

UNITED NATIONS  
GENERAL  
ASSEMBLY



Distr.  
GENERAL

A/4087/Add.2  
9 March 1959

ORIGINAL: ENGLISH

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Fourteenth session

INFORMATION FROM NON-SELF-GOVERNING TERRITORIES:  
SUMMARY AND ANALYSIS OF INFORMATION TRANSMITTED  
UNDER ARTICLE 73 e OF THE CHARTER. REPORT OF  
THE SECRETARY-GENERAL

Asian Territories

HONG KONG<sup>1/</sup>

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<sup>1/</sup> In accordance with General Assembly resolution 1332 (XIII) this summary is also submitted to the Committee on Information from Non-Self-Governing Territories.

NOTE: The following symbols are used:

Three dots (...)	data not available
Dash (-)	magnitude nil or negligible
Slash 1948/1949	crop or financial year
Hyphen 1948-1949	annual average

## GENERAL INFORMATION

Hong Kong is situated on the south-east coast of China. The total land area is 391 square miles and comprises the island of Hong Kong (thirty-two square miles), the Kowloon Peninsula (over three square miles), and the New Territories which include a part of the mainland and numerous small islands (355 square miles). The climate is subtropical and there are occasional typhoons. The greater part of Hong Kong consists of steep and unproductive hillside; its natural resources are limited to fish, which is abundant in adjacent waters, and small quantities of minerals. Its natural harbour is the core of its economic growth.

At the time of the last census (1931) the civilian population was 840,473. There were fewer than 600,000 inhabitants in August 1945 when the Territory was liberated. Owing to the large influx of people from the mainland and the rapid natural increase, the population rose to 1,600,000 in December 1946 and to 2,677,000 in December 1957. Over 99 per cent of the inhabitants are Chinese and about 83 per cent of the people live in the thirty-six square miles of the urban area. The urban density is over 61,000 to the square mile (over 23,550 per square kilometre). The population density for the territory as a whole was 6,239 to the square mile (2,409 per square kilometre) in mid-1956.

### Vital statistics

	<u>1947</u>	<u>1953</u>	<u>1957</u>
Birth rate per 1,000 population	24.3	33.6	37.9
Death rate per 1,000 population	7.6	8.1	7.5
Infantile mortality rate per 1,000 live births	102.3	73.6	55.6

## ECONOMIC CONDITIONS

Located at a crossroad of trade in the Pacific, Hong Kong has become a centre of commerce, shipping, industry and banking. Following the resumption of civil government in May 1946 commerce and industry made a rapid recovery; the establishment of new industries and the extension of agriculture are the main features of post-war development. The rapid industrialization, during the last decade in particular has changed the pattern of the economy from an entrepôt of

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world importance to a manufacturing economy. This process was accelerated by the influx of new labour, skills and capital. Between 1947 and 1950 the stream of refugees was the greatest in the history of the Territory. Most of the refugees form the huge supply of manpower now available in Hong Kong but many were merchants and industrialists who brought their experience and wealth to Hong Kong, where most of them settled.

The Korean War of 1950 brought a speculative trade boom which, in 1952, turned into a temporary depression caused by an embargo of exports to North Korea and of strategic goods to the mainland of China,<sup>2/</sup> as well as by restrictions imposed by other countries on goods to and from Hong Kong. The Territory adjusted to the new circumstances by a rapid expansion of light industries initiated and financed by local Chinese businessmen. By 1955, the depression had come to an end and trade figures resumed their upward trend. In spite of this recovery, Hong Kong is confronted with problems of the first magnitude resulting from the pressure of a rapidly increasing population on a small land area with limited resources.

The growth in population and industry has led to the expenditure of large sums on building, roads, land reclamation, harbour extensions, schools and hospitals. Since 1955, a building boom has developed.

The United Kingdom of Great Britain and Northern Ireland has given financial assistance, including Colonial Development and Welfare funds, for development purposes. Up to 31 March 1957, a total of £1,266,378 had been allocated, primarily for the development of fisheries and rural areas, site development for low-cost housing and the construction of buildings for the University of Hong Kong. The Territory is in a position to finance its major public projects largely from local funds.

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<sup>2/</sup> General Assembly resolution 500 (V).



## AGRICULTURE AND LIVESTOCK

Farming is one of the principal occupations in the New Territories. The nature of the terrain and the shortage of water preclude extensive agricultural development. Nevertheless, fields and terraces, abandoned during the war, have been gradually brought back into production, and the Government has improved communications and irrigation to help bring marginal areas under cultivation again.

The Agricultural Department, formed in 1946, was merged in 1950 with the Departments of Forestry and Fisheries. It has eight agricultural stations. On its recommendation, a broad policy was adopted in 1955 for the development of agriculture and animal husbandry. In addition to the improvement of irrigation and communications throughout the New Territories, this policy envisages the planned settlement of the limited areas of undeveloped lands, the diversification of farming to include animal husbandry, a soil survey, the introduction of new crops, the increase of soil fertility and the control of pests and diseases.

Land is usually held under long lease from the Crown, and is classified as either agricultural or building land. Conversion from one status to the other is usually permitted on the payment of a premium to the Government, provided the change does not interfere with planning or zoning regulations.

A land utilization survey of 1955 showed that about 30,000 acres or 13 per cent of the total area were being utilized for agriculture and animal husbandry. With the adoption of the new agricultural policy, it is expected that agricultural land can be extended by 10,000 acres to 16 per cent of the total area. During 1955/1957, the total land under cultivation remained unchanged as the increases in cultivated land by the reopening of neglected hillsides were statistically absorbed by the decreases resulting from extension of the urban areas. Nevertheless, improvement in cultivation methods, fertilizer application, pest control and sound marketing practices have resulted in an increase in the production of the two major crops: rice and vegetables. Although the population of the Territory has almost doubled since 1946, the quantity of home-grown vegetables increased from less than half the total consumption in 1946 (about 20,000 metric tons) to four-fifths of that total

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in 1957 (over 77,000 metric tons). The annual production of milled rice, the staple diet, has been estimated at nearly 20,000 metric tons, which equals the amount necessary to support the Territory's present population for a little less than a month.

A Vegetable Marketing Organization, established in 1946 and since 1952 operated under the Agricultural Products (Marketing) Ordinance, now handles about 65 per cent of the total local production of vegetables. The Organization has stimulated vegetable production by the introduction of orderly marketing facilities, and by the provision of loans and cheap fertilizers to farmers.

In the field of agriculture, the Government has received assistance for several village projects from private organizations which have also provided grants, loans, buildings and livestock to villages.

A programme for the construction of dams, channels and reservoirs, partly financed from Colonial Development and Welfare funds, is being implemented in the New Territories to overcome the general shortage of water. As part of this programme, a twenty-five million gallon reservoir at Hung Shui Hang was completed in 1957.

