

The 60's

- Beginning of the Productivity Movement
- Establishment of HKPC in 1967

Industry Overview

- ✧ The industrialization of Hong Kong took shape in the early 1950s, when Hong Kong began to evolve from an entrepot trading centre to an industrial centre, relying heavily on people as its major resources.
- ✧ Capitalizing on local and regional resources, including cheap labour, capital input and industrial expertise from Shanghai and other parts of China, Hong Kong began to establish a labour-intensive textile and garment industry.
- ✧ The textile industry in particular experienced rapid growth as manufacturers imported cotton to produce semi-product or finished goods and exported them to other countries.
- ✧ In 1960, there were 826 textile factories in Hong Kong with an estimated workforce of 62,000 people and 689 garment factories employing 42,000 workers.



- ✧ During the same period, the textile and clothing industry accounted for over 40% of the total manufacturing workforce.

- ✧ Throughout the decade, with favourable tax policies and other local government support measures, "Made in Hong Kong" products began to make their presence in the world market.

- ✧ With the predominance of family-owned small operations in the manufacturing sector, the Government saw the need to provide organized facilities to support the further development of Hong Kong industry.

The Introduction of Productivity Concept

- ✧ The Asian Productivity Organization (APO) was established in 1961 by convention drafted at an Asian Round Table Productivity Conference to foster increased industrial productivity and promote international co-operation. In 1963, Hong Kong became a member of the APO, paving the way for the establishment of a productivity organization in the territory.



- ✧ In 1963, the Government took the first step to examine industrial productivity in Hong Kong and appointed a Working Committee on Productivity under the chairmanship of the Commissioner of Labour.

- ✧ Reflecting the development of the Hong Kong economy, the Committee adopted a concept of productivity which was essentially input driven.

Productivity = the overall conception of productive efficiency and the ratio of useful output of goods and services to the total input of all productive resources

Maximum productivity = the optimum use of all the resources that go into and affect production, comprising manpower, machinery, plant, materials, finance, land, and building and management, marketing, and distribution skill

Establishment of the Hong Kong Productivity Council to Meet Industrial Needs

1964 -

- ✧ The Working Committee on Productivity recommended the establishment of a statutory Productivity Council.

1965 -

- ✧ A Provisional Productivity Council was established under the chairmanship of the Director of Commerce and Industry.

1967 -

- ✧ The Hong Kong Productivity Council (HKPC) was established by statute to promote increased productivity of industry in Hong Kong and encourage the more efficient utilization of resources.
- ✧ On 1 April 1967, the Hong Kong Productivity Centre, the Council's executive arm, was set up at the Gloucester Building in Central.

1968 / 69 -

- ✧ The Centre had a mandate to provide training in productivity techniques as well as consultancy services and technical assistance for persons and organizations engaged in industry.
- ✧ During its first year of establishment, the Centre had 32 staff members providing services in training, consultancy, library and research.
- ✧ With the increased awareness of the importance of productivity, the demand for HKPC service continued to increase over the years.

