group of members which will tour these areas on Thursday, 3rd May. This delegation will be led by Mr. E.B. Christensen, Vice Chairman of the China Committee.

Alexander Au also represented the Chamber at the Fujian '84 Exhibition of Foreign Technology and Equipment during March. The Chamber was an official adviser to the Exhibition.

The Chamber welcomed a six-member delegation from Shanxi Province which met interested member companies to explain specific opportunities in Shanxi for Hong Kong investment. □

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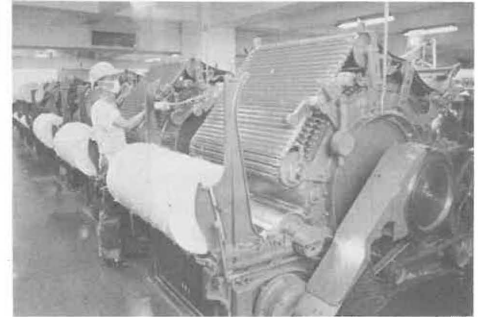
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The new directions

Hong Kong, in the evolution of its remarkably successful economy, reached a crossroads in the boom years of the latter 'Seventies. Major diversification became associated with its very rapid growth.

To quote a recent speech of Chief Secretary, Sir Philip Haddon-Cave: "The diversification process (has) involved the financial and allied services sector achieving a relative importance equal to the manufacturing sector and a widening of the range of goods and services produced by each of the main sectors of the economy.

"At the same time, with its enhanced international dimension — reflected in the fact that the total value of visible and invisible trading transactions crossing the exchanges is now many times the value of the Gross Domestic Product — Hong Kong's economy (and society) has become vulnerable to external influences and hence more volatile than before. This has been the price of diversification and of our new found prosperity."

Sir Philip, speaking to the Economics Society of the University of Hong Kong, went on to detail the two main aspects of this enhanced volatile dimension. He said:

— "Hong Kong's manufacturing sector has attracted considerable foreign

investment in recent years. This is not only important because of its output and employment effects, but for its role in the transfer of technology, expertise and managerial skills.

"Direct foreign investment in the manufacturing sector of our economy has more than trebled since 1980 and, in 1983, investments amounting to nearly HK\$8 billion were recorded from 39 countries. Though direct foreign investment is not all that significant relatively, the 486 manufacturing establishments with overseas participation now employ 11% of Hong Kong's industrial workforce and account for about 17% of total exports.

Growth

"Most investment is concentrated in the growth sector of electronics (36%) as well as in textiles and garments (12%) and building and construction materials (10%). Inquiries from potential foreign investors continue to come in and, as at the end of 1983, a further 43 foreign companies had firm plans to set up plants in Hong Kong within two years.

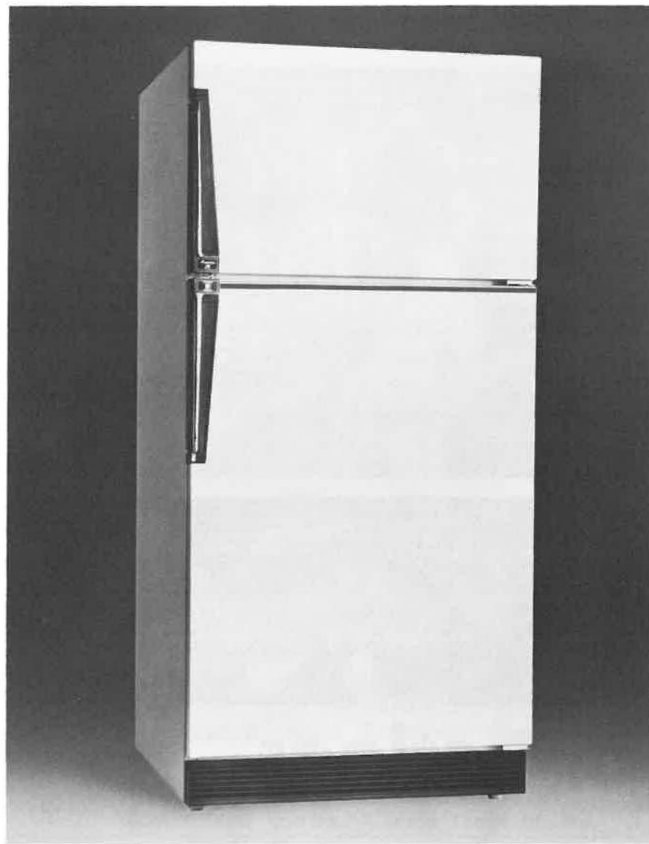
— "Hong Kong has also emerged as one of the world's leading international financial centres. There are now 101 foreign banks licensed to do

business here. There are 113 representative offices of foreign banks. There are 156 registered licensed deposit-taking companies owned by foreign banks and a vast array of other financial institutions providing a wide range of services to both local and international customers.

"The size of Hong Kong's international banking business is easily illustrated statistically: the foreign currency liabilities of banks and DTCs in Hong Kong at the end of 1983 was HK\$786 billion. On the assets side, the same institutions have extended some HK\$132 billion worth of foreign currency loans for use outside Hong Kong, representing no less than 34% of total loans outstanding.

"The foreign exchange market has become more and more entrepot-oriented with a daily turnover which is certainly one of the highest in the world and the same applies to the Hong Kong gold market."

Sir Philip went on to say: "These financial institutions and markets which, incidentally, are admirably supported by our international telecommunications services, generate a considerable proportion of Hong Kong's invisible earnings which, in 1982, contributed HK\$9 billion surplus to our balance of payments, offsetting more than half the visible



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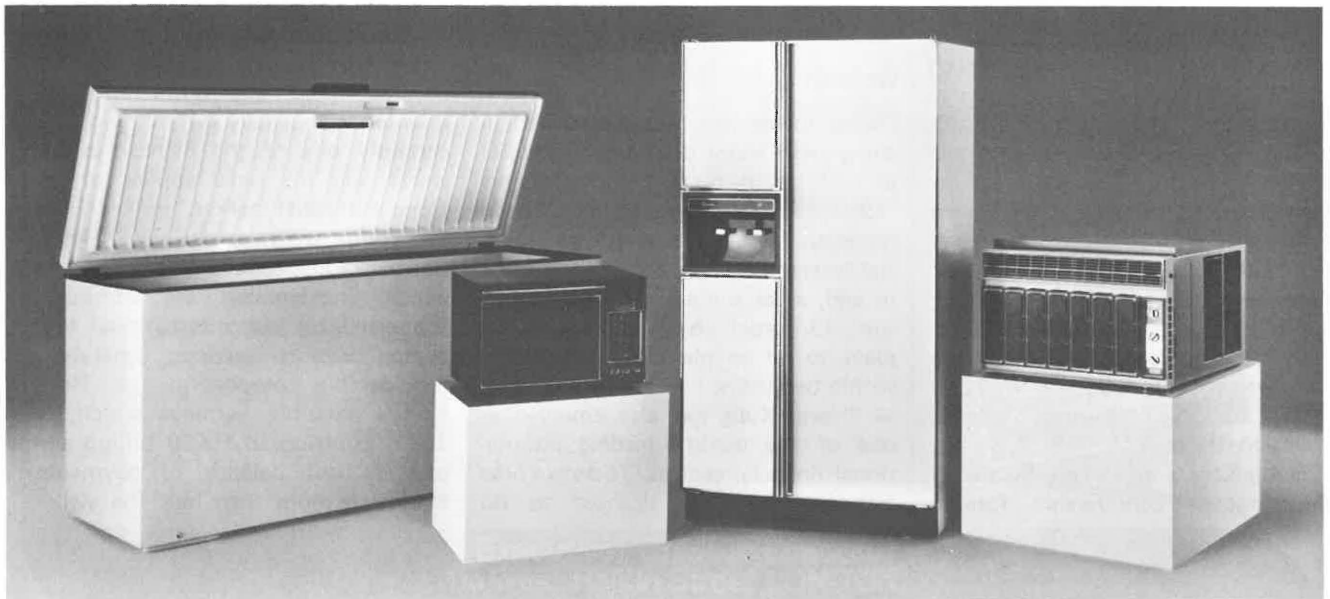
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trade deficit of HK\$16 billion." (According to the Government's Financial Background Report for 1983 invisible earnings accounted for about 66% of the 1983 gap in the balance of payments).

Sir Philip, in his speech, then asked: "How is it that Hong Kong, almost completely devoid of natural resources, has become the 14th largest exporter of goods in the international trading community and probably the third largest financial centre? What is the driving force behind all this activity and growth?"

He said: "It is true that Hong Kong has benefitted beyond measure from the diligence and resilience of the local workforce and the skill and flexibility of its entrepreneurs. But such inherent qualities exist elsewhere and have not produced the same dynamic growth.

Twin principles

"In my continuing view the underlying explanation is Hong Kong's commitment to the twin principles of the market disciplined economy and the free enterprise system operating within an internationally recognised and accepted and impartially administered system of law — a system of law which also enshrines the freedom which we take for granted.

"From those principles and with that system of law, certain rules and guidelines for the behaviour of the private sector and for public policy have been devised and developed over the years.

"Those same guidelines and rules will have to be observed in the future as in the past whatever political changes may come to pass, if Hong Kong is to continue as a major force in the international trading and monetary systems. If they are not Hong Kong will simply unravel and that must not be allowed to happen. For Hong Kong to unravel is a conceivable idea, but an unthinkable thought."

This "conceivable idea but unthinkable thought," as Hong Kong's future is being negotiated in confidence in Beijing, is now affecting Hong Kong's progress in the two main directions it has taken from the crossroads reached in the latter 'Seventies, though Sir Philip stopped short of saying so in his

speech to the HKU Economic Society. Legislative Councillors and many businessmen have loudly proclaimed the need for an early statement on Hong Kong's future direction and supported Legco's resolve to debate whatever is proposed. Local investment meanwhile in renovating and upgrading industry is reported to have come to a near grinding halt awaiting the outcome of the Beijing talks.

A few factories have got around their immediate financial needs by resorting to public listings. Foreign investment is less affected because its base, as in Jardine's decision to relocate its equity in Bermuda, is overseas. But local industrial investment, which is 89% of the total, is affected and so is the banking industry sector because it cannot fully fulfil one of its basic local functions of providing physical capital for expansion.

Yet there is a strong pressure against the current tendency toward this kind of inertia. Factories order books are full for six months ahead as the United States economic recovery has developed into a surge of consumer confidence and spending. Production is in full swing and records being broken. Ships crossing the Pacific are fully laden.

Calls and warnings have been coming from businessmen and officials to industrialists to resume their capital investment unless they want to be left behind in the years ahead. Officials forecast they will begin to respond in 1984. But meanwhile Hong Kong's industrial base is eroding (*See p 10*).

A labour shortage in industry of suitable people, despite some Hong Kong unemployment, has long ago convinced many industrialists they must increasingly mechanise their production (*See p 21*). Others are taking a different track from the crossroads. To avert the problems of manpower and its increasing cost they have begun to take their labour-intensive production into China's neighbouring special economic zones. This trend is fast leaving Hong Kong with mainly its upmarket-oriented manufacturers and increasing its reliance on its export-oriented services, such as the banking industry and its own related services. An era is opening when Hong Kong's future will increas-

ingly depend not on the hands of a relatively poorly-educated workforce but on the brains of its human capital.

Influences

There are two other important influences:

— One is that recent deficit Government budgets have begun to make many realise Hong Kong must upgrade its goods and services if it is to continue to find a more lucrative structure of wherewithall for its social progress and the improvement of its physical infrastructure.

— The other, is that if Hong Kong's human capital (and that is the only major resource it has besides money slushing around in our banks not all being put to productive use) is to have a greater injection of education and knowledge it cannot be forced upon its human capital but must be induced. Thus the era that is opening must take a new form of partnership between the investor and worker not just to upgrade its goods and services but to provide the incentives to human capital to acquire the necessary education and knowledge to attain the sort of output that will finance the community's social and infrastructural needs (*See p 16*).

It will be an era in which Hong Kong hopes to exploit whatever intermediate comparative advantage in has over its neighbours to supply services above a level they have broadly attained. They will be China-related and they will help in new ways East Asia's other newly industrialising countries much as Hong Kong's financial centre is doing now with its external loans.

It will be an era where brains are more important than brawn. When volatility however will remain because the physical and intangible products of those brains will have to remain export-oriented to make up for Hong Kong's lack of physical natural resources.

The big question still to be answered is whether or not there may be a time limit on the era? Whether or not Hong Kong will avert the "conceivable but unthinkable?" — and go on to produce new "miracles" wrought by the changing pattern of its vital major resource, its human capital. □

The base is gradually eroding — S.K. Chan

Hong Kong's industrial base is gradually eroding, says S.K. Chan, executive director of the Hong Kong Productivity Centre. Unless this erosion is identified, understood and firmly brought into management and government deliberations, Hong Kong will put its industrial future at risk.

He suggests Hong Kong needs a technology policy for industrial development. In a recent speech to a seminar of the Hong Kong Forum on Asia, sponsored by the two universities and the Economics Society, S.K. Chan outlined the industrial trends. He says: "Hong Kong's record of economic growth and of real increases in the wealth of its population bears comparison with the achievements of any of the other newly industrialised countries. With the exception of the last two or three years, the average annual growth rate of Hong Kong's economy in terms of Gross Domestic Product was about 9% in real terms in the 1970s with per capita real income growing at the rate of over 6% per annum.

"The manufacturing sector has performed credibly in an environment in which market forces are allowed to be predominant. The good performance of the Hong Kong economy based on markets, profits and trade, has been seen as a shining example of free trade and free enterprise. The market, it is argued, has many virtues because it brings about the efficient allocation of resources within the economy, and Government intervention should be kept to a minimum."

However S.K. Chan went on: "Economic growth (monthly statistics) is not the same thing as economic development but it cannot be denied that economic growth is one aspect of the process of economic development. Economic growth is no more than a means to some other objectives but economic development involves a basic

expansion of people's capabilities and the society's opportunities. Long-term trends also tend to conceal short-term variations which may gain momentum and bring about long-term structural changes in our society.

"Against the background of rapid economic growth, I shall try to outline some emerging trends that appear to be maintaining or increasing their dominance.

Decline

— "First, the contribution of the manufacturing sector to GDP declined from 28% in 1971 to about 23% in 1982. This is a significant decline in view of the growing importance of the manufacturing sector as the main provider of jobs and foreign exchange. The number of workers engaged in manufacturing has recently ceased to grow significantly and in relative terms, the percentage declined from 48% in 1971 to about 35% in 1983.

— "Second, the value-added performance of the Hong Kong manufacturing industry is declining. During the period 1977 to 1981, value added as a percentage of gross output registered a decline in almost all important sectors of the manufacturing industry: a decline from 32.3% to 31.2% in the wearing apparel sector; a decline from 36.1% to 31.8% in the plastic sector; a decline from 36.3% to 32.6% in the fabricated metal products sector and a decline from 27% to 25% in the electrical and electronic sectors.

"Overall, value added as a percentage of gross output declined from 29.9% to 27.6% for the manufacturing industry as a whole. Value-added especially on export activities is the key to raising the living standard in Hong Kong. Our decline in value-added performance must be reversed.

— "Third, there is a clear trend that the manufacturing industry is moving

towards smaller establishment size. In 1974 the average number of employees was 21 but in 1983, the number decreased to 18. There is virtually no growth in the number of establishments employing over 500 workers.

"While the predominance of small industry provides the economy with a degree of flexibility in responding to external market forces, it mitigates against the accumulation of knowledge, skills and capital. This accumulation is needed to enable Hong Kong to move into more technology intense products and markets.

— "Fourth, the manufacturing industry in Hong Kong has remained essentially labour intensive subcontracting manufacturing. Over the past 10 years, three industries have emerged as dominating both sales and employment, namely garment manufacturing, electronics assembly and toys manufacturing.

Skills

"The principal contribution made by Hong Kong to these industries is the use of female labour in semi-skilled work activities. Industries that require accumulated skills resources at the enterprise level, such as the metal fabrication industry have been in relative decline for 10 years or more.

— "Fifth, there is virtually no research and development and marketing done by Hong Kong companies and this trend is likely to continue.

— "Last but not of least importance, the productivity of industry is in relative decline. In the last decade the average rate of growth of labour productivity was in the region of 7 to 8% per annum. The growth rate of labour productivity, or output per employed person, increased by 0.3% in 1982 and 4.5% in 1983. The decline in the relative rate of growth in recent



years is no doubt related to the reduced growth rate of investment in plant and machinery and the global recession."

S.K. Chan explains: "The trends I have outlined seem to suggest that industry is now in a period of transition toward a different order. Unless some of the adverse trends are reversed, there will be structural changes accompanied by a gradual but steady erosion of our industrial base.

"Structural changes take place gradually and imperceptibly and we must look beyond the next two or three years and set our sights on the medium and long-term viability of the Hong Kong economy. Near term growth prospects are still good because I would expect costs to remain reasonably under control at least for 1984 and 1985.

"However, as we look further ahead, the threats to our economic prospects are many but none are as sweeping as the gradual erosion of our comparative advantage in labour and the relative weakness of our technological infrastructure.

"To meet the demands of world markets, business enterprises around the world will continue to do what they do best — produce a greater and greater flow of goods with less unit inputs. The necessary productivity

gains will come from science and technology; the micro-processor and new developments in energy use and bio-technology. Further gains will come from improvement in management techniques, especially those making use of new information and communication capabilities and from innovative financing and other production improvement systems.

Comparative advantage

"Technological changes will be rapid and will affect the comparative advantage of different countries pursuing different industrial policies. For example, electronics, optical sensors, lasers, and robotics are creating opportunities for improved metal working operations in areas like assembly and inspection which was formerly based on labour. Integration of these technological advances could change the fundamental concepts on which the traditional metal working and machine tools industry is founded.

"Innovation in communication and computer technology will accelerate the pace of change. New information technologies will at first be applied to old industrial tasks, then gradually generate new activities, products and processes. Many industries formerly dependent on labour assembly are

automating, particularly electronics. This would further diminish the economic prospects of labour-based economies.

"One key-element in the Asian Pacific Region is the growing work force which is willing to work at relatively low wages. It has been estimated that the workforce in the region will increase by about 55% by the year 2000. Many industries in Hong Kong will be affected by the combined pressures of rapid technological developments in advanced countries and the expansion of low-cost labour-based production capacity in the Asian Pacific Region.

"Some of the cost advantages that Hong Kong enjoyed in the 1970s have undoubtedly diminished. In future, economic forces will make it necessary for Hong Kong to rely less on labour-based industries. Hong Kong is now in the early stages of an industrial revolution in which our future export earnings will be more based on the application of knowledge and skills than on labour intensive assembly work.

"The change in our industrial structure will require a longer-term orientation of business. No longer will we be able to concentrate on making the current quarter look better at the expense of the future. Longer term business

planning and investment will become an important factor in business.

"No less important is a long-term commitment on the part of industry to improve production and technological expertise. In this period of structural change, the Government has an increasing role in facilitating the adjustment process.

"The dominant Hong Kong view of economic policy can probably best be described as emphasising the virtues of laissez-faire capitalism. It is fair to say that the Government's policy has been to maintain a basically favourable climate for business given the social, environmental and safety constraints imposed upon a modern society."

S.K. Chan says: "The role of Government has, however, broadened over the years. As our industrial economy becomes more complex; and as our external trade environment becomes more hostile, there is an increased responsibility on the part of Government to protect our external trade and to introduce internal measures to meet social objective and development needs.

"The Government is already engaged in actions which affect industrial development. By various means, Government has imposed rules to regulate working conditions. Industries are being required to internalise in the costs of their operations the external effect of their operations on the

environment.

"By various means, the Government has introduced education and training schemes to determine the make-up of the business labour force. The Government has accepted responsibility for industrial investment promotion and provided funding support for the establishment of industry support services and technical back-up facilities. Though not bound together by any grand philosophical design, many of the decisions have an aggregate impact and have pushed the economy away from a pure laissez-faire system.

Wider role

"With the acceptance of the recommendations of the Advisory Committee on Diversification, the Government has accepted a wider role in industrial development. The ACD report contains 47 recommendations and is seen by many as a manifestation of sorts — a call to arms. However, the speed with which these recommendations are implemented varies and the scale of effort required to establish a credible research and development capability is constrained by tough budgetary policies.

"There are very few advocates of Government intervention in the operation of industries nor do most of us believe that Government decisions can be an effective substitute for market

decisions. The existing involvement of Government in industry development has demonstrated that the provision of an efficient infrastructure is fully compatible with the concept of free trade and free enterprise.

"We must be clear that the issue before us is not whether the Government should have a role in industrial development but what kind of enlarged role can the Government constructively play. Our society has evolved far beyond the point that we could seriously consider pure laissez-faire as a realistic alternative.

"An era of innovation of technological change makes great demands of Government. An important role of Government is to encourage the development of technology intense industries as wealth generators to compensate for the long-term decline in employment and value-added performance in some of our traditional and mature industries. If we fail to promote radical change in industry in response to external pressures, the industrial base of Hong Kong will contract, leading to declining living standards and unemployment."

S.K. Chan goes on to ask: "How do we encourage the development of technology-intense industries? In this respect, I should like to quote from a report prepared by the High Technology Financing Committee of the Australia Academy of Technology Sciences. The Committee states that they 'know of no country which has succeeded in establishing a climate for investment in high technology enterprises without the Government taking positive action, and, at a minimum, adopting a catalytic role.'

"It is not possible to promote the development of technology intense industries without a carefully planned and deliberate programme of action. For example, it is unlikely that a large technology intense electronics industry will spontaneously develop in Hong Kong without applied research and development and without an indigenous supply of precision components and parts.

"Similarly, the development of a sophisticated light/medium engineering industry is dependent on the creation and the co-ordination of support sectors, such as the foundries,



forges, die and tool making, machine tools, sheet, wire and section fabrication, and all the technical services needed to back them up.

"One of the strengths of our garment industry has been the effective vertical integration of all the necessary support sectors. The 'linkage' industries in support of metal and light engineering as well as electronics are relatively weak. These 'linkage processes' generally involve longer periods of pay back than assembly type industries and unless action is taken to upgrade the technological level of these linkage industries, we will continue to experience difficulties in the diversification of end product industries.

Technology

"To encourage the growth of technology intense enterprise, it will be necessary for the Government to provide not only the physical infrastructure but also the technological infrastructure; to provide not only a favourable climate for business but also an environment conducive to the exploitation of technology.

"There are many elements in our technological infrastructure requiring reinforcement including:-

- a co-ordinated and adequate programme of applied research and development;
- the establishment of development institutes to promote the application of key technologies;
- the provision of key production resources in areas (e.g. an indigenous supply of precision parts) essential to the diversification of end product industries;
- training and education in new technologies;
- the improvement of our marketing capability aimed at increasing the value of our exported products;
- the improvement of support facilities aimed at improving quality and lowering unit costs via automation and technology transfer."

S.K. Chan then goes on: "There has long been acceptance of the concept of providing technical assistance to small and medium size industries. However, local industry needs development assistance as well. The long-term value-added growth of industry and

effective diversification of industry can only be achieved given a local critical mass of development work.

"Since such development work cannot be executed in small and medium sized industry due to their sub-critical size, it is an activity that has to be supported by Government. The linkage between development and technical assistance must be strong, so that development teams can appreciate the needs of industry and the product of development can be diffused and disseminated to industry.

"We will need to rethink the concept of 'comparative' advantage and recognise that the most significant factor in the new technologies is not the abundance of raw materials, power and labour but levels of skills and knowledge required. The new technologies are also high risk areas. We cannot promise success in any of them but we can almost guarantee failure if we fail to take up their challenge.

"Most governments in industrial countries are increasingly concerned about improving the technological and innovative performance of their industry. A wide variety of policy measures have been introduced to encourage innovation, including tax exemption of R & D activities, the development of a venture capital mechanism, the expansion of the role of the universities, the establishment of science parks and the provision of a variety of incentives.

"In formulating a technology policy for industrial development, there is an increasing need for greater selectivity because Hong Kong does not have the resources to mount a significant effort across all areas of the technological spectrum. We will need to establish technological priorities.

"This is different from picking 'winners' because a selective approach aims to provide a viable technological infrastructure in a number of areas. Decisions about particular commercial applications and markets can be left entirely to industry.

"There are, of course, costs of adjustments to technological change but there are also costs - perhaps substantially larger and longer-term, often hidden cost penalties to the society as a whole - in lagging technological performance and a weakening competitive position in world markets.

"The grounds for Government support of technological development have received considerable attention recently. Government involvement may be seen as an attempt to produce a socially desirable level of investment in research and technology. It may also be viewed as the Government seeking to invest public funds in areas likely to return for the society overall the most long-term benefits.

"However, while there may be a substantial role for Government in this area, there will always be debate on the extent of that role. If developments both here and overseas provide any indication, one is drawn to the conclusion that governments are likely to become more, and not less, involved."

S.K. Chan concludes: "Hong Kong is critically dependent on the export manufacturing industry for its economic survival and growth. In addition to the direct contribution to GDP, its supportive effects on other sectors of the economy, such as shipping, insurance, banking, commerce are substantial.

"We live at a time of immense, complex and accelerating technological change. The overall momentum of such change is not slowing. Government has a crucial role to play in this period of structural change.

"However, Government action alone is inadequate unless there is an equivalent response from the private sector to take up the challenge and to make a long-term commitment to compete in the market place on technological grounds.

"There has been a gradual erosion of our industrial base and unless this is identified, understood and firmly brought into management and government deliberations, we will put our industrial future at risk. We are living in a period of change which represents both a threat and an opportunity to us all.

"Though the time between two changing periods is uncertain, it is a time filled with great opportunities. Each one of us can exert more influence - individually, institutionally and governmentally - if we can get a clear vision of what we must collectively do." □

A HK industrial policy, Yes or No?

What has Hong Kong got to offer the industrial investor?

Basically it has to offer for local and foreign entrepreneurs alike its own unique self and the trend it takes in the future is largely a question of their enterprise.

It applies as much to potential manufacturers as it does to the service industries.

E.P. Ho, Secretary for Trade and Industry, outlined its advantages at a recent luncheon for Hong Kong's trade commissioners. He said (in part):

"Many countries offer a wide range of investment incentives, such as tax exemptions and concessions, tax holidays, subsidised training and premises, and even loans at interest rates lower than those prevailing in the commercial market. Investors setting up in an industry which has been selected for especially favourable treatment by the authorities for one reason or another are sometimes treated very generously indeed.

"I am sure, however, that I do not need to remind an audience of specialists like yourselves that in the long run there is often a price to be paid for concessions of this sort; usually in the eventual phasing-out of the initial concessions, or a high level of official supervision or regulation.

"Hong Kong, by contrast, is possibly unique in today's regulated world in its adherence not simply to the principles but to the practice of a free market economy. We apply this philosophy not only to our trading practice, but also in our policy towards manufacturing industry.

"Somebody, who may be here at this lunch, recently asked one of my staff: 'Is it true that Hong Kong's industrial policy is that it has no industrial policy?' The reply was that in a sense we do, indeed, have no policy of trying to direct industrialists and investors to do this or that, or to encourage or discourage certain industries which take our fancy.

"Where we do most certainly have a policy is in providing the best possible infrastructure on which those who know their business best, businessmen and investors who live by the bottom line, can make their decisions and see them translated into profits. We are not in the 'incentive package' business."

E.P. Ho said: "We believe that manufacturers or businessmen, not bureaucrats, are the best people to make investment and other business decisions; that these decisions are best made in an environment as free as possible from official interference; and that it is not the Government's job to load the scales by discriminating between one form of activity and another, or between local and overseas investors.

Sound

"In this connection, I might mention I have just received a copy of a book comprising a series of studies by the Trade Policy Research Centre, London, *"State Investment Companies in Western Europe: Picking Winners or Backing Losers?"*. This book suggests a dearth of evidence for an ability to pick winners and, hence by inference the soundness of our own policy!

"So while we do not offer specific, temporary incentives, we certainly endeavour to ensure that the sort of incentives which attract investment on a continuing basis remain an integral part of our economic system. Our income and profits taxes are extremely low by any standards; and possibly the lowest in the industrialised and industrialising world providing the level of social services and welfare benefits we maintain. Hong Kong is a totally free port as far as imports and exports of materials, equipment and products are concerned — except for a modest declaration charge of 0.05% on shipments into and out of Hong Kong.