The development of animal husbandry is limited by the available land for grazing. Cattle and buffalo are mainly used for draught purposes; pigs and poultry are the principal food animals reared in the Territory. Owing to improved methods of husbandry and disease control, and with the help of loans from the Government and grants from the Kadoorie Agricultural Aid Association, a voluntary organization, the pig and poultry breeding industry expanded to the extent that the demand for pork and poultry could increasingly be met from local resources, notwithstanding the growth in population. In 1956/1957, local work production reached 226,940 carcasses, representing 31 per cent of the pork consumption of the Territory. Only 4,568 out of a total of 77,939 head of cattle slaughtered were of local origin.

## FORESTRY

After the restoration of civil government in 1946, the attention of the Forestry Department was concentrated on the task of replacing the forest covering removed during the war years. In 1953 a policy was adopted whose main objects were: to conserve and increase water supplies and to provide timber and poles for village use. This was followed by an attempt to carry out afforestation on a large scale, for which purpose the technical staff was expanded to 187 members in 1957. The land utilization survey made in 1954 had shown that 70,000 acres of the rural area were unsuitable for agriculture because of steep hills, poor soil and the absence of water. It was expected that, with time and persistence, afforestation would be possible.

The principal objective of the programme, initiated in 1954, is to complete the afforestation of some 5,000 acres of a total catchment area of 10,900 acres, working up to annual plantings of 1,000 acres; it provides for assistance in the establishment of village plantings under a forestry lot scheme. Some 1,400 and 1,300 acres of new plantations were established in 1956 and 1957, respectively, in the forest reserves, exceeding the annual target of 1,000 acres. Nurseries capable of producing two to three million tree seedlings annually have been established in each forest district.

A large quantity of logs, timber and fire-wood is imported from Borneo for local consumption and re-export; the re-export of graded timber to the United States of America, Australia, Europe and the Union of South Africa has been expanding.

## FISHERIES

Hong Kong's primary product is marine fish; its fishing grounds extend to a distance of over 100 miles from the coast. The fishing industry, which supplies the poorer sections of the community with their main source of protein, came to a standstill during the Japanese occupation. When civil government was re-established in 1946 the number of fisherfolk had been reduced by two-thirds to 26,257 with 2,425 vessels, mostly in very poor condition. With the help of rehabilitation loans, the establishment of a Fisheries Department and a

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wholesale fish market, the fishing industry began to revive, and village fisheries co-operatives were formed for the collection and sale of fish.

A broad policy for the development of fisheries was adopted in 1953/1954, which also necessitated an increase in the technical staff of the Department. The aims of the policy are to: encourage and assist industries concerned with fishing; improve fresh fish supplies; market fish and fish products; promote the welfare of the fishermen; and provide essential services for marine biological research. In 1954, a fisheries research unit at the University of Hong Kong, established the year before with financial assistance from Colonial Development and Welfare funds, began a marine research programme and a survey of fisheries resources. Under a Colonial Development and Welfare scheme, two experimental vessels suitable for mechanization were built. By 1953, the seafaring population engaged in fisheries had increased to 52,000, operating about 6,000 junk-type fishing craft and thirteen steel trawlers. Funds from the Fish Marketing Organization and the Colonial Development Welfare scheme were provided for the mechanization of junks. The mechanized junk fleet increased from 702 to 890 in one year. In 1957, those engaged in sea fishing numbered 57,000 and operated 6,756 vessels, 1,524 of which were mechanized. Although the mechanized boats comprised only 22.5 per cent of the whole fleet, their landings accounted for 60.3 per cent (420,030 piculs)<sup>3/</sup> of the total quantity (696,846 piculs) of fish sold through the Fish Marketing Organization in 1956/1957. Ninety-five per cent of the fishing fleet is owner-operated.

Through the non-profit Fish Marketing Organization, fair prices and a stable market for fishermen's catches have been maintained. The Organization now operates five wholesale markets and provides cheap credit to fishermen. The Organization's revolving loan fund, established in 1946, had made 782 loans amounting to HK\$1,191,613 by the end of 1957.<sup>4/</sup> It is also active in helping fishermen and their children to obtain an education by providing free schools and scholarships for children who wish to attend other institutions. In 1957 it became concerned with the marketing of prawns. This development was introduced

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<sup>3/</sup> One picul is equal to 133.33 lbs.

<sup>4/</sup> The local currency is the Hong Kong dollar (HK\$), which is equal to 1s.3d. or US\$0.175.

specifically to meet the requirements of the United States market; from June to December 1957, 1,148 tons of prawns valued at HK\$3,263,130 were handled. The Marketing (Marine Fish) Ordinance, 1956, was enacted to put the marketing organization on a statutory basis; the introduction of this ordinance has been deferred pending the preparation of subsidiary legislation.

The exports of fish (mostly salted) and fish products had a value of about HK\$4.5 million in 1948, HK\$1.6 million in 1953 and HK\$2.2 million in 1957. The export market shifted from the mainland of China to South-East Asia, Canada and the United States.

	<u>Catch</u>		
	<u>1947</u>	<u>1953</u>	<u>1957</u>
Marine fish (piculs)	233,691	528,184	783,033
Value (thousand Hong Kong dollars)	14,522	41,676	51,042

Fish farming has a long local tradition. It is practised in the New Territories, where the area devoted to fish culture increased from 450 acres in 1953 to 515 acres in 1957. The decrease of fresh-water fish imported from the mainland led to an increase in the production of carp and mullet from 410 tons in 1956 to 506 tons in 1957, valued at HK\$1,250,000. In 1957, some 14 million fish fry were exported (mainly to Singapore, Thailand and Taiwan) compared with 6.5 million in 1956. Oyster culture is gradually being modernized and expanded. From an area covering 4,575 acres a total of 1,287 tons of fresh oyster meat (valued at HK\$1.5 million) was produced in 1957, compared with 950 tons (valued at HK\$1.3 million) in 1956. Experiments have proved that local conditions are suitable for a pearl culture industry; legislation designed to safeguard the existing stocks of wild pearl oysters was being drafted in 1957.

#### MINING

A mining unit was established in 1951 in the Department of Labour. The ownership and control of all minerals is vested in the Crown under the Mining Ordinance, 1954, which provides for the issue of mining and prospecting licences.

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The principal minerals exploited to date, either by modern underground methods or by traditional Chinese surface techniques, include iron, lead, wolfram, graphite and kaolin clay deposits. The discovery of beryl was followed by further prospecting. Most of the industry, which is of minor significance, is in the hands of local Chinese companies; the production is mainly exported.

	<u>Production</u>					
	<u>Quantity</u> (long tons)			<u>Value</u> (thousand Hong Kong dollars)		
	<u>1953</u>	<u>1955</u>	<u>1957</u>	<u>1953</u>	<u>1955</u>	<u>1957</u>
Clay	5,934	5,432	6,960	356	326	618
Iron	123,200	115,500	94,182	1,218	4,620	3,636
Lead	645	385	130	291	327	59
Graphite	200	1,535	3,305	30	121	486
Wolfram	140	23	36	2,495	155	181

#### POWER

Electricity is supplied by two private companies: one for the island of Hong Kong and one for Kowloon and the New Territories. In 1945, the generating capacities of these two stations were only 17,000 kw and 5,000 kw, respectively. The two companies successfully rehabilitated their undertakings to meet the growing demands of both industrial and domestic consumers. Generating capacity increased from 47,000 kw in 1947 to 117,000 kw in 1953 and to 170,000 kw in 1957. The number of consumers increased from 115,000 in 1953 to 157,089 in 1957.

