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THE Bulletin

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APRIL 1996

John Major's reassurances



Budget debate

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COVER STORY

British Prime Minister John Major at a joint Chamber lunch on March 4
made five points which he said he hoped would reassure the people of
Hong Kong. Pictures courtesy of the GIS P6

英國首相馬卓安在3月4日的聯合午餐會上向港人作出五項保證，藉此鞏固港人信心。（圖片由政府新聞處提供）



**WTO Director General
世貿總幹事談貿易自由化**

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Chamber welcomes Budget; monitors economic trends

For Hong Kong General Chamber of Commerce members, the Financial Secretary, Mr Donald Tsang's first Budget is a generally positive document, despite there being no cuts in profits and salaries taxes.

Mr Tsang's pledge to ensure a business friendly government was a welcome advance in Government's public policy position regarding the private sector of the economy which accounts for 82 per cent of Gross Domestic Product (GDP).

And his announcement of the decision by Government to more actively promote the services sector of the economy and services trade was a timely recognition of the role of services, and services trade, in the territory's future.

Chamber Chairman, Mr William Fung, said Mr Tsang - the first locally born Financial Secretary - had set the tone for the future in recognising the territory's special status as a future SAR and that everything flows from a prosperous economy.

The Chamber believes Mr Tsang achieved a reasonably good balance between the competing demands for increased spending and greater tax concessions, while not allowing spending to increase faster than economic growth and revenues.

Where the Chamber has some difficulty with the Budget is the economic context in which it was framed and its apparently optimistic outlook on future growth, given the recent evident weaknesses in some sectors of the economy.

It is true that the Government's forecasts of five per cent GDP growth and average 7.5 per cent inflation for the 1996 calendar are broadly in line with those made by the Chamber economist at the Business Summit in early December.

The Chamber's forecasts for 1996 growth and inflation were, however, made before figures were available covering the performance of the local economy in the 1995 calendar year.

Commenting on the economic outcome in 1995, the Financial Secretary merely said that over the whole year was just 4.6 per cent (a figure that may be revised upwards slightly), compared with 5.4 per cent in 1994, 6.1 per cent in 1993 and 6.3 per cent in 1992.

More disturbingly, this suggests the local economy grew only 3.1 per cent in the final quarter of the year (again a figure that may be upwardly revised), the slowest quarterly growth rate since the Tiananmen-affected first quarter of 1990 (0.5 per cent).

It means that GDP growth slowed throughout 1995, from 6.1 per cent in the first quarter, to 5.2 per cent in the second, 4.2 per cent in the third and a likely-to-be-revised 3.1 per cent in the last quarter.

This decline fits with the weakening domestic demand throughout the year and the decline in the growth rates of external trade, especially in the second half.

Anecdotal evidence, and the limited statistics available for the opening months of this year, suggest that the weaknesses in the economy may have continued into the first quarter of the year and could continue through the first half.

It suggests that the Financial Secretary must be looking to a significant recovery in domestic and external demand in the second half of the year to ensure that the economic growth target is met (and with it, the Chamber's own forecast).

For its part, the Chamber will be monitoring very closely first half activity to determine whether the consensus forecasts of around 5 per cent growth can be achieved following the unexpectedly slow rate on growth at the end of 1995.

Having said that - and bearing in mind the pressures stemming from Cross-Strait tensions and Most Favoured Nation (MFN) renewal for China by the US - there have been some positive signs in the opening months.

External trade began the year quite well, although the timing of the Lunar New Year holiday makes comparisons with the previous year difficult until further months' figures come in.

The labour market also has picked up, with unemployment back down to 3.1 per cent in February from its peak of 3.6 per cent in the latter months of 1994.

This suggests that employment growth has continued into the new year - there are now more than three million people actually employed locally for the first time - and that labour availability growth has slowed.

It also means that the economy is at least strong enough to support continued employment growth and by mid-year, the prospects for the broader economy, in what is still only likely to be an average year, will be clearer. ■



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總商會歡迎新預算案

雖然財政司曾蔭權並未在其首份預算案中提出削減利得稅及薪俸稅的建議，但對香港總商會的會員而言，預算案整體上傳達了正面的訊息。

對於財政司為商界締造有利經營環境的承諾，我們深表歡迎。事實上，私營環節佔了本地生產總值的82%。

財政司同時宣布，政府將在推廣服務業方面擔當一個更積極的角色。此舉毋疑是在適當的時間肯定了服務業及服務貿易對本港未來的重要性。

本會主席馮國綸表示，作為首位華人財政司的曾蔭權在其預算案中規劃了本港未來的發展模式，這已充分考慮到香港作為未來特別行政區的角色，以及現時繁榮的經濟表現。

在增加公共開支與作出更多稅務減免兩種背道而馳的要求之間，本會認為財政司不讓公共開支增幅超越經濟及稅收增長的做法，已在兩者間取得了合理的平衡。

本港部分經濟環節在近期的表現明顯疲弱，因此，預算案中所描繪的經濟狀況及對未來經濟增長所持的樂觀態度，與本會的觀點略有分歧。

政府預測1996年的本地生產總值增幅及平均通脹率分別為5%及7.5%，與本會首席經濟學家於去年12月初在香港商業高峰會上的預測大致相若。

然而，本會是在缺乏95年度本地經濟表現數據的情況下完成對96年的預測的。

談到95年的經濟表現時，財政司僅指出全年的增長率為4.6%（可能會於稍後略向上調），94、93及92年度則分別為5.4%、6.1%及6.3%。

更令人困擾的是，這個數字顯示本地經濟在去年最後一季的增幅僅為3.1%（亦可能於稍後略向上調），乃受六四事件影響的1990年第1季後錄得的最低增長率（0.5%）。

這表示本地生產總值在95年全年的增幅甚為緩慢，首3季的增幅僅為6.1%、5.2%及4.2%，最後一季則僅有3.1%（雖可望再作上調）。

上述跌勢正好說明內部需求在95年全年均持續疲弱，而對外貿易的增長亦在下跌之中（尤以下半年為甚）。

從種種跡象和本年首數個月的有限統計數據看來，96年首季的經濟表現似乎仍然疲弱，而這種情況更有可能在上半年維持下去。

有鑑於此，財政司必須設法刺激下半年度的內部及海外市場需求，以確保達成既定的經濟增長目標（也就是本會所預測的數字）。

本會將密切留意上半年的經濟狀況，以決定本港在經歷了增長緩慢的95年後，能否達成共同預期約5%的經濟增長。

在兩岸關係及美國延續中國最惠國待遇的問題上，自96年伊始，一直不乏一些正面的訊息。

儘管由於農曆新年假期的關係，難以將年初的成績與對上一年比較，而要等待再過數月的統計數字，但本年初的對外貿易表現看來尚算良好。

勞工市場的情況亦已好轉，失業率從1994年底的3.6%高峰回落至2月份的3.1%。

這意味著就業人數在新一年持續上升。現時，本地就業人數已首次跨越300萬大關。勞工供應增長率已見放緩。

這顯示本港經濟起碼足以支持不斷增長的就業人數。到本年年中，整體經濟的前景（很可能是表現普通的一年）將較為明朗。 ■





John Major addresses the joint Chamber business lunch. 英國首相馬卓安在午餐會上致辭

Visa-free access

John Major gives five-point reassurance to people of Hong Kong

Prime Minister, John Major, assured Hong Kong for the first time that Britain will give visa-free access to holders of Special Administrative Region passports when on March 4 he spoke at a joint business lunch to 600 HKGCC and British Chamber members.

John Major flew to Hong Kong after attending the Asian and European heads of government meeting in Bangkok where he met Chinese Prime Minister, Li Peng.

In his only public appearance on his short Hong Kong visit, John Major made five points, ending repeated Hong Kong representations by Governor Chris Patten, some LegCo members and elements of the general public:

- "First, Britain's commitment to Hong Kong will continue well beyond the summer of 1997. That is both our moral responsibility and overwhelmingly in our own self interest.
- "Second, if in the future there were any suggestion of a breach of the Joint Declaration, we would mobilise the international community and pursue every legal or other avenue available to us.

Passports

- "Third, we will give visa-free access to holders of the passport of the Special Administrative Region.
- "Fourth, we are prepared to guarantee to the ethnic minorities admission and settlement in the UK if after 1997 they were

to come under pressure to leave Hong Kong.

- "Fifth, we will facilitate a Private Member's Bill to give British citizenship to the wives and widows of the ex-servicemen from Hong Kong who fought in the war."

The Prime Minister said: "These five points will, I hope, help to provide reassurance to you, the people of Hong Kong, about Britain's active interest in your future.

Crossroads

"As I have said earlier, Hong Kong is at Europe's and Asia's crossroads. 1997 will not change that. Europe's ties with Asia, are ties of culture and commerce, of history. That is especially true for Britain. Of 24 Asian countries, eight are members of the Commonwealth.

"Britain is the largest European investor in China and in Asia as a whole. But nowhere do we have as large a stake as we have in Hong Kong.

John Major asked: "Will Hong Kong



At lunch. 現場情況



John Major. 馬卓安

免簽證入境

英揆向港人作出五項承諾

英國首相馬卓安在3月4日出席由香港英國商會及香港總商會所設的午餐會上向600位與會者宣布，英國將給予未來特區護照持有人免簽證進入英國的待遇。

馬卓安在曼谷出席亞歐峰會後訪問本港。他在曼谷期間曾與中國總理李鵬會面。

在這次短暫訪港行程中唯一的公開場合，馬卓安向港人作出五項承諾，回應了港督彭定康、部分立法局議員及市民大眾不斷就此事作出的陳說：

- 「首先，英國在97年後不會終止對香港的承諾。這既是我們的道義責任，也符合英國本身的利益。

- 「第二，如將來出現違反中英聯合聲明的跡象，英國定會動員國際社會力量，循法律及其他一切可行途徑處理有關問題。

護照

- 「第三，我們將給予未來特區護照持有人免簽證入境的待遇。

- 「第四，如香港的少數族裔人士在97

年後遭受壓力而需要離開，英國將容許他們入境定居。

- 「第五，我們將促使國會通過非官方議員條例草案，讓曾參戰的香港退伍軍人妻子或遺孀，享有英國公民身份。」

馬卓安表示：「希望上述五項承諾能表明英國對香港前途的積極關注。」

歐亞要衝

「正如我較早時所說，香港位處歐亞要衝，這一點在97年後亦不會改變。無論在文化和商業方面，歐亞兩地均有悠長的歷史聯繫，英國尤其如此。24個亞洲國家中，有8個是英聯邦的成員。

「若論在中國和亞洲的投資規模，英國在歐洲諸國中居於首位。我們在香港的投資規模更是在各地之冠。」

馬卓安問：「香港會繼續保持繁榮嗎？」

「香港早已取得非凡的成就，是市場經濟的成功例證。『香港經驗』更獲得全球仿效。香港指示了這個地區的路向。『香港製造』的

continue to succeed?

"You have succeeded magnificently already against all the odds. You have been an example to the world of what can be achieved by an open market economy. It is your values, Hong Kong values, that are being copied around the world. It is Hong Kong that points the way in this region. Made-in-Hong Kong is stamped these days on ideas and values: not just on toys and textiles.

"So it matters that Hong Kong continues to succeed. It matters to Britain, to China, to the world. Next summer the eyes of that whole world will be on Hong Kong; the world's TV cameras will be trained on the Territory; the world's journalists encamped here in their thousands."

One 'if'

John Major said: "For the next 16 months, people everywhere will be asking one question, over and over again; will it all survive? Will it all work? I am sure that it will, sure with one caveat, with one qualification to be honest -- with one 'if.'

"It will work and survive as Anson Chan has said, if you remain true to yourselves. If you remain true to your values, true to the values which helped you create here, in this Chinese city, a community that is decent and prosperous, mightily successful and -- the whole world hopes -- abidingly free."

John Major began his speech by saying Hong Kong had changed quite a bit in the four and a half years since he was last here. But not changed for the worse.

"The doomsters, the gloomsters, always with us, have been proved to be wrong again and again. There have been arguments certainly. Arguments about principles, certainly. Arguments about things that matter, of course. Arguments, but no disasters.

"Hong Kong has become the world's eighth largest trading economy, up from tenth four years ago. Your foreign exchange reserves have risen by 80% from USD29 billion to USD52 billion. They are now the second highest per head anywhere in the world.

"Your GDP has gone up by a quarter. It now corresponds to over one fifth of China's GDP, a truly astonishing achievement for a territory with a population of six million at a time of uncertainty.

Unimaginable statistic

"Your spending on public services has gone up. By 75% on education. By 99% on health. But because you've grown overall and restrained expenditure elsewhere, expenditure as a proportion of your income has remained about 18% of GDP. In European terms, an almost unimaginable statistic."

He said taxes had been cut and cut again. Salaries tax of 15% is now paid by only 2% of the working population. No wonder it is an international city with over 200 more regional headquarters than in 1991 as well

as 11,000 more Britons, 11,000 more Americans and almost 9,000 more Japanese.

John Major said: "Last week I attended a meeting of European and Asian heads of governments in Bangkok. The first meeting of its kind, an initiative long overdue and one I welcomed with enthusiasm. There are very few foreign policy questions that matter more today than the relationship between West and East, between Europe and Asia.

"Hong Kong is at the heart of the economic relationship between the two. Annual two-way trade is worth USD40 billion. Literally thousands of European firms are based here doing business not only in Hong Kong but in the whole region."

He said that is why Hong Kong needs to be involved in any economic follow-up to the heads of governments meeting in Bangkok.

Special position

"And Britain occupies a special position in this relationship. I am not talking about the historical link, vital though that is. I am talking about something a good deal broader than that.

"Hong Kong is the Europeans' first choice

標籤不僅出現在玩具和紡織品，它還印於意念和價值觀上。

「因此，對英國、中國甚至全世界而言，保持香港繼續繁榮是十分重要的。明年夏天，香港將成為全球注目的焦點，不僅電視台的攝影機會以香港為目標，各地記者亦會蜂湧而至。」

假如

馬卓安續說：「未來16個月，所有人都會不斷提出同一個問題。這是否可行？這會否成功？我深信只要能緊守一個原則，成功指日可期。」

「正如陳方安生所言，只要忠於自己的信念，成功必可在望。只有保存香港的價值觀，保存令香港達致今日成就的信念，持續不變的自由度，才可令這個中國人的城市，這個繁榮富裕的社會繼續成功。」

馬卓安在其演辭中指出，這次重臨香江，跟上一次已相隔整整四年半。香港雖然出現了若干轉變，卻並非朝著壞的方面發展。

「持悲觀態度的人經常存在，但事實一次又一次證明他們錯誤。爭拗在所難免，這當然屬於原則性的爭論，而爭拗的事項又必然是十分重要，但這一切都只停留在爭論的階段，不會帶來災難。」

「香港已從4年前的第10大貿易個體上升至現時的第8位，外匯儲備亦由290億增長80%至520億美元，是全球人均儲備第二高的地區。」

「香港的本地生產總值增幅達四分之一，相等於中國國內生產總值逾五分之一。在充滿不穩定因素的環境下，以一個只有600萬人口的城市而言，如此成就的確叫人驚喜。」

as a base to do business in Asia. Across the globe, the United Kingdom is Asians' first choice as a base to do business with Europe. Asian banks in London. European banks in Hong Kong..."

He said Asian investment in Britain exceeds Asian investment in the whole of the rest of Europe added together. European investment, especially British investment, in Hong Kong far exceeds other external investment in the Territory.

"This is partly a product of history. Indeed, everything is partly the product of history. But it is very much also a product of circumstances of hard-headed calculation about the future.

"Asian businessmen naturally wish to increase their stake in the world's largest market, Europe, and they have calculated that much the best gateway is the United Kingdom. And they have come to Britain because we share a common belief in enterprise."

John Major said they liked Britain's relatively low taxes, the lowest tax burden of any major European economy. They liked Britain's low inflation. They liked Britain's

難能可貴

「香港在教育及醫療方面的公共開支分別上升75%及99%。由於整體經濟有所增長，政府又對其他方面的開支作出節制，公共開支在政府收入中所佔的比例仍然約相等於本地生產總值的18%。對歐洲國家來說，這幾乎是難以想像的。」

馬卓安指出，香港已多次實行減稅措施。現時，只有2%的勞動人口按15%的標準稅率繳付薪俸稅。香港是名副其實的國際都市，目前在香港設立地區總部的機構較1991年多出200餘間；居於此間的英國及美國僑民更分別增加11,000人。日本僑民的人數亦增加約9,000名。

他說：「上週，我參加了亞歐峰會在曼谷舉行的會議。這是首次舉辦同類型的會議，是長期努力的成果。我對此深表支持。今時今日，絕少外交政策問題像東西或歐亞關係般受人重視。」

「香港是兩地間經濟關係的中心，每年的雙邊貿易總值達到400億美元。很多進軍香港的歐洲公司不僅力圖開拓本地市場，而是放眼整個亞洲地區。」

因此，香港必須密切注視亞歐峰會後的任何經濟新動態。

地位特殊

「英國在上述關係中佔了一個特別的位置。我所指的並非歷史淵源（儘管這的確非常重要），而是層面更廣的一種關係。」

「香港是歐洲公司進軍亞洲時的首選基地。在地球的另一邊，英國也是亞洲商人在歐洲投資的首選。倫敦開設了不少亞洲銀行，歐洲銀行在香港開展業務的例子更是多不勝數。」

commitment to free trade and fair competition.