"We make a conscious effort to

minimise red-tape, licensing, and controls on imports and exports, except those required for the fulfilment of our international obligations and to ensure reasonable standards in such areas as health, safety and security. Of course, like most places, we have excise taxes on tobacco, alcoholic liquors and hydrocarbon oils to raise revenue but they apply to imports as well as local production."

E.P. Ho said. "We welcome companies of all types and sizes. They may set up wholly-owned subsidiaries, or enter into co-operation with local partners as they wish.

"Money earned in Hong Kong is convertible to any currency, and there are no exchange controls; profits can be remitted without restrictions, and capital freely brought in, or repatriated.

"High property prices in Hong Kong have in the past few years been a limiting factor; but industrial land and property prices have come down substantially of late, and there is a plentiful supply of high-quality modern industrial and commercial accommodation available — at very competitive prices indeed.

"We have a stable society and — if I may be forgiven for saying so — an open, efficient, effective and caring Government; an excellent network of transport and communication links, a full range of back-up services appropriate to one of the leading business centres of the world, a diligent and capable workforce, and an environment where things work — like telephones and air-conditioners and services generally — and the language of business — English — is widely spoken and understood.

"In addition, Hong Kong is superbly located at the heart of an area which over the last decade has consistently seen the highest rate of economic growth in the world. None of this may sound new or innovative; indeed it may sound rather old-fashioned. But

without false modesty, I think that in concrete terms of business done our adherence to sound, old-fashioned economic practicalities continues to pay.

"As an illustration of Hong Kong's growth and development since the 1950's let me make a few observations and give you some figures. In this period Hong Kong has transformed from an entrepot to a manufacturing centre. Like other classical examples we commenced in spinning and weaving grey cloth, soon diversifying into dyeing and finishing of fabrics and the making of garments. Within garments we are still proceeding up market into fashions.

"Meanwhile there has been widespread diversification into plastics, toys, electronics and other sophisticated and quality products. Meanwhile our estimated Gross Domestic Product per capita increased: from HK\$3,800 in 1966 to HK\$38,900 in 1983 at current market prices or from \$12,000 to \$30,200 at constant 1980 prices over the same period. This has raised our residents' standard of living and

fuelled the development of Hong Kong into the vibrant city that it is today."

E.P. Ho said: "Against the background of the property boom, the recession of the past 2-3 years, and recent political uncertainties, there are clear signs that Hong Kong is showing its customary resilience and enterprise.

"Our trade figures during recent months have already been given much publicity, but I make no apology in present company for repeating some of them again! The 1982/83 year-on-year growth rate of domestic exports in real terms was about 20% in the fourth quarter - up from 18% in the third quarter, 14% in the second quarter, and 3% in the first quarter.

"Taking 1983 as a whole, domestic exports grew by 26% in value terms and by about 14% in real terms. The estimated growth rate of the GDP for 1983 has been raised to nearly 6%, from our earlier estimate of 4%. All the signs are that this recovery will continue.

"It is therefore very much business as usual in Hong Kong. While the arm-

chair analysts predict gloom and doom, the industrial investment promotion staff of the Industry Department report a continuing high level of interest in investment in Hong Kong. The number of substantial industrial investment enquiries dealt with by the Department went up by 12% in 1983 as against 1982. (to 780 from 695).

"The Department currently has some 440 active industrial investment files. Decisions to proceed were made in respect of 17 projects in 1983, and favourable decisions for at least another 26 projects are expected within the next 12-18 months. In addition, some manufacturers already established here are currently expanding their existing operations. These include some well-known international names, and in some cases the amount of investment is very substantial.

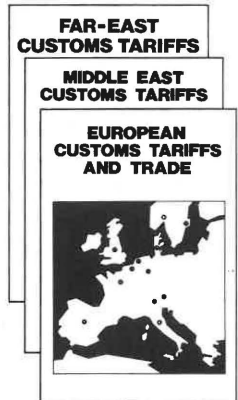
"To sum up," E.P. Ho said, "I think all this underlines the fact that Hong Kong is being increasingly recognised as one of the most dynamic and profitable places in the world to do business." □

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Era opens of more brains than brawn

Dr. D.F. Taylor, technical director at the Hong Kong Productivity Centre, says historically the key to economic success has always been the national human capital, the natural resources of its environment and the efficiency of the developed infrastructure. That human capital has always had to be flexible and productive.

Flexibility, he says, has been the most important element. In most economies, being super-efficient has never been as important as an influence determining the future as the danger of the way human resources can get locked into inefficient activities on a long-term basis.

In the Hong Kong economic system nobody guarantees anything to anybody. Employment is not forever. The result has been that it has not become the most efficient of economies but neither has the system allowed Hong Kong to become the most inefficient.

If there is one key to its continuing development it is the continued flexibility of its human resources. As affluence grows in any society (as it has done in Hong Kong) the people become less conscious of the need to work hard for a livelihood.

But, Dr. Taylor says, that doesn't imply the younger generation will be less valuable than their parents in creating a successful Hong Kong economy in future. The younger generation are better educated, conscious of the world around them.

Their horizon spans other cultures much more than their parents' horizon did. Thus their human resources should be richer. A lot will depend on the younger generation's attitudes in other respects.

To ensure those attitudes are flexible and productive, Dr. Taylor thinks, Hong Kong may have to become a less capitalistic society. Historically, it has been a society in which the investor dealt with ill-educated generations who could possibly be exploited more than will be possible in the future.

He says Hong Kong will have to generate a concept of productive

partnership between physical finance and human resources. A partnership in which brains, rather than hands, become more important in earning a livelihood.

He goes on: "We all pride ourselves on our mental capabilities. That differs from the pride we associate with our physical capabilities. We rebel at exploitation of our minds.

"If future human capital in Hong Kong is to be the resources of our minds, and I'm sure it is going to be true, then the investor is going to have to find ways and means of harnessing those minds in partnership.

Dr. Taylor thinks genuine profit-sharing and schemes whereby the employee has equity participation would truly create that new partnership.

He says it may be difficult to see current entrepreneurs changing their current thinking. But Hong Kong is a constantly changing scene. Entrepreneurs will probably emerge in the changing scene who will think the new way.

He goes on: "Money has lost much of its value not only in a physical sense. Money is not the key to great profitability it once was. Rewards to capital are now coming from the quality of the labour employed. Market people are no longer making substantial sums by pouring money into speculation.

"If Hong Kong is going to make money in the future it will do so by investing much more money in the development of its human resources. But, of course there's a political alternative emerging. Some are going back with their money to work much as they have done in the past in the new special economic zones."

Dr. Taylor says it is not certain, in these circumstances, that Hong Kong will continue to grow in population. But the individual reward in the SEZs is likely to be barely more than what he is getting now in Hong Kong. To get more reward in Hong Kong the worker will have to make himself more valuable. He must upgrade his skills.

He says it could be argued Hong Kong

is reaching a point where its political and economic resources have reached the limit of their exploitation for the local. Either Hong Kong has got to put a lot more capital beside its human resources to grow; or, it has got to upgrade the individual. As the employee will have to do that upgrading himself within what he gets from existing economy, he must be encouraged with a bigger share of the cake.

Dr. Taylor says he thinks the odds in future are on the side of upgrading the human capital of the worker rather than on the investment of more physical capital in heavier industries. In the long run, then, future emphasis will have to be on service industries generating Hong Kong's basic foreign currency earnings.

He thinks these services can be supplied into Asia. However, we should not discount the abilities of other Asian societies. He agrees the growth in services could be financial services but they should also include competitive services based on Hong Kong's intermediate position vis-a-vis its neighbours of the skills and knowledge it will generate.

He thinks it is no accident that so many United States multi-nationals have established their regional headquarters in Hong Kong. But future productive growth through services won't be easy.

In the last 30 years Hong Kong's productive growth has been based on an extreme form of capitalism that has made a small percentage quite rich and conferred a reasonable standard of living on some others. It is now entering a new era of investment in its economic development not necessarily synonymous with profits but the wise use of money.

Dr. Taylor says Hong Kong has got to change if it is going to harness the human resources of the mind to sustain its economic growth of the past. Work with hands, he thinks, will gradually decline as a percentage of total output. □

We'll meet industry's needs — Horace Knight

Horace Knight, deputy executive director of the Vocational Training Council and the Technical Education and Industrial Training Department, describes talk about training manpower for new industries we think may come to Hong Kong as "crystal ball gazing." He says down-to-earth manpower surveys only find out what manpower Hong Kong needs for its existing industries, not the hypothetical.

He asks: What would happen if we trained people for a new industry we thought might come to Hong Kong but it didn't eventuate? Who would employ them when they are trained in some unwanted specific skill?"

Horace Knight says training manpower to attract some new industry poses similar pitfalls. The new industry may still not come to Hong Kong.

In reality, he explains, these situations don't really arise. Most industries, including new comers, require manpower trained in the basic industrial disciplines, engineers, technicians, fitters, turners and toolmakers etc.

He says Hong Kong's major industries have these people already. Industry has, over the years, become quite sophisticated.

Textiles and garments are already fairly well upmarket. Electronics is beginning to do a lot of its own designs as well as assemble. Toy factories are the biggest element in the plastics industry and they have their own in-house skills.

He says: "I believe we already have the manpower base for whatever industry may be thinking of coming to Hong Kong. It is only at the semi-skilled operative level that a new industrialist may need to train people to do the narrowest range of new skills."

"These would be jobs not now found in Hong Kong. But in training operatives for those jobs we are talking about weeks, not years.

"So when new industries do in future come to Hong Kong we'll have the people trained in the basic disciplines they'll need. And, even if they have to train at the operative level there will be

no reason why any new industry can't get off the ground fairly quickly.

Horace Knight sums up by saying the basic questions we have to ask ourselves about industry into the future are:

— One, are there sufficient reasonably bright workers around who are ready to be trained at operative level?

He says this is a population question. His own view is that if a new employer requires less than 1,000 then he should have no problem in finding his manpower. That is, provided the new employer meets the basic prevailing conditions of employment and the pay he offers is competitive.

— Two, are people trained in the basic disciplines available?

Horace Knight says they are there and newcomers should be able to get them provided they meet current conditions of employment.

"Look at the growth of industry in Hong Kong in the past 10 years," he continues. "I don't think anyone can claim its growth has been stunted by lack of manpower — and our growth has been phenomenal."

He says people have been talking for a long time about industry facing a future manpower shortage. But experience has shown the number of people employed in manufacturing has been steadily going up, not down. Manpower surveys confirm this.

He says the flow of people into industry may have been affected by a number of social changes, such as increasing educational facilities and

young people going out to work later in life than once they did. If the source at the right age decreases in future then there will be a need for industry to either switch to producing products with higher added value or to increase productivity through more mechanisation.

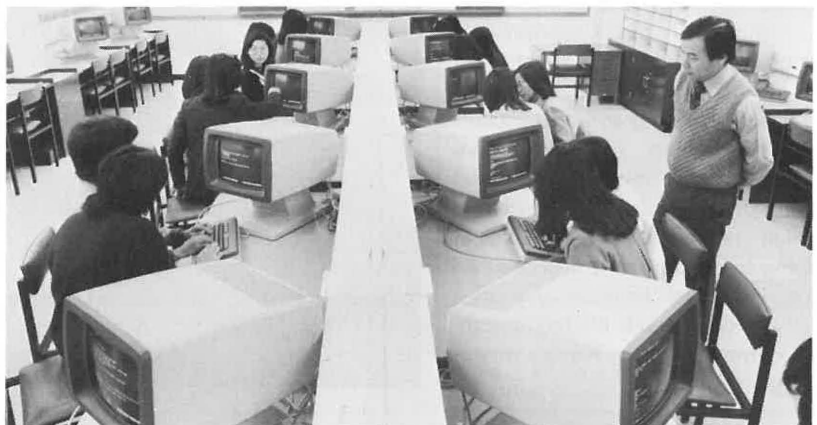
What basically will be required for industry to achieve these two objectives is facilities to train young people in the basic industrial disciplines. He says: "My belief is Government is aware of this need and measures are being taken to meet it."

He gives a number of examples of Government action to meet that need: The decision to establish a second polytechnic; three additional technical institutes; and, two new large training centre complexes to be built by the Vocational Training Council.

"We will meet the developing needs of industry," Horace Knight emphasises. "What then will be needed is a flexibility within our training institutions to meet the changing demands of industry.

"That flexibility will require a constant injection of funds to re-equip those institutions whenever it is necessary. All industrial plant has to be updated to keep each industry competitive and that means money.

"What is important is the equipment the institutions train people on is ahead not behind industry. Our training institutions must lead rather than lag behind our industrial development." □



'Negative non-interventionism' but still competitive — Kayser Sung

Kayser Sung, publisher of Textile Asia and a member of the Chamber's textiles committee, remains highly critical of the quota system for implementing restraint in bi-lateral agreements that limit Hong Kong's textiles and garments exports.

He recently told a seminar of the Hong Kong Forum on Asia and the Pacific (in part):

"The 20-year delay in construction of the proposed exhibition centre reminds me of the government's economic policy of "positive non-interventionism". The Chief Secretary, Sir Philip Haddon-Cave, once explained: 'In Hong Kong we have developed a philosophy which we have defined as positive non-interventionism. This is not just a fancy term for laissez-faire or a cover-up for a doing nothing approach.'

"In fact the case of the exhibition centre is worse than that "fancy" policy might have been expected to generate. It represented a case of negative interventionism, so to speak.

"For another example of "negative interventionism", in the late 1970s a group of dyeing and finishing industrialists applied to the Hong Kong Government for a piece of industrial land to constitute a special zone for modernisation of the industry and control of pollution hazards. This was shortly after the establishment of the Hong Kong Industrial Land Corporation in the New Territories, which developed industrial land in Taipo and Yuen Long. But the Corporation's conditions of use were very strict.

"Such industrial land, said its regulations, could only be granted to accommodate land and capital-intensive industries which involve industrial processes that are new to Hong Kong or which represent a technological upgrading to a significant degree of an existing industrial process and at a generally higher level of technology than is current in Hong Kong's manufacturing industry.

"This is of course a tall order, and clearly any firm will have to think twice or thrice before applying for a piece of industrial land in the Estate. To be successful, applicants were warned, they should, ideally, be proposing to produce products new to Hong Kong, or planning industrial processes that involve a high level of technology.

"Meanwhile across the border an economic zone was established at Shenzhen, so creating competition to Hong Kong's development of industrial land. In 1982 the 1997 issue came up, and the number of applicants suddenly dropped. The Industrial Estate Corporation is now willing to relax its requirements, but no dyers and finishers are forthcoming — rather like a vendor who will only sell you an umbrella when the weather is fine.

"Had there been an early positive decision on this matter, the Corporation would have attracted a considerable amount of investment, not only in land but in machinery. Moreover, additional capacity in dyeing and finishing would have been important for the upgrading of garment manufacture. I think that the Government policies should be consistent, so that potential investors shall not be embar-

assed by a flat rejection to their application.

"I have so far mentioned several cases of negative interventionism. The following case might be called one of negative non-interventionism. You may have heard that textile export quota is bought and sold in Hong Kong, a practice which has created abuses in the textile trade. American and European textile importers complain that they come here to buy textiles, not quotas.

"But they have to pay high prices for quotas before they can buy textiles. Hong Kong textile manufacturers and exporters who have no quota holding also complain that they have to buy quotas first before they can export. On the other hand some quota holders do not sell textiles but quotas."

Kayser Sung says: "This famous or infamous quota trade has been expanding each year, and it is now estimated that nearly 40% of the quotas provided under the various trade agreements are traded. The number of quota brokers has correspondingly increased, from a dozen in the early 1970s to over 1,000 now. Their commodity is invisible, their turnover huge and their profits excessive. ▶



"Some of them moreover now refuse to take Hong Kong dollars; they want US dollars instead. For some hot categories the quota costs more than the goods. Thus quota for category 445/446, wool knitted sweaters, cost in March HK\$503 a dozen. For some categories quota prices have risen two, three or four times since the beginning of this year. For instance quota for category 640, men's MMF woven shirts, cost \$51 in January but \$211 in March.

"In recent years the quota control system has been reviewed every two years, then every three years and now 'whenever necessary'. At each review the government has taken a non-interventionist attitude in support of the Textile Advisory Board, the majority of whose members are big quota holders. At each review the TAB naturally finds that not much is wrong with the system, so that the quota trade becomes more rampant, quota prices go higher and genuine manufacturers and traders who lack quota suffer more and more.

"In the textile export trade these

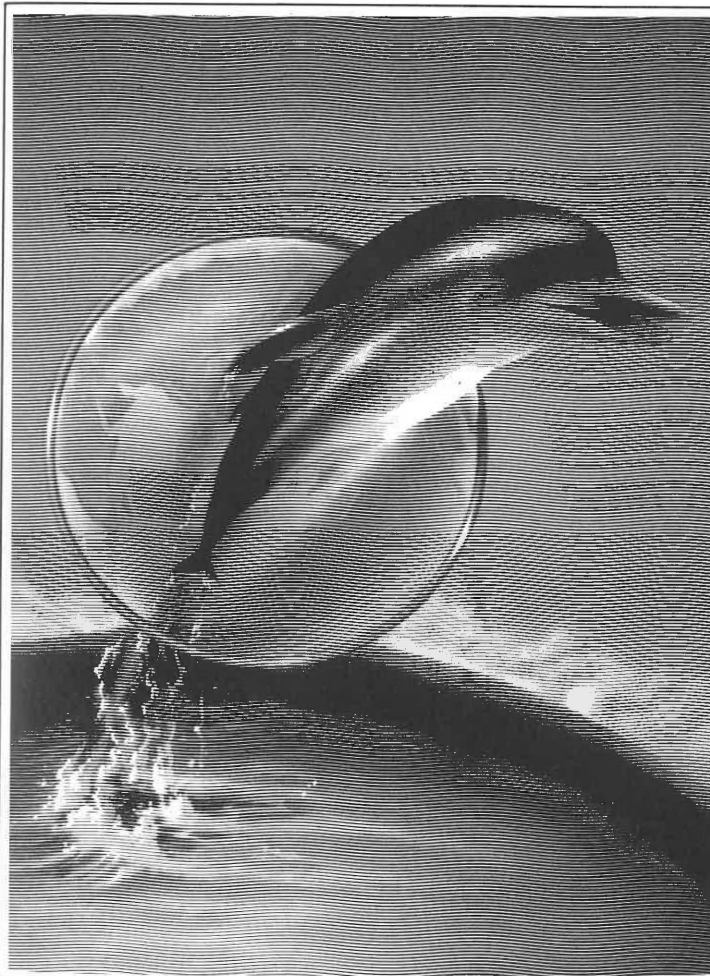
quota sellers have earned different nick-names — quota vampires, quota overlords, quota barons and so on, names not to be found in official documents of course. In official language quota sales and the quota trade in general are described as quota transfers; the seller is a transferor, the buyer a transferee; quota prices are called premia. If all these anodyne terms do not constitute a cover-up, what are they? This then is a case of negative non-interventionism.

"These negative attitudes towards the textile and apparel industry have had an undesirable impact both psychologically and financially on the industry, particularly in 1981 and '82 when a number of spinners closed down their operations and jumped on the band wagon of property development. Some of them were able to sell their textile machinery and the site of their spinning factories, others were stuck, having succeeded only in selling their machinery, but not their land. So on the one hand they gave up the spinning, on the other they cannot start property development owing to the

market slump. This is perhaps a typical case of failure in diversification.

"However two spinning mills have reinvested in this business last year. The belief has revived that the Hong Kong spinning industry will survive as a viable entity to support the continued growth of the apparel industry, now the world's number one garment exporter. Imports of industrial sewing machines, seaming machines and parts in 1983 amounted to \$475 million, 58% up; of spinning and related machinery \$108 million, up 28%; of weaving machinery \$180.6 million, 41% up; of knitting machinery \$142 million, 105% up, and of printing, dyeing and finishing machines \$186 million, 20% up.

"These figures show that new investment and reinvestment were still pouring into textile and garment making in 1983, to keep the industry modern and competitive, though most operators are quite satisfied with what they have so long they can manage for the moment. The long term prospects are good if we don't include the political risk in the picture." □



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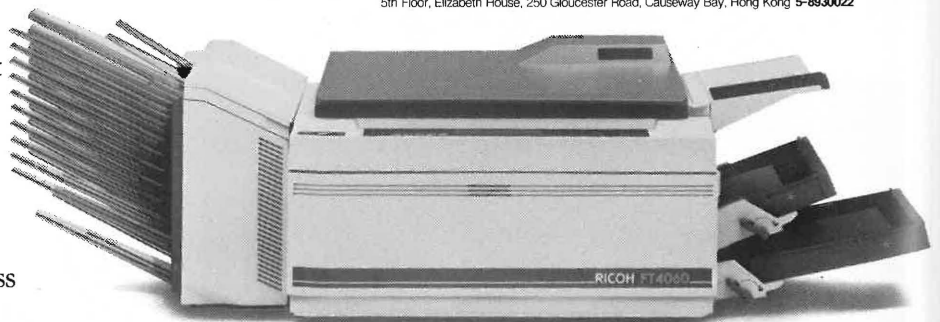


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More machinery instead of more labour — Philip Lai

Philip Lai, managing director of Majestic Textiles Ltd., says with six months orders in hand in the garments industry business is assured for the textiles industry in 1984. He sees the short-term future for both industries as prosperous.

The future direction of Hong Kong's exports will continue to be the United States and the European Economic Community. "When recovery is fast in the United States, then Hong Kong follows," he says.

"Most people are also expecting our EEC markets to get much better in 1984 and 1985. But the Third World is not much of a market for our textiles."

Philip Lai, who is chairman of the General Chamber's North America Area Committee, says Hong Kong's major and longer-term worry is its political future. "Once that is resolved and the future is clear the confidence of Hong Kong industrialists will be renewed.

"Then we can expect to start planning for the next five or 10 years. That planning will, of course, involve replacing machinery, expanding our factories and a general movement toward new technology. The new technology will aim to produce new sophisticated designs, higher quality products and more production cost savings.

Philip Lai won his diploma in textiles at Bolton Institute of Technology in 1955 and returned as an Institute Fellow in 1981 to be awarded the Institute's Medal. From Bolton he went to the South Eastern Massachusetts University and obtained his bachelor of science degree in textiles manufacturing and management.

He is returning in June to Massachusetts when the University Board of Trustees will confer on him the degree of Doctor of Textile Sciences. Philip Lai is chairman of the Polytechnic Textiles Advisory Committee and for many years has taken an active part

in promoting industrial training that has resulted in the textiles and garments industries successfully going upmarket.

He says the only way to offset the increasing cost of labour in Hong Kong is for the two industries to invest a lot of capital and use more machinery instead of more labour. In this connection he is glad to see the bank lending rate fall this year and stability restored to the exchange rate.

The low exchange rate is good for Hong Kong's exports. "We can offset increasing costs of imported raw materials by increasing the price of our exports provided the currency is stable," he says.

Hong Kong exports to the United States are largely quoted in the American currency. To the EEC they are either in pounds sterling or U.S. dollars.

Philip Lai, who runs both a spinning mill and a weaving mill in Hong Kong, sees the trend in textiles and garments continuing to be toward the production of improving quality rather than quantity. So long as it does continue he believes Hong Kong will maintain its markets and its profitability despite export unit restrictions through quotas that are becoming more difficult.

He sees Hong Kong's market in Japan as improving though he doesn't think the opportunities there are all that open to local manufacturers. He says Japan takes more from South Korea and Taiwan because what they export is cheaper.

"We have to diversify and not get ourselves involved in competition with these producers. We cannot dominate because Japan's trade with South Korea and Taiwan is virtually a barter system. Hong Kong has a much more open and free market relationship with Japan.

Philip Lai says Hong Kong buys a considerable amount of textile machinery from Japan. He characterises the Japanese capital product as some-

thing where Japan wants to invent something new every year and which the Japanese like to see customers replace every five years. He says machinery from Europe will usually last 7-10 years.

He describes Japan's world sales force as near perfect and says no other country can compete with it. Their communications are good and so is their market research. Hong Kong companies have not been able to internationalise their sales on the Japanese pattern.

Philip Lai thinks Japanese fabrics and fibres, especially synthetic, dominate the market. Their fashion designs and dyeing and finishing are in demand.

However, Hong Kong uses about 80% cotton and was not reliant on Japan for cotton goods that could be produced anywhere. Hong Kong's major supplier of cotton used to be Pakistan but it is now the United States and likely to continue to be so.

He expects Hong Kong's relationship with the U.S. disturbed by disputes over implementing new restraint mechanisms to be more relaxed after the current presidential election year. He thinks a Republican win would suit Hong Kong better than a Democratic one, though it has been a Republican administration that has been calling for more restraint.

Republican policies in general, he suggests, probably are more aligned to free trade Hong Kong. □



No further dynamic growth — Albert Gazeley

Albert Gazeley, executive director of the Stelux Group of Companies, sees Japan winning the current struggle with Switzerland for control of the world watch market and the outcome "not good news" for the Hong Kong industry mainly engaged in assembly of finished watch products.

He says he doesn't expect further dynamic growth in the local watch industry. But he thinks there will still be money to be made from good, reputable products.

Albert Gazeley thinks the Swiss are faced with a survival problem mainly through the short-sighted policies of their own manufacturers. He doesn't blame the Swiss Government for those policies.

He says once Switzerland was concerned with supporting the high-class image of the Swiss watch industry because it gave a quality aura to everything Switzerland exports. But now the Swiss watch people are heavily indebted to their banks and other industries, like chemicals and pharmaceuticals, have become much more important.

He thinks the Swiss banks are very experienced and hard headed. He suspects they may pull the rug from under the Swiss watch industry should the banks have a relatively good year and the time is appropriate.

Albert Gazeley says if the Swiss do collapse then the Japanese will have a near monopoly of the movement industry. That may very well influence the Japanese to change their current policy of supplying main assemblers, like Hong Kong, once the Swiss competition is eliminated the Japanese may insist on supplying only complete watches.

Swiss manufacturers, he thinks, are hastening that day by driving more and more Hong Kong assemblers to look to Japan for their components and to follow more closely Japanese watch trends and fashions, rather than the Swiss.

He says Swiss manufacturers, who own and market a lot of brands, are engaged in wishful thinking. They think they can slow down Hong Kong production by making all sorts of problems for the local industry and that, as a result, the Hong Kong business will go to them, but this is nonsense.

Albert Gazeley says the Swiss attitude toward Hong Kong used to be different. A special committee even established basic rules for using Swiss components and the two worked hand-in-hand — but those days are long gone.

Witch hunt

Now the Swiss companies are on a witch hunt and they are even condemning Hong Kong products that have Swiss movements, which is of course important business for the Swiss movement makers. They are concerning themselves more and more with image, style and design of the private label business — these are not watch manufacturers but fashion houses that subcontract the watch assembly or get royalties for the use of their name and of course many of these famous names do not produce big quantities unlike Hong Kong companies. And this is where the movement makers will lose out.

It is estimated that over 600 Swiss watch companies have closed down in the past 10 years, and most of the few names remaining have re-organised and merged into groups, supported by their banks, they have found themselves in direct competition with their own in-house brands. As famous names have necessarily been killed off the industry has gone through a structural change — and to complicate things even more the large movement makers who used to be separate from the watch companies have had to take over the main watch groups which places them in something of a dilemma

as they are not too happy to sell to customers that produce watches in competition with their own brands. Yet they desperately need the business.

Albert Gazeley says if the Swiss had given more encouragement to Hong Kong then they might have contained Japan as a world rival component supplier. They would have made the market more competitive and middle-range products more attractive to consumers — but now it is too late.

Japan isn't satisfied with its share of the world market. It wants to control the whole market and it is supplying places like Hong Kong with high-class components. When the Swiss, as a result, find they cannot sell the surplus of their movement manufacturers the industry will collapse. Selling the component surplus, to what Switzerland itself uses, is what makes the Swiss manufacturers viable. But, of course, there will always be some special Swiss brands, but in terms of world trade they are not worth thinking about.