#### INDUSTRY

The Department of Commerce and Industry is responsible for promoting industrial development. A trade and industrial advisory committee of five unofficial members, including representatives of the Chambers of Commerce and the Chinese Manufacturers' Association, was formed in 1953 to advise the Director of Commerce and Industry on all matters affecting industry and trade. The committee is an effective means of liaison between the Department and local commercial and industrial interests.

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The earliest industries were devoted to services connected with shipping, port development, building, and the requirements of a relatively small population. Since 1946, the rapid growth of light industries has provided the Territory with a broader economic foundation. While the heavy industries such as ship-building and repairing remain important, the range and quality of the products of the light industries have become known in the world market. In order of importance they include textiles, enamelware, metal products, electric torches, batteries and bulbs, paints, foodstuff and beverages, tobacco, footwear and cement. Less than half the output is absorbed by local consumption; the remainder finds its way into foreign trade. Locally manufactured goods, which accounted for about 10 per cent of the total value of exports in 1947, increased to 25 per cent in 1953, to 30 per cent in 1954 and were 26 per cent in 1957. The expansion of local industries is reflected also in the number of recorded and registered factories which increased from 1,200 in December 1947 to 3,373 in December 1957. In addition, there are numerous traditional Chinese handicraft concerns. Today, over 50 per cent of the population depends directly or indirectly upon industry for their livelihood.

The textile industry, in particular, has grown rapidly since 1948 to become the major light industry, employing over 30 per cent of all workers in registered and recorded factories. Cotton textiles are the most important in this category.

Cotton spinning

	<u>1948</u>	<u>1953</u>	<u>1957</u>
Number of mills	7	13	19
Number of spindles	90,000	213,000	300,000
Annual output (thousand pounds)	9,600	72,000	(over)100,000

The expansion of industries is handicapped by the shortage of land suitable for industrial purposes, inadequate housing for industrial workers, lack of raw materials and the scarcity of fresh water. To offset the shortage of flat land the Government has reclaimed land from the sea and levelled hilly ground; under a reclamation scheme for industrial sites at Kum Jong, about fifty of a planned 140 acres had been completed by the end of 1957.

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In the last few years, manufactured goods from neighbouring countries have been competing with Hong Kong products in the world market. The forming of a Federation of Hong Kong Industries to meet international competition and to further industrial development is being studied by an advisory committee appointed by the Government.

Tourism has also gained the stature of an industry and its contribution to the local economy exceeds HK\$140 million per year. Under the Tourist Association Ordinance, 1957, a Hong Kong Tourist Association was established with funds from the Government.

## TRANSPORT AND COMMUNICATIONS

### Transport

As an entrepôt port and an industrial centre, Hong Kong depends for its prosperity on an efficient system of transport and communications. Following the war, a concentrated effort was made to restore port facilities and rehabilitate the shipbuilding and repair yards. Cargo and passenger services connecting Hong Kong with Europe, Africa, Australia, America and the Middle East were gradually resumed. Today, regular services are maintained by seventeen shipping lines to Europe; twenty to the North American continent; nine to Australia and New Zealand; as well as by lines to Africa and South America and numerous lines to the major ports in Asia. In 1947, it was possible to restore the cross-harbour ferry services to pre-war standard; these have been further improved by the addition of new ferries and vessels. There are now eleven major ferry services, which transported more than 127 million people and 1.3 million vehicles during 1957. Commerce and industry are also served by river steamers and native-type craft; the number of the latter increased in 1957 to over 20,000. During 1957, these craft transported 700,000 tons of cargo in the internal trade and over 1.2 million tons of cargo in the external trade.

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Ocean-going vessels, passengers and cargo

	<u>1947</u>	<u>1952/1953</u>	<u>1956/1957</u>
Number of vessels entered and cleared	5,276	6,166	7,650
Total net tonnage	14,366,940	18,197,763	21,981,848
Passengers	...	49,291	59,688
Cargo (weight tons)	...	4,416,659	5,322,524

Hong Kong has become a centre of civil aviation in the Far East. During 1957, seventeen international airlines had 162 flights to and from Hong Kong each week. Owing to topographical hazards and limited landing facilities, the Kai Tak airport at present operates on a dawn-to-dusk basis. A 1954 plan provides for the expansion of the airport by reclaiming land from Kowloon Bay. The first stage of the plan was expected to be completed by August 1958 with the use of a new 7,700 foot runway on a twenty-four-hour basis. The construction of the new airport at an estimated cost of over £6.5 million is being financed from local funds with an interest-free loan of £3 million from the United Kingdom Government. When completed, it will be ready for use by jet and prop-jet aircraft.

In spite of topographical and climatic difficulties, the populated areas of the Territory have good roads, the total length of which increased from 400 miles in 1947 to 463 miles in 1957. The number of registered vehicles rose from about 20,000 in 1953 to 33,000 in 1957, of which 22,474 were motor cars (3,986 in 1947). Passengers carried by buses numbered 51 million in 1947 and 349 million in 1957. Under a Colonial Development and Welfare scheme a number of minor roads to villages and rural areas previously accessible only by foot paths have been constructed.

The Government owns and operates a thirty-five-mile railway; about twenty-five miles of this line form the southern extension of a rail system in China. In 1957, all trains in the Territory were operated by diesel-electric locomotives, replacing steam engines.

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Communications

Telecommunication services are handled by private companies. Cable and wireless services connect Hong Kong with every part of the world, and radio and radio-telephone link the Territory with more than forty countries. The local telephone system is fully automatic.

Telecommunications

	<u>1953</u>	<u>1956</u>	<u>1957</u>
Telephone:			
Direct exchange lines	29,779	45,000	53,000
Extensions	14,550	18,500	21,000
Telegrams:			
Transmitted	1,393,243	1,059,052	920,300
Delivered	1,387,720	1,135,879	1,098,700
Radiophone			
Minutes outward	644,434	559,371	429,400
Minutes inward	1,274,256	710,172	543,600

PUBLIC FINANCE

The fiscal year ends on 31 March. Revenue is derived chiefly from internal taxation and import duties. Since 1948, revenue has exceeded expenditure, and actual revenue has often exceeded the estimate. In 1952/1953, an initial transfer of HK\$100 million from the general revenue balance was made to establish a revenue equalization fund, which stood at HK\$137,714,761 on 31 March 1957. Hong Kong established its own development fund with a capital of over HK\$16 million in 1954; on 31 March 1957 it stood at HK\$48,628,492. Development fund expenditures incurred during 1953/1954 and 1956/1957 were HK\$8,166,333 and HK\$29,853,071, respectively. It has been proposed to expend over the next few years about HK\$425 million on major development projects, HK\$47 million of which will come from the development fund. During 1952, Hong Kong contributed £1.5 million sterling to the United Kingdom to relieve the defence expenditure being incurred by the United Kingdom Government. On 31 March 1957, the public debt was HK\$52,389,000, consisting of two dollar loans, amounting to HK\$5,723,000, raised in 1934 and 1940, and a rehabilitation loan amounting to HK\$46,666,000, raised in 1947/1948.