Opportunities

William Courtauld, Chairman of the British Chamber of Commerce introduced John Major. He said while conscious of the uncertainties inherent in Hong Kong doing what no other city state has done before, British business is more focused on the opportunities than on the threats as its status changes.

"We are investing vigorously both in Hong Kong and in China, bringing more staff out here at considerable cost as well as recruiting locally. And we are using Hong Kong as a springboard to develop in the region.

"Like you, I feel that the best of Hong Kong lies ahead and we are determined to be a very active part of it," he said.

Robert Savage, first Vice Chairman of the General Chamber presented, with William Courtauld, a memento to the Prime Minister when he finished speaking. He, thanked John Major for his "message of confidence, a message of hope in the future and a message of success in business -- something which I think we can all look forward to." ■

馬卓安表示，亞洲商人在英國的投資總額超越他們在其他歐洲國家的總和。在香港的歐洲資金（特別是英資）亦遠超其他外資。

「這固然跟歷史有關，事實上，所有事物都跟歷史息息相關，但這也是對未來進行精心計算後的結果。」

「亞洲商人自然渴望擴大在全球最大市場（即歐洲）的投資，英國正是經過他們細心考慮後選擇的投資門戶。他們之所以選擇英國，是因為大家擁有共同的商業價值觀。」

馬卓安指出，英國在主要歐洲國家中的稅率最低，因此吸引亞洲商人到當地投資。此外，英國的低通脹率、自由貿易政策和公平的競爭環境也深受外商歡迎。

機會

是次午宴由香港英國商會主席葛滔向馬卓安致歡迎辭。馬卓安表示，儘管香港存在著不穩定因素，英國商人還是把焦點放在拓展業務方面，多於香港因地位轉變而存在的危機。

「我們在中、港兩地均積極投資，東來工作的英國人固然持續增加，在當地招聘的亦為數不少。香港是我們在亞洲發展的跳板。」

「跟在座各位一樣，我認為香港將擁有更美好的前途，我們決心在這兒擔當一個活躍的角色。」

本會第一副主席邵偉志及英國商會主席葛滔在馬卓安致辭後向他致送紀念品。邵偉志在答謝辭中表示：「感謝首相帶來令人對未來充滿信心和希望，以及令商界鼓舞的訊息，我相信這是所有人可共同期待實現的。」 ■

Diary Dates

Annual General Meeting
Tuesday, April 23, 1996, 6.00 pm
Island Shangri-La Hotel

At this year's Annual General Meeting, six seats which are up for re-election are those of Dr Lily Chiang, William Fung, Gerry Higginson, Liang Xiaoting, David Rimmer and Robert Savage. William Fung and Gerry Higginson have confirmed that they would not stand for re-election. Chamber members will have received formal Notices of Meetings by the time this Bulletin reaches them.

Subscription Luncheon
HK Governor Chris Patten
to speak on MFN
Friday, April 26, 1996
The Ballroom
The Ritz-Carlton Hotel

The Governor of Hong Kong, Mr Chris Patten, will speak about the importance of retaining China's Most Favoured Nation (MFN) status at a Chamber luncheon prior to his departure on a lobbying mission to Washington DC.

The Hong Kong Government estimated that, should China's MFN status be revoked, Hong Kong might suffer a reduction by 31 to 45 percent (or HK\$66-96 billion) worth of re-exports from China to the USA. Furthermore, Hong Kong's role as a gateway to China would be undermined, affecting longer term growth potential and business confidence in Hong Kong.

Bookings: Ms Marina Wong, tel 2823 1253, fax 2527 9843.

Pacific Basin Economic Council
International General Meeting
"Beyond Rhetoric: Implementing
Free Trade & Investment in the
Pacific Region"
Washington DC
May 20-22, 1996

PBEC's International General Meeting this year boasts an impressive cast of speakers from government and business. Government speakers include: US President Bill Clinton; Malaysian Prime Minister Mahathir Mohamad; Mexican President Ernesto Zedillo Pence de Leon; and Deputy Prime Minister of Thailand, Dr Amnuay Veerawan.

Led by Dr Helmut Sohmen, Chairman of PBEC Hong Kong Committee, the Hong Kong delegation is one of the strongest ever, with: Dr Victor Fung, Chairman of the Hong Kong Trade Development Council; John Strickland, Chairman (Designate) of the Hongkong & Shanghai Banking Corporation; Gordon Wu, Managing Director of Hopewell Holdings Ltd; Barry Wain, Editor-at-Large of Asian Wall Street Journal; and William McGurn, Senior Editor of the Far Eastern Economic Review.

Bookings: Ms Ann Yan, tel 2823 1236, fax 2527 9843.

Chamber Forecast

Date	Time	Events & Meetings
Apr 2	4.00 pm	MEETING: Economic Policy Committee
Apr 9	6.00 pm-9.00 pm	TRAINING: Commencement of Training Workshop on Strategic Alliance Management (English)
Apr 15	12.30 pm	HKFA ROUNDTABLE LUNCHEON: Applying Multi-Media Technology to Improve Retail & Franchising Productivity (Cantonese)
Apr 16	12.30 pm	ROUNDTABLE LUNCHEON: The Mandatory Provident Fund Ordinance - Implications for Business (English)
Apr 16	6.00 pm	MEETING: Europe Committee
Apr 16	7.00 pm	DINNER RECEPTION: European Consular Officials
Apr 18	12.30 pm	ROUNDTABLE LUNCHEON: How to efficiently search Asian & China Business Information on Internet (English)
Apr 22	6.30 pm-9.45 pm	TRAINING: Commencement of Customer Service Course (Cantonese)
Apr 23	6.00 pm	Annual General Meeting
Apr 25	9.00 am	MEETING: Legal Committee
Apr 26	12.30 pm	SUBSCRIPTION LUNCHEON: HE The Governor, The Rt Hon Christopher Patten
May 1	6.00 pm-9.00 pm	TRAINING: Commencement of Intermediate Putonghua Foundation Course for Expatriates
May 3-8		HKFA Study Mission on Franchise Opportunities to Australia
May 6	6.00 pm-9.00 pm	TRAINING: Commencement of Elementary Putonghua Foundation Course for Expatriates
May 6	6.30 pm-9.30 pm	TRAINING: Commencement of Supervisory Skills Advanced Course (Cantonese)
May 7	1.00 pm-5.00 pm	SEMINAR: Skills in Effective Media Handling (Cantonese)
May 18-22		Pacific Basin Economic Council: International General Meeting, Washington DC

THE CHAMBER IN ACTION



Ian Christie Reports

DIRECTOR'S REPORT FOR FEBRUARY/MARCH 1996

LOCAL AFFAIRS AND ECONOMICS DIVISION

GENERAL

Activities of the Local Affairs and Economics Division were very much focused on the Hong Kong Government's Budget (1996-97) during the period under review. Both before and after the delivery of the Budget, the Chief Economist was kept busy speaking with the media about the likely contents of the Budget, the Chamber's submission (made in September last year) and the ultimate outcome. The Chief Economist also delivered key speeches on either side of the Budget. His two pre-budget presentations were to the Hong Kong Management

Association's annual "Which Way the Budget?" luncheon on 29 February and to the Rotary Club on 1 March. Post-Budget he spoke to a gathering of clients of a "big six" accounting firm and to the Chamber's own "Business and the Budget" luncheon on 7 March. The Division was generally pleased with the Budget provisions, but expressed concern about the economic background in which it was presented.

The Division briefed several visiting delegations during the period under review, with the emphasis being on the territory's economic outlook. The Chief Economist also spoke with several international journalists (from Argentina, Germany, Hungary, Poland, Brazil) on the same issue, delivered a presentation on the Asian economic outlook to a business seminar in Macau and attended the "Competitiveness and the Hong Kong Economy Workshop" sponsored by the Foundation 2047 and Li & Fung Group.

本會動態

本地及經濟事務部

過去一個月，本地及經濟事務部的活動焦點集中在96至97年度財政預算案。預算案發表前後，該部助理總裁兼首席經濟學家忙於就預算案的內容、總商會意見書（早於去年9月已呈交當局）及有關事宜與新聞界會面。預算案發表前，他曾分別於香港管理專業協會主辦的「財政預算案分析午餐會」（2月29日）及3月1日的扶輪社午餐會上致辭。預算案發表後，他曾於由「六大」會計師行之一組織的客戶聚會及3月7日的總商會「工商界與96年財政預算案」午餐會中致辭。該部基本上歡迎財政預算案中的建議，但對其描繪的經濟狀況表示關注。

該部於期間接待了數個訪港代表團，討論重點圍繞著本港的經濟前景。首席經濟學家亦就同一問題接受來自多個國家的記者訪問（包括阿根廷、德國、匈牙利、波蘭及巴西），並於一個在澳門舉行的商業研討會上暢論亞洲的經濟前景。此外，他亦出席了由2047基金及利豐集團贊助的「競爭力與香港經濟研討會」。

委員會活動

法律委員會

委員會於3月7日召開會議，就《公司條例》的檢討，以及香港聯合交易所上市規則的法理依據展開討論。

服務業部

香港服務業聯盟

服務推廣

回應財政司在1996至97年度預算案中有關推廣服務業的建議，香港服務業聯盟隨即發表新聞稿以示歡迎，並呼籲政府及商界為推廣服務業緊密合作。

3月12日，由政府主辦的「香港邁向二十一世紀：服務的經濟」服務業推廣研討會隆重揭幕。香港服務業聯盟是研討會的協辦及贊助機構之一，主席施文信在研討會的全



H M G Forsgate and Ian Christie welcome the visiting Germans.
霍士傑及祈仕德接見德國訪客

Germany

H M G Forsgate, Chamber Council member, received on February 23 Norbert Gansel, the Vice Chairman of the German Foreign Affairs Committee and Burkhard Hirsch, a member of the same Committee. With Gerry Forsgate (in the chair) were Ian Christie, Chamber Director, Ian Perkin, the Chamber's Chief Economist, and Sidney Fung, the Chamber's Assistant Director for International Affairs. The visiting influential Germans were briefed on current political and economic developments in Hong Kong.

德國訪客

德國國會下議院外務委員會副主席甘澤爾及成員希爾施於2月23日訪問本會，獲本會諮議會成員霍士傑接待。在場的本會負責人包括總裁祈仕德、首席經濟學家洗柏堅及國際事務部助理總裁馮棟澤。本會向兩位極具影響力的德國訪客簡介本港最新的政治及經濟發展。



Hilton Cheong-leen (in the chair) outlines the Chamber's functions.

張有興(右)介紹本會的工作

Dr Gullotti addressing interested Chamber members.

古洛蒂暢談瑞士商賈良機



Switzerland

Hilton Cheong-leen, who serves on several of the Chamber's Committees, welcomed on March 14 a high-level delegation of businessmen from Switzerland, led by Dr Riccardo G Gullotti, who sought better understanding of the markets in Hong Kong and China. They were updated on the Territory's latest economic developments.

瑞士商務團

積極參與多個委員會工作的張有興於3月14日接待訪港的瑞士高級商務代表團。該團由古洛蒂博士擔任團長。此行有助他們加深對本港最新經濟發展及中港市場的了解。

Lord Blyth

Chamber Chairman, William Fung, met on March 7 Lord Blyth of Rowington, the Vice Chairman of Boots Company plc of the UK. The Hong Kong economy and political developments were discussed.

勳爵到訪

本會主席馮國綸於3月7日會見到訪的英國布萊思勳爵。雙方討論了本港的經濟及政治發展。



Lord Blyth with Chairman William Fung.

布萊思勳爵與馮國綸談笑甚歡

COMMITTEE

Legal Committee

The Legal Committee met on 7 March to discuss several important ongoing issues including the Companies Ordinance Review, the prospect of Statutory backing of the SEHK listing rules and Patents.

SERVICE INDUSTRIES DIVISION

HONG KONG COALITION OF SERVICE INDUSTRIES

Promotion of Services

In response to the Financial Secretary's proposals to promote services in his 1996-97 Budget speech announced on 6 March, the HKCSI issued a press release welcoming the Financial Secretary's initiative and calling on the private and public sectors to work

體會議上致辭。接研討會舉行的晚宴邀得美國前國務卿舒爾茲擔任主講嘉賓。

聯盟在預算案發表前已向財政司呈交意見書，現時正為商界如何配合政府的推廣活動而著手草擬行動綱領。

服務業聯盟應香港貿易發展局邀請，為該局於4月12日主辦的「邁向97香港經濟發展研討會」擔任贊助人。

中國事務

香港服務業聯盟主席施文信應中國國際商會主席郭東坡的邀請組團訪華。訪問團一行八人，將於3月底赴北京拜訪中國國際商會及當地的有關團體。

服務貿易總協定

貿易署將於5月9日就世界貿易組織新加坡部長會議籌辦研討會。香港服務業聯盟將為研討會擔任贊助人。

服務業聯盟會議

下一屆的服務業聯盟會議將由美國服務業聯盟籌辦，於7月9至11日在瑞士日內瓦召開。

香港特許經營權協會

委員會會議

委員會於3月15日舉行會議，怡和太平洋董事彭耀佳獲選為香港特許經營權協會主席。該會對財政司在其首份預算案中與協會合作推動特許經營的建議深表歡迎。委員會成員認為，為區內及中國推介海外特許經營業務方面，港商可擔當一個重要的角色。

澳洲特許經營考察團

該會正積極組織考察團參加將於5月在澳洲悉尼舉行的特許經營博覽會。屆時，考察團亦會拜會當地的特許經營商。

更新名錄

該會已展開《特許經營名錄》一書的資料更新工作，有關函件已於本月內寄予各特許經營商號。

訪客

新加坡展覽服務私人有限公司市場總監何美玲到訪，獲該會高級經理周育珍接待。何氏邀請香港特許經營權協會參加將於1997年9月在獅城舉行的國際特許經營博覽及會議。

國際事務部

委員會活動概覽

towards promoting services.

The Coalition was a co-organiser and sponsor of the government symposium "Towards the 21st Century - Hong Kong as a Servicing Economy" on 12 March to launch the Financial Secretary's initiative on services promotion. CSI Chairman, Mr Brian Stevenson, delivered an address at the plenary session of the Symposium. The symposium was followed by a gala dinner in the evening with Mr George Schultz, former US Secretary for State, as keynote speaker.

In follow up to the papers "Towards Service Excellence" which the Coalition submitted to the Financial Secretary prior to the Budget speech, the HKCSI is now developing an action plan to provide the private sector ingredient to complement the government's promotional campaign.

The Coalition has been invited to act as sponsor of an event by the Trade Development Council entitled "Towards 1997 and Beyond: Enhancement of Hong Kong's Role as in International Service Centre", to be held on 12 April.

China

HKCSI Chairman, Mr Brian Stevenson, was invited by Chairman of the China Council for the Promotion of International Trade (CCPIT), Mr Guo Dongpo, to lead a delegation to visit China. An eight-member delegation is being organised to visit CCPIT and related organisations in Beijing at the end of March 1996.

GATS

The Coalition will be a sponsor of a seminar organised by Trade Department for 9 May on the Singapore Ministerial Conference of the World Trade Organisation.

CSI Conference

The CSIs have decided that the next CSI Conference will be held on 9-11 July in Geneva, to be organised by the USCSI.

HONG KONG FRANCHISE ASSOCIATION

Committee Meeting

The Committee met on 15 March and elected Mr Y K Pang, Chief Executive of Pizza Hut, as Chairman of the HKFA Committee. The Association welcomed the Financial Secretary's recommendation, in his first budget speech, in cooperating with the Hong Kong Franchise Association to promote franchising. Members felt that Hong Kong businessmen could play a role in introducing overseas franchises to the region and China.

Study Mission to visit the Sydney Franchise Exhibition

The Association is organising a study mission to attend the Sydney Franchise Expo in May

EU Official

H M G Forsgate chaired a meeting on March 7 between Chamber members and Fernando Perreau de Pinninck from Spain, who is a member of Sir Leon Brittan's European Union Cabinet. Members took the opportunity of discussing with the visiting EU official a number of trade topics, including EU quotas, liberalisation of EU markets and anti-dumping.