Albert Gazeley says France's restrictions on Hong Kong quartz watches isn't all France's own doing. French watch factories are mainly Japanese investment. France, therefore is more theoretically concerned about competition from Hong Kong than Japan. But France itself is not trying to control world markets. The problem is domestic and political for them. Another example is the way France induced the American firm, Timex, to move to France from the United Kingdom.

Switzerland, on the other hand, is more independent and doesn't take a political stand. Hong Kong's problems with the Swiss are coming from the watch companies themselves, not the politicians as in France.

Albert Gazeley says Hong Kong is always looking for quick dynamic industrial growth which is not as easy as it once was. He personally now

sees opportunities in the optical business because of changing consumer attitudes. Also, being the Managing Director of International Optical Ltd. and Chairman of the Professional Optical Center Ltd., he is very optimistic about the optical trade.

Fashion item

He says spectacle frames have become a fashion item as people have become less self-conscious about wearing glasses. Today spectacles are even part of the glamour image of celebrities like Sophia Loren and Elton John. Spectacles are an integral part of many people's wardrobes. Albert Gazeley's companies presently manufacture sunglasses and spectacle frames for many famous names and fashion houses for distribution all over the world.

However, when it comes to the consumer, Albert Gazeley cautioned that people should take care to get properly prescribed frames "there are far too many so-called opticians practising in Hong Kong without any kind of qualification." Modern computerised testing equipment makes it possible for someone to learn to prescribe a pair of glasses with only a few weeks training however these unqualified trainees are unable to detect serious eye ailment that may need urgent corrective measures which if left unattended could become irreversible — and of course a qualified ophthalmologist can also spot other health problems which may require medical treatment, such as high blood pressure, etc.

The Government is well aware of the situation and has plans in hand to change it as soon as possible he says. But it takes time to train up suitable people to the required professional qualification and allow the local opticians to obtain the necessary qualified staff. Being a member of the Better Vision Institute of America, Albert Gazeley says that his own company has taken a somewhat ambitious position by opening new shops that only employ qualified ophthalmologists — "of course we cannot be as profitable initially as shops with no qualified staff however we feel it is something of a public duty to establish proper eye-care in Hong Kong." The Polytechnic presently has a training program for ophthalmology which Albert Gazeley fully supports and he hopes the day is not too far off when everyone will get expert eye-care from fully qualified local ophthalmologists. Hong Kong has a definite disadvantage however when it comes to manufacturing quality spectacles, in that it doesn't manufacture the sort of sophisticated plastics or metal wires that are required to make the frames, and there are opportunities here.

In Europe a spectacle-frame manufacturer can get delivery of the raw material in the latest fashion colour in say 24 hours but in Hong Kong it takes three or four months to order and import.

Besides, he says, some spectacle frames are stamped out. The raw material is often supplied on a net basis with an automatic credit note for returning the

scrap. That reduces production costs in a way that would be hard to match in Hong Kong.

Albert Gazeley thinks there are a lot of processed raw materials Hong Kong could be manufacturing in the fields of plastics, textiles, printing, electronic printed circuits, etc, and even quality metals.

He cites a good brass foundry as another raw materials industry Hong Kong lacks. He says if you want a quality product then you have to import the basic metal material. The result is that the scrap from production of the finished product hasn't the same value as it would have in Europe. And to change the size or type of material is difficult when the supplier is so far away.

He sees China as an enormous potential market for sophisticated raw materials as its production moves upmarket for export. He thinks there are people in Hong Kong who want to go ahead investing in that potential but first they must overcome the current overriding confidence problem about their future. After all their investment would involve the same amount of money as would be needed to establish the local investor in other places.

Foreigners, Albert Gazeley believes, will continue to invest in Hong Kong. At the worst all that could happen to them is that they might be able to produce their products in Hong Kong cheaper than now and there is not much risk of their businesses being nationalised. □

Watch and clock fair

The third Hong Kong Watch and Clock Fair, organised by the Hong Kong Watch and Clock Fair Committee and jointly sponsored by the Federation of Hong Kong Watch Trades and Industries and the Hong Kong Watch Manufacturers Association, will be held from 14 to 17 May this year. The fair has been brought forward from October as originally scheduled to May to give

manufacturers longer time to cope with orders placed.

Last year's fair drew 89 local exhibitors and 3,353 visitors from Hong Kong and abroad, and grossed orders worth HK\$365 million. Comparable figures for the first fair in 1981 are 86 exhibitors, 3,000 visitors and orders worth HK\$101 million.

This year 94 exhibitors will participate and a further 30 companies' applications have been turned down due to limited space. Number of visitors and orders received this year are also expected to increase considerably.

Business aside, the fair organisers see in the annual event a chance to

promote standards of local watch designs. A Watch Design Contest will form part of this year's fair, and so far over 170 entries have been submitted to the student and open classes. The Hong Kong watch manufacturer has learned, not without pain, from overseas charges of patent and copyright infringements; and many have come to realise that a pool of local timepiece designers could be a solution in the long run. Sources say that the Lee Wai Lee College is so impressed by students' enthusiasm for the Watch Design Contest that the college is considering introducing a watch design course as part of its curriculum. □

HK lacks sizeable IC factories — Patrick Chau

To hope that Hong Kong might someday become an international centre producing prestigious, quality watches comparable to Switzerland or Japan is no more than wishful thinking according to Patrick Chau, managing director of Shing Cheong Electronics Ltd., a leading LCD watch manufacturer. The inherent problem as he sees it is the absence of sizeable integrated circuit (IC) factories in Hong Kong that would provide local watch makers with adequate ICs for production and bring about technological breakthrough. Local manufacturers are also described as too quick-buck-minded to care much about long-term capital investment on IC development or long term marketing strategies.

Hong Kong's watch making industry took off in the late 'Seventies soon after the Americans brought here the electronic parts and knowhow to produce electronic watches. Previously a small movements-assembly workshop, Shing Cheong switched to making LCD watches in 1979, and has since expanded to its current output of 800,000 to 1 million watches a month with a workforce of 180 operators and 60 staff including engineers and quality control supervisors. It assembles LCD modules from Seiko and Citizen into cases and bands from local factories, and ships them mainly to the United States.

Shing Chong also has an associate watch factory in Macau and recently opened another in Ireland where the Industrial Development Authority gives generous grants on machinery and training expenditure. Patrick Chau is so impressed with the country's success (over 300 US and Japanese big-name electronic product companies including Atari, Wang, Polaroid and NEC have set up factories there) that he believes our government can and should assume a more active role in shaping the future of our watch industry.

Patrick Chau calls for the government to levy an export tax on electronic products for setting up a patent search centre to help manufacturers protect themselves and give the greenlight to those heading for capital-intensive product development projects. He says that the Hong Kong businessmen are still notorious for their lack of respect for patent rights. A patent search centre might help improve Hong Kong's international image and enable us to participate truly in high-tech industries.

"However I doubt if our government will ever respond positively to the idea of a patent office. We are not dreaming of instant solutions either. What matters is that the government keeps trying to tackle the problem and not abandon us entirely to luck," Chau says.

Patrick Chau sees no reason to risk moving upmarket when prevailing conditions are against it. First, Hong Kong is too reliant on Japan for module supplies to produce any original ICs of its own and, even if it can, the market would have no place for Hong Kong now that mass-produced quartz analog modules from Japan can be obtained at only ¥30 a piece.

Second, he says that Japan has proved itself a formidable enemy to

any watch exporter eyeing the medium-priced market, Switzerland being one of its victims. Hong Kong can only play safe and be content with selling low-line consumer watches. Asked if Japanese brands like Seiko and Citizen might eventually also dominate the low-end market now that they have launched second brandnames aimed at economy watch buyers, he thinks the move is more an attempt to seize a share than to claim the entire market. "Hong Kong is Japan's major client buying modules and components for low end watches. They are too smart to wipe us out," he says.

He does not see technical expertise a problem if the watch industry is to develop in research and development. He finds that many major IC factories in the United States are employing Hong Kong graduates who are quite likely to come back if career prospects here are promising.

What seems to him the root problem of the industry is lack of capital. He believes injection of venture capital into the industry could be a crucial step. Venture capital injected into industries, he says, can generate very attractive profits to investors as has been proven in the United States. □



We won't get the 'snob' market — Warren Hui

Hong Kong's watch industry is structured in such a way that competing supplier countries would be wiser using the territory as a manufacturing base or sales point than restricting its imports by protectionist measures, says Warren Hui, managing director of Prosperity Watch Co. Ltd.

A strong supporting base comprising makers of watch bands, cases, dials and high-quality electroplating services is the strength of the local watchmaking industry, which comprises some 1700 manufacturers. The watch accessories industry has led Swiss, German and Japanese makers to establish off-shore factories here, which have given a shot in the arm to our watch exports. Warren Hui's personal estimate is that output from foreign investment watchmakers probably account for half of Hong Kong's total watch exports.

On the other hand the near vacuum in local production of mechanical movements and electronic modules is the major weakness of the industry to which no solution seems imminent according to Mr. Hui. "We cannot see when and how Hong Kong can produce its own movements and modules. We lack the capital and the scale of production," he says.

The growth of Prosperity Watch reflects the many phases the industry has gone through since the 'Fifties. The company was set up in 1957 as a mechanical watch trader and later started assembling mechanical watches. In 1977 the company decided to assemble LCD watches but gave up in the following year as management reached the conclusion that LCD developments and trends were too fast changing for the company to cope. Current production is centred on quartz analog watches. It has stopped accepting mechanical watch orders in January this year.

Prosperity buys quartz analog modules from Switzerland and Japan and assembles them into local-made cases and bands. Business this year is expected to reach well over HK\$30 million, 50 per cent up on 1983. It has also launched the "Intima" house brand but Warren Hui says the attempt is

experimental and constitutes only a minor share of total sales.

He says that the most likely prospect for Hong Kong's watch industry is to become an original equipment manufacturer (OEM) as is the case in our electrical appliance industry. Over the past decade technology advancements have narrowed the gap between expensive and inexpensive watches as far as accuracy is concerned and he says our watches are already level with top Japanese brands in function, thus making Hong Kong an ideal base for offshore manufacturing and marketing. The biggest potential for Hong Kong is in lowpriced LCD and mid-range quartz analog watches, he says. However, he is pessimistic about Hong Kong's ever being able to break into the "snob" market of jewellery watches traditionally dominated by European brands.

Dilemma

He also thinks that ideally the government should assist the industry to grow by providing information relevant to the trade, formulating export quality control guidelines or regulations as well as setting up a research body.

"The manufacturers' dilemma in Hong Kong is that while the freedom granted us is precious, non-intervention also limits development, as already evidenced by the watch and electronics industries," he says. "While it is true that the watch industry has gone from strength to strength without government aid, one hardly sees how it can take root if continues to be left on its own."

He believes the small domestic market of Hong Kong is the major obstacle to the industry's taking root here. The watchmaker is not motivated to re-invest and thus can never be self-sufficient in parts production and product marketing. A possibility exists in the China market, he says. Once opened up, the vast China domestic market would give the industry a golden, perhaps the only, chance to consolidate.

Labour is another major problem. He

notes that just as the industry is beginning to grow again this year the effects of increased labour mobility are already felt in his factory. This is said to be a problem recurring every time the economy turns around. Many who leave the workforce to become hawkers in recession times never return to factories again, he says.

He believes the local workforce has never quite rid itself of the prejudice against factory work and the government to an extent should be held responsible for such a diehard attitude. "The government has long ignored industries and through educational policies have allowed finance and real estate sectors to absorb the cream of our society. Hong Kong's quick-paced economic growth in the past two decades has continuously reinforced the 'overnight millionaire' fantasy among the labour force and this leads to high labour mobility in recovery periods."

Warren Hui was president of the Hong Kong Watch Manufacturers Association in 1981-82 when he became a hardliner against French quotas imposed unilaterally and discriminatorily on Hong Kong digital watch imports. The watchmakers' boycott on French brandies from August 1982 to early 1983 was launched after discussions with the Hong Kong government and petitions to French authorities. In retrospect, he considers the retaliatory action an effective means to express the trade's dissatisfaction with France and the slow-to-react attitude on the part of our government.

"The boycott caused French brandy sales to drop considerably in the last quarter of 1982 and importers were forced to launch the biggest-ever premium-giving advertising campaign for French brandies. It shows Hong Kong still has the power against unfair claims and the strength of the free-market spirit is not to be underestimated," he says.

He expects the French government would eventually have to lift the quotas or apply similar restrictions to all watch exporting countries. □

A tall tree catches the wind

What the Hong Kong watchmaker has gone through in the past two years might be reflective of the difficulties awaiting all newly industrialising nations facing protectionist sentiments in international trade.

Early this year, France set the 1984 quota on imports of Hong Kong-made quartz watches at a ceiling of 4.4 million watches despite a decision by the GATT that it should lift the restriction. The quota has been unchanged ever since the Paris government first imposed it unilaterally two years ago.

An earlier blow hit some 50 local watchmakers who were charged with pirating Swiss watch designs at an exhibition in April last year in Geneva. Later a group of Swiss manufacturers sued over 15 Hong Kong firms for alleged copyright infringements. The tide of events led to slashed production, order suspensions and cancellations which resulted in the loss of millions of dollars.

That Hong Kong finds itself in so much trouble might be attributable to the enviable growth of our watch exports since the late 'Seventies, a view shared by many in the industry and best summarised by the Chinese saying "A tall tree catches the wind", meaning a person in a high position is liable to be attacked.

In 1983 Hong Kong exported over 270 million watches at a total value of HK\$620 million, up 60 per cent on 1982 in value terms. Hong Kong also leads the world in the quantity of watches exported and ranks only second in value. In Asia, our watch quality is inferior to none but Japan. It is said that watch making has become the third most important local industry and won international recognition in only ten years.

To protect the industry from import restrictions the Hong Kong Watch Manufacturers Association has been vocal against French quotas and has reflected their views to Mr. S. Corley, the visiting U.K. Assistant Under Secretary of the Department of Trade and Industry. Manufacturers have also made their stance clear to Paul Channon, U.K. Minister for Trade, who is said to have promised to raise the issue in Britain. The local Trade Department has taken up the quota issue and is seeking negotiations with French authorities.

Although Hong Kong's watch exports to France are not significant in quantity terms compared to other markets, the restrictions are feared to set a precedent for other importing countries.

Patents

The Swiss allegations of Hong Kong firms' imitating designs and infringing copyright, is an unfortunate outcome of inadequate communication rather than wilfulness, the president of the Hong Kong Watch Manufacturers Association, Tse Po-chuen believes. Manufacturers have unknowingly produced models close to Swiss brands without realising that quality products, ironically, make them more liable to copyright infringement.

"There is not a single institution or government body where watch makers can check patents and copyrights. Our association is trying to reach some kind of agreement with the Swiss authorities on setting up channels whereby Hong Kong makers can have access to the latest patent and copyright information," said Tse Po-chuen.

Having served the Association on various posts for eight years Tse Po-chuen noted that membership has increased from some sixty

companies when he first joined to almost 300 at present. Membership expansion reflects the extent to which the average watch maker seeks solidarity in an increasingly sophisticated industry and competitive market.

A case in point is the RCA royalty issue. Tse Po-chuen said that the US-based RCA company has agreed to cut royalty payment from the originally-demanded 3 US cents to 1.5 US cents per liquid crystal display (LCD) timepiece after lengthy consultations with the Association. It is estimated that the Association's efforts have helped local manufacturers to save some US\$3 million. The Association is trying to persuade RCA to bring forward the effective date of the agreement as far as possible, probably starting 1 January 1984.

Another development in the Association is its shift of emphasis during the past two years from looking after the interests of the low-end watch makers to the mid-range manufacturers, consequent on the industry's rapid trading up.

How successful the Trade Department will be in lobbying France to lift quotas is anybody's guess, but the fact remains that the Association, the only one of its kind in Hong Kong, is not officially represented in statutory or advisory bodies concerning trade and industry in general. Warren Hui, the Association's former president and the first to call for a retaliatory boycott against French brandy imports, was an appointed member of the then Industry Advisory Board before its restructuring. To continue its role as an effective umbrella association for watch makers, Tse Po-chuen believes it should fight for formal representation in established bodies to strengthen its bargaining position. □

Ad Hoc working group recommends infrastructural support

A milestone in Hong Kong's industrial development has recently been reached with publication of recommendations for the technological support it ought to receive submitted by the Ad Hoc Working Group of the Industry Development Board, chaired by Trade and Industry Secretary E.P. Ho. The Ad Hoc Working Group studied nine specific recommendations in the Hong Kong Productivity Centre's (HKPC) consultative study on the electronics industry.

It decided among other things that in principle the first three recommendations were worthy of support. These were the establishment in Hong Kong of an Electronics Technology Development Centre (ETDC), a Precision Metal-Working Institute (PMI) and a Computer Integrated Manufacturing Institute (CIMI).

The Ad Hoc Working Group, according to its report found (in part):

"The electronics industry can create new and additional demand much more effectively than other industries. By contrast, while the major manufacturing industries in Hong Kong, textiles, garments and toys, can expand their markets through new or improved products and product ranges, their impact is nonetheless limited because their markets could become saturated.

"With the electronics industry the market opportunity is almost unlimited. Radios, TVs, calculators, telephones, etc. which were once considered luxury items are now within the reach of even the lower middle income groups. In trade and industry and, in some instances in domestic households, electronic products such as computers, telecommunication products, intelligent robots, automation equipment have become increasingly popular and their markets are rapidly expanding.

"Whilst an electronic product within a product group could become obsolete as a result of new product innovation,

there is, as yet, no limit to the extent that electronics innovations can shape the future of our everyday life. However, to derive full benefits from new opportunities offered by electronics development, a society needs adequate supporting capability in technology and marketing.

"In the context of Hong Kong's industry, electronic products and components can find many ready applications in other manufacturing industries. In the garment making and machinery industries, for example, electronic components are being increasingly used as a means of upgrading the manufacturing processes. Because of the rapid decreases in cost in electronic components, electronics will be increasingly employed in existing products to provide new features and also in many new products.

Technology

"The second characteristic — technology development — is complementary to the first which emphasises the market opportunities linked to an unlimited variety of outputs. Because of the almost unlimited market for electronics, the electronics industry worldwide has invested heavily in research and development and will continue to do so.

"This results in the continuous creation of new product opportunities as well as significant cost reductions in many existing products. The general situation in Hong Kong as perceived by the HKPC is that Hong Kong already lags behind its competitors in research and development, with the result that the industry's capabilities to move into higher technology areas are severely constrained.

"The third characteristic shows the development of the electronic industry and the development of other manufacturing industries are mutually interdependent. The electronics industry

needs a wide spectrum of support. Even in technology-intense products, a significant proportion of the components are sourced from suppliers of metals and plastics manufacturers.

"The cost of electronic components is declining rapidly but it is the electronics content which adds value to a finished product and creates the market opportunities. It is because of the linkage effect to all industries that the electronics industry cannot be considered in isolation.

"Recognising these fundamental characteristics, many of the industrialised and industrialising countries in the world make a positive commitment to the development of the electronics industry. The electronics industry, in the context of development of an economy, is not limited exclusively to components such as circuits, transistors, integrated circuits nor to certain devices in toys or domestic appliances, but includes a wide variety of supporting industries, such as plastics, metals, electro-plating and all light engineering industries without which electronic products cannot take shape.

"The electronics industry may thus be said to be a conglomerate of multi-disciplinary industries which together cater for many needs of society and of manufacturing a wide variety of finished products which contain electronic circuitry. To some extent, industry support services and technical assistance to the electronics industry may be construed as services and assistance to the manufacturing industry *per se* and, the economy as a whole. "For this reason, the development strategy developed in the HKPC's report aims at a wide spectrum of support in a variety of activities beyond the immediate realm of 'electronics' in a narrow sense.

"More than any other international business, the electronics business is subject to severe competition in the open market and the consequence of failure to respond to market demands

is thus more marked. In Hong Kong, because of our pre-occupation with the production phase the electronics business is very vulnerable. Successful electronics companies elsewhere have demonstrated that stability and growth cannot be achieved without investment in marketing and technology development.

"In the electronics industry, the assembly of finished products leaves very little room for increasing the value-added. To increase value-added, the industry must diversify its involvement into other phases of the electronics business, in addition to its current assembly intensive phase. Marketing and technology are the two important factors that are responsible for the value-added generated in the industry. It is the accumulation of technological excellence combined with a good perception of market requirements that are responsible for successes in the electronics business.

"The HKPC report finds that the electronics industry in Hong Kong primarily operates in the production rather than the innovative phase of the business. Though in so doing Hong Kong does not take any risks associated with marketing and technology development, by the same token the value-added to products will remain low as a result. Given the special characteristics of the electronics industry and the strategic role of this industry vis-a-vis other manufacturing industries and Hong Kong's economy, a more active approach is advocated.

The Ad Hoc Working Group says: "We accept that the special characteristics of the electronics industry do exist and, in view of HKPC's findings, a prima facie case has been made for a support programme for the electronics industry as a whole. Given the special circumstances of Hong Kong, an Electronics Technology Development Centre (ETDC), which differs from the Electronics Technology Development Laboratory proposed by the HKPC only in name, appears the most practical and feasible approach. This will provide a strong impetus for the local industry to up-grade production and to exploit market opportunities for electronics products.

"As regards funding in the longer term after ETDC has been established, we

note that industry is not averse to paying for essential and needed services provided by institutions. This is evidenced by the fact that the Micro-processor Application Laboratory of the HKPC is expanding its services rapidly in response to industry's demands and building up its earning capacity in the process. Thus success will feed on itself.

Five years

"Accordingly it is envisaged that the ETDC would probably be able to recover its direct costs (i.e. direct salaries and direct project costs) after the first five years and the ETDC's call on outside contributions could be progressively reduced after the services become established.

"On this basis, what is needed is a scheme to provide the initial funding for, say, up to 5-10 years, after which ETDC should be wholly self-financing. If we are correct in our judgement that ETDC is a support facility needed by the electronics industry, then it follows that the industry itself should be willing to finance this scheme.

"It is suggested that the necessary start-up funds could be raised by an ad valorem contribution calculated on domestic exports of the industry (in the widest sense of the electronics industry) and collected on the lines of the Clothing Industry Training levy. In the first eleven months of 1983, the total domestic export value of electronic products and products which contain an electronic content amounted to about HK\$22 billion. To raise the \$40 million per annum envisaged by the study report to be needed initially a levy of some 0.17 percent, or nearly 6 times the rate of the Clothing Industry Training levy, will be necessary.

"For a number of reasons we do not consider this desirable. In the first place the \$40 million per annum is a rough order of cost. Secondly, no organisation can suddenly come into full operation: a gradual build-up is bound to be needed. Then there are the further points that if the electronics industry grows as expected, the yield from the levy will be higher too, and ETDC should be encouraged to generate its own earnings as soon as possible. So we suggest the same rate

of 0.03 percent as for the Clothing Industry Training levy, in the expectation that a yield in the region of \$7 million per annum should enable this support facility to get started.

"In considering this matter the Working Group noted that the support recommended by HKPC facilities were of benefit across the whole spectrum of manufacturing industry, though more obviously to the electronics industry. Viewed from this angle it is suggested that the proposed levy should be extended to cover domestic exports of all items which are either normally regarded as electronic products, or are dedicated for use in electronic products, or contain an electronics content, however small. This could virtually cover all manufacturing industry."

A fund created on this basis could then be devoted to industrial development generally, including research and development projects, recommended by the Industry Development Board. The views of the electronics and electronics-related industries in particular, and industry in general will of course have to be sought as to the proposed coverage of the levy or the scope of application of the resulting funds.

Pending crystallisation of industry's wishes in this regard we consider that ETDC could conceivably be created (at least initially) within an existing organisation to augment its current services. Alternatively, ETDC could also be part of a new institution incorporating the proposed Precision Metal-Working Institute.

Noting that the low availability of local precision metal parts is a barrier to the further development of a technology-intense electronics industry, particularly for such items as computer peripherals the HKPC recommended in its study that a Precision Metal-Working Institute (PMI) be established to provide quality subcontract services in precision metal work which the private sector is not willing or able to establish.

The Ad Hoc Working Group says: "Having regard to the multi-disciplinary nature of the electronics industry and our acceptance of HKPC's proposal for an ETDC which would result in an enhanced demand for precision metal parts in the electronics industry

in Hong Kong, we agree that the PMI would provide a strong support structure for an industry-wide vertical integration of production. The PMI, if established, should operate alongside the ETDC which should be financed by industry."

The HKPC report also recommended that a Computer Integrated Manufacturing Institute (CIMI) be established to assist the industry to use modern computer technology in their design and production processes to improve the competitiveness of Hong Kong products in world markets. As CIMI is

a broad concept comprising many topics, some of which may be too far advanced for introduction at the present stage of Hong Kong's development, HKPC proposes that the initial emphasis should be placed on computer-aided design (CAD) and computer-aided manufacturing (CAM).

"In view of the wide applications of CAD/CAM to all sectors of the manufacturing industries in Hong Kong, the HKPC has removed this proposal from the electronics report and incorporated it in an Industrial Automation Unit (IAU) proposal which is now

being submitted separately to the Government.

"We agree that the use of modern computer techniques is pertinent to the future industrial development in Hong Kong and supports the concept of a CIMI in principle. It could be pursued in the context of the IAU proposal being made by the HKPC or outside it in the context of ETDC and the PMI proposals. Should the IAU proposal fail to materialise, for one reason or another, we agree that the CIMI proposal should be independently pursued." □

Unfair for well-run companies to subsidise smaller firms — Brian Christopher

Brian Christopher, group chief executive of BSR International, says that the future of our electronics industry would depend on the amount of R & D (research and development) locally available, assuming that the industry will gradually mature to move away from more product assembling.

However, he is against the idea of a government backed, export-tax-financed central R & D unit. "R & D is highly directional. To attempt to produce generalised R & D would be a waste of resources and most unfair to well-run companies who must then be forced to subsidise smaller firms," he says.

Brian Christopher believes that the laissez-faire system plus the entrepreneurial spirit are what make Hong Kong tick as a self-righting economy. Astec International, the group's electronics manufacturing arm was founded in Hong Kong fourteen years ago for the freedom granted entrepreneurs here.

What he thinks our electronics industry lacks are engineers, particularly mechanical engineers and sophisticated component/parts manufacturers. If the government is set to lend a hand to the industry it should find ways to lure more high-

quality components/parts plants to produce in Hong Kong, thereby building up the infrastructure. The industry as it is now is much too reliant on imports and expatriate expertise.

However he says that BSR is bullish about Hong Kong's current situation and long-term future. The group moved its headquarters here last year, taking advantage of much lowered land cost, rentals and salary levels.

Good productivity

Political uncertainties are there, he says, but a manufacturer needs to worry much less about government and politics than the property man would. He says that despite 1997 jitters Hong Kong is still a place with good productivity and certainly one with a vital role to play in the region now and in the future.

He points out, though, the group is not putting all eggs in one basket. With 22 manufacturing centres worldwide and in Asia it is in a position to pick the most convenient and comfortable place as operation base. He does not rule out the possibility that if our Government starts piling tons of legislation on industrialists the group might move

again, say, to Malaysia.

He notes that while a large amount of capital is indeed sitting on the sideline waiting for more definite signals before further investing, a lack of confidence among mid-level management has become a problem much more urgent than investors' indecisiveness.

He thinks that Hong Kong should never aspire to becoming a high-tech electronics centre like the United States, Europe and Japan where the main thrusts of the industry come from. "Hong Kong hasn't got the academic background conducive to high-tech breakthroughs. Technology is always market-driven, and our domestic market is far too small," he says. What our electronics people can do and should do is to take advantage of the excellent communication facilities here and design useful products within the kind of technology Hong Kong can handle.

China is an enormous market and electronics will certainly be there, Brian Christopher says. The group would like to see Hong Kong become the marketing base and "filter" through which China addresses itself to the world market and takes in Western technology. □

They'll still handle 40% of HK's domestic exports

A survey undertaken not so long ago by the Hong Kong Exporters' Association found some 40% of all Hong Kong's domestic exports are handled by the Association's 170 members. These professional traders have had a significant impact on the development of Hong Kong industry and can be expected to continue in future to exert a vital influence.