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Direct taxation was introduced in 1947, when the Inland Revenue Ordinance imposed taxes on earnings and profits arising in or derived from the Territory. These taxes consist of four separate kinds: property tax, profits tax, salaries and **annuities** tax, and interest tax. Since 1950/1951, the standard rate of the earnings and profits taxes has remained at 12.5 per cent. Under the Dutiable Commodities Ordinance, duties are levied on liquor, tobacco, hydrocarbon oils, toilet preparations and proprietary medicines, table waters and methyl alcohol, either imported into or manufactured in the Territory for local consumption.

Revenue and expenditure  
(thousand Hong Kong dollars)

	<u>1947/1948</u>	<u>1952/1953</u>	<u>1956/1957</u>
Revenue	164,298	484,590 <sup>a/</sup>	509,682
Expenditure	127,701	411,750 <sup>a/</sup>	469,544
Main heads of revenue			
Internal revenue	38,600	161,284	164,425
Duties	50,800	74,210	97,299
Rates	9,900	33,892	56,706
Grants	12,000	1,160	3,459
Main heads of expenditure			
Public works	9,608	68,307	155,982
Defence	...	33,622	24,840
Police force	6,628	29,027	39,467
Subventions	...	17,670	42,773

a/ Including HK\$100 million transferred from the general revenue balance to establish the revenue equalization fund.

#### BANKING AND CREDIT

Hong Kong has become a banking centre in east Asia and has witnessed a continued inflow of outside capital in the post-war years. Investment financing is readily available. In addition to the licensed banks, many Chinese firms handle overseas-Chinese remittances. At the end of 1957, there were eighty-three licensed banks of which thirty-three were authorized wholly or partially to deal in foreign exchange. The total currency in nominal circulation was HK\$812,692,978

on 31 December 1957, compared with HK\$841,488,167 on 31 December 1953. Hong Kong is a part of the sterling area; exchange control is based on the system in force in the United Kingdom with some modifications necessitated by the position of the Territory as an entrepôt.

#### INTERNATIONAL TRADE

The continued increase in the value of local products exported is characteristic of the development of Hong Kong's trade. The value of these products exported in 1957 was HK\$793.9 million, compared with HK\$635.2 million in 1953. The combined value of imports and exports increased from HK\$6,616.3 million in 1953 to HK\$8,165.7 million in 1957 which was 5 per cent higher than that for 1956. The United Kingdom, Indonesia, the Federation of Malaya and the United States have become the most important buyers of Hong Kong products, having taken together nearly 50 per cent of the total local exports in 1957. Since 1951, exports to mainland China have steadily fallen owing to trade restrictions, and in 1957 they reached a low of HK\$123.4 million, or 4 per cent of the total exports. However, the mainland remains the principal source of Hong Kong's imports, having supplied goods valued at HK\$1,131.1 million, or 22 per cent of the total imports, in 1957. Mainland China, Japan, the United Kingdom and the United States together provided 60 per cent of the value of 1957 total imports. Instead of serving as an entrepôt for the mainland, Hong Kong is now serving south-east Asia as a whole.

During and after the Korean War, Hong Kong's policy of free trade was modified and, in 1957, import and export controls, imposed as a result of that war, were considerably eased. Non-strategic goods may now be freely imported from several countries without special licences, and the export of a number of previously embargoed goods to the mainland is now permitted. Nominally, Hong Kong remains a free port in the sense that there are no general tariff and protective duties.

A trade promotion division was established in 1953 in the Department of Commerce and Industry, which is responsible for organizing Hong Kong's participation in overseas trade fairs. Several countries are now represented in Hong Kong by trade commissioners, and many other countries maintain

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consulates-general in the Territory. There is a Hong Kong Government Office in London, and a representative from Hong Kong is attached to the British Embassy in Tokyo.

Hong Kong, with its liberal trade policy, is usually in a weak bargaining position when its exports are met in overseas markets by tariffs or other import restrictions. Some countries have imposed quotas on the import of Hong Kong's products or on certain of its products. In other countries, specific categories of imports from Hong Kong have been considered a threat to local manufacturers. In Hong Kong itself, the creation of the European Common Market has given rise to speculation regarding its possible effects on the Territory's export position.

Imports and exports  
(million Hong Kong dollars)

	<u>1948</u>	<u>1953</u>	<u>1957</u>
Imports	2,078	3,873	5,149
Exports	1,605	2,734	3,016
Principal imports			
Food	...	1,130.55	1,161.40
Machinery and transport			
Equipment	...	210.72	392.12
Crude materials	...	568.84	706.66
Manufactured goods	...	840.98	1,722.81
Principal exports			
Food	...	442.65	341.64
Chemicals	...	510.67	205.28
Manufactured goods (itemized)	...	681.20	1,115.74
Miscellaneous manufactured			
articles	...	536.24	855.01

The growing adverse balance of Hong Kong's visible trade is to be considered against the favourable balance on such invisible accounts as remittances from Chinese people overseas, services like banking, shipping and insurances, and the inflow of capital from Far Eastern countries.

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	<u>Direction of trade</u> (percentage of value)		
	<u>1948</u>	<u>1953</u>	<u>1957</u>
Origin of imports (principal countries)			
United Kingdom	14.5	12.2	13.2
China <u>a/</u>	20.7	22.1	22.0
Japan	3.8	9.9	14.8
United States	18.7	5.8	10.5
Federation of Malaya	4.1	4.6	1.9
Destination of exports (principal countries)			
United Kingdom	4.7	4.4	12.3
Federation of Malaya	12.9	12.3	12.3
Indonesia	4.3	13.6	10.3
Japan	3.1	8.1	7.6
United States	9.6	2.3	6.6

a/ Figures for 1953 and 1957 relate to mainland China.

#### SOCIAL CONDITIONS

Cultural or race relations have not presented significant problems; but overcrowding remains Hong Kong's basic social problem, in spite of determined efforts on the part of the Government to meet it. Modern office and department buildings have changed the appearance of many sections of Hong Kong but tenement houses and shanty towns still house the bulk of the population.

The influx of hundreds of thousands of refugees has created a large surplus of manpower, which the industrial growth has not been able to absorb. The resulting under-employment has led to low standards of living, poverty, ill-health and social maladjustment. The magnitude of the task made the provision of adequate social and health services a problem of the first order. The need for emergency and long-term assistance to the refugees was recognized in 1957 by the General Assembly<sup>5/</sup> which urged States Members, the specialized agencies and non-governmental organizations to give all possible assistance to alleviate the distress of these people.

5/ Resolution 1167 (XII).

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## LABOUR AND EMPLOYMENT

Prior to 1948 most of the urban population was engaged in commerce; with the growth of local industries, manufacturing has become the largest source of employment.