From left: Fernando Perreau de Pinninck and Gerry Forsgate. 佩南(左)及霍士傑

歐盟官員

霍士傑於3月7日會見到訪的歐盟內閣成員佩南(西班牙)。會員趁此良機與歐盟官員討論配額、開放市場及反傾銷等貿易問題。

美洲委員會

委員會邀得墨西哥駐港總領事哈爾克為3月14日舉行的小型午餐會擔任主講嘉賓。講題是墨西哥的經濟現狀及發展機會，出席的會員逾20位。

委員會於同日舉行會議，研究組織商務團往墨西哥考察的建議，以及於本年稍後時間邀請中南美洲國家駐港領事共晉晚宴的事宜。

阿拉伯及非洲委員會

委員會於3月7日為到訪的一個南非商會代表團舉行招待會議。代表團一行五人，由會長博斯率領。該會是由南非東部三個獨立商會不久前合併組成。

亞洲委員會

紐約亞洲協會高級事務助理拉特克於3月8日到訪，由該部助理總裁馮棟澤及經理許仲瑩予以接待。拉特克此行的目的是為一項研究計劃搜集意見，以評估「台灣在東亞經濟的角色及其對美國和亞洲關係的影響。」由亞洲協會組織的考察團將於本年6月訪港。

中國委員會

一行十九人的國際商會駐港代表北京訪問團於3月10至12日訪問北京，由本會去屆主席鄭明訓擔任團長。國際事務部提供後勤秘書服務。代表團在北京拜會了多位高級政府官

員，包括副總理兼外長錢其琛、副總理朱鎔基、港澳辦主任魯平、對外貿易經濟合作部副部長谷永江及中國人民銀行副行長殷介炎。

總商會主席馮國綸、中國委員會主席董建成及其他理事會成員於3月11日與香港中國企業協會主席沈覺人及數位副主席共晉午餐，藉此加強聯繫。

委員會於2月28日籌辦了一個有關中國稅務的午餐會，邀得中國國家稅務總局副局長項懷誠擔任主講嘉賓。

香港華僑華人總會及珠海香州區代表團分別於2月22日及3月12日到訪，獲委員會接待。

總商會世界貿易組織專家小組於3月15日舉行預備會議，藉此搜集中國為申請加入世貿而實行貿易自由化政策的提議及意見。此等意見將呈交對外貿易經濟合作部考慮。

本會與中國國際貿易促進委員會廣東省分會聯合籌辦的「中國96稅改及進口原料權帳制執行實務研討會」將於3月28日舉行。來自港粵兩地的參加者約有200位。研討會開始前，他們會首先前往現在正試行權帳制度的東莞市參觀。

歐洲委員會

一行四人的斯洛伐克共和國代表團於2月27日到訪，由歐洲委員會副主席文路祝予以接待。

英國考文垂市與沃里克郡工商總會副行政總裁鄧華倫於3月5日禮節性拜訪本會。

一行九人的瑞士商務考察團於3月14日到訪，由歐洲委員會成員張有興及國際事務部助理總裁馮棟澤予以接待。團長是Kuoni Travel Holdings總裁暨董事局主席古洛蒂博士。該公司為一規模龐大的國際旅遊機構，在全球的分支逾30間。考察團的目的是了解中港兩地的經濟狀況，以及加強彼此的貿易聯繫。

香港國際委員會

美國阿利桑那州國會議員薩蒙於2月16日至19日訪問香港，行程獲總商會全費贊助。2月16日，薩蒙親臨本會聽取商界對美國延續中國最惠國待遇的意見，獲委員會主席鄭明訓及商會多位高級職員接待。

德國國會下議院外務委員會副主席甘澤爾及歐洲委員會內閣成員佩南(西班牙)分別於2月27日及3月7日到訪，由本會諮議會成員霍士傑及總裁祈仕德予以接待。雙方就香港現時的政治及經濟狀況，以及97年後與中國的關係交換寶貴意見。

太平洋地區經濟理事會

怡和控股主席鮑磊答允為該會新近設立的貿易行政障礙特別委員會擔任主席。此舉是太平洋地區經濟理事會的五年策略計劃的一部分。

該會秘書長利斯訪港，並於3月14日與香港委員會主席蘇海文博士、總幹事祈仕德及秘書許仲瑩舉行早餐會議。

工業及行政事務部

重點活動

本年度的春茗聯歡已於3月9日假座統一中心名都酒樓舉行。以參加者人數計算，踏入第三年的春茗是本會截至目前為止的最大型活動。當日，出席的會員逾900人。此外，大會更蒙89家會員及友好機構贊助獎品。在本會主席馮國綸及中小型企業委員會主席張黃莉淳致歡迎辭後，晚會正式開始。

委員會活動概覽

環境委員會

委員會於3月12日舉行會議，席間，科技大學的方明博士向與會者講述了環保標籤計劃的最新進展。委員會成員同時討論了與國內

Mexico

The Americas Committee on March 14 hosted a round table lunch for the new Consul General for Mexico, Armando E Jarque, as guest speaker. The Consul General spoke on "The Mexican Economy Today: Perspectives and Opportunities."



Armando Jarque.
哈爾克

墨西哥新任駐港總領事

美洲委員會邀得墨西哥新任駐港總領事哈爾克為3月14日舉行的小型午餐會擔任主講嘉賓，題目是「墨西哥經濟現狀及發展機會」。

Piet Bosch explaining investment opportunities in Kei.

博斯向會員解釋在南非的投資機會



South Africa

Chamber Director Ian Christie welcomed on March 7 a 5-member delegation from the Kei Chamber of Business in South Africa, led by President Piet Bosch. It was the South African Chamber's first visit to the Territory seeking industrial investment. Piet Bosch said labour and land costs in Kei were the cheapest in South Africa.

南非訪港商團

南非一個商會代表團於3月7日訪問本會，由總裁祈仕德予以接待。這次是該商會首度訪港。團長博斯表示，當地工資及地價成本之低，是全南非之冠。

環保團體加強合作的可行性。

委員會於3月14日與立法局環境事務委員會的代表舉行了工作午餐會，就有關本港的環境事務交流意見，以及雙方同感關注的事宜加強對話。

活動點滴

• 本會於2月26日舉行了一個名為「分析中國稅制改革對外商在國內投資的影響」的小型午餐會，由中港經貿商會會長李秀恆擔任主講嘉賓，當日共有38位會員出席。

• 3288晚飯會的第2次聚會於2月27日

舉行，吸引了110位嘉賓出席。第3次聚會將於3月19日舉行。

• 15家會員公司於3月13日出席了以英語進行的會員座談會。

• 一個以聘用中國公民任職管理階層為題的小型午餐會於3月15日舉行，講者是Mastermind Search Advisors行政總裁何華真，與會者共39人。類似的聚會曾於2月9日舉行。

• 培訓課程：中文商業書信寫作技巧課程(14位學員)；溝通管理學基本課程(18位學員)；如何成為一位專業秘書課程(20位學員)。

1996. Other than visiting the expo, the mission will also visit franchise operators in Australia.

Updating of Directory of Franchise Operations in Hong Kong

Work has started on the updating of the franchise directory. Letters were sent to franchise operators during the month.

Visitor

Ms Marilyn Ho, Marketing Director of Singapore Exhibition Services Pte Ltd, called on HKFA Senior Manager, Ms Charlotte Chow, and invited HKFA to be a supporter of an international franchise expo and conference to be held in Singapore in September 1997.

INTERNATIONAL AFFAIRS DIVISION

COMMITTEES

Americas Committee

The Committee invited Mr Armando Enrique Jarque, Consul-General of Mexico, to be the speaker at a roundtable luncheon on 14 March. He gave an overview on the current Mexican Economy, paying special attention to business opportunities which exist there. Over 20 members attended the luncheon.

The Committee met on 14 March to discuss the proposed business mission to Mexico and to consider hosting a dinner reception for Central & South American Consular Corps later this year.

Arab and African Committee

The Chamber received a 5-member delegation from the Kei Chamber of Business led by its president, Mr Piet Bosch, on 7 March. The Kei Chamber was recently established following amalgamation of three independent chambers in the Eastern Cape region of South Africa.

Asia Committee

Mr Robert Radtke, Senior Programme Associate of the Asia Society, New York, visited the Chamber on 8 March and was received by Mr Sidney Fung, Assistant Director for International Affairs, and Ms Connie Hui, Manager of the Division. Mr Radtke was here to seek advice on a study project to assess "Taiwan's Role in the East Asian Economy: Implications for United States - Asia Relations". A study group organised by the Asia Society will visit Hong Kong in June this year.

China Committee

The International Chambers of Commerce Delegation visited Beijing from 10-12 March. The 19-member delegation, representing foreign Chambers of Commerce in Hong Kong, was led by the Hon Paul Cheng, Immediate Past Chairman of the

Chamber. The Division provided Secretarial support to the delegation which was well received by very senior government officials in Beijing including Vice Premier and Foreign Minister Qian Qi Chen; Vice Premier Zhu Rong Ji; Director of the Hong Kong and Macau Affairs Office, Lu Ping; Vice Minister Gu Yong Jiang of MOFTEC; and Deputy Governor Yin Jie Yan of the People's Bank of China.

The Chamber Chairman, Mr William Fung; Chairman of China Committee, Mr C C Tung; and other General Committee members hosted a networking lunch on 11 March inviting the Chairman of the Hong Kong Chinese Enterprises Association, Mr Shen Jueren, and some of his Vice-Chairmen.

A Chamber subscription luncheon for Mr Xiang Huai Cheng, Deputy Director, State Administration of Taxation, was organised on 28 February.

The Chamber received two courtesy visits from the Hongkong Overseas Chinese General Association and Xiangzhou District Zhuhai respectively on 22 February and 12 March.

The Chamber WTO Expert Group held a Preparatory Meeting on 15 March to gather input and comments on China's liberalisation programme in preparation for its entry application into the World Trade Organisation. These comments will be submitted to MOFTEC for consideration.

Coorganised by the Chamber and CCPIT Guangdong Sub-Council, a seminar in Guangzhou on '96 Implementation of China's New Taxes and Bank Guarantee for Processing Contract will be held on 28 March. About 200 participants from Hong Kong and Guangdong based enterprises would be attending the seminar. Members

will be also given the opportunity to visit Dongguan prior to the seminar, where the bank guarantee system is being implemented on an experimental basis.

Europe Committee

The Chamber hosted a meeting on 27 February for a 4-member delegation from Slovakia, led by Mrs Agnes Klocokova. The meeting was chaired by Mr Manohar Chugh, Vice-Chairman of the Europe Committee.

Mr Alan Durham, Deputy Chief Executive of the Coventry and Warwickshire Chamber of Commerce, paid a courtesy visit to the Chamber on 5 March.

Mr Hilton Cheong-Leen, Member of the Europe Committee, and Mr Sidney Fung, Assistant Director for International Affairs, received a 9-member Business Evaluation Mission from Switzerland on 14 March. The mission was led by Dr Riccardo G Gullotti, President & Board Chairman of Kuoni Travel Holdings, which is a giant of international travel organization with over 30 companies around the world. The main purpose of their visit was to gain a better understanding about Hong Kong/China economy and to foster trade relationships in the region.

Hong Kong International

Congressman Matt Salmon, representing the First Congressional District of Arizona, USA came to Hong Kong on a fully sponsored visit by the Chamber from 16-19 February. He paid a brief visit to the Chamber on 16 February to hear the private sector view on the renewal of China's MFN status. He was welcomed by the Hon Paul Cheng, Chairman of HKI, alongside with several senior members of the Chamber.

Mr Gerry Forsgate, Council Member of

PRC nationals

David Ho, of Mastermind Search Advisors, spoke at a Chamber roundtable lunch on March 15 on employing PRC nationals at Management Level.

招聘內地人士擔任要職

在3月15日舉行的小型午餐會上，何華真提出在招聘中國公民擔任行政人員時應注意的事項。



David Ho speaking. 何華真

the Chamber, together with the Director, Mr Ian Christie, received two VIP visitors during the month: Mr Norbert Gansel, Vice-Chairman of Foreign Affairs Committee of the German Bundestag, on 27 February; and Mr Fernando Perreau de Penninck (Spain), Member of Sir Leon Brittan's Cabinet, European Commission, on 7 March. Useful views were exchanged during both meetings on Hong Kong's current political and economic situation and its relationship with China post 1997.

Pacific Basin Economic Council
Mr Martin Barrow, Director of Jardine

Matheson, agreed to become the Chairman of the PBEC Special Committee on Administrative Barriers to Trade. This is a new committee established by PBEC as part of its 5-year Strategy Plan.

Mr Robert G Lees, Secretary General of PBEC, visited Hong Kong and had a breakfast meeting on 14th March with Dr Helmut Sohmen, Chairman; Mr Ian Christie, Director-General; and Ms Connie Hui, Secretary of the PBEC Hong Kong Committee.

INDUSTRIAL & CORPORATE AFFAIRS DIVISION

HIGHLIGHTS

The third annual Chamber Spring Dinner was held on 9 March at the Metropole Restaurant. This was by far the largest function organised by the Chamber in terms of the number of participants; over 900 members participated in the evening's festivities. 89 member companies and friends also supported the event with prize donations (the full list of supporters appears in this issue). Members were officially welcomed by the Chamber Chairman, Mr William Fung, and the SME Committee Chairman, Mrs Maria Cheung.

COMMITTEE

Environment Committee

A meeting of members was held on 12 March, at which Dr Ming Fang of the HKUST provided members with an update with developments for the Eco-Labeling Programme. Members also discussed, among other things, the viability of closer working relations with environmental bodies in China.

A working lunch with representatives from the Legco Panel on Environmental Affairs was organised on 14 March. The purpose of the meeting was to exchange views on current and upcoming issues relating to the local environment and to promote further dialogue between the Panel and the Committee on matters of mutual interest.

EVENTS

- A roundtable on The Impact of New PRC Tax Regulations on Foreign Investments in China was held on 26 February with Mr Eddy Li, President of the China & Hong Kong Economic & Trade Association as speaker. The event was attended by 38 members.
- Dinner Club 3288 - the second Club Dinner held on 27 February attracted 110 guests. The next dinner will be held on 19 March.
- 15 members attended a New Members' Briefing, in English, on 13 March.
- A roundtable on Employing PRC Nationals at the Management Level was organised on 15 March. This was a repeat of a similar roundtable held on 9 February with Mr David Ho, Chief Executive of Mastermind Search Advisors, as speaker. 39 members took part in the function.
- 14 executives attended the Chinese Business Correspondence Writing Skills and 18 supervisors participated in the Supervisory Skills - Basic Course.
- A four-evening training workshop on "How You can be a professional Secretary" was attended by 20 participants. ■

Eco-labelling

Dr Ming Fang, of the Hong Kong University of Science and Technology, updated the Environment Committee on March 12 on Eco-labelling developments.

環保標籤

香港科技大學的方明博士在3月12日的環境委員會會議上，向成員簡介環保標籤的發展情況。



Dr Ming Fang speaking.
方明博士

China Enterprises

Chamber Chairman William Fung and members of the General Committee hosted a lunch on March 11 for Chairman Shen Jueren of the Hong Kong Chinese Enterprises Association and his Vice Chairmen.

設宴款待

本會主席馮國綸及理事會成員於3月11日設午餐款待香港中國企業協會主席沈覺人及該會數位副主席。



From left: Shen Jueren and William Fung.

沈覺人(左)與馮國綸談笑甚歡

Record celebration More than 900 attend

More than 900 people at 76 tables enjoyed in festive style the Chamber's third Spring Dinner on March 9.

Maria Cheung, Chairman of the Small and Medium Enterprises (SME) Committee that organised the big "grass roots" function, said the Spring Dinner had become one of the most important events on the Chamber's calendar.

She said the SME Committee was created in recognition of the Chamber's membership – mainly small and medium-sized companies that form the backbone of the Chamber.

She said the SME Committee had in the past year worked to achieve success on a number of issues of significance. She appealed for more SME support.

Maria Cheung and Chamber Chairman,

William Fung, both wished those who attended from SMEs a prosperous Year of the Rat.

William Fung said of the Chamber's corporate membership of more than 4,000 the majority were SMEs. On behalf of himself and the Chamber's General Committee, William Fung joined Maria Cheung in wishing everyone a Happy and Prosperous New Year.

Highlights of the evening celebrations were table prizes for everyone, impromptu Karaoke-style singing, a big Lucky Draw for valuable prizes donated by Chamber members and a Chinese Lantern Riddles contest. Of course, guests played mahjong before the dinner began.