The Bulletin interviewed Nelson Sousa, vice chairman and chief executive of Dodwell International Buying Offices Ltd., to assess the exporters' role in the Hong Kong economy where the industrial sector has re-asserted its dominance with a spectacularly improving export performance since United States economic recovery began in 1983. He is a member of the General Chamber's Textiles Committee.

He says prior to the establishment of the Shanghai spinners and weavers in the 'Fifties and later the garment industry, Hong Kong had its own small factories producing flashlight batteries, lower-end garments, footwear, umbrellas, etc. But the quality of these products was not always suitable for sale to top stores in advanced countries.

Most of what Hong Kong exported

then was sold to places like Africa, though some did go to the United Kingdom and Australia where they were often re-exported to small less advanced countries. Some traders largely dealt in bulk orders of limited specification.

Others saw in this business the potential for becoming a lot more professional. "We at Dodwells probably were the first to begin to handle Hong Kong's exports more professionally by establishing a buying office and becoming agents," he says.

"We represented the buyer abroad rather than the local manufacturer. We encouraged and engaged local manufacturers to produce to our clients' requirements. We did the market research. We produced the new ideas and the designs. We exercised the quality control. And the local manufacturer benefitted.

"By putting the industrialist in touch with his potential market we helped bring about industrial investment in new ideas and products, better plant and equipment and better design facilities. From that Hong Kong industry emerged to begin to give Japan competition.

"Today we see Hong Kong as one of the world's top exporters of several

key consumer products. We are second to none in garments, in toys and in watches and coming up fast in electronics. And what does that mean for Hong Kong?

"As a small place of no more than 328 square miles without natural resources we are something like 14th in world two-way trade and about 19th among the world's exporters. Industry has contributed enormously to the quality of life of our people.

New products

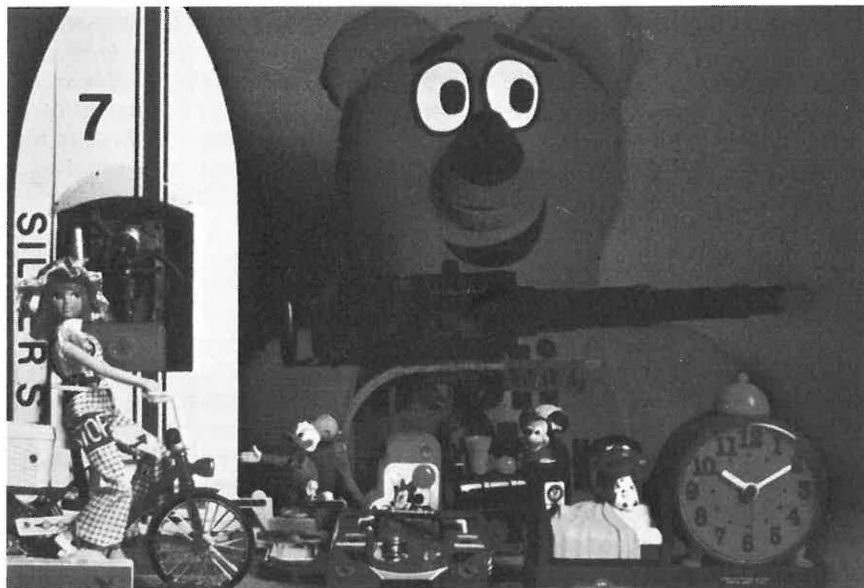
"Now Hong Kong is creating a lot of its own new products. It no longer just copies other people's designs and a company like ours, through its purchases, has and still does contribute to the trend.

"Our executives are constantly traveling around the world discussing new products and making plans for purchasing in the Hong Kong market. We are a founder member of the Hong Kong Exporters' Association whose survey shows our work has caught on with the world's big retailers who are buying more and more from Hong Kong.

"Hong Kong has become a very important source of supply for them. It has established a name for reliability, for quality and good delivery. Buyers abroad have a lot of confidence in Hong Kong.

"What has brought this about? asks Nelson Sousa. "It is not entirely due to what we have done and the way manufacturers have responded. The Administration has played a big part, too, through the infrastructure it was built up. We are really ahead of so many of our surrounding competitors.

"Our basic role is in providing service. We do some of the financing. We do the documentation as well as the market research. We play an important role in quality control. We go to the factories to inspect their raw materials, exercise some supervision over production and employ the services of the testing houses — for instance for



Land no problem now

Land, that with capital and labour comprise the three factors of production influencing industrial expansion, is not the problem in Hong Kong it was two or three years ago.

The Lands Department in fiscal 1983-84 sold one industrial/godown site of 2,950 square metres in the urban area and six sites of 42,238 s.m. in the New Territories. It failed to sell nine sites of 16,705 s.m. in the New Territories in the same period.

It proposes to sell between April 1 and September 30 this year three sites (6,650 s.m.) in the urban area and one site (6,50 s.m.) in the New Territories. It is prepared to sell about a further 13 New Territories sites (112,654 s.m.) if anybody wants to apply to have them auctioned, such as they did the Admiralty II site not so long ago.

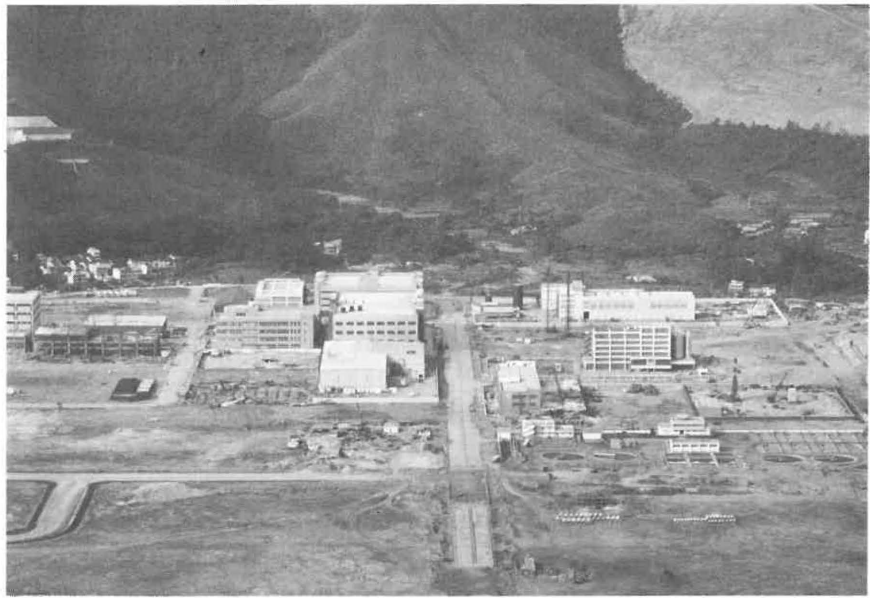
The Lands Department's tentative land sales in the full fiscal 1984-85 are to sell six industrial/godown sites in the urban area (12,980 s.m.) and one in the New Territories (6,450 s.m.). The application list includes a further two urban sites (7,950 s.m.) and 36 New

Territories sites (132,564 s.m.).

The provisional land sales forecast for April 1 - September 30 of sites available for sale by auction (or tender) on application is in Table A. Table B gives land revenue figures for the past nine years. They represent an average

of 17% of total revenue.

John Todd, Director of Lands, says recent sales were near to or at replacement cost to the Government. The average rate is \$1,050 a square metre. But though land is coming down to that sort of price it was still finding



cotton fastness, for shrinkage, for abrasion, for seam slippage, for tensile strength and fibre identification.

"All these test facilities are now available in well-equipped Hong Kong laboratories. More and more of the world's retailers are insisting that what lands on their sales counters is of consistently good standard."

Nelson Sousa says what hinders Hong Kong's industrial growth is protectionism. He says it is a shame to see the Western world cutting down on Hong Kong quotas. He thinks it is the Western consumer who will suffer because he will have to pay more for what he buys. Protectionism is a root cause of inflation.

The world, he says, should go about producing in each country what each can produce best. It should not allow protectionism to hinder free trade that is in the consumers' interest.

"Our business is basically one of giving service in the interest of the world consumer. If Hong Kong continues to be of service then its exports will continue to grow provided it trades with integrity and reliability. The world in these circumstances will look for more and more from Hong Kong." Hong Kong's great advantage, he says, is its labour force. The worker's flexibility, his hardwork ethic and his productivity are better than many countries in the world. He is prepared to accept a challenge and that is where Hong Kong scores.

Nelson Sousa says when Dodwell International Buying Offices began there were six employees. Now there are over 300.

Dodwell's has over 43,000 square feet of office space and 36 showrooms where Hong Kong-made products suitable for the world's chain and

department stores are on display. Its work is now fully computerised with data on over 3,000 Hong Kong manufacturers. It deals with over 1,500 visiting buyers from abroad every year. It has 12 overseas offices everywhere from Japan to Sri Lanka. Indirectly, it helps the hotel industry and the air travel business.

Nelson Sousa says, of course, Dodwell realises the bigger Hong Kong manufacturer does nowadays have his own market research, his design facilities and finance arrangements. But the majority of Hong Kong manufacturers are still small and the services exporters provide them does assist in innumerable ways.

He believes that, despite the uncertainty over 1997, with land prices down industrialists still see good opportunities for profitable investment in Hong Kong. □

TABLE A

**Provisional Land Sales Forecast - 1st April 84 to 30th September 84
Sites Available for Sale by Auction (or Tender) on Application**

Lot No.	Location	Land Use	Area (m ²)
(VARIOUS)	Shatin Area 11A	Industrial	25 850
STTL 235	Shatin Area 11A	Industrial/Godown	28 600
TMTL 267	Tuen Mun Area 47	Industrial/Godown	6 800
YLTL 396	Yuen Long Ind. Area	Industrial/Godown	1 777
YLTL 403	Yuen Long Ind. Area	Industrial/Godown	912
YLTL 409	Yuen Long Ind. Area	Industrial/Godown	1 524
YLTL 410	Yuen Long Ind. Area	Industrial/Godown (Cat. B)	1 736
YLTL 411	Yuen Long Ind. Area	Industrial/Godown	1 889
YLTL 404	Yeun Long Ind. Area	Industrial/Godown (Cat. B)	1 736
YLTL 402	Yuen Long Ind. Area	Industrial/Godown	1 889
STTL 228	Shatin Area 14B	Industrial/Godown	3 425
YLTL 395	Yuen Long Ind. Area	Industrial/Godown	1 777
TYTL 93	Tsing Yi Area 19 (Off Tsing Yi Road)	Industrial (special Industry)	2 900
STTL 242	Shatin Area 14B	Industrial/Godown	10 000
	Kwai Chung Area 10H Container Port Road	Industrial (Workshop)	1 300
TMTL 268	Tuen Mun Area 44	Industrial/Godown	2 030
TMTL 269	Tuen Mun Area 44	Industrial/Godown	2 000
	Shatin Area 14B (Site 2)	Industrial/Godown	5 500
	Shatin Area 14B (Site 3)	Industrial/Godown	2 500
TYTL 92	Tsing Yi Area 6	Industrial	2 600
	Tsing Yi Heung Sze Wui Rd		
	Shatin Area 14B (Site 7)	Industrial/Godown	3 375
	Shatin Area 14B (Site 4)	Industrial/Godown	2 525

TABLE B

Land Revenue

Year	Revenue Rec'd \$m	At 1980 Prices \$m	% of Govt Revenue
75/76	346	650	5.3
76/77	557	1,020	7.4
77/78	1,831	3,130	17.9
78/79	2,008	2,970	16.0
79/80	2,845	3,260	16.9
80/81	10,769	10,769	35.5
81/82	9,676	8,660	28.2
82/83	3,370	2,850	10.8
83/84	2,270	1,890	7% of estimate

no takers, except in more favoured areas.

He says his Department has tried reducing plot ratios by varying the 9.5 figure down to four or even three in the hope that it would attract the end-user to come in. It has attracted a few but not a great number of bidders.

Low prices

He said these low prices applied everywhere except Tsuen Wan and the urban area. Successful recent NT sales of industrial land had really been those for some special purpose.

John Todd says several million square metres of land in Shatin is standing empty but there are no people to occupy the space. The need has more than been met for factory space. What has been sold has been at figures well below Singapore values.

He says those who move to Shatin to reside still show a preference for employers in the urban areas. They are living but not working there.

The trend remains that a worker will continue to work in say Kwun Tong though he could get a job in Shatin. His seniority of service with his current urban area employer is keeping him from taking employment in Shatin.

"Labour is less mobile than we thought," says John Todd. Our expectations of seeing a change in a few years were over optimistic.

"It takes a long time for a new town to settle down. It really requires a new generation. A generation that grows up, is educated in and settles down, establishing an identity with the place where it lives and works," he says. Factory rents everywhere have declined with the slump in land sales. Industrial tenants, signing new contracts are getting their accommodation at about one-third of what they would have had to pay two or three years ago. □

Electricity consumption will grow 6-7% a year

At the close of the financial year ended 30 September 1983 China Light & Power Co. Ltd. was supplying electricity to 1,074,000 customers, 6.2% up on the previous year. Sales rose by 13.2% to 10,137 million kWh (1982 8,956 million kWh) compared with 4.8% for 1982, which marked the highest annual growth since the record figure of 16.1% in 1976.

During the year electricity sales to the service industry sector showed an increase of 16.8% while sales to manufacturing industries also moved up 6.2% (1982 0.9%) as a whole. It is interesting to note that demand in the manufacturing sector increased during the second half of the year by 10.9% as compared with less than 1% for the first half. The progressive increase is interpreted as encouraging and indicates the resumption of overall industrial growth.

Total electricity consumption by industries for the financial year ended 30 September 1983 amounted to 3,945 million kWh, an increase of 88% over the corresponding figure of 2,095 million kWh 10 years ago. Industrial consumption in 1983 represents 39% of total consumption recorded by the company. There are some 50,000 industrial users as at 30 September 1983.

For the manufacturing and service sectors a Large Power Tariff is available to any user for which the demand is at least 3,000 kVA and who has accepted the Conditions Governing the Supply of Electricity under the Large Power Tariff. The charges under this Tariff are the aggregate of demand energy charge based on total monthly consumption and fuel clause. Reduced rates for off-peak consumption are also available under this Tariff for consumers whose off-peak (i.e. daily period between 1800 hours and 0900 hours and all day Sundays) demand is at least 90% of on-peak demand (on-peak period comprises all other hours). The company forecasts that average annual growth of total electricity con-

sumption for the next 10 years will be 6-7% per annum. Asked how the increasing demand will be coped with, Dr. Y.B. Lee, China Light's Corporate Planning Manager, said that the solution lies in generation development programmes.

Dr. Y.B. Lee said that construction of the Castle Peak 'A' Power Station, which will ultimately house 4 dual-fired generating units of 350 MW each is near completion. The first 3 units have already been commissioned and are at present supplying a significant amount of the total demand of electricity. The fourth unit will be commissioned early next year.

Castle Peak 'B' Power Station, adjacent to the 'A' Station, will house four 660 MW coal-fired generating units to be commissioned between 1986 and 1990. This will ensure that demand for electricity is met up to 1990.

Daya Bay

To meet growing demand in the early 1990s the company plans to participate in the joint nuclear development programme with China to erect a 1,800 MW nuclear power station at Daya Bay, Guangdong. The plant is scheduled to commence commercial operation in 1991. It is envisaged that some 70% of the total power produced by the nuclear power station will be supplied to Hong Kong. "It should be noted that if there is no joint nuclear development programme, we shall have to plan and build a power station in the early 1990s to meet the forecast demand," he said.

The decision to install coal-burning generating units in 1976 was taken at a time when fuel oil prices sky-rocketed. At present among the company's 3 power stations (Hok Un, Tsing Yi and Castle Peak), Hok Un and Tsing Yi are fuel-oil-fired while all the coal-fired plants at Castle Peak 'A' Power Station can also operate with fuel oil.

"We have therefore implemented a fuel-mix policy which is to diversify

energy resources for the power plants. We also have a coal procurement policy of selecting coal suppliers who are located in different geographical areas and different countries. If another global energy crisis does come about, we believe the effects will be kept to a minimum," he said.

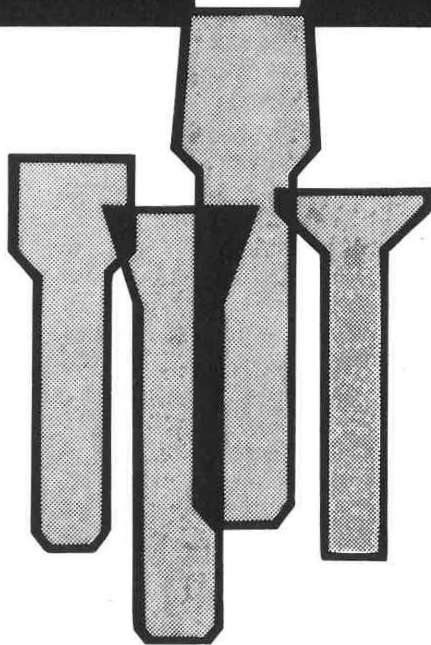
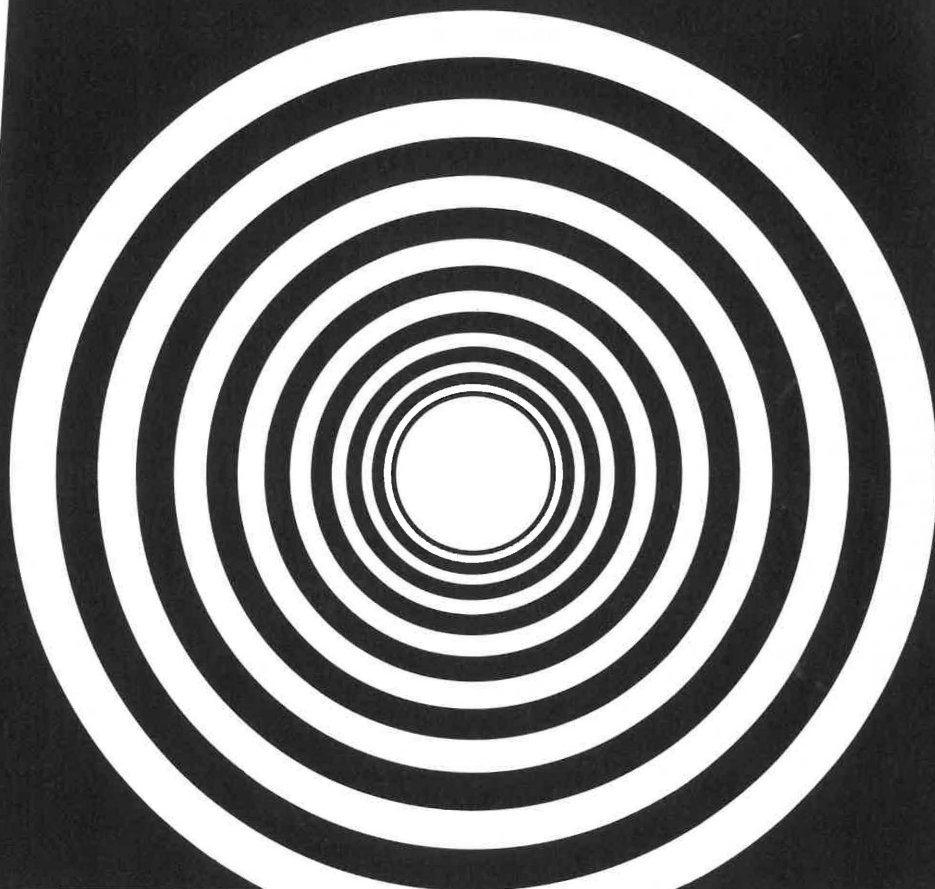
The company's total installed capacity now stands at 3,356 MW (1982 3,006 MW), comprising 700 MW of coal-fired plant, 2,090 MW of oil-fired plant and 566 MW of gas turbines, which are used for "peak-opping" and in emergencies.

Total reserve capacity, which is the difference between installed capacity and maximum demand, stands at 818 MW — equivalent to 32.2% of maximum demand.

China Light's participation in the Daya Bay Nuclear Plant project will be on a joint-venture basis, the partner will be the Guangdong Nuclear Investment Incorporated. The financial structure proposed will entail 10% equity and 90% debt. China will hold 75% of the equity and a Hong Kong consortium led by China Light the remaining 25%. The consortium is called the Hong Kong Nuclear Investment Co. Ltd.

The project has triggered much heated debate in Hong Kong as to the possibility of over-building capacity, construction costs, radiation effects and safety of the Pressurised Water Reactors to be installed and whether consumers in Hong Kong would eventually benefit from "cheap electricity" as the company claimed. The costs of the plant, which had been put at US\$4 billion in late 1981, was by now quoted at about US\$4.6 billion, which represents a 15% jump in two years.

In his critical report on the project Canadian physicist Watt Patterson described the proposed nuclear plant as one with "too many questions unanswered." However, a China Light spokesman said that since the Daya Bay project is still in its stage of negotiation it is not possible to reply at this moment. □



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Industry consumes 30% of our water

Total water consumption in Hong Kong in 1983 amounted to 590 million cubic metres, of which about 30 per cent was used for trade, industries and services. Textile and clothing industries are estimated to account for 12 per cent of total consumption and as much as 50 per cent of consumption by industries.

J.M. Lau, Government water engineer (Development and Planning) points out that the Water Supplies Department works closely with the Lands Department in planning and construction of water supply facilities, which form part of the overall infrastructure of new towns and industrial estates. The Lands Department, though, is the more active partner in setting the priorities of new zones to be developed.

As soon as the nature of a particular district, zone or new town is defined, planners and engineers work out the size of mains and pipes network, pipe diameters and thickness, water pressure required and service reservoir locations. Industrial estates designed for high-tech manufacturing such as electronics consume less water and pipes therefore need not be as wide as those in older zones where textile and dyeing factories are accommodated. In the case of new towns designed as self-sufficient communities providing residential, commercial, industrial and service facilities, water supply demands are very different from those of industrial estates or elsewhere in urban Kowloon. Basic water supply facilities have been laid down in Tun Mun, Yuen Long and Taipo. Junk Bay will be the next zone to be developed, says J.M. Lau.

The watersupply situation in old industrial zones is constantly monitored and existing mains systems renovated to meet growing demand. Mains and pipes renovation in Kwun Tong was completed as long as 10

years ago and similar work in Tsuen Wan is near completion.

The fact that Hong Kong factories are mostly packed in multi-storey buildings affects water supplies little, nor does rapid changes in manufacturing pattern in small factory premises present much of a problem, says J.M. Lau, as existing water-supply infrastructure already allows for flexibility in water flow and pressure adjustments.

Zoning

Water pressure varies as the result of zoning Hong Kong into many supply areas. Raw water from reservoirs is led into impounding reservoirs to be pumped into filter plants. Clean water is then pumped to 100 service reservoirs scattered all over Hong Kong. The entire territory is divided into supply areas, the division of which is drawn according to topography and the level at which nearby service reservoirs stand. Supply areas are separated by cut-line valves which help regulate flow and pressure. Factories located on the margin of a supply area can also be served by adjacent supply areas if so required.

Water pressure monitoring is part of the reservoir operation and water level control system. The monitoring system is under partly computerised and partly manual control. This saves pumping fuel by directing water flow according to supply area demand changes.

Supply areas with the highest water consumption figures are Kwun Tong, Ham Tin, Ma Tau Wei, Homantin, Tun Mun with Yuen Long and Tsuen Wan in descending order.

From a planner's point of view, more water supply infrastructure for new zones such as Tun Mun and Junk Bay is likely to be required in the next decade, J.M. Lau says. He adds that

growth of our total water demand has been a steady annual 10 per cent in recent years.

He also predicts that by mid-1990s about 60 per cent of our total water consumption will be East River water from China compared with the current 40 per cent share. China is supplying Hong Kong with some 500 million cubic metres of water per annum and, according to agreements amended between Hong Kong and China authorities in 1982, provision will be made for annual increments thereafter up to 1995 when it is planned that China will supply 620 million cubic metres per annum.

While Hong Kong probably has one of the most sophisticated water collecting systems in the world it is also looking to a breakthrough in water conservation methods. A Working Group on Reuse of Treated Sewage Effluent appointed by the Secretary for Lands and Works was recently set up to study the technical viability of recycling sewage water in Hong Kong. The working group consists of representatives from Medical and Health Department, Water Supplies Department, New Territories Development Department, Environmental Protection Agency, Urban Services Department and other departments. The possibilities under study include reverse osmosis and various filtration methods. The idea is to reuse treated sewage water for flushing or industrial purposes in future to conserve fresh water. However, J.M. Lau thinks that psychological resistance to using treated effluent might be considerable, but says that future development in this direction would depend on the technical viability report and recommendations made by the working group. Currently the Sewage Treatment Works under the Electrical and Mechanical Services Department is responsible for treating sewage water. □

Rates up 10%

Water rates have gone up 10 per cent effective 1 April this year following a 15-per cent rise in 1983 and a 20-per cent rise the year before. The increase is a result of consumption unit measurement going metric (from gallons to cubic metres) while concessionary rates for certain tradeusers have also been abolished.

Reaction from industrialists are varied. A spokesman for the printing and dyeing industry criticised the rise as scheduled for an "inappropriate time" now that our economy is just pulling itself out of the recession. Others appear to appreciate the problem of escalated costs that has pressured the Water Supplies Department to push rates up. The Director of Water Supplies, T.H. Tomlinson, was quoted to have said that the increases affecting both domestic and tradeusers have been kept to a "bare minimum."

The new rates will require Hong Kong's 100,000-odd trade consumers to pay \$1.84 for each cubic metre of water used. Under the previous concessional tariff rates for certain tradeusers (those whose water bills account for 3 per cent or more of production costs) the

first 6000 units (i.e. 600,000 gallons) consumed in a 4-month billing period was charged \$7.60 per unit, and \$6.40 for each unit after 6000 units.

As to the effect of the increases affecting industry T.H. Tomlinson said that 66 per cent of tradeusers would have to pay less than \$1 per week extra, while of the remaining 34 per cent, only 0.5 per cent would pay more than \$130 per week more. It is estimated that under the new rates a large trade consumer using 10 million gallons per billing period would have to pay 16 per cent more.

The Water Supplies Department prides itself on providing the 1.25 million odd registered consumers throughout the territory with cheap and efficient water supply services. Kitty Cheng, senior treasury accountant at the department, said that water rates policies adhere to the principle that consumers need only pay for net water production cost, which in the main includes electricity fuel, labour, mains and pipes construction and inflation. The concessionary tariff rates introduced in 1979 was a privilege granted to tradeusers taking into account the water rates contribu-

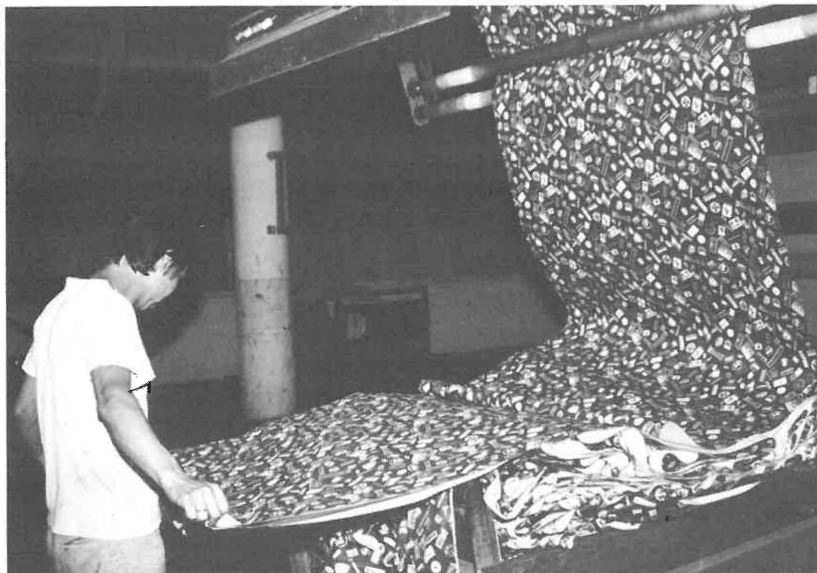
tion already calculated into the land rates charged for commercial and industrial premises.