Labour policy is directed towards the protection of the safety, health and welfare of workers; the promotion of the efficiency and modernization of industry; and the encouragement of sound trade unionism and the growth of collective bargaining. In 1946 the labour office was reconstituted as an independent unit under the Commissioner of Labour who is ex-officio chairman of the Labour Advisory Board, a tripartite body. In 1954, the Registry of Trade Unions was established as a separate department responsible for the enforcement of the Trade Unions and Trade Disputes Ordinance, a function hitherto exercised by the Commissioner of Labour. In order to meet the problems which arose as a result of the greatly increased industrial activity and to comply with the principles of international labour conventions, the Factories and Workshop Ordinance was replaced by the Factories and Industrial Undertakings Ordinance, 1955. The Factories and Industrial Undertakings (Radiation) Special Regulations, 1957 were designed to exercise control over the growing use of processes involving radiation in industrial undertakings. During 1957, labour legislation enacted included the Trade Disputes Bill, the Apprenticeship Bill and the Employment Bill.

Employment situation

The constantly fluctuating population makes it difficult to obtain accurate statistics of employment, unemployment and under-employment. The large group of surplus labour, however, is faced with the problem of under-employment. The number of workers in the recorded and registered factories more than doubled between 1947 and 1957 (64,000 in December 1947 and 153,000 in December 1957). A similar increase in November took place among those engaged in fisheries (26,257 in 1946 and 57,000 in 1957). Agriculture had 200,000 workers in 1957. The textile industry, together with the manufacture of metalware, the manufacture and repair of transport equipment, including shipbuilding and repairing, the manufacture of footwear, wearing apparel and made-up textile goods, provided employment for 64 per cent of a total of 153,033 registered industrial workers

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in 1957. Together with an estimate of 200,000 workers engaged in cottage industries, the total number of industrial workers exceeded 350,000 in 1957.

Migration to other Territories for employment has continued but on a small scale. For instance, under officially approved contracts for work, mainly in British Borneo, 2,051 workers left Hong Kong in 1957 compared with 2,201 in the previous year. The opening of a new shipyard in Netherlands New Guinea provided employment for seventy-two workers from Hong Kong. The announcement in November 1957 regarding the gradual closure of H.M. Dockyard caused concern for some 5,000 workers; an Employment Advisory Committee representing the Government, the Dockyard and local employers was set up to meet the situation.

Wage rates have remained relatively stable although they show an upward trend. The average wage range for daily paid workers was: (1) skilled workmen, HK\$5.50 to HK\$7 in 1947 and HK\$7 to HK\$12 in 1957; (2) semi-skilled workmen, HK\$4.60 to HK\$5.80 in 1947 and HK\$5 to HK\$8 in 1957; (3) unskilled workmen, HK\$3.50 to HK\$4 in 1947 and HK\$3 to HK\$6 in 1957. The Government, most European concerns and some Chinese firms pay a basic wage with a variable cost-of-living allowance to compensate for price fluctuations. Some firms provide free food and lodging for their regular employees.

#### Workers' and employers' organizations

The Trade Union and Trade Disputes Ordinance, which came into operation in April 1948, gave a legal status to both workers' and employers' organizations. At the end of 1948, there were ninety-seven registered workers' unions with a membership of 71,510. In 1953, these figures were 227 and 176,100, respectively. At the end of 1957, there were 307 workers' and employers' unions on the register compared with 304 in December 1956. The 307 unions were divided as follows: 230 workers' unions, sixty-seven employers' unions and ten mixed unions. The trade union movement has been affected by political influences. In 1957, over 100 workers' unions belonged to the Trades Union Council which is affiliated with the International Confederation of Free Trade Unions, and the majority of their members were employed in building construction, restaurants, catering and miscellaneous services. Fifty-seven workers' unions belonged to the World Federation of Trade Unions. The majority of their members worked in the leading shipyards and utility companies.

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Although Hong Kong has not been free of labour troubles, industrial disputes have been comparatively few in recent years. During 1957, there were two strikes resulting in the loss of 60,540 man-days, which is double the 1956 figure but below the immediate post-war average of 88,520. The use of joint consultation machinery in industrial concerns is uncommon; employers are reluctant to experiment in this field and workers lack the experience and organization to press effectively for the establishment of joint consultative committees.

#### Vocational training

To meet the need for more trained persons, particularly in industry and commerce, a standing committee on technical and vocational training was appointed in 1954. Craft apprenticeship in government service is provided by several departments. A system of recruitment and training introduced in 1955 for apprentices in the Public Works Department and the Kowloon-Railway makes attendance at supplementary technical classes compulsory. Apprenticeship training schemes are operated by two large shipbuilding and repair yards, the public utilities and a number of European and Chinese firms.

#### CO-OPERATIVE SOCIETIES

After a Registrar of Co-operatives was appointed in 1950 and a combined Department of Co-operative and Marketing Societies was established, the co-operative movement was accepted as a sound method of promoting economic and social progress, especially by farmers and fishermen. However, it is estimated that it may take years before the existing societies can be developed into a fully effective co-operative movement. There are twelve different types of societies, of which vegetable marketing, pig-raising, and fishermen's thrift and loan societies are the most prominent. The growth in the number of co-operative building societies, formed exclusively of local civil servants and operating with government loans, is a recent development. There were eighty-five of these societies by the end of 1957.

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Co-operative societies

	<u>1953</u>	<u>1955</u>	<u>1957</u>
Number	31	86	179
Membership	2,464	5,040	9,122
Reserve fund (Hong Kong dollars)	12,813	133,176	204,610

## STANDARD OF LIVING

A Food and Fuel Index, one of the two price indices published since 1948, ceased publication at the end of July 1957. The Retail Price Index was continued. It covers a wider range of commodities and services, and is weighted according to a family budgetary survey conducted in 1947 and 1948. The expenditure pattern used for weighting is that of the artisan and white-collar worker. A survey of workers' budgets carried out in 1955 by the University of Hong Kong confirmed the reliability of the earlier family budget surveys and of the Retail Price Index.

Retail price indices of main items  
 (March 1947 = 100)

	<u>Dec.</u> <u>1948</u>	<u>Dec.</u> <u>1953</u>	<u>Dec.</u> <u>1957</u>
Food (including drink)	90	139	115
Rent	100	104	119
Clothing (including footwear)	73	92	87
Fuel, light and cleaning:			
(a) Fuel	104	102	99
(b) Electric light	65	61	62
(c) Cleaning	96	91	99
General retail price index	92	125	112

## TOWN AND RURAL PLANNING AND HOUSING

Hong Kong's post-war housing and town planning problems have no easy solution because of the shortage of land and the increasing population. The area of land suitable for residential, commercial and industrial developments without disproportionately heavy expenditure on site formation or services is only about eleven square miles. This limitation has caused a maximum utilization of old and new building sites in the city.