Simon Ngan, Secretary of the SME Committee, supervised the arrangements. ■



Maria Cheung. 張黃莉淳



Chairman William Fung. 總商會主席馮國綸

春茗聯歡晚會 盛況空前

總商會第三屆春茗聯歡已於3月9日舉行，當晚共筵開76席，出席人數逾900人。

晚會由總商會屬下的中小型企业委員會籌辦。委員會主席張黃莉淳表示，春茗已成為總商會的重點活動之一。

張黃莉淳指出，中小型企业委員會是總商會因應其會員結構（絕大部分均為中小型企业）而成立的。

去年，委員會就多項重要事務取得了成績。她呼籲更多中小型企业支持委員會的工作。

張黃莉淳及總商會主席馮國綸祝願在座嘉賓鼠年進步。

馮國綸表示，在總商會逾4,000間會員機構中，大部分均屬中小型企业。他謹代表總商會理事會及其本人恭祝在場各人新年快樂，生意興隆！

當晚出席的會員均可獲贈禮券乙份。除卡拉OK歌唱比賽外，大會還設有幸運大抽獎及燈謎竞猜遊戲。開席前的麻雀耍樂當然是會員少不了的「重點活動」。

當晚節目由委員會秘書顏偉業負責統籌。 ■



General Committee member, Denis Lee, first Chairman of the SME Committee (left), with Maria Cheung and Cheng An Kuo of Chung Hwa Travel.

中小型企业委員會首屆主席，現任總商會理事李榮鈞（左）、張黃莉淳及中華旅行社董事總經理鄭安國



Mrs Denis Lee, presents a Lucky Draw prize.

李榮鈞夫人頒獎



Jimm Wu displays his singing talents. 吳傑民一展歌喉



Joop Litmaath, a General Committee member and a member of the SME Committee who first raised the issue of rising operating costs, watches the ladies draw their table prizes.

身兼理事會及中小型企业委員會成員的李馬是第一位呼籲各界正視經營成本上漲的人。他似乎對身旁兩位女士究竟抽到甚麼獎品頗感興趣。



Joe Tam wins the Chinese Lantern Riddle contest.
譚耀祖勇奪燈謎競猜比賽冠軍



Sylvia Fung, wife of the Chamber Chairman, presents the first prize to the winner of the Lucky Draw, a 33-inch TV.

馮國綸夫人頒發幸運大抽獎頭獎，獎品是 33 吋大電視



Donald Yap in a Karaoke number.
葉天養一展歌喉



A toast from members of the General Committee, the SME Committee and Chamber staff.

理事會及中小型企業委員會成員聯同工作人員向嘉賓祝酒



David Rimmer, James Tien, the Chairman and the Director Ian Christie.

萬大衛、田北俊、馮國綸及本會總裁祈仕德



Maria Cheung presents a special Lucky Draw prize of two round-trip tickets to New York.

張黃莉淳頒發兩張來回紐約的機票



The Chairman toasts SME members.
馮國綸向委員會成員祝酒



Mary Wong sings a duet with Jimmy Wu.
王林奕蘋與吳傑民合唱一曲



Solving the Chinese Lantern Riddles.
競猜燈謎，氣氛熱烈



Sylvia Fung with the compere for the evening Eva Chow.

馮國綸夫人在司儀周紫樺陪同下抽出大獎

ACKNOWLEDGEMENTS

HKGCC SPRING DINNER 1996 LUCKY DRAW

SPECIAL PRIZE

Hong Kong/New York roundtrip tickets in Economy Class for two

NO

PRIZES

- 1 "PANASONIC" 33-inch TV set
- 2 "AMWAY QUEEN" 20 pc cooking set
- 3 "MOTOROLA" M23 mobile phone
- 4 "SEIBU" Gift Certificates for \$5,000
- 5 GSM 3818 Portable Phone
- 6 2-nights weekend stay in deluxe room at China World Hotel, Beijing
- 7 "LONGINES" men's watch
- 8 1 oz Maple Leaf gold coin
- 9 Occupational Testing for Management Development & 1-Hour feedback for 1 person
- 10 Dinner voucher for one table of 12
- 11 "HITACHI" Micro-Wave Oven
- 12 Club de Remy Martin (3 litres)
- 13 "TOSHIBA" 20-inch TV set
- 14 "INSTANT-DICT" English-Chinese Talking Dict & PDA
- 15 Opal Brooch
- 16 Gold Pendant
- 17 \$2,000 Cash vouchers
- 18 Food & Beverage Coupons at Royal Park Chiu Chow Restaurant
- 19 Gift voucher for \$1,997
- 20 "SONY" Discman
- 21 "TIMBERLAND" ladies leather hand-bag
- 22 2 "CASIO" Baby-G watches
- 23 "NIKON" automatic camera
- 24 Pearl brooch
- 25 Italian Gold Chain with Pendant
- 26 Italian Gold Chain with Pendant
- 27 Dinner at the Regal HongKong Hotel
- 28 \$1,000 Cash cheque
- 29 "POLICELINK" Alarm System + installation+ 6 months free rental
- 30 Media training session for 1 person
- 31 \$1,000 Cash cheque
- 32 \$1,000 Cash cheque
- 33 \$1,000 Cash voucher
- 34 \$1,000 Cash voucher
- 35 \$1,000 "SHUI HING" Gift coupons
- 36 "SANYO" Mini-HiFi set
- 37 "PARKER" Fountain pen
- 38 "DIMPLEX" Portable convector heater
- 39 "BRAUN" automatic juice extractor
- 40 "SANYO" Radio and Double Cassette Recorder
- 41 Dinner for Two at Furama Hotel
- 42 Dinner for Two at Furama Hotel
- 43 Buffet dinner for two at The Charterhouse Hotel
- 44 Dinner at the Holiday Inn Golden Mile
- 45 \$500 Cash cheque
- 46 "PLAYBOY" Wallet/Belt/Tie/Pen set
- 47 "PLAYBOY" Wallet/Belt/Tie/Pen set
- 48 "PENTAX" water resistant camera
- 49 7-piece cooking set
- 50 5-piece cooking set
- 51 \$500 Cash
- 52 "PHILIPS" Electric Iron
- 53 Electric Griddle
- 54 Sunday brunch for 2 at the Hong Kong Renaissance Hotel
- 55 TV game
- 56 Double cassette recorder with radio
- 57 "Apollo" Radio Cassette Player
- 58 "Apollo" Radio Cassette Player
- 59 Dinner at the Holiday Inn Golden Mile
- 60 "OLYMPUS" Mini-camera

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The Hon James Tien, Manhattan Garments
Mr Victor Li, Cheung Kong Holdings
Shangri-La Hotels & Resorts
China Insurance HK (Holdings)
Dr Lily Chiang, Chen Hsong Holdings
Mr Peter Barrett, Organisation Development Ltd

Metropole Restaurant
Hitachi (Hong Kong)
Mr Michael Hon
Mr Norman Cheung, Franchise Development Services
China Insurance HK
Mrs Fanny Lai, Fanny P Lai & Co
Mrs Fanny Lai, Fanny P Lai & Co
Bank of China
Mr Walter Kwok, Sun Hung Kai Properties
Tangs Department Stores
Continental Air Express
Inchcape Pacific
Casio Computer
China Insurance HK
Po Kwong Jewellery
Tannabo Ltd
Tannabo Ltd
Mr T B Stevenson, Ernst & Young
Deacons Graham & James
Security Systems
Eye On Ltd
Mr Joe Tam, A G Wilkinson & Associates
Mr Denis Lee, Kingscore Industrial
Mr Simon Lee, Sun Hing Shipping
Pak Sik Enterprises
Shui Hing Department Store
Gemini Personnel
Schroders Asia
Inchcape Gilman Home Appliances
Mr Cheng An Kuo, Chung Hwa Travel Service
Mr Wu Chieh-Ming, Far East Trade Service
Mr Paul Chan, Paul M P Chan & Co
Hotel Furama
The Charterhouse
Dr H N Harilela
Polycrown Engineering
Mr C T Chan, Chaifa Holdings
Mr C T Chan, Chaifa Holdings
Mr H Luehrs, Jebesen & Co
Mr Robert Dorfman, Herald Holdings
Meyer Aluminium
Mr Edward Wong, Edward Wong & Co
Cho Yang
Meyer Aluminium
Hong Kong Renaissance Hotel
Mr Manohar Chugh, Nisha Electronics
Mr Manohar Chugh, Nisha Electronics
Woodsford Shipping
Woodsford Shipping
Dr Hari Harilela
Mr T B Stevenson, Ernst & Young

Mr David Chung, China Overseas Travel & Transport Services
Mr Eddy Li, Campell Timer Ltd
Mr H N Harilela
Mr Kenneth Lai, Taipei Trade Centre
Mr Neville Shroff, Shroff & Co
Mr S R Sarkar, Yamazen Co Ltd
Mrs Maria Cheung, Hing Yu Metal works
Ms Phyllis Kwong
Ricacorp Properties Ltd
Shiro (HK) Ltd
The Hon Henry Y Y Tang, Peninsula Knitters
Top Glory Insurance
Universe Holdings Ltd
Vita Green Health Products Co Ltd
Wo Lee Steel Co



The Legco Brief

by Hon Paul M.F.Cheng



Boosting confidence

Although several specific issues remain to be resolved, China's continued reassurances that such issues as nationality, permanent residency, right of abode and travel documents will be handled in as flexible a manner as possible will go a long way to improve confidence in the Hong Kong.

This month my focus is on these key issues: the inter-Chamber visit to Beijing; the 1996-97 Budget; China's MFN status; streamlining Hong Kong's promotional efforts; and a word about confidence in Hong Kong's future.

Beijing Visit

I convened a delegation visit to Beijing consisting of 18 chambers of commerce in Hong Kong. We spent two days meeting with Chinese leaders including Vice Premier and Foreign Minister Qian Qichen, Vice Premier Zhu Rongji and Director of the Hong Kong and Macau Affairs Office, Lu Ping. The delegation came away from these meetings delighted by the openness of the discussions and reassured by the consistent message that Beijing would continue to support the Basic Law, maintain Hong Kong as an international business hub and preserve Hong Kong's autonomy.

The 1996-97 Budget

By this time, the Appropriation Bill before Legco should be passed. When assessing the 1996-97 Budget, the Financial Secretary must first be commended for building confidence and providing a positive vision of Hong Kong's future. But, being familiar with the adage: 'you can't please all of the people, all of the time', it remains to be seen how successful he is in putting his promises of a "business friendly government" into action.

The liveliest Legco debate revolved around social welfare expenditure, with the Democrats, labour and grassroots groups all arguing for more allocations. Those on the opposite side of the issue warned that rapidly increasing outlays for social spending would soon damage Hong Kong's reputation as a laissez faire center of business.

On other budgetary issues, there was widespread support of initiatives to promote service industries, although there is skepticism of how much help a sector already commanding over 80% of GDP truly needs. Concern was also voiced over the narrowing tax base and the fact that, in just a few years time, Hong Kong could be left with a very small percentage of its workforce paying salaries tax, leaving the

business community to shoulder a growing share of the public spending burden.

China's MFN Status

It is my hope that a 'cooling down' period will soon be underway in the U.S.-China relationship. But at the present time the outlook for unconditional MFN renewal remains uncertain. With Senator Jesse Helms--and other pro-Taiwan Congressional figures--keeping up the pressure for another Lee Teng-hui visit to the U.S., and the sudden cancellation of senior PLA official Chi Haotian's trip to the U.S. on the heels of the Taiwan elections, it must be realised that even if MFN is granted this summer, there is little chance that the Jackson-Vanik amendment will be repealed by the U.S. Congress, and this debate will be repeated next year.

This is one reason I have called on Hong Kong business people traveling abroad to act as "ambassador" for the Territory by arranging to speak before various civic groups and associations throughout the United States, and of course through active contact with the U.S. Congress. To accelerate the 'healing' process, our focus should be the 70-odd members of the Republican "freshman" class in the House of Representatives. This group wields political clout beyond their experience and hold the key to successful renewal of China's MFN status. Our message, of course, is that rescinding MFN will damage American interests in Asia, cripple Hong Kong's economic outlook and confidence and set back the forces of economic reform on the mainland.

Promoting Hong Kong

The fragmentation and duplication of effort between the Trade Development Council (TDC), Industry Department, and Hong Kong Economic & Trade Offices (HKETO), has diminished our ability to promote our goods and services abroad and attract inward investment. The reliance on service promotion has allowed our manufacturing sector to steadily dwindle. I maintain strongly that we need to pull everything together under an Economic Development Board (EDB) -- a strong, central, co-ordinating body that would be more focused and cost effective.

• Legislation

Inland Revenue (Amendment) No. 4. Would eliminate tax deductions for private cars provided by businesses. At the first meeting of the newly formed Bills Committee concerns were raised that the bill would damage the private car financing industry, and the government was advised not to use tax as a 'social engineering' tool.

Intellectual Property (World Trade Organization Amendments) 1995. Such controversial elements of this Bill as provisions to introduce rental rights and exclusive licenses to Hong Kong were removed to smooth its passage. The Government has promised, however, that these points will be incorporated into the comprehensive Copyright Law to be drafted later this year.

On the horizon:

- ✓ Trade Descriptions (Amendment) Bill 1996
- ✓ Import and Export (Amendment) Bill 1996

• Private Member's Bills

On the horizon:

Amendments to the Employment Ordinance. Aim to increase employee benefits in part by expanding and redefining "wages" and disability coverage.

• Motion Debates

Upcoming motion debates of special interest to the Chamber:

- ✓ Policy to assist the development of small and medium-sized enterprises.
- ✓ Legislation on fair trade

• Of Special Notice

Contact me through my Legco office at Room 312, Central Government Offices, West Wing. Telephone numbers there are: 2537-2106/2107, and the fax number is: 2530-3451. Simply call or fax with your views and suggestions.

– Paul M. F. Cheng

立法局 工作簡報

鄭明訓



我 在本月份的工作重點包括：率領國際商會駐港代表團訪問北京；1996至97年度預算案；延續中國最惠國地位；改善推廣香港的工作；提高港人對未來的信心。

北京之行

由我擔任團長的國際商會駐港代表團於3月訪問北京，代表團的成員來自本港18個商會。我們在兩天內分別與國務院副總理兼外長錢其琛、副總理朱鎔基及港澳辦公室主任魯平等領導人舉行會議；雙方坦誠地展開討論，領導人更保證中國將繼續支持《基本法》、維持香港作為國際商業中心及保留香港享有的自主權。

1996至97年度預算案

當本文刊出時，撥款條例草案相信已獲立法局通過。談到預算案的內容，我首先得稱讚財政司致力建立港人信心，以及為香港的未來提供積極路向的努力。我們不能同時滿足所有人的要求，因此，對於財政司能否貫徹「為商界提供有利環境」的承諾，我們需拭目以待。

立法局近日的辯論主題環繞著社會福利開支，民主黨、勞工界和代表草根階層的團體均著意在這方面爭取更多撥款。持反對意見的人則已發出警告：社會福利開支增長過速有可能損害香港作為自由商港的美譽。

儘管部分人士質疑，已佔本地生產總值逾八成的服務業還需多少實質支援？財政司就推廣服務業所作的建議仍然獲得各界廣泛支持。另一方面，社會人士對稅基收窄的趨勢亦十分關注。如情況發展下去，不出數年，繳納薪俸稅的人可能只佔勞動人口的極少部分，導致商界承擔的公共開支比重相對增多。

最惠國待遇

我期望中美關係盡快踏入「冷靜」時期。以現時的情況看來，美國會否無條件延續中國最惠國待遇，仍屬未知之數。美國參議員Jesse Helms及其他傾向台灣的國會議員一直要求華府批准李登輝再度訪美，解放軍總參謀長遲浩田又因台灣大選的關係突然取消訪美行程，即使中國在本年仍獲延續最惠國待遇，美國國會撤銷Jackson-Vanik amendment

的可能性卻微乎其微，有關爭論在明年還會繼續。

這正是我呼籲香港商界訪問美國，游說當地民間團體及主動接觸國會議員的原因。為了事半功倍，我們應把目標集中在眾議院70多位在任未夠一年的共和黨議員身上。他們擁有不可忽視的政治力量，是延續中國最惠國待遇的關鍵。我們傳達的訊息是：撤消最惠國待遇不但會損害美國在亞洲的利益，對香港的經濟前景和信心構成打擊，更會窒礙中國的經濟改革。

推廣香港

在推廣香港貨/服務和吸引外資方面，貿易發展局、工業署及香港駐海外經貿辦事處的工作往往有所重疊，而且流於分散。因此，我認為有必要成立經濟發展局，以一個強而有力的中央機構統籌有關事務，這樣既可集中資源，又可提高成本效益。

增強信心

雖然有若干事項尚未解決，但中國政府已一再保證，將盡可能採取靈活的方法來處理國籍、永久居留權及旅遊證件等問題。這將有助增強港人的信心。

立法工作

• 1995年稅務（修訂）（第4號）條例草案

將取消公司車輛所獲的稅務寬減。在新成立的條例草案審議委員會的首次會議上，與會者提出草案將對汽車業構成損害，政府不應使用稅務作為「整頓社會」的手段。

• 1995年知識產權（世界貿易組織修訂）條例草案

為了順利通過起見，草案中惹人爭議的部分（如出租權及專利牌照）已經刪除。不過，港府承諾把這些部分納入將於本年稍後起草的《版權法》內。

進行中：

- ✓ 1996年商品說明（修訂）條例草案
- ✓ 1996年進出口（修訂）條例草案

私人議員條例草案

- 僱傭條例的修訂

目的是透過擴闊及重新界定「工資」及傷殘保障的範圍，改善僱員福利。

議案辯論

即將進行而又跟本會息息相關的議案辯論包括：

- ✓ 協助中小型企業發展政策
- ✓ 就公平貿易進行立法工作

特別事項

如有任何意見，歡迎與我的辦事處職員聯絡，地址是中區政府合署西翼312室。（電話：2537 2106/2107；傳真：2530 3451）

鄭明訓

Still in a hole?