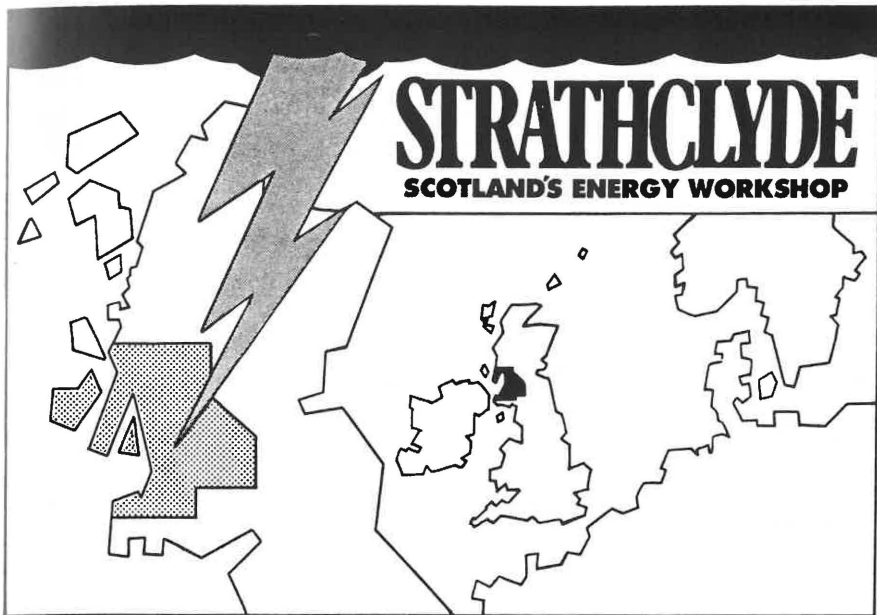
Though the department would not comment specifically on abolishing concessionary rates, T.H. Tomlinson stressed that inflated operation costs and massive capital used on new constructions and improving infrastructure has made the increases inevitable. Take for example, our 12-year agreement with China extending to 1995 with provisions for increased water supply to Hong Kong calls for new mains network and other construction projects worth a total of \$1.75 billion.

Deficit of Water Supplies Department for fiscal 1983 is estimated at about \$100 million. New rates are estimated to bring in some \$60 million extra revenue, but sources say that the department would still have approximately \$50 million deficit in fiscal 1984 after deducting operation costs and other expenditure.

The department's revenue for fiscal 1983 up to February is \$464 million compared with \$407 million for fiscal 1982. Kitty Cheng explained the upsurge is the result of rates rise and a significant increase of consumer accounts in new towns.

That the department is almost always in the red is attributable to the large number of costly and long-drawn projects scheduled or already under way, she said. Asked if recurrent deficits and subsequent rates increases will affect manufacturers' competitive power she said chances are small. Current rates are low in real terms by regional standards, and waterbills for large users like dyeing and finishing plants are said to take only 3 per cent of the industry's production costs. Industries are also assured of 24-hour water supply in restriction times, an advantage not always enjoyed by our manufacturers' regional counterparts. □





looks for joint- ventures

Strathclyde, the century-old workshop of western Scotland that once built and powered the world's great oceanliners and locomotives still in use in India, has a new lease on life. It has turned its hard-won skills and inventiveness into establishing for itself a reputation as Scotland's energy workshop serving North Sea oil.

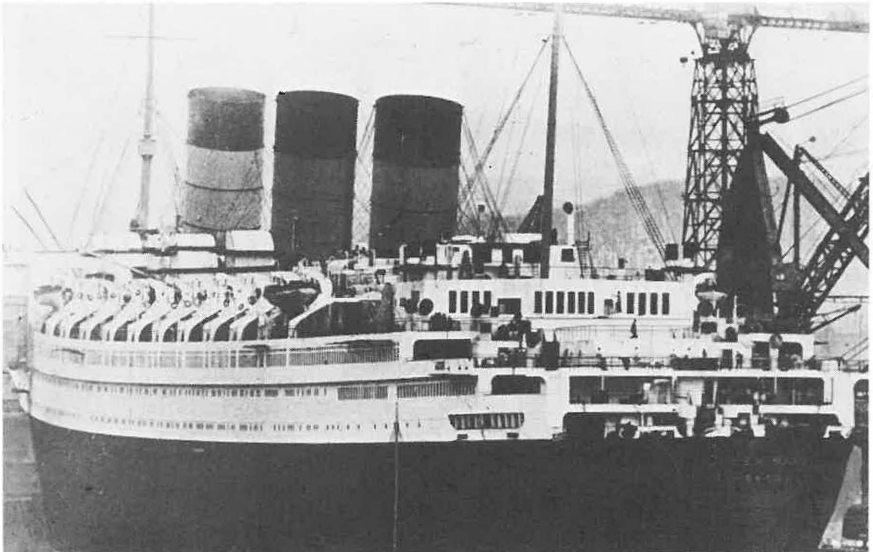
Clyde engineers are now designing ways of innovatively winning oil from inhospitable seas. Firms that once built the Queen Elizabeth and Queen Mary are involved in everything from platform jackets to pipe-fitting, from gas turbines to off-shore catering.

And they are exporting products like jack-up rigs to Mexico and drill-ships for Labrador. Of course, they are interested in serving South China Sea oil, too.

Strathclyde has its own Industrial Development Unit to promote industry and commerce within the region, combating rising unemployment which has been a feature of so many mature economies in recent years.

With so much experience gained from the North Sea in recent years, the IDU is encouraging Strathclyde companies to seek new markets for their skills and products in other oil-rich parts of the world.

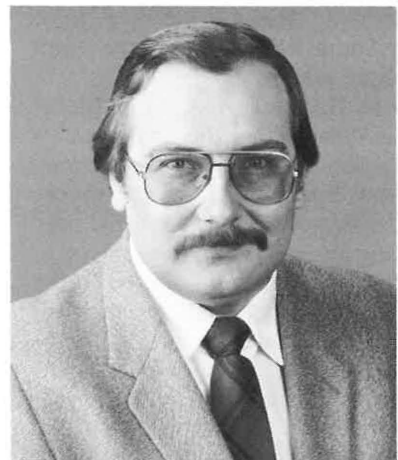
Strathclyde IDU and some of the companies they promote are now regular exhibitors at trade fairs and exhibitions around the world — OTC in Houston, CORE in Halifax, Off-



In engineering technology the Strathclyde name is highly regarded and, of course, ships built on the Clyde are now legendary - from the Cutty Sark to the Queens Mary and Elizabeth, the reputation sails on.



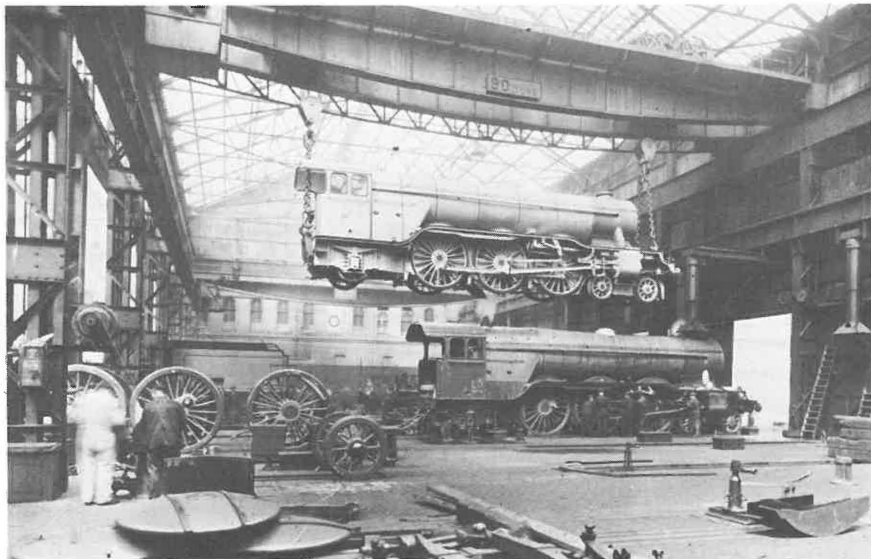
Harry Boxter



Jim Martin



The Hunterston iron ore terminal on the Firth of Clyde is just one of the many deep water facilities which Strathclyde boasts.



It could be claimed that the industrial revolution actually started in Strathclyde. The world's first steam engine was conceived, designed and built there by James Watt.

shore South East Asia, and the major European venues.

Staff at IDU, men like Harry Baxter and Jim Martin, are there to make the connection between overseas customers and Strathclyde firms who can meet their needs. They can assist overseas companies through the process of investing in a Scottish-based subsidiary, opening the door to substantial government assistance and advising on suitable sites.

For firms outside Scotland who want to harness the expertise the offshore oil discoveries have brought, IDU can act as marriage broker, introducing

suitors to potential partners in joint venture arrangements.

The oil-related sector in Scotland knows most of the investment in the North Sea is still to come, but that, like the oil, it won't last for ever. A growing number of firms are looking for new places which need their skills. The climate for joint initiatives has never been better.

Seven firms from Strathclyde exhibited in February at the Offshore South-east Asia conference and exhibition in Singapore and some of them afterwards came to Hong Kong. □

The In-tray

New members

Ten members joined the Chamber in April:-

- Benelux Manufacturing Ltd.
- Carnaco Hong Kong Limited
- Dymek Asia Limited
- Inter Agraria Far East Ltd.
- Kepner-Tregoe Southeast Asia Ltd.
- Mcdermott International General Services, Inc.
- Nam Sang Company
- Warico Trading Company
- Wheeltec Enterprise
- The Wyatt Company (H.K.) Limited



Jack Tang, vice chairman of the Chamber, presents on April 6 a posthumous good citizen award of a cheque for \$5,000 to Madam Poon Siu-ye, widow of Mr. Cheng Ching, a Kwai Chung coconut juice hawker, who was killed attempting to detain an armed robber who had threatened his wife and stolen goods from her. He left three young daughters and a son. Mr. Tang said at the presentation that given the increasing violence with which the police and public have to contend, it would seem appropriate a Board of Review should be set up to consider whether maximum penalties and average sentences handed down by the courts in cases involving criminal intimidation and assault of one kind or another on the person should be substantially increased.



Elizabeth Kishkon, Mayor of the City of Windsor, Ontario, Canada, with an eight-member trade mission, met Chamber Director, Jimmy McGregor and Assistant Director for Trade, Ernest Leong, together with members of the North America Area Committee at luncheon in the Chamber boardroom on March 30.

Mr. Alexander Au (right), Manager of the Industry Division represented the Chamber at FUJIAN '84 held in Fuzhou recently. He is seen talking with Mr. Yang Lin-fei, Deputy Director of the Fujian Sub-Council of CCPIT who visited the Chamber last December.



Mr. A.J.N. Russell (left), Chairman of the Chamber's China Committee led the second China Committee Delegation to Beijing in March. Ten special meetings were held with various government officials. Mr. Sun Fang (centre), Vice-Chairman of CCPIT is seen talking to the delegates.



Trade in Progress

Hong Kong Overall Merchandise Trade (HK\$M)

	January 1984	January 1983	% Change
Imports	15,899	11,537	+38
Domestic Exports	10,791	6,439	+68
Re-Exports	5,976	3,718	+61
Total Exports	16,767	10,158	+65
Total Trade	32,666	21,695	+51
Balance of Trade	+868	-1,380	
Visible Gap as % of Total Trade	5.46	11.96	

Imports : Major Suppliers (HK\$M)

	January 1984	January 1983
China	4,508	2,964
Japan	3,048	2,340
USA	1,628	1,206
Taiwan	1,242	859
Singapore	946	723
UK	728	565
South Korea	459	296
Fed. Rep. of Germany	401	311
Australia	283	178
Switzerland	249	206

Imports : Major Groups (HK\$M)

	January 1984	January 1983
Raw materials	6,952	4,484
Consumer goods	4,071	3,016
Capital goods	2,130	1,599
Foodstuffs	1,842	1,539
Fuels	904	898

Domestic Exports : Major Markets (HK\$M)

	January 1984	January 1983
USA	4,753	2,536
UK	791	437
Fed. Rep. of Germany	889	548
China	670	352
Japan	369	230
Australia	359	188
Canada	344	219
Singapore	233	161
Netherlands	211	136
Switzerland	181	118

Domestic Exports : Major Products (HK\$M)

	January 1984	January 1983
Clothing	3,989	2,261
Textiles	722	448
Toys, dolls and games	706	446
Watches	447	416
Electronic components for computer	379	173
Radios	362	220
Electric fans	201	79
Hairdryers, curlers and curling tong heaters	126	95
Footwear	100	62
Handbags	94	59

Re-exports : Major Markets (HK\$M)

	January 1984	January 1983
China	1,623	602
USA	959	519
Singapore	400	351
Taiwan	358	187
Indonesia	342	427
Japan	315	185
South Korea	251	139
Macau	163	138
Australia	124	51
Thailand	119	83

Re-exports : Major Products (HK\$M)

	January 1984	January 1983
Textiles	881	429
Electrical machinery, apparatus and appliances and electrical parts	572	272
Articles of apparel and clothing accessories	546	302
Chemicals and related products	529	333
Crude materials, inedible except fuels	428	250
Food	410	344
Photographic apparatus, equipment and supplies and optical goods, watches and clocks	293	274
Non-metallic mineral manufactures	280	150

Values and volume - monthly progress (HK\$M)

	Imports		Domestic Exports		Re-exports		Total Trade
	\$M	Quantum Index (1981:100)	\$M	Quantum Index (1981:100)	\$M	Quantum Index (1981:100)	\$M
1981	138,375	100	80,423	100	41,739	100	260,537
1982	142,893	98	83,032	97	44,353	97	270,278
1983	175,442	129	104,405	132	56,294	139	336,142
Monthly Average 1983	14,620		8,700		4,691		28,011
Jan. 1984	15,899		10,791		5,976		32,666

Area Comparison (HK\$M)

	Imports January 1984	Domestic Exports January 1984	Re-exports January 1984
Asia (excluding China)	6,581	1,171	2,351
China	4,508	670	1,623
West Europe (EEC)	2,362 1,959	2,780 2,270	359 292
North America	1,745	5,102	1,042
Australia	283	359	124
Africa	153	177	148
Middle East	75	306	227
Latin America	85	102	56
Rest of World	107	124	46

麥理覺報告...

本會活動

本會三月活動繁多，包括組團往外地訪問及接待若干訪港海外貿易團。關乎貿易之委員會會議普遍增加；足以影響工業及貿易的各類政府及商界諮詢性組織，本會參與程度也有增加。部份詳情見諸下文。

協商程序

本會除自設23個委員會外，更有代表出席60多個總商會以外各類委員會。為提供充份協商及意見，工作量頗龐大。不過，本會很高興能於此類協商活動中扮演一有效角色，參與方式則為直接指派本會行政人員為代表或間接由會員代表本會。香港既無民選政府，主要工貿組織自有責任透過協商諮議保證政府在有關貿易、工業及經濟事宜上有正確及充份意見參考。因此，本會一直提倡協商制應盡量擴大，主要組織也應有權提名適當代表參與重要之協商機構。雖時有阻力，但本會於帶動改善協商制方面可說頗有成績。

勞工諮詢委員會各主要工商組織代表於三月向兩局非官守議員辦事處專責小組提交有關修訂遣散費條例聯合意見書，代表更同時提出各種建議方法，以改善工商組織向港府表達意見的協商程序。希望兩局議員辦事處以至有關政府部門能接納該等建議。

一九八三年度年報及帳項

剛出版的一九八三年度年報製作精美且可讀性高。年報報導本會去年（其實是每年）各範疇活動與本會涉及之問題，並指出本會目前關注事項。最明顯者莫如先進國持續實施貿易保護及限制措施。本會尤感關注者，乃此類措施可能以歧視方式進行。美國普及特惠計劃一九八五年後可能乾脆把香港逐出計劃以外，理由是很諷刺的：香港是自由市場，因此對美國貨沒法報以優惠政策。

一九九七問題是本會甚至全港社會都極表關注的大事。年報指出，目前問題雖懸而未決，但本會認為有關方面終能找出完滿解決方法，使本會經濟制度能循現有基礎繼續發展。

總商會身份證明文件

方便會員外遊的香港總商會身份證明文件已被本港各領事館接納，所有跟本會有聯繫的海外商會也表示歡迎。本會至今已為會員簽發200份以上此類文件。

貿易委員會

非洲委員會於三月七日接待由南非駐港領事館安排之特蘭斯基代表團，就香港與特蘭斯基雙邊貿易交換了有用意見。

本會與貿易發展局合辦之20人貿易團於訪問中東四個主要商業中心後，已於三月七日回港。隨團之貿易部經理馮棟澤報告，共有1200多名入口商及買家參觀該團於當地舉辦之展覽。展覽會上

售出之港貨約達1800萬港元，另有2700萬港元以上訂單正洽談中。買家最感興趣貨品為手錶、牛仔褲、人造首飾及人造花。

中南美委員會於三月七日接待由巴拿馬投資委員會常務董事Dr. Mario Luis Typaldos率領之巴拿馬高層代表團。討論事項包括當地投資機會及巴港兩地雙邊貿易。

本會於三月九日假富麗華酒店為新履任日本駐港領事藤井宏昭先生舉行午餐會，出席會員及嘉賓超過200名。席上藤井先生就港日貿易發展致詞。

日台韓委員會於三月廿七日開會，決定訪日友好團有關安排詳情。會上放映「明智選擇」電影錄影帶。訪日團將攜錄影帶日文版供日本商界人士及政府官員欣賞。

北美洲委員會於三月卅日與由Elizabeth Kishkon市長率領、Win-dsor Essex郡貿易發展委員會安排之貿易投資訪問團會面。雙方就貿易及投資機會交換了有用意見。

西歐委員會月內接待了一高層代表團。代表團來自國際貿易關係組織，該組織為聯合國經濟社會委員會及歐洲委

注意

國際專用電報索引

本會陸續接獲會員投訴及有關資料，發現有外國公司自稱於本國出版之國際專用電報索引內為顧客刊登廣告。本會會員經常成為此類公司的目標對象。

部份更索取付款，有些更能模擬發票，證明顧客已獲某項服務。憑多年來經驗，本會認為大部份此類公司均不值得支持，部份更屬欺詐無疑。

本會一向將此類投訴轉往皇家香港警隊商業罪案調查科（偵緝高級督察巴格林先生，電話五/二八四五一一），並將繼續如是處理。

本會已通知有關領事館及商務公署促其留意此類活動。此等詭騙行為及憑空捏造之公司與服務有時也可採實際行動對付。

本會希望所有會員商號向本會提供此類信件副本作資料用。本會將與警方及大東電報（香港）有限公司聯絡。大東電報局是提供有關真正宣傳專用電報索引公司資料的機構。

員會之諮詢機構。雙方討論了有關跟東歐國家貿易方法及其他問題。

本會將於五月派貿易團往訪歐洲，準備工作進展順利。訪問團將於五月十三至廿六日訪問鹿特丹及巴薩龍娜。至今已有一百三十三家商號決定參加。

船務委員會

委員會於三月廿九日開會，決定就浮標碇泊費向財政司呈交意見，並就船務統計數字編排及出版事宜再向統計處提交建議。

香港交易會（消費周）

香港交易會（消費周）將於八四年十月廿九至十一月三日假灣仔香港展覽中心舉行。本會將設香港總商會展館，並於三月廿九日發出通告邀請會員參展。往屆交易會均十分成功，預期今屆會員反應也將踴躍。

貿易諮詢

一九八四年三月，本會共處理一千三百五十一宗貿易諮詢，其中三百三十四宗來自貿易發展局。本會電腦記錄處理部份必須挑選擇性答案的諮詢效果極理想。這類諮詢約佔三成多。

其他委員會

稅務委員會

委員會於三月五日開會討論對財政預算案之反應。委員會就稅務檢討委員會開會方式已向財政司及稅務局呈交意見書。委員會將於四月十三日開會討論稅務（修訂）法案。

法律委員會

委員會現正考慮由法律改革委員會發出，有關「不公平合約」的函件。委員會將於四月六日討論是否呈交建議及商議本會就此事之立場。

薪俸及就業條件委員會

委員會於三月二日開會討論公務員加薪要求，並擬定新聞稿聲明。勞資關係組織聯委會（連同薪俸及就業條件委員會主席）於三月七日開會討論該份聲明。會後聯名發出新聞稿。

香港總商會徵文比賽

參賽作品共一百八十八份。本會已列出評選原則供評判參考。評判包括教育及人力統籌科代表韓達誠議員、經濟科代表馬敬廉博士、韋烈德博士（個人代表）、南華早報代表薛里士先生及本會代表葛立科。

評判初審稿件後，將於四月廿七日評選得獎作品。

錄影放映

三月共有兩次放映，一為日台韓委員會活動，另一為外界租用。原有設備

之改善工作已完竣，錄影放映系統現操作正常。本會快將印發使用說明書。

中國

由本會中國委員會成員組成之訪問團於三月十四至十六日往訪北京，並與中國國際貿易促進委員會、中國國際信託投資公司、國家計劃委員會、國家經濟委員會、中國對外經濟貿易部及另外五個政府機構之高層官員會面，廣泛討論雙邊貿易及投資問題。

中國委員會現正籌劃五月底組團往訪廈門，並可能於五月底組團往訪珠海經濟特區。廈門訪問團現已有四十八名會員報名。

本會中國部經理區永祥最近往訪上海及福州，就如何加強本會於該兩城市之工貿促進活動方面之維繫作用，與有關官員及機關商談。此行結果，是本會被邀盡快組團往訪福州。

本會較早訪蛇口及赤灣團非常成功，現正安排第二團供會員於五月三日星期四訪問上述兩地。代表團將由本會中國委員會副主席祈天順先生率領。

區永祥亦代表本會出席三月舉行之福建省一九八四國外技術設備展覽會。本會為展覽會官方顧問之一。

本會亦接待了一來自山西省之六人代表團。代表團與本會會員會面，解釋本港人士於山西投資的具體機會。 □



新方向

香港出色的經濟至七十年代後期蓬勃年間發展至轉捩點。經濟多元化與經濟快速增長息息相關。

布政司夏鼎基於最近一次演說指出：「經濟多元化過程促使金融及有關服務事業的相對重要性與製造業相等，各個主要經濟範疇生產或提供的貨品與服務種類也相應增加。

「與此同時，本港貿易日益國際化，本港有形與無形貿易總值為本地生產總值的數倍。因此，香港經濟（及社會）也比以往更易受外來影響，也更容易變。這是多元化及進步的代價。」

夏鼎基爵士於該篇向香港大學經濟學會發表的演詞中詳談本港經濟多變的兩方面：

「近年來本港製造業吸引了不少外資，不單促進生產及提供就業，更幫助引進技術、專業知識及管理技巧。

「工業界直接外來投資自一九八〇年來增加了兩倍以上，一九八三年來自39個國家的資金達80億港元。直接外來投資的相對重要性仍不大，但有海外資金參與的工廠共有486家，僱用全港百分之十一的工業勞動力及佔總出口百分之十七。

「大部份投資集中在發展中的電子業（36%）、紡織及成衣（12%）及建築與建造材料（10%）。有意來港投資人士的諮詢陸續有來；八三年終時，又有43家外國公司決定於未來兩年在港設

廠。

「香港已成為世界主要國際金融中心之一。現時有101家外資銀行在港持牌營業，另有113家外資銀行辦事處。外資銀行擁有之註冊持牌接受存款公司共156家，另有大量金融機構為本地及國際客戶提供多種服務。

「香港國際銀行業務的規模很易以數字說明：銀行及接受存款公司外幣負債於八三年終時為7860億港元。資產方面，上述機構向香港以外放出的外幣貸款約值1320億港元，佔總未償放款百份之卅四。

「外匯市場性質日漸『轉口港化』，每日交易額肯定是全球最高之一。本港金市也一樣。

夏鼎基爵士說：「在本港優良國際通訊服務支持下，金融機構及市場產生大量無形收入，於一九八二年為本港收支平衡帶來90億港元盈餘，抵消了160億港元有形貿易赤字的一半以上。（根據一九八三年政府財政背景報告，八三年收支平衡差額，無形收入佔約百份之六十六）。

夏鼎基爵士問道：「香港幾全無天然資源，為何竟能於國際最大貿易國中名列十四？又成為也許是第三大的金融中心？究竟是甚麼動力推進種種活動和增長？

他說：「香港無疑因勤奮堅韌的勞動力及能幹靈活的實業家而得益不少。

但具同樣基本條件的其他地方卻沒有類似本港的成績。

「我一直認為原因是香港能堅持市場指導經濟及自由企業兩項原則。香港法制獲國際承認，且司法公平。法制保障了香港人奉為主臬的自由。

「根據上述原則及法律制度，本港多年來已製訂發展出若干規條和原則，供商界與政府遵行。

「香港倘要繼續在世界貿易及貨幣系統中扮演主要角色，無論未來發生甚麼政治變化，上述原則和規條必須如常奉行，否則香港便會瓦解，這是不容發生的。香港瓦解是個具體的意念，卻是可怕的想法。」

香港前途目前於北京秘密談判之際，這個「具體的意念但可怕的想法」正影響本港七十年代後期轉捩點出現以來的經濟成就。該種成就正是循夏鼎基爵士提到的兩個主要方向發展出來的。不過，夏鼎基爵士於致港大經濟學會演詞中並無這樣說。

立法局議員及很多生意人已大力指出本港必需及早知道有關前途的聲明，更支持立法局討論前途的議案。與此同時，本地有意翻新廠房及改良工業發展的資金據說已幾乎停滯不前，靜待北京談判結果。

若干工廠為應付短暫財務需要紛紛上市。海外資金由於基地在外地，受的影響較少，怡和決定遷册百慕達就是一

例。但佔總投資百份之八十九的本地投資卻受影響，銀行界未能提供實質資金供工業擴展，使銀行業的基本功能之一因而也受影響。

不過，呆滯情況之下卻出現一股頗強的反壓力。美國經濟復甦刺激消費信心及購買力，本港廠家手頭訂單足夠半年生產，出口數字屢破記錄，跨太平洋貨船載滿貨。

商界人士及政府官員不斷提醒工業界人士，謂倘再不進行資本性投資，香港工業勢將墮後。官方預料工業人士於一九八四年會作出回應。不過，香港工業基礎在此期間內正逐漸萎縮（見下文）。

本港雖有輕微失業情況，但工業人力短缺問題一直以來都使工業界人士深信必須機構化生產（見52頁）。不過也有人選擇其他途徑，將勞力密集生產帶返毗鄰本港的中國經濟特區進行，避免本港工源促及工資上升問題。

勞力密集工業迅速流往中國，留下來的將只剩生產高級成衣廠家；本港工業也日益倚重出口服務，如銀行業及與個別工業有關的服務。香港正步進新里程，未來發展不再倚靠教育程度低的體力勞動工人，而是運用人力資源的智能。

此外還有兩項重大影響：

第一，近年政府財政赤字顯示，香港必須提高產品及服務質素以增加收入，應付社會發展所需及改善社會基建。

第二，當局如要向本港人力資源灌輸更多教育及知識，必須以誘導而非強逼方式進行。（香港除了充斥銀行但未必用於生產的現金外，人力是唯一重要資源。）

新里程需要投資者與工人之間建立全新的合作關係，不單為提高產品及服務質素，也要鼓勵工人掌握必需的教育及知識，以提高生產力，為香港社會及基建發展提供所需資金。

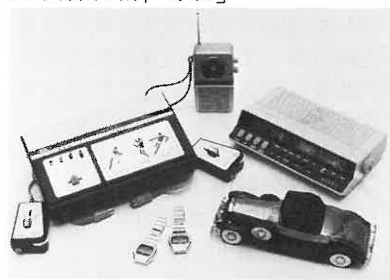
香港在新里程中另一目標是盡量利

用一切優於鄰近國家的維繫條件，提供比鄰近國家已臻水平更勝一籌的服務。

這類服務將與中國有關，對東亞其他發展中國家也有幫助。情況與目前香港金融中心向外放款相若。

那將是個腦力比勞力重要的新階段。到時香港仍會保持多變的特色，原因是生產力仍需根據出口需要應變，補償本地缺乏天然資源的不足。

未解決的問題是，這新階段究竟有沒有時限？香港能否逃過「具體的意念但可怕的想法」一關？並從而繼續利用人力資源再創「奇蹟」。



工業基礎逐漸萎縮——陳少感

香港生產力促進中心執行幹事陳少感指出，香港的工業基礎正日漸萎縮。要防止本港工業前景出現危機，唯一方法是辨認及了解工業基礎萎縮情況從而制止其惡化，再加上政府的努力，香港工業前景才不會產生危機。