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During the war the destruction of property was serious. It was estimated that Chinese tenements for 160,000 people and European type housing for 7,000 people had been lost. In April 1947 a Town Planning Office was established, and under a Colonial Development and Welfare scheme, plans were drawn up by an expert for the future development of the Territory. When the report was published in 1949, large numbers of refugee immigrants had begun to form highly inflammable squatter settlements on the fringes of the city and the tenement houses in the urban area were already overcrowded to a saturation point. The plan could not be followed up. By 1951, large areas had been covered by shanty towns, filling the valley floors and mounting the hillsides. At first, attempts were made to resettle as many squatters as possible in cottage-type communities. At the end of 1953, some 45,000 had been so settled but there were still nearly 300,000 squatters left. The disastrous fire in one of the squatter areas on Christmas night, 1953, devastating forty-five acres and rendering more than 50,000 people homeless, transformed the squatter problem into an emergency of the first order, and forced on the Government the necessity of bringing squatter resettlement policy and low-cost housing policy into alignment.

Since it has been proved to be slow and impractical to resettle large numbers of squatters in cottage-type communities, the Government decided in 1954 to embark on a programme for the construction from public funds of multi-storey resettlement blocks. The old ordinance limiting the height of buildings to five storeys was replaced by the Buildings Ordinance, 1955, permitting the erection of buildings as high as twice the width of the street. Buildings containing twenty or more storeys began to appear in 1956. By the end of 1957, multi-storey buildings with accommodation for some 140,000 persons had been completed at a cost of HK\$54 million, out of a total capital outlay of HK\$70 million by the Government since the beginning of 1952. The Resettlement Department, created in 1954 to resettle the huge number of squatters, had by the end of 1957 housed 228,764 persons, of whom 152,344 were in multi-storey estates and 76,420 in cottage areas. Thus, the Government has assumed the role of direct landlord to a good percentage of the population, but the number of squatters still awaiting resettlement remains large.

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Prior to the establishment of the **Housing** Authority in 1954, the Government had aided such voluntary societies as the Hong Kong Housing Society and the Hong Kong Model Housing Society in building low-cost housing. The former managed in 1957 a total of 1,455 flats, cottages and shops, housing some 8,800 people. Under the Housing Ordinance, 1954, a Housing Authority consisting of all members of the Urban Council and not more than three appointed members was set up with the duty of providing accommodation at low rentals for persons in urgent need of housing. The Authority's first estate of 1,955 self-contained flats constructed on reclaimed land to accommodate some 12,000 persons was completed and opened in November 1957, and its second and third housing projects for nearly 40,000 people were also under way. As an employer, the Government has also fostered the formation of co-operative building societies of local civil servants by offering loans to purchase land and construct blocks of apartments.

Land not held under lease by others is considered to be Crown land; the Government is thus in a position to provide building sites for low-cost, non-profit making housing schemes at a reduced price, as is done for schools, clinics, etc. For housing schemes of this kind, roughly one third of the market value of the land is charged.

Government expenditure for housing schemes undertaken by the Resettlement Department, the Housing Authority and housing societies had amounted to HK\$200 million by July 1957. The total capacity of these schemes, when completed, will be 380,000 persons. During 1957, private capital alone provided about HK\$175 million worth of domestic accommodation and both public and private capital expenditure on all new building in urban areas was close to HK\$800 million during the period 1953 to 1957. What public and private capital could invest in domestic accommodation would not be able to solve the housing problem in the immediate future as the population is increasing at a rate of over 100,000 a year. A special committee appointed in 1956 to study the whole housing problem submitted interim reports in 1956 and 1957 with recommendations to expedite the resettlement programme, to set up large-scale engineering works designed to open up new land for housing, and to appoint a Commissioner for Housing responsible for surveying all the different factors affecting the housing situation and for co-ordinating action upon them. These recommendations were accepted; in March 1957 a Commissioner for Housing was appointed who became Chairman of the Special Committee on Housing and principal executive officer of the Housing Authority.

The shortage of fresh water complicates living conditions in Hong Kong. Storage reservoirs have been built and a new reservoir with a capacity of 4,507 million gallons was completed at Tai Lam Chung in 1957. It has increased the total storage capacity to 10,500 million gallons. Nevertheless it is feared that in the near future the storage facilities may not be adequate in view of the growth of the city and its population.

#### SOCIAL SECURITY AND WELFARE

General schemes for social security or for the provision of old age benefits do not exist. In general, government employees are covered either by pension, retirement allowance or gratuities. The Workmen's Compensation Ordinance, 1953, which lays down minimum rates of compensation payable to workmen for injuries received in the course of their work, has been operating satisfactorily. During 1957, some 4,776 cases were dealt with and HK\$1,177,747 was paid out in compensation, compared with 1,700 cases and a compensation of HK\$320,000 in 1954.

A Social Welfare Office, set up in 1948 and to be expanded as the Department of Social Welfare in 1958, co-operates with over one hundred voluntary welfare organizations in public assistance, relief and charity. A Social Welfare Advisory Committee, of which the Social Welfare Officer is the chairman and only official member, makes recommendations to the Government for the development of welfare work. A third body, the Council of Social Services, co-ordinates the work of some forty voluntary welfare agencies. At the request of this Council a social survey was recently undertaken at government expense by the University of Hong Kong, in co-operation with the Social Welfare Office, to ascertain the welfare needs of the population, living in the resettlement blocks. Under the prevailing circumstances of overcrowding, social welfare work has tended to be focussed on short-term programmes and relief work.

Public assistance agencies provide relief goods, meals, and medical relief. There are thirty-six institutions to care for children who have no home. A cottage-type home on fifty-one acres of land was opened in 1957. It is a self-contained community with its own schools and accommodates 800 children. When completed it will provide for 1,200.



## COMMUNITY DEVELOPMENT

The community development section in the Social Welfare Office is to be transferred to the Secretariat for Chinese Affairs when the former becomes the Department of Social Welfare. With the Social Welfare Officer's encouragement, the kaifong, a form of neighbourhood association common in old China, was revived and modernized in 1949 and has become an important factor in creating stable communities in Hong Kong. The number of approved kaifongs increased from eighteen in 1951 to twenty-six in 1957, and their membership from over 100,000 to about 300,000. In addition to establishing free schools and free clinics for needy persons, the kaifongs conduct adult education classes and provide recreational and library facilities. Depending on contributions, they have also played a significant role in emergency relief. In 1957, the kaifongs provided primary education to 7,715 under-privileged children at twenty-three free schools and free medical care to 326,033 persons at thirteen clinics.

## PREVENTION OF CRIME AND TREATMENT OF OFFENDERS

Overcrowding and economic distress remain the main causes of crime. The unlawful return in 1954 of a large number of deported persons resulted in an increase in serious offences. In 1955 and 1956 there was a sharp decrease in the number of Breach of Deportation Offences owing to preventive action. The high figure of serious offences in 1956 was largely attributed to the riots on 10 to 12 October started by criminal elements and hooligans. A reduction in serious crime in 1957 was a result of the preventive action taken against criminal secret societies.

The problem of juvenile delinquency has not been serious. There are children's centres for delinquent care and protection cases, as well as training centres for keeping hundreds of young offenders out of prison.