Looking at a poor year unless substantial turn around in sentiment, says Ian Perkin

Ian Perkin, the Chamber's Chief Economist, opened the Chamber's luncheon on Business and the Budget '96 by praising Financial Secretary, Donald Tsang's creative ability and by saying the Chamber regarded the 1996 Budget as positive.

He outlined what the Chamber liked in the Budget but said he suspected Donald Tsang had included "prosperous" in his Budget speech because he had to be upbeat and help overcome "this 'feel bad' problem that Hong Kong has been going through."

Ian Perkin said the Budget background figures showed the economy was "still in a hole" and one reason for the drop in retail sales was that in 1995 real per capita income fell to minus 0.6%, the worst since 1974.

He thought Hong Kong will be looking at a poor year unless there is a substantial turn around in sentiment but he didn't see that happening before the second half of the year.

If the Financial Secretary's 5% growth forecast is not met there will be difficulty with the Budget, he said.

Liked a lot

Ian Perkin said: "We at the Chamber liked a lot of things in the Budget: In his press release the Chairman, William Fung, basically said we love the commitment to a business friendly environment. Donald Tsang's speech virtually set the tone for the financial government of Hong Kong.

"And we loved his seven heavenly virtues. These are things which the Chamber stands for in terms of the fiscal activities of the Government.

"Particularly in the last part of his speech which he delivered in Cantonese he was obviously trying to get the message across to certain members of the population. Hence the Cantonese and hence the reference to 'my vision.' Ian Perkin quoted Donald Tsang: "My vision is to meet the community's expectations for Hong Kong as a premier centre for inter-national trade, manufacturing and servicing.

Ian Perkin said it was interesting that manufacturing was there because we have seen a huge decline in manufacturing over the last 10 years. Now the Government is starting to address the problem.

Balance of priorities

"We liked the commitment to growth and prosperity first. We liked the balance of priorities. We think he did enough, though not too much, for the various interest groups



Ian Perkin. 冼柏堅

仍處窘境

冼柏堅看淡 96 年經濟前景

在本會舉辦的「工商界與 96 年財政預算案」午餐會上，首席經濟學家冼柏堅對財政司曾蔭權力創新猶的努力表示讚賞，而總商會對預算案亦持歡迎態度。

他簡述了預算案中受商會支持的部分，但質疑財政司在促進經濟繁榮方面的努力是否足夠，以求在這個『人心向淡』的時刻為香港帶來點點激勵。

冼柏堅表示，預算案中列舉的數字顯示本港經濟仍然「處於窘境」。零售業不景的其中一個原因，是 1995 年的實質人均收入增幅下跌至 -0.6%，是 1974 年以來最惡劣的情況。

他指出，除非人心轉好，否則本年度的經濟前景並不樂觀。不過，他認為上述情況在上半年出現的機會極微。

如實質經濟增長未能達到財政司預期的 5%，不免令人對預算案產生疑慮。

大致贊同

冼柏堅表示：「總商會對預算案中很多建議也深表支持。對於財政司為商界締造有利經

營環境的承諾，本會主席馮國綸在新聞稿中已清楚表示歡迎。預算案基本上已規劃出香港的財政管理模式。

「我們贊同財政司所說的『七大美德』。這些都是在管理公共收支時應採取的原則。

「當財政司以廣東話宣讀預算案的最後一部分時，很明顯是希望將上述訊息帶給社會人士。這跟我本人的『目標』一模一樣。」冼柏堅引述曾蔭權的說話：「『我的目標，是要實現社會人士的期望，使香港繼續維持亞太區主要國際貿易、製造業及服務業中心的地位。』」

冼柏堅表示，令人關注的是把製造業列入範圍之內。本港製造業在過去 10 年大幅衰落。現在，政府終於開始正視這個問題。

先後有序

「財政司承諾優先拓展經濟，對此我們十分支持。事實上，在安排工作的先後次序方面，我們認為財政司已取得理想的平衡，在就業、老人、醫療、福利和教育等多方面照顧到社會上不同階層人士的利益。」

in the community like employment, elderly, health, welfare, education, etc.

"That spending will not grow faster than the nominal growth in the economy. We liked the promotion of the service sector. The HKCSI was very pleased with the outcome.

"We liked his recognition of high valued-added manufacturing. We liked co-operation with China, both the expert group that exists and the SAR Chief Executive that is yet to be appointed.

"We also liked the tax break because we think it may help a little with one of the real worries of the economy and we liked the deregulation initiative which the Chamber recommended and was accepted.

What didn't we like?

- "First, we did ask for a profits tax cut and we didn't get it so we don't like that.

- "Personally, I don't like the way he has revisited the under-spending problem that we had a couple of years ago. Underspensing played a role in this Budget; also it played a role in not allowing us to get the pace of economic growth in the Hong Kong economy that we should be able to get. If the Government does not spend every dollar it allocates in the Budget that's not going to benefit economic growth.

- "Here we are going through a 'feel bad' period and he's talking about a small surplus. Of course, he's got the constraint beyond 1997 in the Basic Law that the government must strive for fiscal balance. But a Budget surplus in a time when the economy has obviously been slowing down and people are 'feeling bad' is probably not the right action to take.

- "On potential future surpluses: Though he did mention there may be plans for new railways, etc. and capital injections in the MTRC and the KCRC they may well disappear as the surplus for coming years actually disappears.

- On indirect tax increases which we have come to expect: It is a bit like Donald going back to the Piers Jacobs years where every thing is going to be adjusted to inflation.

- One thing that did come out of this speech that we feel strongly about in his vision emphasis is making his claim to the Financial Secretary's job beyond 1997. But it was a very statesman-like speech divided into three parts: Saying I'm going to do this, I'm going to look beyond 1997 without stepping on the toes of the SAR Government and I'm going to look beyond the year 2,000 into the next century. That was aimed at keeping his job.

"Now I come to the more interesting part. This is my worry: He said 4.6% growth for 1995. The original Government forecast was 5.6% revised down to 5%. Outcome 4.6%. What does that mean for the final quarter of the year? In means growth was well under 4%. That means the economy is still in a hole. It gets worse because we have just had

a huge population increase, 2.6% increase in one year, 158,000 people. GDP per capita only grew by 2.4%.

"Another problem: Real income per capita was minus 0.6%. You wonder why retail is doing so badly? You wonder why the restaurants are doing so badly? That's why. It is the worst since 1974 when it was minus 0.4%.

"This raises the question in my mind, what's going to happen this year? Donald is very confident about what is happening this year. He sees growth coming up to 5%. I think the reason why he chose 5% is because it is the medium-term trend growth rate of the Government and he couldn't do anything else.

"We could be looking at a poor year unless there is a substantial turnaround in sentiment in Hong Kong. And with that background I can't honestly see it until the second half of the year.

"Having said all that of course I've got to say that the Hong Kong General Chamber of Commerce at the moment is sticking by its original forecast of growth at just over 5%.

"We will be watching what happens in the local economy, what happens in the Chinese economy and what happens in the US economy -- particularly -- to see whether or not these forecasts can be met.

"If the growth forecast of 5% is not met there is a difficulty with the Budget." ■

「我們也贊同支出增幅不超越經濟增長速度的原則，以及一連串推廣服務業的措施。香港服務業聯盟對此函表欣慰。

「我們支持財政司重視高增值的製造業，並透過現時的專家小組及未來的特區行政首長，加強與中方合作。

「我們支持有關的減稅建議，這對經濟將起著一定的作用。對於財政司採納了總商會的建議而放寬了若干限制，我們自然十分高興。

「有哪些部分是我們未感滿意的呢？」

- 「首先，我們要求財政司降低利得稅率，但不獲接納。

- 「我個人對預算案又一次出現未用盡款

項感到不妥。這種情況已出現了好幾年。實質開支低於預算窒礙了本港的經濟發展，以致未能取得應有的成績。假如政府不按照預算案中的建議而行，又怎能促進經濟增長。

- 「在這『人心向淡』的情況下，大談盈餘預算未免不合時宜。基本法規定，港府必須維持財政平衡，這對財政司毋疑構成了一定限制，這點我們也十分明白。

- 「間接稅的情況一如我們所料。財政司把一切與通脹掛勾的做法，令人彷彿回到了翟克誠時代。

- 「預算案中令人印象深刻的一點，是他希望在97年後繼續擔任財政司的意向。預算案演辭分為3個部分，很有點兒政客的味道：我現在會做的事情、97年後的角色（在不干擾未來特區政府的情況下）和放眼二十一世紀，這種編排是為了繼續擔任財政司一職鋪路。

- 「且談談較為有趣的部份吧，這也是我擔心的一點！他說，1995年的本地生產總值增長率為4.6%。政府已將其原本預測的5.6%調低至5%，可是，實質增長率到頭來只有4.6%！這顯示去年最後一季的增幅低於4%，本港經濟仍在窘境之中。去年，本港人口的增幅為2.6%（即158,000人），人均生產總值僅增加2.4%，令問題更趨惡化。

「人均實質收入下跌0.6%。你大概明白零售業和飲食業為何像一潭死水吧！這是自1974年（-0.4%）以來情況最惡劣的一年。

「財政司預期本年的增幅為5%，表現得信心十足。我認為他選擇5%只是配合政府的中期趨勢增長率預測而已。

「除非人心轉好，我們對本年的經濟狀況並不樂觀。老實說，我認為最快也要到下半年才有轉機。

「香港總商會暫時不會修訂較早時作出增長率略高於5%的預測，但會密切留意中、港、美三地的經濟形勢，看看經濟增長能否達致預期目標。

「假如增長率低於5%，預算案便會有問題產生。」 ■



Business and the Budget lunch.
午餐會一隅

Something for everybody

Praise and criticisms

Deborah Annells, Tax Director, Grant Thornton and Byrne, said the give-away Budget was cleverly crafted. There was something in it for everybody.

Hong Kong is actually one of the most generous places for salaries tax allowances. A family of four has allowances for HKD229,000 before it pays salaries tax, compared with the HKD equivalent in Australia of HKD72,000, in Canada HKD125,000, the UK HKD65,000 and the US 130,000.

Deborah Annells said the Chamber had reservations that only 40% of taxpayers will actually bear the burden and it could be a problem for the future. But she thought Donald Tsang would appear to be just trying to be generous.

She said the Chamber also was dissatisfied with the lack of reduction in the profit tax rate. Tax in Hong Kong has not been a political issue and she personally did not disagree with his fairly objective stand.

Financial services

Deborah Annells commended the Financial Secretary for singling out the financial services sector in not taxing unauthorised unit funds and in trying to promote the bond market.

She said he had not mentioned tax treaties nor increased tax relief for pensions. There were difficulties vis-a-vis China on tax treaties. She thought with the MPF there would have to be some legislation or social engineering along these lines.

- Yvonne Law, partner in Deloitte Touche Tohmatsu, said Hong Kong has four



Deborah Annells.
戴諾詩

major social and economic problems. They are traffic congestion, housing, the economic downturn with the need to attract more investment and unemployment.

She said on replacing private cars over 10 years old the Financial Secretary is suggesting a 20% or HKD20,000 reduction of the first year registration tax on a new car.

Is this going to result in similar or more traffic congestion? she asked. She saw his reduction as an environmental move rather than tackling traffic congestion. But, she said, he was making cars more expensive by saying he would tackle the problem of dealers avoiding paying tax on some car accessories.

Housing

She didn't think he had done much in

tackling the housing problem by his reduction in stamp duty on property. There were no allowances for mortgage interest and rental payments because of difficulties in identifying the real first-time buyer. It was very doubtful if a mortgage corporation was intended for the banks or the buyers.

Yvonne Law thought it was a good move to make an allowance for refurbishment of hotels. But what about the restaurants? She thought the same argument should also apply.

She personally doubted the grants and funds for service industries like tourism were enough.

Yvonne Law said overall the Financial Secretary did not address the unemployment problem. He said the HKD300 million for retraining the job mismatch gradually might improve unemployment. She asked is there any direct incentives for high-tech industries? Or direct quick steps to introduce them? She said there were none.

Not much room

- Rex Young, Tax Principal, Ernst and Young, said Government spending in the Budget is a substantial increase of about HKD22 billion. But the Budget for 1996-97 of HKD1.6 billion didn't leave the Financial Secretary much room to do what he wants to do -- and he was sure he wanted to do a lot more.

In terms of what the Budget gave away and what it will receive in tax hikes, the net affect is only HKD1 billion. While the Financial Secretary gave salary tax concessions and took it back in airport



Yvonne Law.
羅盛慕嫻

Rex Young,
楊益之

各得其所

96 預算案面面觀

均 富柏彬會計師行國際稅務主管戴諾詩表示，新財政預算案是財政司曾蔭權精心設計的傑作，起碼能滿足不同人士的部分需要。

事實上，香港是全球薪俸稅率最低的地區之一。一個四人家庭享有的免稅額便高達229,000港元。澳洲、加拿大、英國及美國的免稅額（港元等值）只分別為72,000、125,000、65,000及130,000元。

戴諾詩指出，對於只有40%勞動人口需要繳付薪俸稅，總商會的態度是有所保留，擔心這可能會對未來構成隱憂。不過，她認為財政司是有意擺出慷慨的姿態。

總商會另一不甚滿意之處，是預算案中未有建議降低利得稅率。在香港，稅務問題一直不跟政治扯上關係，戴氏本人對財政司的持平立場並甚贊同。

金融服務

戴氏特別以預算案中有關金融服務的減稅措施及擴大債務市場建議為例，對財政司予以讚揚。

預算案並未談及退休金的稅務安排或減免措施。與中方面對面討論這個問題的確有困難存在。隨著強制性公積金計劃的推行，自然有需要制定相應的法例或進行社會改革。

德勤會計師行合夥人羅盛慕嫻亦是午餐會的講者之一。她說，香港的4大社會和經濟問題是：交通擠塞、房屋、失業及在經濟放緩的情況下吸引投資。

財政司建議，如車主更換車齡達10年或以上的舊車，可獲寬減首次登記稅的20%或30,000元。

羅盛慕嫻質疑，這會否加劇交通擠塞的情況？她認為上述措施只從環保方面著眼，並非解決交通問題的良方。不過，財政司亦同時指出，政府將採取行動，堵塞部分汽車商人為了逃稅，而故意誇大申報車輛附件等免稅項目的價值的流弊。

房屋

羅盛慕嫻認為，寬減物業交易印花稅不見得對解決房屋問題有重大幫助。由於難以確定首次置業者的身份，預算案並未建議按揭利息及租金支出予以稅務寬減。至於成立按揭證券公司，銀行似乎較置業者的得益更大。

羅氏對新設的酒店翻新免稅額表示贊同，但她認為受惠對象更應擴展至其他食肆。

departure tax, tobacco taxes, etc. the net effect is almost negligible.

In the financial, manufacturing and property sectors he has tried to provide stimulus without actually affecting his revenues and expenditure.

Rex Young said he thought Donald Tsang had done an excellent job in these circumstances. Though Hong Kong is sitting on huge reserves it would be unwise of him to start using those reserves. Whether or not Hong Kong needed all these reserves for a rainy day is a political and economic debate to which no one had the perfect answer.

Kick-start

In the financial sector he has tried to kick-start the debt industry. A 50% concessionary rate for debt instruments in Hong Kong is a big incentive on a 16.5% tax rate. It will be the envy of many countries. Hong Kong's 16.5% rate is 10-15% lower than most of its neighbouring countries. So the 50% concessionary rate should provide the required stimulus.

The waiver of stamp duty for market-maker stock transactions for hedging contracts is also welcome, he said.

"All of these things that he is doing do not affect much his revenues. The debt market is not a big market in Hong Kong. He's giving away revenue that he never had in the first place. The same with the market-maker stock transactions."

Rex Young said on offshore funds the Financial Secretary had only said that certain income would be exempt. Hong Kong is a source concept system of taxation. If buying and selling shares is done outside Hong Kong it is not taxable anyway. Again, he may not be giving up a lot of his revenue.

The Financial Secretary had excluded stock brokers from potential liability to tax when these dealers are buying and selling shares for overseas investors.

Ian Christie, the
moderator.
本會總裁祈仕德擔任
主持人

Confidence

"Though there is a technical exposure, I personally have not had any experience where a broker has been issued with a tax assessment demanding payment for profits that his clients have made if they are outside Hong Kong," Rex Young said.

"So this is just to clarify something and to provide more confidence. I don't think Inland Revenue has collected anything at all from this business."