他認為香港工業發展亟需科技政策。陳少感最近於一個由兩間大學及經濟學會贊助、有關亞洲區的香港研討會上演說時勾勒出本港工業發展趨勢。他指出：

「本港經濟增長記錄及市民財富實質增長足媲美任何新興工業國。過去兩年除外，香港經濟平均每年增長率於七十年代以本地生產總值計約為百份之九，個人實質收入以每年百份之六以上的幅度增長。

「製造業在市場力量主導的環境下表現出色。本港經濟建基於市場、利潤及貿易，已成為自由貿易企業的典範。論者指出，自由市場的優點，在於能有效地分配經濟體系內各種資源，因此政府干預應減至最低。

不過陳氏指出：「經濟增長（每月數字）並不等於經濟發展，雖前者無疑是後者的其中一方面。經濟增長只是達

到其他目標的手段，但經濟發展卻涉及擴展國民才幹及社會機會兩方面。短期的變化往往帶來動力，甚至使社會產生長遠的結構性轉變，但長遠發展趨勢往往使人忽視這類變化。

「本人嘗試勾勒出本港在經濟快速增長環境下，若干歷久不衰或日益重要的潮流。

「首先，製造業佔本地生產總值比率由一九七一年的百份之廿八降至一九八二年的百份之廿三。製造業既是就業及外匯的主要來源，這個降幅相當大。製造業工人數量最近已停止大幅增長，以相對數字計，百份率由一九七一年的百份之四十八降至一九八三年的百份之卅五。

「第二，本港製造業於增值方面表現正下降。一九七七至八一年間，主要製造行業的增值佔總生產百份率全面下降：成衣業由百份之卅二點三降至百份之卅一點二；塑膠業由百份之卅六點一降至百份之卅一點八；金屬加工產品業由百份之卅六點三降至百份之卅二點六；電器及電子業由百份之廿七降至百份之廿五。

「整體製造業總生產值中增值生產

所佔比率由百份之廿九點九降至百份之廿七點六。增值生產（尤其出口方面）是提高本港生活水準的要訣，本港必須扭轉增值表現下降的趨勢。

「第三，製造業廠商規模減小的趨勢很明顯。一九七四年平均僱員人數為21，一九八三年已減至18。僱用500名工人以上的廠家數字幾無增長。

「廠家規模小，本港經濟適應海外市場變化自然較靈活，但對積累知識、技術及資金則不利；而這種積累成果，正是本港發展技術密集產品及市場必需的。

「第四，本港工業本質上仍停留在外發生產及勞力密集階段。過去十年，成衣生產、電子裝配及玩具生產已成為營業額及就業人數最高的三大工業。

「香港對這三種工業的主要貢獻是提供半熟練女工。相反，需要企業性累積技術的工業於過去十年卻相對萎縮，金屬加工業即是一例。

「第五，本港公司根本沒做任何研究發展及推廣市場工作，看來這趨勢會持續下去。

「最後，工業生產正相對下降，這點實不容輕視。七十年代期間，工人生

產力平均增長率為每年百份之七至八。一九八二年工人生產力（即個別僱員生產）增長率上升百份之零點三，一九八三年上升百份之四點五。近年增長率相對下降，無疑與廠房及機器投資增長率下降及世界經濟不景有關。

陳少感解釋：「上述趨勢似乎顯示本港工業正朝另一種模式兌變發展。除非能扭轉若干不利趨勢，否則本港工業不但會有結構性轉變，工業基礎也將逐漸受損。

「結構性轉變總是緩慢而不易察覺的，因此必須放遠眼界，著眼本港工業中期及長遠發展的可能性，而不單是看未來兩三年。我相信生產成本起碼於一九八四及八五年仍受控制，因此短綫增長應會繼續良好。

「不過，長遠看來本港經濟前景仍隱憂重要，而殺傷力最强的危機，則是本港勞工相對優點日漸消失，及本地技術基建相對脆弱。

「適應世界市場需求，全球企業都會致力以更低單位成本生產更多貨品。科技是生產力增加的來源，另外還有微型資料處理系統、能源新發展及生物科技學。管理技術改進也能提高生產力。管理技術如能運用各種資料與通訊方法、新融資方式及其他促進生產的體制，對提高生產力定更有幫助。

「科技將有急速變化，沿用不同工業政策國家之間的相對優劣情況將因而受影響。舉例說，電子、光學感應器、激光及機械人等發展使金屬行業在裝配及品質檢定方面的機會大增，以往這類工作都是以人力為主的。技術發展及綜合應用，足以改變金屬行業及機械工具業歷來的傳統理念基礎。

「通訊及電腦科技發展將加速轉變。新資訊科技首先會用於傳統工業活動，然後產生新工業活動、新產品及工序。過往倚重人力的工業很多已開始自動化，特別是電子業。對建基於人力的經濟體系，這種趨勢只會更削弱其經濟前景。

「亞太區一主要元素是勞動力不斷增長，工人也滿足於較低工資。區內勞動力估計至二〇〇〇年將增加約百份之五十五。香港很多工業將受雙重壓力：一方面先進國家科技發展急速，另一方面亞太區低成本勞工生產力大增。

「香港於七十年代享受的低成本優勢肯定已減弱。未來本港將逼於經濟力量而減少倚賴以勞力為基礎的工業。目前我們正處於一次工業革命的初階，以後出口收入將日益倚重知識與技術，而非勞工密集裝配工作。

「工業結構轉變，表示生意眼光要放得較長遠。以前香港往往犧牲長遠利益以改善當下環境，將來這辦法會行不通。長綫業務計劃及投資將成為重要商業因素。

「同樣重要的，是工業界本身應需負上長綫責任去提高生產力及改善技術水平。工業結構改變之際，政府於適應期扮演的扶助角色更趨重要。

「香港經濟政策的主流意見是擁護自由放任資本主義。港府的確也為商業活動提供了基本上自由有利的氣候，同時也維持了現代社會必要的社會、環境及安全等方面的限制。

陳少感說：「政府扮演的角色多年來已大為擴闊。本港工業經濟日益複雜，外貿環境管制日多；為保護外貿及推行內部措施滿足社會發展需要及達到發展指標，政府的責任也日益加重。

「政府其實已參與影響工業發展的行動，以種種方式立例管制工作條件，並要求工業界將其生產程序對環境做成的影響算入生產成本內。

「港府已通過教育及培訓計劃釐定商業勞動力之組合成份，亦負責促進工業投資工作，撥出基金支持成立輔助工業服務及輔助技術設施。雖沒偉大的哲學系統支持，但上述種種已累積成一股影響力，本港經濟已再非純粹的自由放任系統。

「自工業多元化諮詢委員會報告書建議被接納以來，港府已加強在工業發展方面的角色。工業多元化報告書提出47項建議，呼籲港府採取積極行動。不過推行各項建議的速度卻緩急有別，而港府嚴緊之財務政策使成立研究發展機構倍加困難。

「鼓吹政府插手工業生產的人極少，相信政府決策可有效取代市場決策的人也不多。港府現時於工業發展的參與

程度，證明政府既可提供工業建基，也能奉行自由貿易自由企業原則，兩者十分匹配。

「我們必須攪清楚：問題所在並非政府應否於工業發展扮演一角色，而是它扮演的角色應如何擴大，發揮積極作用。香港社會已有長足進展，自由放任政策嚴格來說已不可能是個現實的選擇。

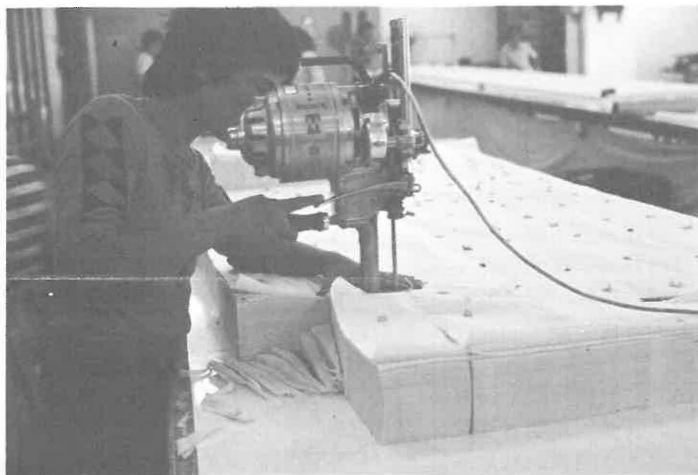
「科技不斷更新發展的年代對政府的要求也更高。政府的重要功能之一，是鼓勵技術密集工業發展從而增加財富，以補償傳統及成熟工業就業人數減縮及增值表現下降等損失。本港若不能順應外來壓力促進工業快速改變，香港的工業基礎勢將收縮，引致生活水平下降及損失。

陳少感問道：「我們怎樣才能鼓勵技術密集工業？有關這點我想引述澳洲科技學院高科技財務委員會一份報告。委員會認為，任何國家要成功建立有利高科技企業投資的環境，當地政府都必須採取積極行動，最少也扮演催化角色。

「沒有細心安排的主動計劃，就不可能促進技術密集工業發展。比方說，香港一日未有應用研究發展和本地精密零件供應，大型技術密集電子工業自動來港發展的機會就很微。

「同樣道理，要發展精密的輕/中型工程工業，必須倚賴各種輔助工業的生產與協調，比方鑄造廠、鍛造廠、造模造工具、機械工具、金屬片、金屬綫及零件製作，及一切必須之輔助技術服務。

「本港成衣業的實力之一，就是具備必需之輔助部份，串成效率極佳的縱式結合。然而金屬及輕工程方面的「串連」工業就較弱，電子業也有同樣問題。此類「串連工業」的歸本期一般比裝配式工業較長，不過，除非本港能提高此類串連工業的技術水平，否則成品工





業要多元化仍將困難重重。

「要鼓勵科技密集企業增長，政府不單需要提供實質的基建，還要建立科技方面的基本設施；不單要提供利於經商的氣候，還要營造誘發科技應用及發展的環境。」

「本港科技基建有幾點必需鞏固：

- 充實而協調的應用研究發展計劃；
- 成立發展機構，促進工業界應用重要技術；
- 為若干範疇提供主要生產資源。此等範疇對成品工業多元化十分重要，本地零件供應就是一例；
- 就新技術提供培訓教育；
- 改善推廣市場業務能力，目的為增加出口產品價值；
- 改善各類輔助設施，目的為通過自動化及引進技術提高品質並降低每單位生產成本。

他說：「為中小型工業提供技術援助的觀念一直為人接受，其實本港工業發展也需要援助。長遠的工業增值增長及工業多元化必須經本地大力發展才可

成功。」

「中小型廠家受規模限制無法負起這類發展工作，因此政府必須支持發展活動。負責發展人員與負責科技人員必須緊密聯繫，這樣發展人員才能了解工業的需要，發展成果才能在工業界擴散開去。」

「我們仍需重新考慮『比較』優點的觀念，並要承認新科技之下，原料、能源及人力已不再是最重要因素，技術及知識水平才是最要緊的。新技術的風險也大，無人能保證成功，但我們如不接受挑戰，就幾乎可保證失敗。」

「大部份工業國政府都日益關注改進國內工業的科技及創新表現，為鼓勵創意，形形色色的措施政策都派上用場：包括豁免研究發展活動稅項、發展風險基金制度、加強大學在工業發展的角色、成立科學公園及提供各種動機。」

「香港沒有足夠資源發展一切科技範疇，因此製訂工業發展政策時必須有更大選擇性。我們要訂下發展次序。」

「這並不等於選出『優勝者』，因

為這樣做是對多個行業同時提供可行之科技基建。工業界本身有全權決定市場及是否將技術用於商業生產。」

「適應科技轉變自然需要付出代價，但一旦科技表現落伍，及於世界市場上競爭力下降，所需付的代價可能大得多。後者也許是長遠而暗藏的代價，損害整體社會。」

「最近頗多人關注政府支持科技發展的政策基礎。政府的參與，可視作當局嘗試刺激於研究及技術方面的投資上升至有良好社會影響的水平。另一種看法，是政府希望將公眾資金注入對整體社會可能產生最大長遠利益的領域。」

「不過，政府未來縱使參與很多，有關政府參與程度的爭論總會持續下去。本地及海外發展顯示，政府的參與也許只會越來越大，不會越來越小。」

陳少感總結說：「香港經濟生存及增長都極倚賴出口製造業。製造業不單對本地生產總值重要，對經濟其他範疇如船務、保險、銀行及商業的輔助功能也極大。」

「這是個科技大幅發展轉變的時代，科技變化複雜而日益急速。整個形勢的衝力沒有減慢的跡象。在這結構變化之際，政府的角色很重要。」

「然而，政府單方面行動是不夠的。私營企業方面必須作相當回應接受挑戰，並決心在科技方面進軍世界市場競爭。」

「香港工業基礎已逐漸萎縮。除非能辨認、了解及控制這問題並加上政府努力，我們勢將把香港工業前景陷於險境。這是個轉變期，對所有人都有威脅，但也是個機會。」

「沒人知道兩個轉變期之間相隔多久，但目前確是充滿可能性的時刻。個人、機構甚至政府，只要清楚香港整體必須達到的目標，我們每人都能發揮更大的影響力。」 □

香港有沒有工業政策？

香港對工業投資人士究竟有甚麼好處？

無論對本地或海外實業家，香港本身就是獨特優厚的地方。至於香港未來走勢則很大程度上視乎實業家的努力。服務行業及有志設廠人士也可如是觀。

工商司何鴻鑾最近於註港商務專員午餐例會上勾畫出香港提供的有利條件，節錄如下：

「很多國家都提供多種優惠條件鼓勵投資，比方豁免及優惠稅項、免稅期、培訓及廠房津貼，甚至低於市面利率貸款等。當地政府基於種種原因特別優待某類工業，對投資該類行業人士往往相當慷慨。

「不過，在座各位都是工商界資深人士，自然明白長遠來看優惠政策是有代價的：初階段的優惠政策通常會逐漸取消，要不然就是官方實行高度監察或管制措施。

「相反，香港在現時諸多管制的世界相信是與別不同的。香港仍堅持自由市場經濟的原則及政策。香港不單在貿易方式上運用這套哲學，對製造業也採同樣原則。

「最近有人（他也許在座）問我一位職員：『香港工業政策其實就是沒有政策，對嗎？』答案是我們的確沒有嘗試指導工業家及投資者做這做那的政策，或憑我們的喜好鼓勵或冷落某類工業。

「我們的政策是在可能範圍內提供最好的基本建設，精明的生意人和適應力強的投資者及商人就能依據這套基建作出決策運營生利。我們不攪『刺激投資動機計劃』那一套。

何鴻鑾說：「我們相信最懂得決定如何投資及做生意的是廠家或商人，不

是官僚。做生意決策的環境越少官方干預越好。政府對各類經濟活動、本地及海外投資人士也應一視同仁。

「有關這點，我想順帶一提剛收到的一本書，內容有關倫敦貿易研究中心進行的一系列研究，名叫『西歐國家投資公司：挑贏家抑扶輸家？』這書暗示沒有足夠證據顯示贏家是可以挑得出來的，由此推論，香港的政策是對的！

「本港雖沒提供任何具體、短暫性的投資動機，但卻盡力在現存制度下維持某類足以持續吸引投資的因素。本港入息稅及利得稅以任何標準看都極低，香港稅率一方面維持現有社會服務及福利水平，另一方面也可能是芸芸工業國和發展中國家中最低的。出入口原料、器材及成品方面香港是全免稅港，唯一例外是出入香港船運貨物要繳報關稅百份之點零五。

「我們盡力簡化文件來往、發牌照程序及減少出入口管制。例外的是必須據國際守則辦的手續或在衛生、安全及保安方面要求達到合理水平。當然，一如多數海外地方，香港對煙草、烈酒及碳氫油類都徵稅撥入庫房，不同的是本地產品和入口貨一樣要繳稅。

何鴻鑾說：「公司無論規模種類怎樣，我們一概歡迎。他們可以成立全資擁有附屬公司，也可以跟本地合夥人合作。

「在香港賺到錢可以兌換任何貨幣，這兒並無外匯管制。利潤調往海外也沒限制。將資金注入本港或調返海外也絕對自由。

「過去幾年本港地產價高一直是不利因素，但最近工業用地及地產價格已大幅下跌，高質現代化工業及商用樓宇供應也充裕，價錢實在也很便宜。

「香港社會安定。大胆說句，政府也是開放、效率高、有用和關心市民的。交通和通訊網優良，有整套符合世界主要商業中心要求的輔助服務。香港人勤奮能幹，整個社會環境是利於經濟活動的，比方電話、冷氣機和一般服務都運作得頭頭是道。商業上普遍應用的英語，很多香港人都曉得講聽得懂。

「還有，香港處於過去十年來全球經濟增長率最高的地區中心。我講的可能並無新意，甚至有點老套，但我衷心認為從實際生意看，我們堅持老套但良

好、實是求事的經濟原則是有好處的。

「我想引幾點個人觀察所得及數字以證明香港五十年代以來的增長及發展。香港由五十年代至今已由轉口港變為生產中心。跟其他典型工業發展國一樣，香港也是紡織胚布開始，很快發展起染布業和生產成衣。再由成衣朝時裝高級市場發展。

「與此同時本港更多元化發展大量不同行業，比方塑膠、玩具、電子及其他優質複雜產品，與此同時個人生產總值也有增長，以現時市值計，由一九六六年的3800港元增至一九八三年的38900港元；或以一九八〇年市值計，則由12000元增至30200元。本地生產總值增長提高了市民生活水準，加速香港成為今日生氣勃勃的城市。

何鴻鑾說：「經過地產熱潮、兩三年來不景和近來政治不明朗等衝擊，香港顯然已表現出一貫的韌力和幹勁。

「本港近月貿易數字雖已被廣泛宣傳，但我仍想向在座各位複述部份數字。一九八二／八三年第四季本地出口實質增長率較上年為百份之二十，第三季為百份之十八，第二季為百份之十四，第一季為百份之三。

「八三年全年，本地出口值增長百份之廿六，實質增長約百份之十四。一九八三年本地生產總值增長率約為百份之六，較早時估計為百份之四。跡象顯示，復甦將持續。

「由此可見，香港仍是如常做生意。分析家雖一致看淡，但工業署促進投資人員卻表示海外投資對香港興趣仍高。該署八三年接獲工業投資實質諮詢較八二年上升百份之十二（由695宗增至780宗）。

工業署目前約有440個進行中的工業投資個案。一九八三年有17項發展計劃決定行事，未來一年至半年內，預料至少有26項計劃會有類似決定。此外，部份已紮根香港的廠家正擴充現有生意，包括國際知名機構，部份牽涉的投資額頗鉅。

何鴻鑾說：「總括來說，我認為種種發展皆顯示，香港已漸被公認為全球做生意最活躍，最有利可圖的地方之一。」



展開智力重於勞力的新時代

香港生產力促進中心技術幹事戴禮華博士指出，歷史上任何國家的經濟成就，因素總不離人力資源，天然資源與效率高的基本建設。人力資源必須靈活和生產力強。

戴禮華認為靈活性是首要因素。人力資源如長期困於低效率活動，即使效率極高，經濟前景也勢必大受影響。這情形放諸大部份經濟體系皆準。

香港經濟體系下沒人會保證甚麼，也沒有鐵飯碗這回事。香港並沒因此成為效率最高的經濟體系，但也不是效率最差的地方。

繼續發展的竅門是保持人力資源靈活。社會越富裕（香港是一例），人越易忘記賺取生活需要勤奮工作。

不過，戴禮華認為年輕一代對建設本港未來經濟未必比上一代遜色。新一代受教育較多，對周遭環境也有份醒覺。年青人接觸了其他文化，視野比父母一輩闊得多。因此，他們應是較豐富的人力資源，但實際是否如此，則視乎年青一代對其他方面的態度。

戴禮華認為，要年青人保持靈活和有利生產的態度，香港社會也許必需減輕資本主義色彩。香港歷來是投資者剝削一代又一代失學人士的社會，然而，剝削程度未來或會逐漸減少。

他說香港需要發展一套新理念，使

資金與人材之間建立積極的合作關係。新理念中，賺錢最重要的是腦力而非體力。

他說：「人對本身的智能和體能都引以自豪，但兩種自豪感並不相同。有人要剝削自己的智能，我們都會反抗。我敢說香港未來的人力資源是思考力，所以投資者必須設法與僱員建立某種合作關係，把握運用其思考能力。」

戴禮華認為建立新合作關係的真正方法，是讓僱員分享利潤及實行僱員可參與公司資本的計劃。

他認為企業家很難改變目前流行的觀念。但香港是不斷變化的，抱新想法的企業家說不定會在種種變化中出現。

他說：「金錢的價值已大不如前，這不單指貶值。錢已不再是賺更多錢的關鍵因素。僱員質素才是資金盈利的來源。市場人士斥鉅資投機賺大錢的日子已一去不返。」

「將來香港要賺錢，必須在人力資源發展方面作更大投資。當然，還有另一個政治選擇。部份人士已將資金注入類似從前新經濟特區的發展計劃。」

戴禮華認為在目前情況下，很難肯定說香港人口會繼續增長。但經濟特區的個人收入，將來或會比本港工人現時入息稍高。本港工人要提高入息就必須提高技術，增加自己的價值。

至於香港的政治經濟資源是否已發展至極限，戴禮華認為尚可商榷。香港有兩條路可走，一是注入大量資金加速發展，一是提高個人質素。本港現存經濟體系中，僱員要提高個人質素只能靠自己努力，他們應得的物質鼓勵也應較多。

提高人力質素及大量投資重工業這兩種做法，他認為前者對香港未來發展較有利。香港若循前者發展，服務工業將是未來重點，成為外匯收入基本來源。

他相信香港可為亞洲提供服務，但也不應輕視其他亞洲社會的實力。他同意香港可繼續發展金融服務，但也應就本港地理位置特點、技術和知識發展其他具競爭力的服務行業。

他認為美國跨國公司紛紛選香港為分區總部並非偶然。不過，倚靠服務工業帶動未來經濟發展也絕不容易。

過去三十年來香港生產力增長是建基於一種極端的資本主義方式，少數人因此致富，部份人士也獲得較合理的生活水平。香港經濟發展投資已邁進新里程。新里程未必等同利潤，但資金運用方法會更精明。

戴禮華指出，如要把握港人的智能資源以使經濟繼續增長，香港人必須改變。他認為體力勞動工作佔總生產的百分比會逐漸下降。

我們會滿足工業需求——黎澤鑾

職業訓練局與工業教育及訓練署副執行幹事黎澤鑾指出，為香港可能出現的新工業攪人力培訓是不切實際的。他說人力調查只求了解本港現存工業的人力需求，非為假想工業而設。

黎澤鑾問道：「假設我們認為某行工業會來港而為其訓練人手，要是它不來那怎辦？學員徒具沒人需要的技術，到時有誰僱用？」

他認為以訓練人力去吸引新工業有同樣危險。新工業未必一定來港。

他解釋說這種情況其實不會出現。大部份製造業，包括新來港工業，都需要有基本工業技術訓練的人材，如工程

師、技術員、裝配員、車工及工具製作員等。香港主要製造業已具備上述人材。本港工業多年來也發展至相當複雜。

紡織及成衣業在高檔市場已頗有成就，電子業已開始製作及裝配本身設計。玩具廠——塑膠業的主幹——也具備廠內技術。

黎澤鑾說：「任何考慮來港生產的工業，我相信本港已有人材基礎足以應付。新行業要考慮的只是半熟練操作人員，廠方可能要訓練員工掌握極偏狹的新技術。類似工作香港還未出現，但訓練這類操作員只需數周，不用幾年。因此，未來如真有新工業來港，我們定可

提供已備基本訓練的人手。即使需要訓練操作員，新工業也會很快上軌道。」

黎澤鑾認為本港工業前景的基本問題有兩點：第一，本港有否足夠的聰敏工人可培訓成操作人員？

他說這是人口問題。他認為新僱主聘用員工如在一千名以下，薪金夠吸引，又能符合本地一般就業條件，找工人應沒困難。

第二，有否具基本訓練的工人可供聘用？

黎澤鑾說有。只要新僱主能提供一般就業條件，就會找到工人。

他說：「十年來香港工業增長神速



，我想沒人敢說本港工業增長曾受制於人力不足問題。」

他指出若干社會變化確影響了工業界工源，比方教育設施增加及年青人比以前較遲踏入社會等。適齡工源倘於未來減少，廠家也許需要轉造加工值較高產品，或進一步機械化以提高生產力。

工業界要達到上述兩點目標，基本途徑是訓練年青人掌握基本工業技術。他說：「我相信政府知道有此需要，且正推行政策以滿足需求。」他引數例說明這點：政府已決定成立第二所理工學院和三家新工業學院，職業訓練局也將另建兩所大型新培訓中心。」

黎澤鑾強調：「本港能滿足工業發展需要。為應付工業界不斷變化的需求，培訓機構必須靈活應變。」

「培訓機構必須常有基金注入，有需要便添置設施。這樣才能靈活應變。工業要有競爭力，廠房必須追上時代，即使要用錢。最重要的，是培訓機構必須領導工業發展，不可隨後。」 □

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雖「消極不干預」仍具競爭力—— 宋凱沙

亞洲紡織月刊出版人及香港總商會紡織業委員會成員宋凱沙，對妨礙本港紡織及成衣出口的配額制極表反對。配額制是雙邊協定中的限制方法。

宋氏最近於一個有關亞太區的香港研討會上表示（節錄）：

「興建展覽中心計劃拖延了二十年，使我記起政府『積極不干預』的經濟政策。布政司夏鼎基爵士曾解釋道：『我們在香港已發展出一套可界定為積極不干預的哲學。這並為自由放任經濟巧立名目，或要掩飾放手不理的態度。』

「展覽中心一事，事實上比那『巧立名目』的政策所預期產生的效果壞得多。可以說是消極干預政策的例子。

「消極干預政策還有一例：七十年代後期，一班整染業廠家向港府申請工業用地，撥作特區以現代化整染業及控制污染。當時香港工業邨公司剛成立不久，公司業務是發展大埔及元朗工業用地，但用地條件卻非常苛刻。

「公司規則訂明，該等工業用地只可撥給佔地廣及資本密集工業，而該等工業涉及的工業程序，必須是香港未有的；或屬本港現有但技術上有相當提高，而技術水平更要比本港一般製造業技術水平高。

「要求這樣嚴格，任何廠家自然要再三考慮才會申請工業邨土地。工業邨公司更提醒申請人，如要申請獲批准，最好是提出生產本港沒造過的新產品，或計劃採用高科技生產程序。

「與此同時，中國方面於深圳成立經濟特區，香港工業用地發展有了競爭對手。一九八二年，一九九七年問題出現，申請人數驟降。工業邨公司肯放鬆條件了，但再沒有整染業人士問津——情況好比個天氣好時才肯賣雨傘的小販一樣。

「對此事要是早點有個積極決定，工業邨公司在土地及機器方面就可吸引到相當可觀的投資。整染業增加生產量對成衣業提高質素也應幫助很大。我認為政府政策應前後一致，對有意投資人士不應斷然拒絕，使他們尷尬。

「我已提出幾個消極干預的例子，現在要談的可稱為消極不干預的例子。各位可能聽過，香港的紡織品出口配額是可以買賣的，這為本港紡織貿易製造

不少混帳情況。歐美紡織入口商往往抱怨，他們來買的是紡織品，不是配額。

「可惜買家必須先付高價買配額然後才買到紡織品。手頭沒有配額的本港紡織廠與出口商也一樣埋怨，他們同樣要先買配額才能出口。另一方面部份有配額的卻只賣配額不賣紡織品。

「配額買賣逐年增加，早已劣名遠播。估計目前各種貿易協議訂下的配額總數約有四成是這樣買賣的。配額經紀人數相應增加，由七十年代的12名增至目前千多名。配額雖是無形商品，但經紀的營業額和利潤驚人。