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Crime statistics

	<u>Number of cases</u>		
	<u>1947/1948</u>	<u>1953</u>	<u>1957</u>
Number of recorded offences	...	242,187	244,037
Reports of serious crimes	13,655	19,053	18,992
Resulted in arrest and prosecution	4,655 (35.8%)	9,543 (50.1%)	11,007 (58%)

Under the present housing conditions, diseases associated with overcrowding and malnutrition persist; tuberculosis is the principal health problem. Other diseases such as malaria and leprosy are under control. For the last five years there has been no recorded case of any of the six quarantinable diseases under international quarantine regulations. With the exception of an outbreak of a type of influenza popularly called "Asian flu" in April 1957, there have been no outbreaks of other notifiable communicable diseases for the past five years. The opening of the new Anti-Tuberculosis Association's Grantham Hospital for 540 beds and the expansion of the BCG vaccination programme in recent years contributed to the mitigation of the tuberculosis problem. In 1957, the total number of hospital beds available for the treatment of tuberculosis reached 1,500, of which 40 per cent were operated directly or indirectly by the Government and 33 per cent were subsidized by the Government. The Government Tuberculosis Service, the principal diagnostic agency, now operates three full-time clinics with branch clinics in every large population centre. No general tuberculosis surveys have been carried out. The maternal and child health services have been expanded; six full-time and twenty part-time centres were in operation in 1957; the government midwifery service had thirty-seven district midwives working in both urban and rural areas. The school health services were limited to participants who had been in the service since October 1955, as it was not possible to include the large numbers of new entrants to schools.

Medical institutions have steadily increased. In 1947 there were nine government and three government-aided hospitals with a total of about 2,300 beds, as against a total of 6,970 in 1957. Apart from nursing homes and excluding institutions maintained by the armed forces, there were thirty-one hospitals

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in 1957, of which twelve were government hospitals and nineteen were run by private organizations, ten of which received government aid. The twelve government hospitals provided a total of 2,184 beds. They included one small and two large general hospitals and seven specialized institutions for mental and maternity cases and infectious diseases. Together with 4,786 beds in the private institutions, including maternity and nursing homes, there was a total of 6,970 beds for all purposes. Excluding 2,531 beds set aside for tuberculosis, leprosy and mental cases, 4,439 were beds available for general purposes, giving a figure of 1.65 beds per thousand of population.

In training medical personnel and staffing hospitals the Government co-operates with the University of Hong Kong whose medical school has been producing doctors of a high standard of training. Medical services in Hong Kong have reached a stage where a large proportion of the training in the various branches of medicine can be carried out in the Territory. The Medical Department trains technical assistants in pharmacy, radiography, laboratory techniques, physiotherapy and medico-social work. Nurses trained in the hospitals in Hong Kong can, by passing the local examination, receive full recognition by the Nursing Council of the United Kingdom. The Medical Registration Ordinance, 1957, prohibits unregistered doctors, numbering over 500, from practising medicine or surgery. An examination for a registrable qualification, to enable the unregistered doctors to prove their worth, was to be held before the Ordinance was put into full operation.

#### Expenditure

The staff of the Medical Department increased from 2,748, including ninety-nine doctors, in December 1947 to 4,035 in March 1957. The expenditure of the Medical Department rose from HK\$8,268,000 or 6 per cent of the total government expenditure for 1947/1948, to HK\$37,243,950, or 8 per cent of the total estimated expenditure, for 1957/1958. Total estimated expenditure on medical and sanitary services for 1957/1958 was HK\$68.4 million, or 12.3 per cent of the total budget, compared with HK\$52.9 million, or 13.8 per cent of the total expenditure for 1954/1955.

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Medical and health staff

	<u>1948</u>		<u>1953</u>		<u>1957</u>	
	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>	<u>Govt.</u>	<u>Private</u>
Registered and official physicians	453		220	433	253	636 <sup>a/</sup>
Dentists	339		19	331	28	349
Registered nurses	1,025		586	752	842	879
Midwives	693		75	783	141	898
Pharmacists	...		4	61	7	60

a/ Including sixty-six provisionally registered physicians.

Institutions

	<u>Number</u>			<u>Number of beds</u>		
	<u>1948</u>	<u>1953</u>	<u>1957</u>	<u>1948</u>	<u>1953</u>	<u>1957</u>
Government hospitals	11	11	12	1,750	1,848	2,184
Government-aided hospitals	5	5	10	1,100	1,612	3,063
Private hospitals	...	9	9	1,050	990	1,051
Public dispensaries	9	10	13	-	62	123

EDUCATIONAL CONDITIONS

Progress in education is reflected in the steady increase in schools and enrolments, which rose from 100,000 in over 500 schools on 31 March 1947 to some 333,000 in over 1,300 schools on 31 March 1957. In spite of the speeded-up programme of expansion in the past few years, school facilities have not kept pace with the rising child population and Hong Kong is still far from attaining the accepted goal of universal education.

Education is neither free nor compulsory; it is under the general control of the Director of Education, who is chairman of the Board of Education which has statutory powers to advise the Government on educational matters. While the main object of the Government's educational policy is the expansion of primary education, increasing attention is being given to the provision of secondary schools and of post-secondary education in Chinese.

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On the basis of the medium of instruction and the curriculum, schools are classified into three types: Chinese, English and Anglo-Chinese. In accordance with the degree of government financial support, there are four main groups of schools: government, grant-in-aid, subsidized and private. Although the number of government and government-supported schools has shown an appreciable increase since 1946, over 50 per cent of all pupils in 1957 were being educated in un-subsidized private schools (which in turn represent about 60 per cent of all schools in the Territory).

To meet the steady public demand for education, the Government adopted a seven-year plan in 1955 which would provide by 1961 enough places for an estimated 366,000 children of primary school age. The present target figure is 33,000 new places a year, over one-third of which are to be in government schools and the remainder in aided and private schools. During 1957, four new government schools were completed providing seventy-eight classrooms with accommodation for 7,020 pupils and, as part of the seven-year plan, subsidies were given to twenty-one out of a total of twenty-eight schools which erected new buildings providing 17,700 new places.

In order to increase the number of teachers, training facilities have been expanded and free training is now provided at two government colleges. At the end of 1956, some 385 students were receiving full-time teacher training and 336 in-service teachers were attending special training courses. In 1957, Northcote Training College increased the enrolment in its two-year certificated teachers' course and opened a new one-year primary teachers' course for 200 students; Grantham Training College saw the enrolment of more than 300 students in the one-year course. For 1957/1958 the total enrolment in the training colleges was 677, and in the courses of training for unqualified teachers, 409. The University of Hong Kong awards diplomas in education to graduates; nineteen students received certificates in 1956. Two government scholarships are provided annually to enable senior Chinese teachers to take special courses in the United Kingdom.