Rex Young said on the manufacturing side there is nothing much the Financial Secretary can do. With all the factories with labour intensive manufacturing processes having moved to China, the question is: Will they come back?

He said "I think they won't, because there is still a cost difference between Hong Kong and China in terms of labour and rental. So a large part of the unemployment at the moment is the blue collars who were working in factories and who have been left out in the cold."

"What can they do? The Financial Secretary has already last year committed HKD300 million to a retraining programme. There has been a dispute as to how successful this retraining programme has been. But nevertheless the Financial Secretary has committed another HKD300 million."

Best he can do

"We are looking at about 3.5 million working population in Hong Kong. At the moment the unemployment rate is roughly 3%-3.2%. Simple arithmetic tells me that about 100,000 of the work force are unemployed. If we spend in total HKD600 million on a retraining programme for 100,000 people -- and we don't know how successful it will be -- I don't think anybody can blame the Financial Secretary for not trying to find employment for these people and that's the best he can do."

Rex Young asked what does the Budget say for business? His answer: "There isn't much there." Industrial estates and high-technology centres would take years to develop, he said. It is not something for the next two or three years to solve the unemployment problem nor notice a lot of people to set up a manufacturing base.

He said enforcement of the mandatory provident fund scheme would increase the employment cost in Hong Kong. But more importantly where would the funds be when the MPF is established? In no time they would snowball into a huge amount and we must invest them some way.

"Remember, you are taking money away from the general population and

storing it away somewhere. That money is not going to come back to Hong Kong. Surely, some will be invested in the Hong Kong market but the bulk of it will be invested outside because the sum is just too great. In effect, that takes away the spending power of Hong Kong and that in no way will help the economy as a whole.

"So, I think the Government should be really careful in thinking, when they set up this MPF, what will be the economic effect it will have and what will be the effect of the price increases on the cost of running businesses in Hong Kong. I think the effect is going to be quite substantial."

Questions

The panel of speakers answered questions:

- (Collectively) What has the Budget done for the SMEs? Answers: The promotion of services. The increase in exemption for business registration fees is some help but not much else. The reduction in capital duty may be one small thing. The Budget will do very little to boost confidence and push the economy along. That's where SMEs get their income from. Confronting the economic realities in the year ahead will be their problem. Not what's been done in the Budget.

- (For Ian Perkin) You seem to have not much confidence in the 5% GDP forecast. What's your feeling about the inflation forecast of 7.5%? Answer: "At the moment I'm maintaining my confidence. What I was pointing to is what happened in the final quarter (1995). This quarter is not going to be any better. In talking to retailers, etc. it might be worse. In terms of inflation Donald Tsang is a little bit lower than the inflation rate that we've been predicting. Everyone is basing their inflation rate figure at the moment on a gradual decline in a couple of the key areas, housing and service costs. Rentals after a two-year period are starting to ease down a bit. In the services area we have been very successful in moderating wage increases."

Ian Perkin said: "Why we are all conservative on inflation is because of this volatile food element. There are going to be blimps during the year depending on weather conditions in the region, etc. pushing up prices. If food prices were to trend down during the year you could get a lower inflation rate than 7.5%. If economic growth comes in at a lower rate than what Donald Tsang is expecting you could get lower inflation, too." ■

此外，她亦質疑政府給予服務業的撥款和資助（如旅遊業）是否足夠。

最後，羅盛慕認為預算案並未對失業問題予以應有的重視。財政司只提到政府已撥款3億港元，成立僱員再培訓基金；然而，鼓勵高科技工業發展或盡速引進這些工業的措施卻明顯欠奉！

空間不大

安永會計師事務所稅務部高級經理楊益之認為，雖然開支預算的增幅高達220億港元，但1,600億元的政府開支總額不見得為財政司提供很多「大展拳腳」的機會。

從收入及支出數字而言，兩者的差幅僅為10億港元。在寬減薪俸稅的同時，財政司卻提高機場離境稅及煙草稅率。兩者相抵，所產生的真實影響可謂微乎其微。

財政司在推廣金融業、製造業及刺激物業市道的同時，卻未對政府的收支狀況構成實質影響。

楊益之認為，曾蔭權在這方面的表現十分出色。雖然香港擁有龐大儲備，於此時動用卻非明智的做法。香港是否需倚賴這筆儲備以應付「滂沱大雨」的日子，顯然在政治或經濟上均會惹起一番爭議，沒有人能給予完美的答案。

邁開腳步

在推廣金融服務業方面，財政司終於邁開了在債務市場的第一步。對債務工具所賺取的利息收入及買賣利潤實施相等於標準利得稅率50%的優惠，確實起了很大的激勵作用。香港的利得稅率僅為16.5%，已較大部分鄰國低約10至15%，加上50%的稅務減免，應收到預期的激勵效果。

財政司建議，市場莊家為對沖期權交易而進行的股票交易可獲豁免繳交印花稅。楊益之對此表示歡迎。

他說：「上述種種措施對庫房收入的影響不大。本港債務市場的規模有限，現時所『損失』的收入根本從未有過。」

至於離岸基金的稅務問題，財政司只承諾對部分收入予以稅務寬減。香港實行「來源地觀念」稅制，在境外買賣股票所得的收入根本無需繳稅。故此，政府在這方面「損失」的稅收十分有限。

如股票經紀是代海外投資者進行交易，亦無需繳稅。

信心

楊益之表示：「我本人並未遇過經紀須就海外客戶所賺取的利潤被要求評稅的個案呢！」

「可見有關措施的目的只在於澄清事件，提高人們的信心而已。我相信稅務局在這方面的收入可說絕無僅有。」

楊氏認為，在推廣製造業方面，財政司可以做的極為有限。不少勞工密集的行业早已北移，它們是否還會回來？

BUSINESS & THE BUDGET

他說：「機會微乎其微！無論是工資或租金成本，中港仍有一段距離。現時大部分失業人士都屬於藍領工人。」

「去年，政府已撥出3億港元成立僱員再培訓基金。社會人士對再培訓計劃的成效亦曾有過分歧。不過，財政司已承諾對基金再注資3億港元。」

已盡全力

「香港的勞動人口約有350萬，現時的失業率為3至3.2%，即100,000人處於失業狀態。我們不清楚6億港元對10萬失業人士可起著怎樣的作用，但財政司在這方面顯然已盡全力，我們再也不能責備他在解決失業問題方面毫無建樹。」

預算案又為商界帶來什麼喜訊呢？楊益之認為「極其有限」。工業邨和高科技中心興建需時，既不能在兩三年內解決失業問題，亦未能吸引投資者在此設廠。

強制性公積金的實施，將提高本港的勞工成本。但更重要的是這些資金的去向！不需多久，這些公積金將滾存為巨額資金，我們必須將其作適當投資。

「這些錢是從普羅大眾身上而來。由於數目龐大，只有部分會投資於本地市場，其餘

則會作海外投資。這將削弱本地的購買能力，對整體經濟毫無益處。」

「因此，我認為政府在實行強制性公積金計劃時，必須小心考慮它將導致勞工成本上漲，以及對整體經濟的影響。我相信影響非輕。」

答問環節

問：預算案對中小型企業有何貢獻？

答：服務業的推廣。提高商業登記費的豁免水平是例子之一，但效果不大。減免資本稅的收效同樣十分有限。在加強市民信心方面，預算案的著墨不多。在現實的經濟環境中掙扎求生將是中小型企業在這一年的問題。在這方面，預算案並無什麼建樹可言呢！

問（向洗柏堅）：你看來對預期中的5%經濟增長率缺乏信心，那麼，你對7.5%的通脹預測又有何看法？

答：「現階段說來，我還是蠻有信心。我所指的是95年最後一季的情況。本季的情況看來也好不了多少。對零售業而言，

情況可能更加不妙！財政司預測的通脹率較我們預測的數字為低。計算通脹率時，所有人均已把房屋及服務成本逐漸回落等因素考慮在內。經過兩年的升幅後，租金已開始回落。在控制工資成本上漲方面，我們也取得了不錯的成績。對通脹率持保留態度的原因，其實與糧食價格反覆有關。糧食價格可能因天氣關係而大幅標升。如食物價格下跌，通脹率說不定還會低於7.5%。如經濟增長率較財政司的預期為低，通脹率也會相應調低。」



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The Servicing Economy

Speech by Mr T Brian Stevenson Chairman, HKCSI, on Hong Kong into the 21st Century

1. The Link Between Services and Manufacturing

The promotion of services must not be to the detriment of the manufacturing sector. In Hong Kong, the two are intrinsically linked with the growth of services to a great extent ancillary too and in support of our manufacturing sector.

The two go hand in hand but the facts are that, specifically within the borders of Hong Kong, our economy now is principally service orientated and so too the job opportunities for our population in the future will principally be in the service sector.

Therefore, the attention being paid to the service sector at this time I believe is correct, so too the need to relook at the adequacy and focus of our educational and training infrastructure.

2. The Structure of the Promotion of Services

Recognising the linkage between our manufacturing and service sectors, I believe it follows that the appropriate promotion vehicles should be the TDC and the Government's Overseas Economic and Trade offices. They have done a tremendous job to date for Hong Kong principally on manufacturing; they have the infrastructure; and they have the geographic spread of offices in place.

Having said that, I must emphasise that there is a need to recognise that there is a great difference between the promotion of services and the promotion of manufacturing. Thus, there will have to be an adjustment in the way these organisations work and there will be an increased need for coordination between these promotional agencies and the service sector.

In the view of the CSI, this would best be achieved by establishment of a specific overseeing body or Service Committee or a Service Council that would deal with the planning, strategy, formulation, coordination and monitoring of services promotion.

3. What do we mean by the Promotion of Services?

Clearly, there is the marketing aspect and that's where the TDC and other agencies fit in but promotion I believe is much broader than that. It should cover not only marketing but also promotion of standards and quality



Brian Stevenson (left) speaking at the Symposium

施文信(左)攝於研討會上

服務的經濟

服務業聯盟主席施文信談本港服務業在二十一世紀的發展

1. 服務業與製造業的關係

在推廣服務業的同時，絕對不能對製造業構成損害。在香港，兩者的關係非常密切。在很大程度上，服務業倚賴製造業而得以增長；反過來說，製造業亦亟需倚靠服務業提供支援。

兩者有著唇齒相依的關係，但擺在眼前的事實是：香港現時的經濟以服務業為主，而未來的大部分就業機會均會由服務行業提供。

因此，我認為重視服務業是正確的態度。此外，我們亦有需要對教育及培訓制度的質量和重點進行檢討。

2. 推廣服務業的機構

既然製造業與服務業息息相關，我相信貿易發展局和港府的海外貿易辦事處將是推廣服

務業的適當機構。它們在推廣本港製造業方面的成就可謂有目共睹。這些機構不但擁有良好的基礎，而且早已在世界各地設立辦事處。

縱然如此，我仍須強調一點：推廣製造業跟推廣服務業的分別極大。因此，現時的工作方式固須略作調整，而這些推廣機構與服務業之間的聯繫更有加強的必要。

香港服務業聯盟認為，加強聯繫的最佳方法莫過於設立專責的統籌機構或服務業委員會，獨立地進行規劃、制訂策略、並協調和監察服務業的推廣工作。

3. 何謂「推廣服務業」？

毫無疑問，推廣包含了「促銷」的意思，這也是貿易發展局和其他機構適合肩負推廣工作的原因。不過，我認為「推廣」的意義不止於

and the promotion of regulatory efficiency.

Standards and quality are what underlie our competitiveness. They must be private sector driven from the viewpoint of enhanced efficiency but there also must be regulatory efficiency since this makes markets more efficient, more attractive for entry and hence more competitive.

However, a word of caution, as we must constantly monitor our regulatory system to ensure that its emphasis is on market rather than administrative solutions. The balance has to be right since to over-regulate I believe will be counter-productive.

The CSI is a great believer that service industries are capable of regulating their own affairs, taking account of ethical, legal, moral and technical standards. But the private sector must equally be aware that there are sometimes political pressures for Governments to intervene. It is up to the private sector to demonstrate to Government, our politicians and the community that self-regulation does work and that it works better than Government intervention.

4. Private Sector - Standards, Quality - International Involvement

To demonstrate that we are worthy of self-regulation, I believe the private sector must aim for greater international involvement.

We have heard from the Financial Secretary the Government's commitment to involvement in the WTO; APEC and the like. This flows from our position as the world's 8th largest trading territory and also I consider out of vital self-interest of Hong Kong to project itself as an international place to do business.

Trade liberalisation has been firmly established as a global trend. It is in all our interests in Hong Kong to see that the global economic order becomes more transparent and is based on the international rule of law.

We cannot just leave this to Government. We too in the private sector have to get involved at an international level in relation to our own specific business areas. By doing this, we can actively participate in the setting of global, professional and technical standards and at the same time ensure that our professions and businesses adopt such global standards as minimum standards in Hong Kong. Also, we can participate at a global level in the opening of markets to free flow of technology and human resources. This will improve standards and quality in Hong Kong; create greater opportunities for our business overseas and at the same time encourage international support for and promote Hong Kong's credentials as an international trading and service centre.

5. Why Promote Services?

I have heard this question raised several

times since this service promotion initiative was announced. I've heard people say there has been no Government involvement to date and the services have already grown to 80+% of our economy; clearly we know what we are doing so why should Government interfere.

Well, firstly, of course I believe we are not talking about Government interference, rather we are talking about participation with the private sector and I think that participation, that partnership with the private sector is well justified by virtue of an increased competitive environment that we face, particularly at this important juncture in our history. Every now and then we read of prophecies of our doom in the international media and particularly throughout the region other Governments, more prone to intervention than ours, are clearly mobilising to capitalise on any loss of confidence in the territory.

We have an extremely positive message to tell and particularly now regarding the services I think there is a need to coordinate this as we have successfully done in the past regarding the promotion of our manufacturing sector.

A clear example of this that readily springs to mind is the tremendous world class infrastructure projects currently being undertaken in Hong Kong. Through these projects, the territory has accumulated a wealth of international technical expertise. We have the professionals; we have the industries; airlines, shipping, railways, telecommunications; we have the contractors the real estate developers. More than that, we have the capital market expertise that raised the funding for these projects, the bankers; the lawyers; the accountants.

Well into the next century, it is recognised that Asia is going to provide the greatest market opportunities for infrastructure development and so this is just one example where I consider Government support is justified in facilitating and marketing this expertise as a whole under the collective banner of Hong Kong Inc.

Also, another area where I consider there is clear need for Government participation and direction is in establishing a clear and focused vision of an information strategy for the territory.

We are going to have a break-out session on IT and that is excellent but I just wanted to emphasise that here is an area where we need the Government to participate and promote the development of a vision or strategy for Hong Kong in relation to not only IT per se but also the application of IT to enhance the role of information as a facilitator of business as the infrastructure for business.

Many of our neighbouring economies like Australia, Malaysia, Taiwan and Korea

此。除促銷外，推廣高水平、高質素和有效的監管制度也是十分重要的。

水平和質素是決定競爭力高低的關鍵。要提高效率，必須以私營環節為主導，但同時亦不可缺少有效的監管制度。有效的監管制度有助改善市場效率，吸引更多競爭者投入市場，從而提高競爭能力。

讓我重申一點，我們必須確保監管制度以市場的自由運作，而非行政手段為著眼點。我們必須取得適當的平衡，過份監管只會適得其反。

香港服務業聯盟深信，無論在道德、法律、操守及技術水平方面，服務行業均擁有自我監管的能力。有時，政府會因為受到政治壓力而作出干預。因此，我們有必要向政府、政界和社會人士證明，自我監管較政府干預的效果更佳。

4. 積極參與國際事務

要證明服務行業擁有自我監管的能力，我相信私營環節必須更廣泛地參與國際事務。

財政司表示，政府決心積極參與世界貿易組織、亞太經合會議及其他類似的組織。這是從香港作為全球第8大貿易實體的地位出發。此外，我認為延續國際商業中心的地位對香港本身的利益關係至巨。

貿易自由化已成為全球不可逆轉的大氣候。提高全球經濟秩序的透明度，並以國際法為依據，均完全符合香港的利益。

我們不能將此重任單獨留給政府。私營環節亦須同時就本身的業務性質參與有關的國際事務。如此一來，我們便可積極參與制定適用於全球的專業和技術標準，並確保本地的專業及商業機構以這些全球性的標準作為香港的最低標準。此外，透過開放市場及容許技術和人力資源自由流通，更有助提高本港的水準及質素，並為商界在海外創造更多發展機會，推廣並尋求國際支持香港成為國際的貿易及服務中心。

5. 為何要推廣服務業？

自財政司提出推廣服務業的建議後，我已數次聽人談到這個問題。有些人說，即使在缺乏政府參與的情況下，服務業在香港經濟中所佔的比重仍然高逾八成。對此情況，我們當然瞭如指掌！那麼，推廣服務業為何仍需政府「參與」呢？

首先，我們所指的「參與」並不同於「干預」。面對越來越激烈的競爭環境，特別是在這個歷史上重要的交接時刻，政府的參與，建立政府與私營環節間的夥伴關係是有其必要的。我們不時聽聞國際傳媒對香港的未來作出不利預言，區內其他較傾向採取干預政策的政府亦已作好部署，準備在人們一旦對香港失去信心時坐收漁人之利。

我在此為各位帶來一些令人振奮的訊息。在服務業方面，我感到有必要進行協調工作，正如我們過往成功推廣本港的製造業

all have highly focused strategies and Singapore's vision of itself as the intelligent island is well known.