「部份經紀更拒絕收港元，堅持要美元。有些熱門項目的配額價比貨價還高。針織羊毛衫（445 / 446 類）三月配額價是503 港元一打。自年初以來，部份配額價已上升兩、三甚至四倍。比方男裝MMF 織恤，一月配額價為51元，三月已漲至211 元。

「近年來配額管理制度每兩年檢討一次，後來改為每三年一次，現在則『每當有需要時』才檢討。每次檢討時政府都抱不干預態度，支持紡織諮詢委員會，而委員會成員大部份是手頭掌握大量配額的。每次檢討，委員會自然認為制度沒問題，配額買賣因此更趨猖獗，配額價上升，受害的是缺乏配額的真正廠家和商人。

「紡織出口貿易行內人士給賣配額的人起了很多綽號：配額吸血鬼、配額霸主、配額大王等，在官方文件上當然

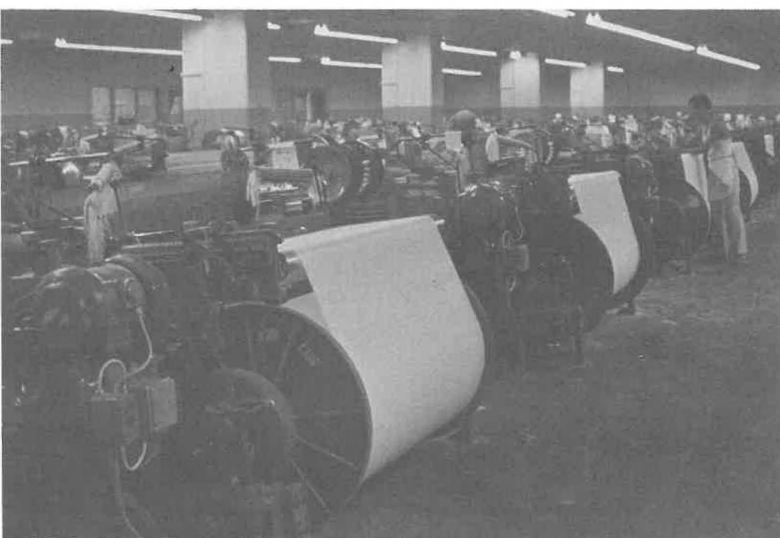
是看不到的。官方的說法，配額出售及買賣統稱為配額轉讓，賣家叫轉讓人，買家叫受讓人，配額價叫貼水。這些聽來舒服的名堂不是要掩飾個中混帳情況又是甚麼？這就是我指的消極不干預例子。

「政府對紡織及成衣工業的消極態度，無論心理上或財務上對兩個工業都有不良影響，特別是八一八二兩年，若干廠家干脆結束紗廠，跟隨潮流發展地產。部份能將紡織機器連同廠房一併售出，也有只賣得出機器賣不出廠房的。他們一方面放棄了本行，另一方面市場呆滯使他們不能發展地產。這也許是多元化失敗的典型例子。

「不過，去年有兩家紗廠已重新投資。本港服務工業不斷增長，目前是全球首位成衣出口地，本港紡紗業再被認為有機會生存，支持服裝業發展。一九八三年，工業衣車、縫口衣車及零件入口達47500 萬元，上升百份之五十八；紡紗及有關機器達10800 萬元，上述百份之廿八；織機達18060 萬元，上升百份之四十一；針織機14200 萬元，上升百份之一〇五，整染整機器達18600 萬元，上升兩成。

「數字顯示一九八三年新資金及再投資資金仍大量注入紡織成衣業，而大部份廠家對目前狀況都頗感滿意。如不考慮政治風險在內，長遠前景相當好。」

□



增加機器取代增添人手——雷康侯

大通紡織有限公司常務董事雷康侯指出，成衣業現有半年手頭訂單，八四年紡織業生意已沒問題。他認為成衣及紡織業短綫前景興旺。

雷氏認為本港未來市場將仍以美國及歐洲共市為主。他說：「美國經濟復甦得快，香港會隨之好轉。多數人都盼望共市市場在八四八五兩年大幅改善。第三世界方面卻非本港紡織品重要市場。」

雷氏是香港總商會北美洲委員會主席。他認為政治前景是本港主要及較長遠憂慮。「前途一旦明朗，香港工業家便會回復信心。屆時本港工業界才會為未來五年或十年計劃，計劃內容當然包括換新機器、擴充廠房和發展新技術。發展新技術的目是生產設計新穎精密的高級產品，並節省生產成本。」

雷氏一九五五年於波爾頓理工學院獲紡織學文憑，一九八一年以學院院士身份故地重遊，並獲頒學院勳章。他早年於波爾頓畢業後再往東南麻省大學深造，獲理工學院紡織生產及管理學士銜。

今年六月雷氏將往麻省母校，屆時大學托管委員會將授以紡織科學博士學

位。雷氏為理工紡織諮詢委員會主席，多年來積極促進工業訓練，促使本港紡織及成衣業成功邁向高價市場。

雷氏指出，要抵消工資上升影響的唯一方法，是向紡織及成衣業注入大量資金，並以增添機器代替增添人手。在這方面，他認為今年銀行貸款利率下降及滙價重新企穩是好現象。

滙價低對本港出口有利。他說：「只要貨幣穩定，本港可以提高出口價以抵消入口原料價上漲。」本港輸美貨品多以美元報價，輸共市則以英鎊或美元報價。

雷氏在香港經營紗廠及布廠各一家。他認為紡織及成衣業將繼續朝品質而非數量發展。配額限制雖使出口越發困難，但他相信只要品質不斷提高，本港應能維持海外市場及利潤。

他認為香港在日本市場的生意確有改善，但日本市場對本港廠家並不算開放。南韓台灣的出口較便宜，日本也因此向他們買得較多。

他說：「本港廠商需要多元化，且不可捲入與台韓廠商的競爭中。日本與台韓貿易簡直是以物易物式的，我們沒

法控制局面。香港與日本的貿易關係是自由市場式的，也開放得多。」

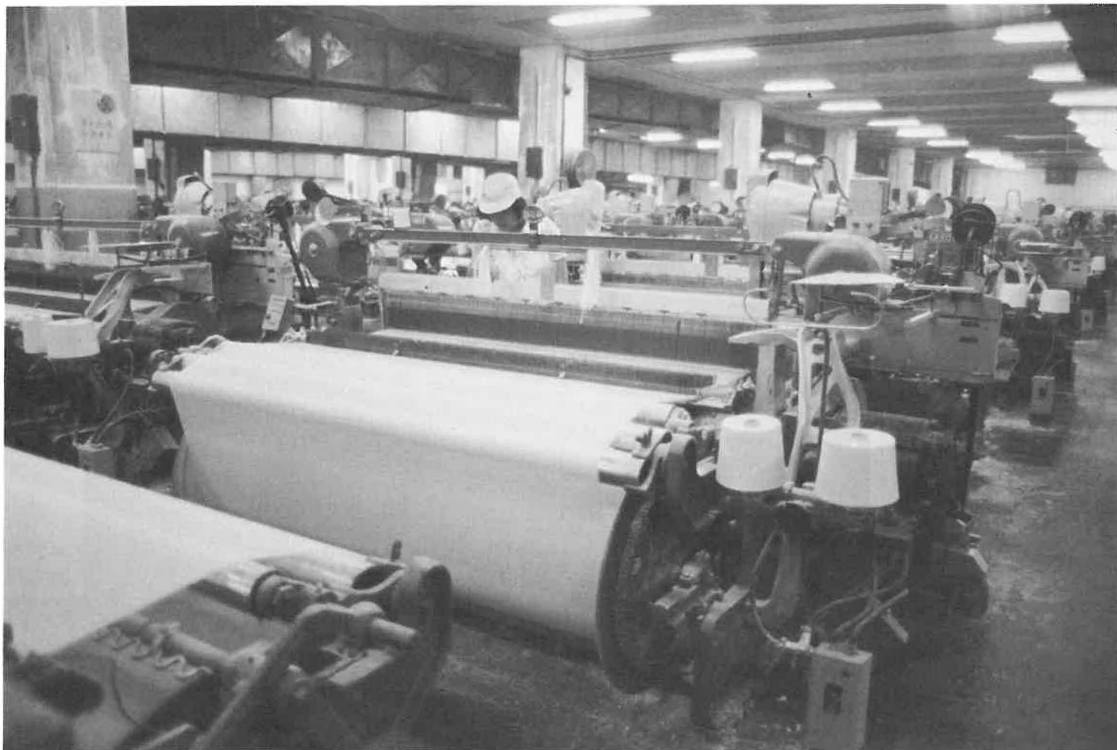
雷氏說香港向日本買入大量紡織機器。他指出日本製造資本性產品的特色是每年推出新產品，並希望顧客每五年換新產品。他說歐洲機器通常可用七至十年。

他說日本在全球的推銷實力幾乎是無懈可擊的，無一國家是其對手。日本推銷網聯系緊密，市場研究出色。香港公司至今仍未能以日本模式將推銷網國際化。

雷氏指出，日本衣料及纖維（特別是人造料）已控制市場。日本時裝設計及印染需求也很大。

不過，香港紡織及成衣雖有八成用棉，棉料卻不靠日本供應。本港主要供棉地以往是巴基斯坦，現時是美國，未來估計也不會有變。

雷氏預期今年總統大選年過後，因實施新限制而緊張的港美貿易關係應可緩和。雖然共和黨不斷提出新入口限制，但雷氏認為共和黨勝出會較民主黨得勝對香港有利。他覺得共和黨一般政策可能較傾向與本港進行自由貿易。 □



強勁增長不再——基士利

寶光實業集團行政總裁基士利指出，日本與瑞士為控制世界手錶市場的龍爭虎鬥，日本已勝券在握；香港手錶業以裝配成品為主，日本得捷對香港並非好事。

基士利冀望本地手錶業會進一步大幅增長，但相信只要產品質素和信譽良好，這一行仍有利可圖。

他認為瑞士錶業面臨存亡問題是由本國錶廠的短視政策一手造成，瑞士政府實無須負責。

基士利稱，瑞士一度很著重維護本國錶業高級形象，以便其他瑞士出口產品也沾上高級貨形象。但瑞士錶業界目前銀行負債纍纍，其他工業如化工及藥品等的重要性已後來居上。

基士利說瑞士銀行都是經驗豐富而現實強硬的。他推測瑞士銀行假如業績不錯又時機成熟，勢將釜底抽薪，趁機向瑞士錶業索償貸款。他說萬一瑞士錶業崩潰，日本將壟斷手錶零件市場。目前日本政策是以高級零件供應香港等主要裝配地。瑞士競爭一旦消失，日本供應零件政策就可能變，或堅持只供應完隻手錶。

他說瑞士錶業人士逼使香港嵌錶廠向日本買零件，港產錶因此越來越接近日本錶的潮流款式，瑞士錶界這樣做無疑自毀前程，加速日本壟斷局面出現。

他認為瑞士製錶廠商的想法是一廂情願。這類廠商擁有和零售不少牌子產品，他們認為處處為難香港錶廠，拖慢香港生產，本港就得逼著跟他們交易。這是荒謬的。

基士利指出瑞士對香港的態度以前不是這樣的。港瑞間曾有特別委員會製訂使用瑞士零件的規則，當時兩地合作愉快。但那些日子已一去不返。

瑞士公司現時處處挑香港的不是，更指責港產錶用瑞士錶肉，殊不知香港廠家是當地錶肉廠的大客。瑞士錶廠日益重視牌子、形象、風格和設計，事實上他們只是時裝公司而非錶廠，只外發手錶生產或收取版權費。很多這類名牌公司的產量都不及香港，這是瑞士錶肉廠的弱點。

過去十年來估計已有600家以上瑞士手錶公司倒閉，餘下的在銀行支持下大多已重組及合併為集團，因而不同牌子在同一集團內常有直接競爭。部份名

牌無可避免遭淘汰，錶業同時出現結構性轉變。使情況更複雜的，是很多本來與手錶公司無關的大型錶肉廠為生意計逼著收購手錶集團，他們的矛盾，是一方面極需要生意，另一方面卻不大高興要推銷跟本身牌子競爭的產品。

基士利指出，瑞士方面假如對香港採鼓勵性措施，該國可能已超越日本成為世界手錶零件供應國勁旅。瑞士當初如這樣做，市場會有更多良性競爭，消費者也會有更多更好的中價貨選擇。不過現已太遲。

日本並不滿足於現時所佔之世界市場比率。它有意控制全球手錶市場，且正向香港等地供應高級零件。

有朝一日，瑞士再無法賣出過剩零件，該國錶肉業就會倒下。瑞士錶廠生意一直是靠向國內推銷剩餘零件。當然，有部份特別的瑞士錶牌子是會歷久不衰的。但以世界貿易計，這類牌子實微不足道。

基士利指出，法國限制港產石英錶，責任非全在法國。法國錶廠多是日資公司，因此，理論上法國對香港這對手自然比對日本敏感。法國本身無意控制世界市場。對法國來說這是國家內部及政治問題。另一事例是法國促使美國Timex公司由英國遷往法國。

另一方面，瑞士則較自主，也沒採政治立場。瑞士跟香港的問題源自錶公司本身，法國跟香港的糾紛則源自政客。

基士利說香港不斷尋求快速強勁的工業增長，但今時今日要有這類增長已比以前困難。他個人認為隨著消費態度轉變，眼鏡製品生意應大有可為。身為國際眼鏡有限公司常務董事及專業眼鏡中心有限公司主席，他對眼鏡業前景十分樂觀。

他說消費者現已不比以往般抗拒戴眼鏡，鏡框因此已成為時裝項目之一。眼鏡甚至是名人如蘇菲亞羅蘭和艾頓約翰耀目形象的一部份。眼鏡成為很多人的必備衣飾。基士利名下眼鏡公司現為很多知名牌子及時裝公司生產太陽鏡及鏡框銷往全球。

不過，香港並無生產造鏡框的高級塑膠，這是不利本地眼鏡工業發展的因素之一。

基士利提醒消費者應小心選擇正確的眼鏡框。「香港有很多所謂光學師都

是沒受過專業訓練便執業的。」他說。任何人都能在數周內學會用先進電腦驗眼儀器為顧客配眼鏡，但不能察覺顧客的眼部毛病並及時矯正，任由情況惡化至無法補救。相反，具專業訓練的驗眼師不單能應付上述問題，還能發現像高血壓等必需處理的其他健康毛病。

他說政府已注意到驗眼師問題，並已有計劃盡快改善情況。不過，訓練專業人材需時，本地眼鏡業也要時間招聘具合格訓練的職員。身為Better Vision Institute of America的成員，基士利說他的眼鏡公司野心頗大，新店全僱用合格驗眼師。「這樣做自然比用非專業驗眼師的店號賺得較少，但為促進本港眼睛保健水準，我們也算盡了點社會責任。」香港理工學院有光學訓練課程，基士利不單全力支持，更希望具專業訓練的本地驗眼師於不久將來即能為市民提供專業眼睛保健服務。

不過，要生產高級眼鏡，香港一大缺點是無法生產造鏡框的高級塑膠或金屬綫。這類行業的發展機會其實很大。

歐洲的鏡框廠只需24小時就能造出合時色澤的原料交貨。香港則需三至四個月時間落單訂料和入口。此外，部份鏡框是衝壓出來的，歐洲廠往往與原料商協議，原料價是以產品淨用量計算，廢料可自動獲退款，從而減低生產成本。香港則很難照辦。

基士利認為香港可投身各類原料加工生產比方塑膠、紡織、印刷、電子綫路印刷甚至高級金屬等。

他認為香港也缺乏鑄銅廠。本港廠家要造高質產品必須入口基本金屬原料，而生產成品用剩原料的價值，也不及歐洲廠的高。供應商遠在海外，要更改原料尺碼或種類也很困難。

他認為中國是購買高級原料的龐大潛在市場，中國工業也正朝高級出口發展。他相信香港有人有意在這方面投資，但必須先解決前途信心問題。投資畢竟要錢，數目可能足夠本地投資者在海外建基立業。

基士利相信海外人士會繼續在港投資。即使作最壞打算，香港最多變為廉價工場，投資者仍可在這繼續生產。海外人士不怕經常性開支會上升，也不怕生意會收歸國有。 □

香港缺乏大型集成電路廠——周湛煌

誠昌電業有限公司執行董事周湛煌指出，希望香港有朝一日能成為與瑞士甚至日本同級國際高級名錶生產中心，只是一廂情願的想法。

他認為基本問題是本港缺乏大型集成電路廠，不足以供應錶廠生產過程或科技突破必需的集成電路。本港廠家也太著眼短綫利潤，不願投資發展集成電路和長綫市場拓展策略。

香港手錶業於七十年代後期美國帶入電子錶零件及電子錶製作知識後隨即起飛。誠昌本是小規模錶肉裝配工場，七九年轉而生產電子錶，現已增至每月80萬至100萬隻，有操作員180名，另工程師及品質控制員60名。液晶體跳字錶肉來自精工及星辰，錶殼錶帶來自本地其他工廠。成品多銷美國。

公司在澳門有分廠，最近更在愛爾蘭設廠。據周氏稱，愛爾蘭發展局為機械及培訓支出提供的津貼相當慷慨（據稱有300家以上日本及美國電子公司已在地設廠，包括雅達利、王安、寶麗來及日本電器）。周湛煌認為港府有能力，也應參考愛爾蘭當局的做法，在塑造錶業前景方面扮演更積極角色。

他呼籲政府向電子產品課出口稅，以成立專利權翻查中心。這不單可幫助廠家自我保護，部份有意發展資本密集產品的廠家也可免後顧之憂，安心進行計劃。他說本港商人仍不太尊重專利權，在海外的名聲並不好。成立專利權翻查中心對改善香港在國際間的形象可能有助，也能使香港真正參與高科技工業發展。

他說：「我相信政府很難會積極考慮專利權辦事處的意念。我們也不要立即有解決方法。要緊的，是港府不斷努力解決這問題，而不是任由廠家碰運氣。」

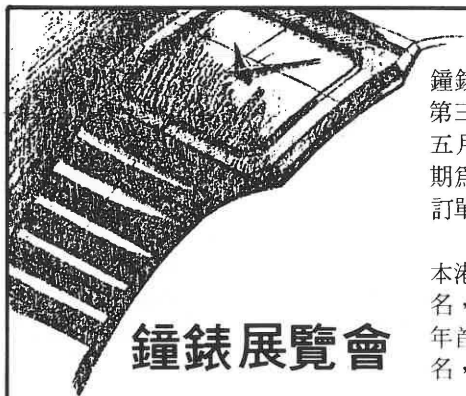
他認為本港錶業受環境及條件所限，實不應冒險進軍高級市場。首先，香港極依賴日本錶肉供應，因而無法發展本地生產。即使有本地錶肉生產，日本錶肉因大量生產關係價錢已降至30日圓一隻，香港根本上沒法競爭。

第二，日本中價錶實力之強，就是瑞士也敗於其手。對任何中價錶出口地日本都是勁敵。因此香港應走謹慎路綫，滿足於低價消費類手錶。目前精工和星辰等日本牌子已推出適應

低價市場的副牌子，不過周氏認為日本錶無意控制全部低價錶市場，推出副牌子只是想佔據部份市場。他說：「香港是買日本廉價錶肉及零件的大客，日本不會傻至自絕客路。」

技術人材方面，他認為錶業如真要進行研究發展工作，人材應沒問題。他指出美國很多集成電路大機構都聘用香港畢業生，本港錶廠倘能提供良好的職業前景，這批人材大有可能回來工作。

他覺得缺乏資金是癥結所在。向錶業注入風險資金可能是解決問題的重要一步。他指出風險資金注入工業可為投資者帶來相當吸引的利潤，美國已證明這點。 □



鐘錶展覽會

由香港鐘錶展覽委員會主辦，香港鐘錶業總會及香港錶廠商聯合贊助的第三屆香港鐘錶產品展覽會，將於今年五月十四至十七日舉行。展覽會原訂日期為十月，但為使廠家有較多時間應付訂單，故提前於五月舉行。

上屆鐘錶產品展覽會共有八十九家本港商號參展，本地及海外訪客共3,353名，接得訂單36500萬港元。一九八一年首屆展覽參展商號為86家，訪客3000名，接獲訂單值10,100萬港元。

今年將有94家商號參展。另有30家

申請商號已因場地告滿被逼放棄。訪客及訂單預料也將大幅增長。

展覽會除做生意外，主辦機構也視為促進本港手錶設計的好機會。今年展覽更舉辦手錶設計比賽，公開組及學生組現已接獲170份以上參賽作品。破壞專利及版權等官司使本港廠家受了教訓，很多廠家已明白長遠解決方法是培養本地鐘錶設計人材。消息指出，鑑於今次手錶設計比賽學界反應熱烈，李惠利工業學院現正考慮將手錶設計列入課程。 □

我們不會爭到「勢利」市場——

許戈林

寶昌鐘錶有限公司執行董事許戈林指出，本港手錶工業結構特殊，競爭國家如利用香港作為生產地或推銷據點，比以保護主義限制港製錶入口會更聰明的做法。

香港約有1700家錶廠，包括錶帶、錶殼、錶面及高水準電鍍廠等，這類輔助性生產是本港錶業實力所在。手錶配件工業吸引了瑞士、德國及日本廠家來港設離岸工廠，大大促進了本港製錶出口。許氏估計香港錶出口總額有一半來自外資公司。

另一方面，本港幾乎完全沒有機械及電子錶肉生產，許戈林認為這是嚴重弱點，短期內也不會有解決方法。「我們想不到香港可以怎樣發展本地錶肉生

產。本港缺乏造錶肉的資金和生產規模。」

寶昌公司的發展，反映了本港錶業五十年代以來的幾個階段。寶昌於一九五七年成立，最初是機械錶貿易公司，後更裝配機械錶。一九七七年決定裝配電子跳字錶，但翌年公司高層認為液體跳字錶的潮流變得太快，很難追上，因此決定放棄生產跳字錶。目前重點是石英行針錶。由今年一月起寶昌已不再接跳字錶訂單。

寶昌向瑞士及日本買石英行針錶肉，配以港製錶殼錶帶。今年生意預料可達3千萬元，較八二年多一半。公司牌子是「天馬」，但許氏說推出本廠牌子只屬嘗試性質，佔生意額很少部份。

他說香港錶業最可能的發展是成為外國原廠組件生產地，情況與目前的電器工業相似。過去十年，科技發展大大縮短了廉價錶與高價錶之間的報時準確性差距。港製錶在功能上已跟日本頂尖兒牌子看齊，因此香港實是離岸生產及推銷的理想基地。他認為香港最大的發展潛力是低價跳字錶和中價石英行針錶，至於被歐洲名牌一直壟斷的首飾錶「勢利」市場，香港的機會極微。

他認為最理想是政府能為錶業提供有關資訊、製訂出口品質控制方針或規則及成立研究中心，扶助錶業發展。

他說：「廠家在香港享有的自由固然寶貴，但不干預政策也限制了工業發展，這是廠家的矛盾。手錶與電子業都

樹大招風

香港錶廠過去兩年的經歷，也許反映了新興工業國面對國際貿易保護主義情緒的種種困難。

今年年初，法國政府罔顧一般貿易及關稅協議要求解除限額的決定，繼續限制港產電子錶入口。限額是4400萬隻。法國單方面限制，自兩年前實施以來限額一直沒變。

較早時的另一打擊，是50多家本港錶廠被控於去年四月日內瓦某展覽會中抄襲瑞士錶款式。事後一班瑞士廠商更控告超過15家本港公司，指他們侵犯版權。連串事件使本港錶廠減產，部份訂單因此擱置甚至取消，損失數以百萬計。

行內人士大多認為，香港錶業所以招惹這麼多麻煩，原因是七十年代後期以來本港手錶出口增長實在惹人羨妒，即所謂「樹大招風」。

一九八三年本港出口手錶超過2億7000萬隻，總值6億2000萬元，較八二年總值升百份之六十。香港手錶出口數量為全球之冠，出口值則居第二位。香港錶業在亞洲只遜於日本，據稱製錶已成為本地第三重要工業，並在短短十年內取得國際聲譽。

香港錶廠商會為保障錶業，已強烈反對法國限制，且已向最近訪港的英國工商部助理次官高利反映意見。廠家也向英國貿易大臣程隆表明立場，據稱程隆曾答應在英國提出這事。本港貿易署已著手處理限額問題，正謀求與法國政府談判。

本港輸法錶數量跟其他市場比較雖不多，但廠家恐怕法國此舉會開先例給其他入口國追隨。

香港錶廠商會會長謝寶泉認為，瑞士指責本港商號抄襲款式及侵犯版權一事，是溝通不足多於明知故犯的結果。廠家不知不覺造出與瑞士牌子極相似的款式。諷刺的是，廠家並不知道產品越高級，侵犯版權的危險就越大。

謝寶泉說：「香港沒有任何政府組織或機構供錶廠翻查核對專利款式和版權。錶廠商會正努力與瑞士方面達成協議，設立途徑使香港廠家能掌握有關專利及版權的最新資料。」

謝寶泉在錶廠商會已服務了8年。他指出8年來會員由60多家商號增至目前差不多300家。會員增加，顯示廠商在錶業日益複雜和競爭激烈的

環境下尋求團結。

RCA版權費問題是例子之一。他指出美國RCA公司已同意將版權收費由原來要求的美金3仙減至每隻液晶跳字體收美金1.5仙。這是錶廠商會與RCA長期協商的成果。據估計，錶廠商會的努力將為本港錶廠節省300萬美元。商會現正嘗試說服RCA將協議有效期盡量拉近，有可能是由一九八四年一月一日起計。

商會另一發展是過去兩年來重點轉移。手錶業漸向高價市場發展，商會也由照顧低價錶廠商漸轉向著重中價錶廠商利益。

貿易署要求法國取消電子錶入口限制的行動雖未有結果，但錶廠商會（全港唯一同類組織）在關乎工商業的法定或諮詢組織中並無正式席位卻是不爭事實。商會上屆會長許戈林一度是改組前叫工業諮詢委員會的委任成員。許氏是抵制法國入口拔蘭地行動的發起人。謝寶泉相信，要成為有效的庇護廠商組織及加強討價還價能力，商會應在建制組織中力爭正式代表席位。 □

面臨同樣問題。錶業過去雖全無政府援助而不斷壯大起來，但長此下去，錶業很難在香港紮根。」

他相信本地市場小是錶業在此紮根的主要障礙。廠家不想再投資，因此在零件生產和拓展市場方面永無法自給自足。他認為中國倘能向本港錶產品開放市場，將是促使本港錶業紮根的大好（也許是唯一）機會。

工源是另一大問題。錶業今年剛開始重新增長，但他已覺得廠內工人流動性有上升跡象。經濟不景時很多工人都轉業當小販，有很多都不再返工廠工作。他相信本港勞動力對工廠工作仍有

偏見。這種偏見牢不可破，政府也要負點責任。

他說：「政府長期忽視工業，而教育政策促使精英人材流入金融和地產界。過去20年香港經濟急劇增長，香港人對『一夜成富』的幻想因此越來越深。每當經濟復甦，這種心態便使勞動人口流動性攀高。」

許戈林是香港錶廠商會一九八一至八二年會長。任內他強烈反對法國單方面歧視性限制港製跳字錶入口。他指出，錶商是經與港府商議及向法國當局多次表明立場後才進行杯葛法國入口拔蘭地的。杯葛行動由一九八二年八月持續

至八三年初。事後，他認為杯葛行動確能表示錶業人士對法國政策甚至港府優柔寡斷態度的不滿。

他說：「杯葛行動使法國拔蘭地銷路於八二年第四季大跌，入口商被逼要推出歷來最龐大的贈品廣告攻勢以挽救銷路。由此可見，香港仍有實力對付不公平的要求，自由市場的精神也不容輕估。」

許戈林預料法國政府終於會取消跳字錶限額，或對所有出口國實施類似限制。 □

特別工作小組建議 基建輔助計劃

工業發展委員會特別工作小組最近發表報告，建議政府支持工業科技發展。這是香港工業發展的里程碑。工作小組主席為工商司何鴻鑾。小組研究了香港生產力促進中心電子業顧問研究報告提出的九項具體建議。

工作小組認為首三項建議原則上值得支持，即於香港成立電子科技發展中心，精密金屬加工中心及電腦結合製造技術中心。

工作小組根據報告指出（節錄）：

「與其他工業比較，電子業要製造新市場需求其實，比其他工業容易得多。相比之下，本港主要製造業如紡織、成衣和玩具雖可通過改良產品及增加產品系列拓展市場，但由於市場會飽和，這種做法的效果也有限：