There has been an expansion in technical education provided by government and private institutions. The Technical College is the principal government institution of technical training and its courses range from part-time subjects for

health inspectors and engineering apprentices to courses for Ministry of Transport Certificates of Competency and the equivalents of the Ordinary and Higher National Certificates offered by technical colleges in the United Kingdom. In 1957 the college moved to a new building constructed at a cost of over HK\$5 million, more than half of which was donated by local commercial and industrial interests. It had 345 full-time and 5,432 part-time students at the beginning of the session. Two other government schools provided five-year secondary technical courses for 389 boys and 275 girls in 1957. There are two large non-governmental institutions providing technical and trade courses. In addition, a number of Chinese colleges offer technical courses.

Chinese colleges established within the last decade following the exodus of university staff and students from the mainland are now recognized as a permanent feature of the educational system in Hong Kong. There are seven such colleges offering full-time day and evening courses in Chinese. They are pressing for fuller recognition of their status as institutions of higher education. Several of these colleges have agreed to amalgamate under the name of United College.

The University of Hong Kong, supported by capital and recurrent grants from the Government, has five faculties: arts, science, medicine, engineering and architecture. In 1957, a Department of Extra-Mural Studies was established with its own board to advise on questions relating to higher adult education, and twenty extra-mural courses both in English and Chinese were arranged. Including graduate and external students, the university enrolment, which was 638 in 1949, reached 1,074 in October 1957, about 30 per cent of whom were women. Most of the undergraduates are Chinese but many other nationalities are represented.

Hong Kong students also pursue higher studies abroad. Scholarships have been provided by the Government, the British Council, a Colonial Development and Welfare scheme and private institutions. A special committee advises and recommends students wishing to go to the United Kingdom for higher education. By 1949, when the Colonial Department and Welfare scholarship scheme entered its third year, twenty-nine students had been sent to England for university courses. Since then more private students have gone to study there. During 1957 there were 1,061 students studying in England. A centre hostel was acquired in London for Hong Kong students. In 1957, over 300 students went to the United States for further study, 171 to Canada and 293 to Australia.



Government expenditure on education increased from HK\$6.4 million in 1946/1947 to HK\$65.6 million in 1956/1957, of which HK\$14 million was non-recurrent. Total estimated expenditure on education for 1957/1958 was HK\$73 million, or 13.2 per cent of the total government budget, compared with HK\$35.3 million, or 10 per cent of the 1953/1954 total expenditure.

Distribution of expenditure  
(thousand Hong Kong dollars)

	<u>1948/1949</u>	<u>1952/1953</u>	<u>1956/1957</u>
Administration and inspection	457	1,725	3,343
Government schools a/	3,775	8,569	18,830
Grant-in-aid schools a/	4,467	5,522	10,565
Subsidized schools a/	3,240	4,682	23,200
Grants to Hong Kong University	-	1,550	8,200
Other expenditure (including scholarships)	356	382	1,461
Total	12,295	22,430	65,599

a/ Including new building and equipment.

Schools

	<u>1948/1949</u>			<u>1952/1953</u>			<u>1956/1957</u>		
	<u>Govt.</u>	<u>Aided &amp; Subs.</u>	<u>Indep.</u>	<u>Govt.</u>	<u>Aided &amp; Subs.</u>	<u>Indep.</u>	<u>Govt.</u>	<u>Aided &amp; Subs.</u>	<u>Indep.</u>
Primary <sup>a/</sup>	11	286	331	22	303	416	36	371	701
Secondary <sup>b/</sup>	12	21	129	12	31	226	11	21	175
Post-secondary <sup>c/</sup>	3	1	4	5	-	37	8	-	14 <sup>d/</sup>
Higher education	1	-	-	1	-	-	1	-	-
Total	799			1,053			1,345		

a/ Figures for 1956/1957 include kindergartens; schools providing both primary and secondary departments are considered separate schools for each level.

b/ Including vocational schools.

c/ Including teacher training.

d/ Chinese colleges.

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<u>Schools</u>	<u>Pupils</u>					
	<u>1948/1949</u>		<u>1952/1953</u>		<u>1956/1957</u>	
	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>
Primary	63,393	37,686	90,405	63,301	141,420	104,187
Secondary	13,216	12,490	27,871	15,716	33,880	21,261
Post-secondary:						
Teacher training	97	73	76	126	282	438
Other vocational	2,014	381	2,975	606	4,508	297
General	-	-	298	167	1,312	599
Total	129,350		201,541		308,184 <sup>a/</sup>	
Higher education:						
In Hong Kong University	376	140	699	265	1,074	
In the United Kingdom	6		208		1,061	

<sup>a/</sup> This figure does not include 3,008 students in the evening institute; 1,975 students in non-government adult classes; and 19,864 primary pupils in special afternoon classes. The inclusive total in all schools is 333,031.

<u>Schools</u>	<u>Teachers</u>					
	<u>1948/1949</u>		<u>1952/1953</u>		<u>1956/1957</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
Primary	2,786	1,982	2,427	3,149	3,680	4,982
Secondary	909	768	2,058	784	5,638	5,790
Post-secondary	36	2	374	35	408	91
Total	6,483		8,827		20,589 <sup>a/</sup>	

<sup>a/</sup> During the year, 634 teachers in primary and secondary schools received in-service training.

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## CULTURAL INSTITUTIONS AND MASS COMMUNICATIONS

Libraries are maintained by the Education Department, the University of Hong Kong, the British Council, the United States Information Service and the local chambers of commerce; there is neither a publicly owned library nor a museum in the Territory.

Within the last decade a large and active press has come into existence. In 1947 there were two English and seven Chinese daily newspaper representing all shades of opinion. At the end of 1957, some 150 periodicals, forty-two of which were daily, weekly and bi-weekly newspapers, were listed by the Registrar of Newspapers. The majority of these periodicals and newspapers are published in the Chinese language; two daily newspapers and several periodicals are published in the English language. A number of the Chinese newspapers have political affiliations. The total daily circulation of Chinese-language newspapers is estimated at half a million copies. In 1954 the Newspaper Society of Hong Kong was founded, and today seventeen principal newspapers are members of this organization. Four international news agencies maintain full-scale bureaus in Hong Kong. Staff foreign correspondents regularly resident in the Territory numbered about forty in 1957.

With eight major producing studios and a large number of small production companies, Hong Kong has become a producing centre for Chinese language films. The production is well over 200 feature films a year, which are distributed throughout south-east Asia.

In 1947, broadcasting was under the control of the Postmaster General, and the power of the two short-wave transmitters in operation was small. In 1954, Radio Hong Kong became an independent broadcasting department operating three transmitters (two medium-wave and one short-wave). It provides daily programmes in both Chinese and English. In 1957, daily hours of broadcasting in Chinese were increased to seventeen. After this expansion new live programmes, including music, drama and talks, were introduced. Radio Hong Kong is supplying Radio Sarawak and Radio Malaya with recorded materials and it re-broadcasts United Nations programmes. Radio licences issued at the end of December 1957 numbered 64,486, compared with 58,537 in December 1956.

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Rediffusion (H.K.) Ltd. provides a popular wired broadcast service throughout the Territory. The varied programmes, in Chinese and English, include music, drama and talks. The first television service was started by Rediffusion (H.K.) Ltd., in May 1957 and by the end of the year there were almost 2,000 subscribers.

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