We need the same to ensure that our workforce and students are trained to high standards in the application of information technology.

So these are some of the reasons why we at the CSI strongly support this government initiative and I would close by saying that, for me personally, two of the most important sections in the Financial Secretary's Budget were those entitled a Government/Business Partnership and a Business Friendly Government since that I believe makes for a very powerful combination between the Government and the private sector added to the Government's past record of positive support and minimum intervention to the market economy. ■

一樣。

達到國際水平的多項大型基建項目正是明顯的例子之一。來自世界各地的技術人材因這些項目雲集香江。我們擁有這方面的專業人材；我們擁有航空、航運、鐵路和電訊等服務業專材；我們擁有承建商和地產發展商；我們更擁有熟悉資本市場的專家：銀行家、律師、會計師，為這些項目籌措資金。亞洲已獲公認為將於二十一世紀提供最多基建發展機會的地區。這也是我認為政府應協助促銷香港在這方面的專長的原因之一。

另一件我認為港府須積極參與及作出指引的事項，是制定目標清晰和集中的資訊政策。

我們即將就資訊科技召開突破性的會議，這是令人振奮的消息；但我得強調一點，我們需要政府的參與，並促使制定有關策略或政策。這不是純粹的資訊政策，還應包括如何應用資訊科技以協助商業發展。

不少鄰國（如澳洲、馬來西亞、台灣及韓國）早已制定目標清晰的政策，而新加坡以發展成高科技國為目標，更是人盡皆知的事實。

我們亟需要同樣的政策，以確保我們的工人和學生在應用資訊科技方面獲得高水準的培訓。

以上種種，均為香港服務業聯盟積極支持政府參與的原因。對我個人而言，預算案中最重要的是可說是「政府/商界的夥伴關係」及「方便營商的政府」兩個部分。這些建議的實施，除了延續政府過往對市場經濟採取的積極不干預政策外，政府與私營環節將因此結成強而有力的組合。 ■

The Year of Services

Promotion of services has been made a key theme of the maiden Budget by Hong Kong's first

Local Financial Secretary Mr Donald Tsang.

With his 1996-97 Budget speech, Mr Tsang published a 67-page "Addendum" entitled "The Service Sector - Support and Promotion", setting out an eight-point "Framework for Action" and "Action Agendas" on 14 specific service sectors.

The main points of the Financial Secretary's initiatives include:

- Building on its remarkable success in promoting our visible trade, the Trade Development Council will expand its work in promoting out trade in services, particularly the exports of services. The Industry Department will also extend its work to promote inward investment in the service industries.

- The Government will set up a Small and Medium Enterprises (SMEs) Committee. The private sector and the Government will work together to formulate new initiatives to assist our SMEs (which form the bulk of our services sector) to enhance productivity, upgrade management systems, obtain finance and improve access to market information.

- The Government will establish a Services Support Fund of \$50 million to

provide funding support for projects which will benefit the further development of service industries and improve their competitiveness.

- The Government will establish a HK\$50 million Tourism Development Fund to take forward the recommendations made by the Visitor and Tourism (VISTOUR) Consultancy Study and to initiate feasibility studies for future tourism attractions.

- The Government have commissioned the Federal National Mortgage Association of the USA to conduct a feasibility study in preparation for the setting up of a Mortgage Corporation. The Corporation will facilitate the development of a secondary mortgage market, promote banking and monetary stability as well as the development of the debt market.

- The Government will propose two tax concessions to encourage the further development of our financial services:

- To grant a concessionary tax rate (equivalent to 50% of the standard profits tax rate) to interest income and trading profits derived from certain categories of debt instruments.

- To waive stamp duty for market makers on stock transactions for the purpose of hedging options



Donald Tsang at the Services Promotion Symposium

曾蔭權在服務業研討會上致辭

transactions or directly arising out of options transactions entered into in the course of acting as a market maker.

• The Government will continue to invest heavily in education and training to meet the needs of the services sector and to maintain Hong Kong's competitiveness as an international services and financial centre. Particular attention will be given to enhancing language proficiency in both English and Chinese (including Putonghua) in schools, and promoting a culture of service and quality amongst front-line staff.

These proposals to promote Hong Kong's services sector received a thumbs-up from the Hong Kong Coalition of Service Industries.

"We welcome warmly Mr Donald Tsang's initiative, in particular, his emphasis on government taking a supportive, business-friendly but non-interventionist approach in promoting services," HKCSI Chairman Mr T Brian Stevenson said in a press release welcoming the Budget. "Many of the proposals are the result of consultation with the private sector, including the HKCSI," said Mr Stevenson.

It is the view of the HKCSI that "promotion" should be more than just marketing Hong Kong's services abroad but should also include the promotion of high standards and good quality, as well as an efficient regulatory system. As such promotion of services has to be, by nature, a joint and multi-sectoral effort. "It is clear that the Financial Secretary recognises that this and we hope this multi-sectoral effort will continue to good effect," said Mr Stevenson.

"The HKCSI will continue its efforts to assist private sector industry bodies, promote self-regulation and high quality, as well as facilitate regulatory efficiency. At the same time, it supports the establishment of an institution within government secretariat to deal independently with the planning, strategy formulation, coordination and monitoring of services promotion."

Following the Budget speech on 6 March, the government held a large scale symposium on services promotion on 12 March, of which the HKCSI was an organiser. Entitled "Hong Kong Into the 21st Century: The Servicing Economy", the symposium attracted more than 600 participants. Mr Stevenson delivered an address on behalf of the HKCSI in the plenary session of the symposium. ■

服務的年代

本 港首位華人財政司**曾蔭權**在其首份財政預算案中，把推廣服務業列為一個重要的主題。

隨1996至97年度財政預算案一併印發的是一份厚達67頁，名為《支援及推廣服務行業》的附件，其中共列出8項「工作策略」，有關的「工作綱領」則涉及14個服務行業。

財政司的重點建議包括：

- 貿易發展局在推廣本港的有形貿易方面，成績卓越。該局將擴大其在推廣服務貿易的範圍，特別是服務出口方面的工作。工業署亦會擴展其工作範圍，促進服務業的外來投資。

- 成立中小型企業委員會，由私營機構與政府攜手制定新措施，協助這些企業（佔本港服務業的絕大部分）提高生產力、改良管理系統，獲取融資及搜集市場資訊。

- 由政府設立一個5,000萬元的服務業支援資助計劃，資助促進本港服務業發展及提高競爭力的計劃。

- 由政府設立一個5,000萬元的旅遊業發展基金，以推展「旅客及旅遊業研究」提出的建議，並研究開闢新旅遊點的可行性。

- 政府已委聘美國的聯邦國家房屋貸款協會就成立按揭證券公司進行可行性研究。按揭證券公司的成立，將有助發展第二按揭市場，促進銀行及金融業的穩定性，以及推動債務市場的發展。

- 建議實施兩項減稅措施，以鼓勵本港金融服務業的進一步發展：

- 對從某些債務工具所賺取的利息收入和買賣利潤，實施優惠稅率（相等於標準利得稅率的50%）。

- 市場莊家為對沖期權交易而進行的股票交易，或在身為市場莊家時，直接就期權交易而進行的股票交易，均可獲豁免繳交印花稅。

- 繼續在教育及培訓方面作出重大投資，以滿足香港服務業的需要，並維持香港作為國際服務業及金融中心的競爭力。政府將特別注重提高學生的中英文（包括普通話）水平，並向服務業前線員工推廣以服務和質素為本的精神。

香港服務業聯盟對這些推廣本港服務業的建議深表支持。

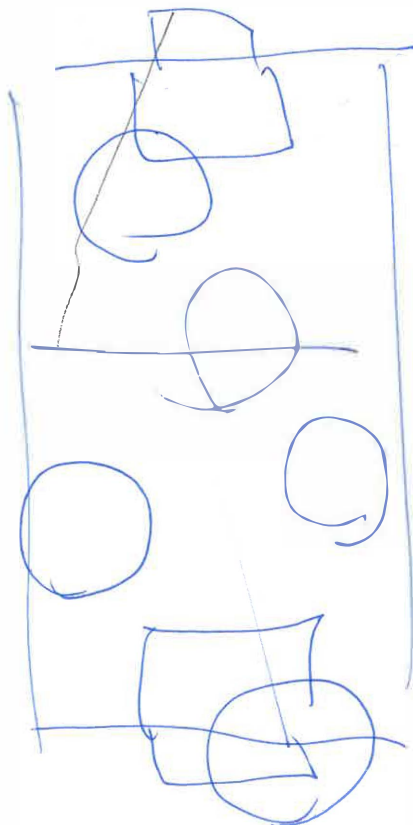
香港服務業聯盟主席**施文信**在一篇歡迎新預算案的新聞稿中指出：「我們歡迎財政司的新建議，特別是他強調在推廣服務業的

同時，政府將提供更多支援、創造更有利的經營環境及採取不干預政策。預算案中不少建議都是諮詢私營環節（包括香港服務業聯盟）後的成果。」

香港服務業聯盟認為，「推廣」的意義並不止於在海外促銷香港的服務，推廣高水平、高質素和有效的監管制度亦非常重要。因此，服務業推廣本身可說是公私營環節及跨行業的共同工作。施文信表示：「財政司顯然深明箇中道理，我們寄望透過各界攜手合作，繼續取得良好的效果。」

「香港服務業聯盟將繼續為服務行業的業內組織提供協助，促進自我監管及改善服務質素，並提高監察效率。與此同時，我們支持在港府決策科內設立一個永久機構，專責處理與推廣服務業有關的規劃、策略制訂、協調及監察事宜。」

繼3月6日宣讀財政預算案後，港府在3月12日就服務業的推廣舉辦了一個大型研討會，香港服務業聯盟亦為協辦者之一。研討會以「香港邁向二十一世紀：服務的經濟」為題，吸引逾600位人士到場。施文信代表香港服務業聯盟在研討會的全體會議上致辭。 ■



Ruggiero's vision

Internationally agreed rule-based universal system with an enforcement capacity to meet the challenges to free trade

Renato Ruggiero, Director General of the World Trade Organisation (WTO) told a HKGCC-TDC business lunch on February 29 that between now and 2010-20 more than 90% of world trade would be in three or four big continental regional areas.

He said the WTO would need a rule-based universal system internationally agreed with an enforcement capacity to be able to face the global challenges to world free trade, rather than each region being divided by a wall of tariffs and other obstacles. It certainly should include China and Russia.

The Director General said with some emotion his vision is that the WTO would succeed in our time in keeping that internationally agreed rule-based universal system with an enforcement capacity.

And he supported his conviction by saying the world's regional systems had now more or less established targets for the completion of the liberalisation process: Asean 2003; Europeans with the Mediterranean 2010; North and South America 2010; Apec (45% of world trade) 2010 for industrialised countries and 2020 for the developing countries.

Champion

Dr Victor Fung, Chairman of the Hong Kong Trade Development Council (TDC), introducing Renato Ruggiero said the road to open trade is still being built and obstructions and difficulties to achieving this massive human endeavour are still considerable.



Victor Fung.



Renato Ruggiero

He said the Director General could certainly provide a unique perspective on the international trade landscape. Throughout his 30-year career he had been an unwavering champion of free trade and liberal business principles. Renato Ruggiero has been at the forefront of international efforts to forge an environment where world trade can flow at either the national or international levels.

He said: "In Hong Kong we also take pride in championing the cause of free trade, especially at times when unfavourable economic conditions give rise to protectionism. Our own experience, as the world's most free economy, has taught us that level playing fields and open markets create prosperity and that competition breeds economic vigour and resilience.

"Free trade principles have, indeed, served us well in our ascent to the WTO's league table of traders from No 23 in 1978 to No 8 in 1994. With our present economic system and practices secured far into the future, Hong Kong will continue to play a pivotal role not just in the region's economic development but in its movement toward free trade. As a very active member of APEC we are totally committed to reinforcing and even accelerating in Asia the liberalising momentum of the Uruguay Round of the WTO's predecessor, the GATT.

"Like the WTO, we do not advocate bloc-ism but we do advocate multi-

lateralism and the rule of law in trade," he said.

Victor Fung said Renato Ruggiero would find himself among very supportive audiences in Hong Kong. But the road to open trade is still being built and the obstructions and difficulties in this massive human endeavour are considerable. We therefore looked forward keenly to the insights and advice from a person, more qualified than anyone, to guide us further in the right direction.

Admirable record

Renato Ruggiero said Hong Kong had an admirable record as an open economy and as free traders. The success that Hong Kong has achieved are an example to many developing and developed countries alike. Hong Kong has still an enormous potential in services activity. It was one of the leading members of the WTO in the services sector and the first among the developing countries with the output in services exceeding the output in goods.

"We have good news from Geneva," he went on. "From time to time when we usually talk about international trade there is a certain pessimism. But the United States delegation has now presented a very important offer of liberalisation in telecommunications that is being considered."

He said there were movements to match



Victor Fung and Chamber host C C Tung present a memento.

the US offer. We were not at the end of the road but the offer for the liberalisation of telecommunications in the world has achieved "a new moment" and with rules of competition. Negotiations had to be completed by April 30. It would be an historic instrument for greater interdependence and globalisation, a new human dimension of our time.

Renato Ruggiero said he thought the WTO had made a good start because all governments had tried to implement as far as possible the engagements they had undertaken in the Uruguay Round. They had not just tried to open their economies but to adjust their economies by passing legislation to meet the new needs.

Dispute mechanism

"We have now functioning the new dispute mechanism which is something very important that had been achieved in the right time, in the right way. This gives to every government the predictability of the commitments they have undertaken.

"We have already 29 disputes. This is a good number but disputes there are always. So we cannot complain about the number of disputes. But they did not come because there is no real confidence in the capacity of this institution to settle them." he said.

Some have stopped at the beginning because some Governments had realised it would be risky to proceed. The possible rulings were having a deterrent affect. Some very small countries were challenging very big countries which showed there is confidence in the WTO.

Renato Ruggiero said the WTO has 29 candidates for accession which shows the multi-lateral trading system is something that is considered by developing countries as the best tool to achieve real economic growth. The candidates included Russia, China, Saudi Arabia, the Ukraine and many others.

He said the agenda at Geneva is a very

complex one. WTO had just finished the negotiation on the liberalisation of financial services with the US making an improved offer. There was another significant negotiation on movements of persons linked to service activity. It also had to conclude a tough negotiation by the end of June on the liberalisation of maritime services.

WTO would achieve results in these negotiations that would at least be a starting point for liberalisation in these sectors.

Singapore

He also mentioned the WTO ministerial conference in Singapore in December. He said he had just come from Brisbane where he had a discussion on the outlook and perspectives of the Singapore meeting.

Possible new issues being considered for the Singapore agenda include a multi-lateral agreement on investment, corruption in public procurement, the 1999 new negotiations on agriculture and services liberalisation, etc. The dynamic agenda has to be seen as a moving one at least until the year 2,000.

He said he wanted to touch on two subjects which in his mind are of extreme importance:

- If the international trading system wanted to promote free trade and the elimination of obstacles, the system must be rule-based with disciplines that are internationally agreed and with an enforcement capacity.

"So that you know that if you make a commitment and you break that commitment there will be somebody who will judge you and you will have to pay for the damage you have done to your partners. He denied free trade and globalisation are reducing employment and lowering wages.

He said this was not true because the experience through free trade is that industrialised countries had increased their exports to Asia and Latin America and

reduced the impact of the recession at the beginning of the 1990s.

- Regionalism could be very important for the liberalisation of the world economy. There is a difference between the regional and the multi-national systems. The difference is that the regional system has now more or less established targets for the completion of the liberalisation process.

Answering his host C C Tung's question on what were the major difficulties of China's accession to the WTO, Renato Ruggiero said that even if everybody wanted China in the WTO there were objective difficulties and these sometimes made everybody impatient. "We must be more patient," he said.

Replying to an earlier questioner he said as a friend of China who has some experience in international negotiations he would like to make a suggestion to his questioner: Forget the political difficulties and try to negotiate on the substance. By solving the substantive problems of the negotiation you would solve also the political problems.

Answering Dr W K Chan, who expressed some disappointment that there had not been a decision so far on a discussion at the Singapore Ministerial meeting on investment, Renato Ruggiero said investment is already in the fields of activity of the WTO. The question is whether the WTO has to go on to include other aspects of investment now or after Singapore. The problem is open. He had the impression that there would be a compromise and at Singapore there would be some discussion.