「相反，電子業的市場機會幾乎是無限的。收音機、電視機、計算機和電話等以往全是奢侈品，現時即使中下入息階層也買得起。電子產品像電腦、通訊產品、機械人及自動化器材等在工商界甚至部份家庭也日漸流行，產品市場正快速擴大。

「電子產品系列中個別產品雖會因新產品出現而過時，但電子產品發展對人類未來生活的影響卻是無可限量。不過，要充份掌握電子業發展提供的新機會及從中得益，必須有充足的輔助科技及推銷能力。

「香港各製造業中，應用電子產品及零件於生產上的很多。舉例說，成衣

及機器業在提高生產程序質素方面運用電子零件的情況越來越多。由於電子零件成本下降，現有產品將有更多電子功能，新產品的趨勢也一樣。

「特色之二——科技發展——與第一點相輔相成，重點是市場機會。電子產品變化不盡，市場機會也因而龐大無窮。因此，全球電子工業已在研究發展方面大力投資，未來策略也如是。

「新產品市場因此不斷出現，現有產品成本也顯著下降。香港生產力促進中心認為本港於研究發展方面已落後於競爭國家，本港工業界投入較高科技領域的能力因此嚴重受制。

「特色之三，是電子工業與其他製造業發展是唇齒相依的。電子業需要系列廣闊的輔助行業支持。即使技術密集產品，不少零件也來自金屬及塑膠廠。

「電子零件成本正急劇下降，但使成品增值及製造市場機會的是電子內容。電子業對所有工業都有連鎖影響，所以不能獨立考慮。

「有見及此，很多先進國及發展中國家都積極發展電子業。從整體經濟發展看，電子工業不單限於電路、晶體管、集成電路等零件或玩具及家庭電器上的電子裝置，也包括形形色色的輔助工業，如塑膠、金屬、電鍍及所有輕工程工業。沒有輔助工業支持，電子產品根本無法成形。

「電子業可說是多種工業的混合體。電子業及其輔助工業滿足社會多種需

要，電子業本身則生產多類具備電子電路的成品。輔助電子業的種種服務及技術某程度上也可視為對整體製造業、甚至整體經濟的輔助。

「因此，生產力促進中心報告中提出的發展策略，針對目標包括狹義的「電子業」及以外的廣泛工業活動，為其提供種種支持。

「開放市場中電子業競爭劇烈，追不上市場需要者立即落敗，這情況比任何國際性行業都要明顯。香港電子業重點是生產方面，因此十分脆弱。其他地方的成功電子公司證明，這一行要穩定發展，就必須在推銷及科技發展上投資。

「電子工業假如單裝配成品，增值的幅度會很小。要增加增值，電子業必須從現時的裝配密集階段走向多元化，朝其他方面發展。推銷及科技是提高電子業增值的兩大因素。要在電子業有成就，不單科技要出色，還要配合優良的推銷觸覺。

「生產力促進中心報告指出，香港電子業基本上集中在生產而非創新方面。這樣做無疑避免了發展推銷及科技發展的風險，但產品增值也同時偏低。鑑於電子業的特色，及其於香港經濟中及相對其他製造業的角色，生產力促進中心提議當局應採較主動態度。

工作小組指出：「本會同意電子業確有其特色，而基於香港生產力促進中心研究所得，已初步建議為整體電子業建立一輔助計劃。鑑於本港情況特殊，

最實際可行的方法似是成立電子科技發展中心（與生產力促進中心提議的電子科技發展研究所只是名稱不同）。此舉可大大刺激本地工業改善生產，及運用電子產品市場機會。

「至於電子科技發展中心的長遠財源問題，本會認為工業界並不反對付款支持提供必需服務的機構。香港生產力促進中心的微型電腦應用實驗室因應工業界需求現正擴展服務，財源也隨之鞏固。由此可見，業績好機構便能自行壯大。

「預料電子科技發展中心於頭五年後將能填平直接成本（即直接薪酬支出及直接計劃成本）。服務上軌道後，電子科技發展中心將逐漸減少徵求外界捐款。

「因此，計劃必需為該中心提供初期財政來源，比方說五至十年，之後中心應能自給自足。假如我們沒判斷錯誤，電子科技發展中心是電子業所需的輔助設施，因此電子業應樂意出錢贊助這計劃。

「建議中的籌集基金方法類似成衣業訓練附加稅，即向電子業本地出口從價課稅（指最廣義的電子業）。一九八三年頭11個月，電子產品及帶電子內容的本地出口總值約達220億港元。報告估計初步基金需每年4千萬元，要籌夠此數，稅率約為百分之零點一七，即成衣業訓練附加稅率的六倍左右。

「基於幾點理由我們認為這建議不大理想。首先，每年4千萬元要求太高

。第二，組織運作不是一蹴而就的，必需漸進發展。還要考慮的，是電子業倘如預期般增長，課稅所得也會隨之上升，到時便應加速電子科技發展中心財政自給自足。因此我們提議應與成衣業訓練附加稅齊齊，定稅率為百分之零點零三，每年收入700萬元左右。估計此數應夠開辦研究中心。

「工作小組也注意到，生產力促進中心的建議對電子業固特別有利，但對整體製造業也有裨益。有見及此，我們建議上述出口稅亦應推廣包括以下各類本地出口：一般被視為電子產品者，或電子產品所用零件及部份，和任何有電子內容的產品，電子部份如何細微也照算。即幾乎包括全部製造業。

這樣抽取的稅項就可用於工業發展委員會建議的一般工業發展項目，包括研究發展計劃。當然，當局必會就課稅項目及稅款運用範圍徵詢工業界、特別是電子及與電子有關的行內人士意見。

工業界人士對此事的意願雖是未知之數，但我們認為將電子科技發展中心設於某現存組織內以增加該組織的服務（起碼最初如是）也未嘗不可。另一做法，是成立一全新機構容納電子科技發展中心及建議成立的精密金屬加工中心。

本地缺乏精密金屬配件供應，對技術密集電子業的未來發展構成阻礙，尤其電腦配件行業所受影響更大。有見及此，生產力促進中心於報告中提議成立精密金屬加工中心，提供優質的承造精密金屬加工服務，此類服務是私營廠家

無心也無力提供的。

「鑑於電子業生產涉及多種工業，而電子科技發展中心成立之後，正如生產力促進中心報告指出，本地電子業對精密金屬配件的需求必增。因此，我們認為成立精密金屬加工中心，對整個行業的縱式結合將提供一重要輔助機構。精密金屬加工中心成立後可與電子科技發展中心並列運作，由工業界資助。

生產力促進中心報告也建議成立電腦結合製造技術中心，協助電子業運用現代電腦科技設計產品及改善生產程序，增加港貨於世界市場的競爭力。電腦結合製造技術中心是個很闊的理念，包含很多題目，就本港現階段發展部份似嫌太先進，未宜引入本港。因此，生產力促進中心提議初步重點應為電腦輔助設計及電腦輔助生產。

「鑑於電腦輔助設計及電腦輔助生產適用於整個工業界，生產力促進中心將此建議抽離電子業報告而轉入工業自動化小組建議書，另行呈交港府。

「我們同意現代電腦技術關乎本港工業未來發展，並原則上支持電腦結合製造技術中心的理念。這理念可在工業自動化小組的建議下繼續發展，或可與電子科技發展中心及精密金屬加工中心兩項建議並列，作進一步考慮。工業自動化小組建議倘無法實現，我們認為應仍獨立考慮電腦結合製造技術中心的建議。□

要經營得法商號津貼小公司實欠公平——祈度華

BSR International 集團總裁祈度華指出，本港電子工業前景，視乎本地能提供多少研究發展。他的假設，是本港電子業逐漸脫離裝配成品階段而朝較成熟的模式發展。

不過，他反對政府成立出口稅資助中央研究發展中心的意念。他說：「研究發展是高度方向性的。要使研究發展結果適用於多種製造業只會浪費資源；而經營得法的商號到時更要津貼小公司，實欠公平。」

祈度華相信香港成功的因素是自由放任經濟體系加上企業精神，本港經濟因而有自我調節的能力。BSR屬下的電子生產機構是雅達電子有限公司。雅達是14年前在本港成立的。選香港的原因，就是企業家在這兒有極大自由。

祈度華認為本港電子業缺乏工程人材，特別是機械工程師。精密配件零件

廠也不足。他認為政府如真要扶助工業，應設法吸引生產高級零件/配件公司來港生產，從而建立電子業基礎。本港電子業目前太倚賴入口零件和海外僱員的專業知識。

他說BSR集團對香港現狀及長遠前景均表樂觀。本港地價、租金及薪金水平已大降，集團總部也於去年遷來香港。

他指出政治不明朗因素的確存在，但廠家實無需像地產商般為政府與政治憂心。雖受九七緊張情緒影響，但本港生產力仍然良好。無論現在或將來，香港在區內的角色均十分重要。

不過，他指出BSR不會將業務全放在香港。集團於亞洲及世界各地共有22個生產中心，大可以挑最方便舒適的地方作總部。他說港府倘頒佈太多制肘工業界的法例，BSR會考慮再遷總部，比方說搬去馬來西亞。

他說目前的確有大量資金游離，投資人士正待進一步消息始決定再投資。不過，眼前最逼緊的問題是中層管理人員缺乏信心。

他認為香港沒可能效法歐美及日本成為高級電子業中心。歐美日本是電子工業重要發展的來源地。他指出：「香港的學術背景根本不足以產生科技突破。另外，科技發展總是市場帶動的，本港市場實在太小。」香港電子業人士應做而能做的，是在可駕馭的科技範圍內，利用優良通訊設施設計有用的產品。

祈度華認為中國市場潛力龐大，電子業肯定會在中國出現。BSR集團希望香港成為中國面對世界市場的通道及推銷基地，對中國汲取西方科技發揮過濾作用。□

他們將仍處理四成本地出口

香港出口商會不久前進行的調查顯示，該會170名會員之業務佔本港本地出口約四成。該等專業性貿易商對本港工業發展貢獻良多，未來也將發揮重大影響。

本港工業界自八三年美國經濟開始復甦以來，出口業績突飛猛進，在本港經濟重建領導地位。「工商月刊」訪問了天祥洋行常務董事蘇沙，評價出口商在本港經濟的角色。蘇沙為香港總商會紡織業委員會成員。

蘇沙指出，上海紡織業人士在五十年代來港建業，稍後成衣業也來港發展。在此以前，香港雖有廠生產電筒用電池、低價成衣、鞋和傘等，但產品質素並不常適合先進國高級商店售賣。

當時本港產品大多輸往非洲等地；雖有部份輸往英國和澳洲，但多再轉口往較落後小國。部份出口商以處理品種少但數量大的貨物為主。有些商人卻認為出口生意有潛力發展得更專業化。蘇沙說：「天祥洋行率先成立辦貨處及做代理。我們也許是全港首家以專業化手法做出口生意的機構。」

「我們的業務包括代表海外買家（非本地廠商），鼓勵及聘請本港廠家依客人要求生產，做市場研究，提供新意念新設計和執行品質控制。本港廠家也因而受惠。

「我們的做法無疑使工業界人士了解潛在的市場需求，從而促使廠家投資發展新意念新產品、改善廠房、設備和產品設計器材。香港工業由此發展起來，開始與日本競爭。

「時至今日，香港已是若干主要消

費品的頂尖兒出口地之一。無論成衣，玩具及手錶香港都是一流的，電子也進步得很快。種種發展其實對香港其實有甚麼意義呢？

「香港只有328平方哩大，毫無天然資源。然而全球雙邊貿易香港排名十四，全球出口地香港排名十九。工業對香港人生活質素貢獻極大。

「香港現時生產大量本身設計的新產品，而非單抄襲外國款式。天祥及其他類似機構，透過買貨一直對本地發展新設計有幫助。

「天祥行政人員到全球各地找新產品，並策劃海外買家在本港市場買貨。天祥是香港出口商會創辦會員之一，商會調查顯示，海外大型零售店買港貨數量日漸增長，證明我們的努力已奏效。

「香港已成為該零售極重要貨源。本港出口以可靠、品質和交貨準見稱。海外買家對香港極有信心。

蘇沙說：「甚麼因素使香港有今日的成就？我想功勞不能盡歸出口商的努力和廠商的應變策略。港府一手建立的基本設施也貢獻良多。香港在鄰國芸芸對手中確是領先。

「我們的基本角色是提供服務，比方做融資、有關文件和市場研究。控制品質方面我們也擔當重要角色。我們親往工廠檢查原料，監察部份生產及採用品質檢定機構服務，比方檢定棉料韌力、收縮度、磨損度、縫口是否脫開、抗張強度和鑒定纖維等。

「本港各設備完善的化驗所都有這類檢定服務。越來越多各地零售商堅持店內擺賣的貨品水準必須穩定良好。」

蘇沙指出保護主義是本港工業增長的障礙。西方國家縮減本港配額，他認為非常可惜，而受害的是逼著握貴貨的西方消費者。保護主義是通脹的禍根。

他認為每個國家都應生產本身做得最好的貨品，自由貿易對消費人有利，不應縱容保護主義橫加干預。

「我們的業務根本就是為世界消費者提供服務。只要本港保持貿易作風誠實可靠，本港出口應可進一步增長，對全球消費者繼續作出貢獻。這樣，海外市場對港貨的需求也會日益增加。」

他說人力是本港一大優點。本港工人靈活、勤奮、生產力也比其他國家高。工人樂於接受挑戰，這是香港成功的地方。

他指出天祥洋行開業時員工只有6名，現時已超過300。

天祥辦事處超過4萬3千方呎，另有36家陳列室，展出適合世界各地連鎖店及百貨公司售賣的港貨。

公司業務已全盤電腦化，手頭有3千家以上本港廠家資料。每年接待1千5百多位訪港買家。海外辦事處有12家，分佈地由日本至斯里蘭卡。公司業務對酒店及旅遊業也間接有助。

蘇沙指出，天祥洋行知道本港較具規模的廠家已自行研究市場、設計產品及安排融資事務。但大部份廠家仍屬小規模，出口商提供的服務對他們仍很有用。

一九九七問題雖懸而未決，但蘇沙相信地價廉宜下，工業界人士對投資香港仍然樂觀。 □

土地已不成問題

土地、資金與勞動力是三大生產因素，影響工業發展。本港土地供應現已不成問題，情況跟兩三年前大不相同。

地政署於一九八三至八四年財政年度售出市區工業/貨倉用地1幅，面積2,950平方米，新界同類土地售出6幅，共42,238平方米。同期間內，新界地賣不出的共有9幅，共16,705平方米。

地政署建議於今年四月一日至九月卅日期間出售市區地3幅（6,650平方米）及新界地1幅（6,500平方米）。假如有人申請公開拍賣（像不久前的金鐘二期地段），該署準備出售另31幅新

界地（112,645平方米）。

地政署暫定於一九八四至八五年整個財政年度售出市區6幅工業/貨倉用地（12,980平方米）及1幅新界同類地段（6,450平方米）。申請表上還包括另外兩幅市區地（7,950平方米）及36幅新界地。

四月一日至九月卅日期間供公開拍賣（或投標）出售土地的臨時土地買賣預算見諸表甲。表乙顯示過去九年賣地收入數字，平均佔總收入百分之十七。

地政署長杜迪指出，近期土地買賣已接近或相等於政府重置成本。平均價

格為每平方米1,050元。不過地價雖這樣低，但除地點較佳者外仍缺乏買家。

他說地政署已將土地發展比例由九點五改至4甚至3，希望吸引買家，但因此而出價的人並不多。

他指出除荃灣及市區外，地價普遍偏低。最近成功賣出的新界工業用地，都是供特種用途的。

杜迪說沙田有數百萬平方米土地空置。廠房空間供過於求。售出的土地價錢也比星加坡的低。

他指出入住沙田的人仍喜歡留在市區工作。他們只是搬入沙田住，不是工

作。

比方說，沙田居民雖有機會在該區就業，但他仍會留在官塘原來僱主處工作。在市區原有服務機構的積累年資使僱員不會貿然轉往沙田工作。

杜迪說：「勞動力流動性比我們預期中低。我們預計幾年間就會有勞動力流動轉變，現在證明是太樂觀。」

「新市鎮要紮根需要很長時間，甚至需要新一代。新一代的人在區內長大、受教育、生活、工作和建基立業，這樣對該區才會有認同感。」他說。

土地買賣不景使全港工廠租金下跌。廠房租客簽新約的租金，比兩三年前便宜了三份二。

表甲
一九八四年四月一日至九月卅日臨時土地買賣預算

地段編號 (混合)	地點	用途	面積(平方米)
STTL 235	沙田區11A	工業	25 850
TMIL 267	屯門區47	工業/貨倉	28 600
YLTL 396	元朗工業區	工業/貨倉	6 800
YLTL 403	元朗工業區	工業/貨倉	1 777
YLTL 409	元朗工業區	工業/貨倉	912
YLTL 410	元朗工業區	工業/貨倉	1 524
YLTL 411	元朗工業區	工業/貨倉	1 736
YLTL 404	元朗工業區	工業/貨倉	1 889
YLTL 402	元朗工業區	工業/貨倉	1 736
STTL 228	沙田區14B	工業/貨倉	1 889
YLTL 395	元朗工業區	工業/貨倉	3 425
TYTL 93	青衣區19	工業	1 777
STTL 242	沙田區14B 葵涌區10H 貨柜碼頭	工業 工業 (工業)	2 900 10 000 1 300
TMIL 268	屯門區44	工業/貨倉	2 030
TMIL 269	屯門區44	工業/貨倉	2 000
TYTL 92	沙田區14B(二段) 沙田區14B(三段) 青衣區6 青衣橋車路	工業/貨倉 工業/貨倉 工業 工業/貨倉	5 500 2 500 2 600 3 375
	沙田區14B(七段) 沙田區14B(四段)	工業/貨倉 工業/貨倉	2 525

表乙
賣地收入

年份	記實收入 百萬元	一九八〇年價格 百萬元	佔政府收入 百分比
75/76	346	650	5.3
76/77	557	1,020	7.4
77/78	1,831	3,130	17.9
78/79	2,008	2,970	16.0
79/80	2,845	3,260	16.9
80/81	10,769	10,769	35.5
81/82	9,676	8,660	28.2
82/83	3,370	2,850	10.8
83/84	2,270	1,890	佔預算7%

全港用水量工業佔三成

一九八三年全港總用水量為5億9千萬立方米，其中三成用於貿易、工業及服務行業。紡織及成衣業估計佔總用水量的百份之十二，佔工業用水量則高達五成。

水務署副署長(發展及策劃)劉莊銘指出，供水工程的計劃及建造工作是新市鎮及工業區整體基建的一部份，水務署與地政署在這方面合作緊密；但有關制定新發展區的先後次序，地政署的角色則較積極。

某個發展區或新市鎮的性質一經界定，規劃師和工程師就著手設計需要的水管系統、喉管直徑與管身厚度、所需水壓及供水池位置。工業區既是設計容納用水較少的高科技工業如電子等，因此水管直徑也無需像舊工業區般闊。舊工業區是紡織及染廠所在。

劉莊銘指出，新市鎮的設計，是要發展成具備居住、工商及服務設施的自足社區，因此供水要求跟工業區與九龍市區分別也很大。屯門、元朗和大埔的基本供水設備工程已完成，下個發展區是將軍澳。

水務署時常監察舊工業區的供水情

況，現有水管也不斷翻新以滿足需求增長。早在十年前官塘區水管已全部翻新，荃灣區類似工程現已接近完成。

劉氏指出，本港工廠雖大多擠在多層工廈，小型工廠的生產模式也經常轉變，但對供水並不構成問題。原因是現有供水系統在流量和水壓變化方面的彈性已很大。

全港共劃分為多個供水區，水壓也各有不同。水塘水引入貯水池後再泵進濾水廠過濾，清潔食水然後再泵往分佈全港的100個供水池。供水區根據地勢及附近供水池的處地高低而劃分，實際分區界線是分界閘。

閘有調節流量及水壓作用。如有需要，位於所屬供水區邊緣的工廠也可獲毗鄰供水區供水。

監察水壓是水塘操作及水位控制系統的一部份。監察系統由電腦及人手共同控制，目的是根據各供水區需求轉變而調度流量，節省泵水能源。

用水最多的供水區依次為官塘、咸田、馬頭圍、何文田、屯門及元朗、荃灣。

劉氏說，從規劃師角度看，未來十

年像屯門及將軍澳等新區將需要更多供水基建。他指出近年來本港總用水量每年增長為百份之十。增長率頗為穩定。

他預料屆一九九〇年代中葉，本港總用水量約有六成來自中國東江，現時為四成。中國現時一年向香港供水約5億立方米。根據中港政府八二年修訂協議，中國供水量將每年遞增，至一九九五年中國供水量至應增至一年6億2000萬立方米。

香港的集水系統雖十分複雜精密，當局在節約用水方面仍不斷尋求突破方法。由地政工務司任命重用處理污水工作小組最近成立，研究在本港回收廢水的技術可行性。工作小組成員包括醫務衛生處、水務署、新界拓展署、環境保護署、市政事務署及其他部門代表。研究項目包括反向滲透及多種過濾方法。整個計劃的目的，是希望重用處理污水於沖廁或工業方面以節省淡水。不過劉氏認為市民對用處理污水會有頗大心理抗拒，然而這方面的未來發展仍要看工作小組的技術可行性報告及建議。目前負責污水處理的是電機工程署轄下的污水處理組。

水費加一成

水費繼八二年上升百份之二十及八三年上升百份之十五後，今年四月一日起又將加百份之十。加價是用水單位改為十進制的結果(由加侖變立方厘米)，大量用水商戶憂惠辦法也告取消。

工業界反應不一。印染業發言人

指出本港經濟剛復甦，現在加水費是「時間不當」。部份人士似乎卻體諒水務署是因成本急升才逼不得已要加價。據報稱，水務署長湯連生表示今次住宅及商戶加幅已至「最低」。

新收費下，全港十萬多個商業用水戶須繳水費為每立方米1.84元。以往適用於部份商戶的惠辦法(生產成本中水費佔百份之三或以上者)訂明，每四個月收費期的首6000度用水

(即600萬加侖)每度收費7.6元，以後每度6.4元。

湯連生解釋新水費對工業用戶的影響。他說百份之六十六的商業用戶每星期的增幅會少於1元，其餘商業用戶有百份之零點五須每星期多付130元或以上。根據新收費，每期用水1千萬加侖商業用戶的水費增幅估計為百份之十六。

水務署現有註冊用戶約125萬，

該署一直以爲全港提供廉價而妥善的供水服務爲榮。水務署高級庫務會計司鄭陳靜玲指出，水費政策緊守的原則，是用戶只需繳付生產水淨成本，主要包括電費、人工、喉管建造費及通脹。一九七九年開始實施的商戶優惠辦法，是鑑於工商用戶所交差餉已有部份水費開支計算在內，因此特予優待。

關於今次取消優惠辦法，水務署拒絕置評。但湯連生強調，今次加價實無法避免，原因是通脹使經營成本大幅上升，水務署用在新工程和改善

現有建設方面的資金也十分龐大。他舉例說，香港與中國爲期十二年直至一九九五年的增加大陸供水協議，主要新喉管系統及其他水務工程便須動用17億5千萬元。

水務署一九八三財政年度赤字據估計約爲1億元。新收費預料可帶來6千萬元額外進帳，但消息指出該署一九八四財政年度於減去經營成本及其他支出後將仍有出現5千萬赤字。

水務署一九八三財政年度截至二月爲止收入爲4億6400萬元，八二年財政年度全年收入爲4億700萬元。

鄭陳靜玲解釋收入大增是由於新市鎮用戶顯著增加。

她說水務署長期出現赤字，原因是有大量計劃中及已展開的長期資本性建設工程。至於長期赤字引起水費上升是否會影響本港廠家的競爭力，她認爲可能性甚微。她表示本港實質水費在區內標準計是廉宜的，大量用水如整染業，據稱水費也只佔生產成本百份三。即使制水期間，工業用戶也保證有24小時供水，這是區內其他地方廠家未必享有的優點。 □

用電量每年將增長6至7%

中華電力有限公司於一九八三年九月卅日財政年終時共有107萬4000用戶，較上年增加百份之六點二。售電量增加百份之十三點二，達101億3700萬度（一九八二年爲89億5600萬度），是一九七六年創百份之十六點一紀錄以來的最高增長率。一九八二年增長只有百份之四點八。

年內服務行業用電量上升百份之十六點八，製造業用電則上升百份之六點二（一九八二年增長百份之零點九）。八二年上半年製造業電力需求增加其實不到百份之一，但下半年則增加百份之十點九。製造業用電節節遞增令人鼓舞，顯示製造行業已恢復增長。

八三財政年終結時，中電工業用戶總用電量是39億4500萬度，較十年前的20億9500萬度增長百份之八十八。八三年工業用電佔該公司客戶總用電紀錄百份之卅九。八三財政年結時公司約有5萬工業用戶。

中電爲製造及服務業提供高需求用電價目，享用條件是用戶需求量最低爲3000仟伏安，及用戶已接納中電高需求用電價目電力供應管制細則。實際收費包括需求量收費，根據每月用電計算的電費及燃料價條款三項總和。高需求用電價目收費也提供非高峯用電時間特惠收費辦法，用戶於非高峯用電時間的需求量倘不低於高峯用電時間需求量的九成即適用（非高峯時間指每日下午六時

至翌晨九時及星期日全日，高峯時間指其他時間）。

中電估計未來十年本港每年平均用電量增長約爲百份之六至七。中電業務策劃經理李銳波博士指出，滿足需求增長的方法是發展發電計劃。

李銳波說青山A發電廠完成後將容納4台3億5000萬瓦油煤兩用機組，工程現已接近完成。首三台機組已投產運行，發電量佔總需求量頗大部份。第四台機組將於明年年初投產。

毗鄰A廠的青山B發電廠將容納4台6億6千萬瓦燃煤機組；機組將於一九八六至一九九〇年間投產，足夠應付直至一九九〇年的需求增長。

爲應付九十年代初的增長需求，中電計劃與中國聯合發展核電計劃，於廣東大亞灣興建一座有18億瓦發電量的核電廠。核電廠計劃於一九九一年開始商業運作，預料核電廠生產總電力約有七成供應香港。李氏說：「假如沒有核電計劃，我們到了九十年代初也要建新發電廠來滿足預期的需求量增長。」

一九七六年燃油價格暴漲，中電也於當年決定豎設燃煤機組。公司現有有三個發電廠中（鶴園、青衣和青山），鶴園與青衣都是燃油發電，而青山A廠的全部燃煤機組也能以燃油操作。

李銳波說：「我們實施混合燃料政策，將發電廠能源多元化。買煤政策也是挑選不同國家及不同地理區域的供煤

商。即使再來一次全球能源危機，我們相信影響會極小。」

中電目前供電能量是33億5600萬瓦（一九八三年是30億600萬瓦），計有7億瓦燃煤發電設備，20億9000萬瓦燃油發電設備，另有5億6600萬瓦燃氣輪機，供系統調峯及急需時使用。

備用能量是供電能量與最高需求量的差額。中電備用能量現爲8億1800萬瓦，約是最高需求量的百份之卅二點二。

中電計劃以合營方式參與大亞灣核電廠計劃，合股人是廣東省核電投資有限公司。該合營企業的財務結構將爲一成資產及九成負債。中國將持百份之七十五股權，另百份之二十五歸香港核電投資有限公司所有。中電是香港核電投資有限公司的主要股東。

大亞灣核電計劃在本港掀起了激烈爭論，受關注的問題包括供電能量會否過份龐大，興建成本、輻射影響、核電廠將設置的水壓反應爐安全問題，及香港市民屆時是否真能享用到中電聲稱的廉價電力。核電廠興建成本於一九八一年底估計是40億美元，目前據報已升至46億美元，即兩年內升了百份之十五。

加拿大物理學家柏德遜曾就該核電計劃發表報告，並批評建議中的核電廠「有太多問題未解決」。不過，一名中電發言人指出，由於大亞灣計劃仍在磋商階段，因此目前未能作答。 □

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