He told another questioner the China and Taiwan applications for accession to the WTO would each be processed with its own logic, but taking into account the necessary harmony of the system. This was how the WTO approached the problem without commitment or pre-decision.

Chamber Director, Ian Christie asked: "We have all seen, for instance during the Uruguay Round, the enormous length of time it takes to reach agreement on trade issues. Do you have any plans, or wishes, for structural reorganisation within the WTO or for procedural changes to somehow speed up reaching these vital decisions?"

Renato Ruggiero replied: "I think your opinion is based on a generalisation because if you talk about agriculture you are right. But if you talk about telecommunications, which is more important than agriculture, you are wrong. If you talk about financial services, which is at least as important as agriculture, you are wrong. So, it depends. If you are touching traditional sectors where there are very strongly based interests this can be so. ■

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Very good visit

Vice Premiers Qian Qi Chen and Zhu Rong Ji among Chinese leaders who met representatives of Hong Kong's international businessmen

Paul Cheng, who led a 19-member delegation of Hong Kong's International Chambers of Commerce to Beijing from March 10-12, told a Hong Kong press conference on March 13 the delegation had come back reassured of the sincerity and commitment of the Chinese leaders in preserving Hong Kong's status as a very important international and commercial centre.

The delegation was received and had long discussions with Vice Premier and Foreign Minister Qian Qi Chen; Vice Premier Zhu Rong Ji; Director of the Hong Kong and Macau Office Lu Ping; Vice Minister of Foreign Trade and Economic Cooperation (MOFTEC), Gu Yong Jiang; and Deputy Governor Yin Jie Yan of the People's Bank of China.

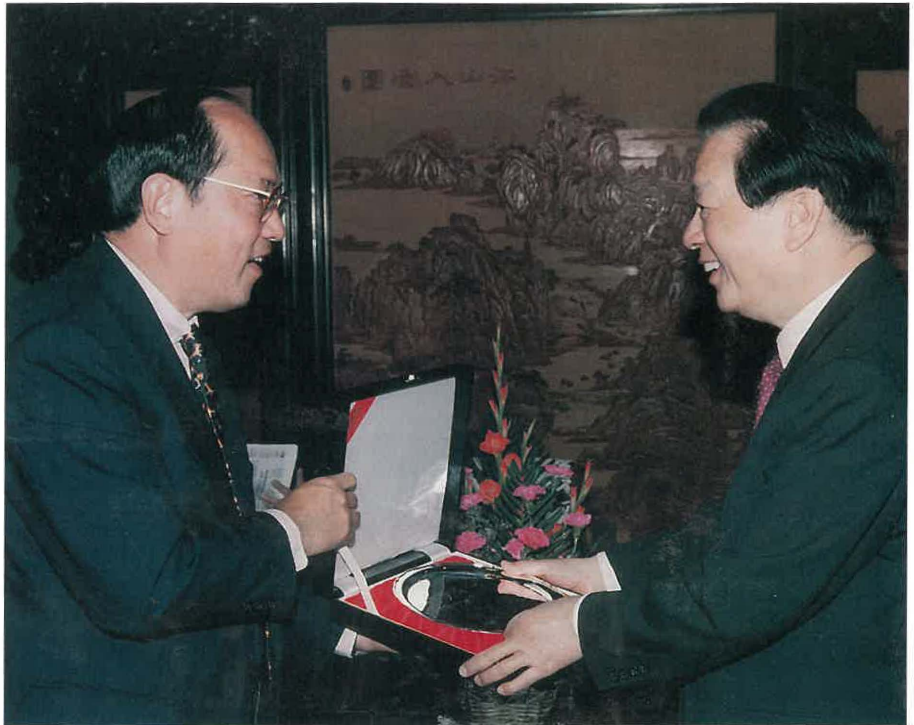
Paul Cheng, immediate past Chairman of the HKGCC and elected LegCo representative of the Chamber, said it was the second visit to Beijing of representatives of all Hong Kong's International Chambers and Business Associations. The first visit was in December 1984.

He said: "One of the important features of maintaining our prosperity and stability rests with our foreign friends. Foreign investment in Hong Kong plays a major role in Hong Kong's future...They employ a lot of Hong Kong people.

Dialogue

"Therefore it is a very good idea to have our international business community occasionally to go up to Beijing and have a direct dialogue with the Chinese leaders not only about Hong Kong's future but about investment in China.

"This time we were very well received



Paul Cheng presents a souvenir to Qian Qi Chen.

in Beijing. We spent nearly two hours with Director Lu Ping, and his Vice Directors.

"On Monday afternoon we were received by Vice Premier and Foreign Minister, Qian Qi Chen, and we met with him for close to one and a half hours. Following that meeting we met Vice Premier Zhu Rong Ji and that meeting lasted for one and a half hours.

Wide-ranging

"It was a very busy day for us and it covered

wide-ranging issues concerning the transition and Hong Kong's future.

"On Tuesday morning we met Vice Minister Gu from MOFTEC and on Tuesday afternoon we saw the Vice Governor Yin in the People's Bank of China."

"It was a very, very good visit. We came away reassured that the transition is being handled as successfully and smoothly as possible."

Paul Cheng said the mission dealt mainly with commercial and economic issues. Obviously some political issues connected with business were raised. But the mission's primary focus was on the economic side of the equation and the mission did not really spend much time in dealing with political issues.

Support

He asked about 12 of his fellow delegates to give their own impressions. All said, among other things, they were very impressed with the high-level reception and the amount of time the Chinese leaders had spent with the delegation.

Eva Chow, Manager in the Chamber's International Affairs Division, provided secretarial support for the delegation. ■



Lu Ping met the delegation.

Zhu Rong Ji with the delegation.



Gu Rong Jiang with the delegation.



With Yin Jie Yan.



Delegates at the press conference.

Cautious this year

Bank of China head says 1997 and 1998 will be better years

China will be cautious this year and its macro controls on economic development will remain relatively tight. 1997 and 1998 will be better years for China and for the Hong Kong economy.

This is the view of Yang Zilin, regional head of the Bank of China (BOC) Group, who has been elected the first Chinese Chairman of the Hong Kong Association of Banks as well as appointed to the important post of Vice Chairman of BOC's decision-making Board of Directors in Beijing.

He says in a wide-ranging interview with *The Bulletin* that the Bank of China is one of the lead managers for some syndicated loans for the new Airport and other infrastructural development projects in Hong Kong.

He says BOC is supporting Hong Kong's economic and social development by lending to industrial and commercial enterprises and to home buyers.

Yang Zilin appointments are: Vice Chairman of the Board of Directors of the Bank of China in Beijing, Chief Executive of the Bank of China's Hong Kong-Macau Regional Office and General Manager of the Bank of China, Hong Kong Branch.

He has begun visiting Beijing about 10 times every year to report to the Head Office and to attend BOC board meetings.

He says the Bank of China (BOC) Group in Hong Kong consists of the Bank of China, Hong Kong Branch, 12 sister banks and some specialised subsidiary companies.



Yang Zilin being interviewed by *The Bulletin*

羊子林接受本刊訪問

Second largest

Yang Zilin says: "We are the second largest Banking Group in Hong Kong, next only to the Hong Kong and Shanghai Banking Group. We started issuing our own bank notes from May, 1994, so we have become the third note issuing bank in Hong Kong.

"Our position in the banking industry in Hong Kong is that we account for 24% of total Hong Kong deposits. We have 381 branches or one quarter of all the bank branches in Hong Kong.

"The outstanding balance of our Group

was HKD560 billion in deposits and HKD306 billion in loans and advances by end 1995. "From these figures you can see our loan-to-deposit ratio is around 55%. Of our total loans, 92% are lent to enterprises and individuals in Hong Kong and the other 8% is lent to those in China.

"Most of our funds are used to support economic development in Hong Kong, that is to support commercial and industrial companies and individual Hong Kong residents to buy their houses and to do their own business. We have a close and friendly

審慎前進

羊子林預期本港經濟將於 97 及 98 年有更佳表現

中國經濟在 96 年將沿審慎的步伐發展，宏觀調控政策仍會繼續。不過，中港經濟可望在 1997 和 98 年有較佳表現。

以上是中國銀行副董事長兼港澳管理處主任羊子林對兩地經濟前景的看法。羊氏最近還獲選為香港銀行公會的首位華人主席。

在接受《工商月刊》訪問時，羊子林指出，中銀曾數次為香港新機場及其他基建工程項目擔任銀團貸款的牽頭銀行。

透過向工商界及置業者貸款，中銀一直積極支持本港的經濟及社會發展。

羊子林在中銀的職銜包括：北京中國銀行副董事長、中國銀行港澳管理處主任及中國銀行香港分行總經理。

羊氏已開始其穿梭中港的生活。由於須向總行述職和參加董事局會議，他每年前赴北京的次數多達 10 次。

香港中銀集團的成員包括中國銀行香港分行、12 家姊妹銀行及一些專責附屬機構。

第二大行

羊子林表示：「在香港，中銀集團的規模僅

次於匯豐銀行集團。1994 年 5 月，中銀開始發行港幣，成為本地第 3 家發鈔銀行。

「中銀集團佔全港存款總額的 24%，旗下 381 家支行相等於全港銀行分行總數的四分之一。

「截至 1995 年底，我們持有的總存款為 5,600 億港元，貸款總額則為 3,060 億港元，貸款存款比率約為 55%。在貸款對象方面，本地及國內客戶的比重分佔 92% 及 8%。

「中銀的大部分資金均用作支援香港的

relationship with all these people.

Infrastructural investment

"In recent years our BOC Group has also participated in, by extending loans to or making investments in, some of Hong Kong's major infrastructural projects, such as the Eastern Harbour Crossing, Container Port terminals, Route 3 highway (Country Park section), the new Airport construction and affiliated projects.

"Our Group has played the role as arranger and lead manager in syndicated loans to some projects and property developments related to the new Airport, such as a loan to the Airport Authority of HKD8.2 billion, to HACTL of HKD6.6 billion for the construction of the airport terminal. etc. We have invested at Site A and Site C at Tai Kok Tsui Station on the new Airport Railway, and in the new Airport Freight Forwarding Centre, etc.

"Some of these projects involve very large sums of money. So we have joined hand-in-hand with other banks, such as with the Hong Kong Bank, to raise syndicated loans to finance these projects.

"The BOC began joining in raising syndicated loans for infrastructural development a long time ago. We participated, for example, in the financing of terminals of the Kwai Chung Container Port, Tates Cairn Tunnel and in the Eastern Harbour Crossing. At that time it involved only a relatively small amount of money.

"In more recent years our participation in infrastructural projects has been more frequent and involving a bigger sum of money. For example, the share of our investment in Route 3 highway is 20%. Our share in the property development at the new Airport railway station at Tai Kok Tsui is 30%.

[The Bank of China was reported at the end of March to be part of the consortium, led by Sun Hung Kai Properties, awarded the HKD40 billion Central airport railway property development.]

Important part

Yang Zilin, who was born in Jiangsu Province in 1944, says the Bank of China in Hong Kong and Macau is a very important part of the Bank of China as a whole. The BOC has 520 overseas branch offices throughout the world. Hong Kong and Macau account for 403 of these offices, or almost 80%. The overseas offices employ 25,000 of which 19,000 are employed in Hong Kong and Macau.

In terms of total assets Hong Kong and Macau also account for nearly 80% of the overseas operations of the BOC.

Q. Friends of mine who come from Pearl River Delta towns tell me from time to time that they have great difficulty in getting bank loans and they say they hope for some relaxation soon?

Yang Zilin: "We will give our support to industries and enterprises if they are

complying with the country's priorities on what should be developed first. Fifty per cent of the 8% of our loans that go to China are given to enterprises in Guangdong Province and most of them are in the Pearl River delta. That is, 4% of our total loans."

"It is hard for some to get loans because of the macro control policies in China. China, for example, keeps a tight hand on property-related projects, especially luxury residential estates."

In transition

Q. Some on the Delta borrow from the rich at exorbitant interest rates and sometimes don't pay it back. Some try to double their loans at the casino in Macau, lose everything and flee?

Yang Zilin says such people are criminals. He explains that China is in transition from a centrally-planned economy to a market economy and the system is not yet well-established. Laws and regulations are still being developed. Some would-be entrepreneurs are too eager for money to be on correct behaviour.

On the Chinese economy, he says since 1980 the economy has grown at a very fast speed. Over the past one and a half decades the Chinese commodities economy has made remarkable progress and the people's living standard has improved a lot.

He says it is unusual in the world that a country can maintain for such a long time an average growth rate of around

經濟發展，如為工商界提供貸款，協助私人置業和創業等等。我們跟客戶的關係是十分密切的。

基建投資

「近年，中銀集團的業務更擴展至為本港的主要基建工程提供融資或直接投資。東區海底隧道、貨櫃碼頭、三號幹線（郊野公園段）、新機場及相關項目都是很好的例子。

「部分與新機場有關的工程及物業發展計劃都是由中銀擔任牽頭銀行，組織銀團貸款。這包括機場管理局的82億港元貸款，以及香港空運貨站有限公司興建機場貨運大樓所需的66億港元資金。另外，中銀在機場鐵路大角嘴站的地盤A及地盤C，以及新機場貨運中心均有直接投資。

「部分項目所需的資金極為龐大。因此，我們跟其他銀行（如匯豐銀行）合作安排銀團貸款。

「中銀在很久以前已開始為本港的基建發展安排融資，其中包括葵涌貨櫃碼頭、大老山隧道及東區海底隧道，這些項目所需的資金規模較小。

「近年來，我們參與基建融資的次數更加頻密，涉及的資金更加龐大。舉例說，我們擁有三號幹線的20%投資；在機場鐵路大角嘴站上蓋物業發展計劃中所佔的股權更高達三成。

（據報導，以新鴻基地產為首的財團已取得總值400億港元的中環機鐵站上蓋物業發展權，中銀即為該財團的成員之一。）

舉足輕重

羊子林於1944年在江蘇省出生。他說，港澳業務在中國銀行的整體業務中佔了極重要的地位。中銀在全球的支行達520間，其中403間位於港澳兩地，約佔總數八成。海外辦事處共僱用了25,000名員工，其中19,000人在港澳區工作。

以資產總值計算，港澳兩地佔中銀的海外業務幾近八成。

問：有些來自珠江三角洲的朋友告訴我，申請銀行貸款並不容易！他們希望有關方面能在短期內放寬政策？

答：「我們會支持那些符合國家優先發展規定的工業和企業。事實上，我們向國內提供的8%貸款中，有一半都是批給廣東省

內的企業，其中大部分均位於珠江三角洲一帶。也就是說，它們獲得的貸款佔了銀行貸款總額的4%。

「因宏觀調控的關係，對部分人說來，申請貸款的確並不容易。舉例說，國內對與房地產有關的項目（尤其是豪華住宅）的控制是特別嚴格的。」

過渡期

問：在華南地區，有人以高利率向人借貸後欠債不還。部分人更帶著借來的資金到澳門的賭場碰碰運氣，輸個清光後逃之夭夭！

羊子林表示，這根本與罪犯所為無異。他說，中國正從中央計劃經濟過渡至市場經濟，既未確立一套完善的制度，有關法規亦處於發展階段。部分人可能會因籌錢心切以致行為有所偏差。

談到中國的經濟發展，羊子林表示，自80年代起，內地經濟一直以高速增長。經過15年的發展，內地的商品經濟已取得長足的進步，人民的生活水平亦有了明顯改善。

以世界標準說來，能在這樣的長時間內維持國內生產總值每年平均以10%增長。

10% in real GDP terms. The result has been that the economic strength of China has significantly increased but there are still many problems and difficulties. There has, for instance, been the pressure of inflation.

"Our economy, as I have said, is in transition to a market economy and our law and regulations system is far from complete. We have still lacked experience with a commodities economy.

Problems

"In the first half of 1993 we faced many problems, such as over-heating in the property market and stock market and a high inflation rate. The economic growth in 1992 and 1993 was too fast.

"The overheating in the property and stock markets was a symptom of a troubled economy. The high inflation was not tolerable.

"In July, 1993 the Government adopted some decisive measures to cool down the overheated economy and to constrain the inflation rate.

"After thirty months of macro control policies we have had some significant achievements. The economic growth rate is now satisfactory.

"In the years 1993 and 1994 the growth rates were 13.5% and 11.8% respectively but last year it softened to 10.2%. In 1994 the inflation rate was 21.4% but last year it was down to 14.8%.

7% in February

"In the first two months of this year the inflation rate went down further to an average of below 10%. In February it fell to 7%.

"Our external trade continues to grow at a healthy pace. The growth of our exports and imports is very satisfactory. Our foreign reserves have increased significantly.

"Our foreign reserves are now USD73 billion.

"So, since our macro control measures were implemented, the results achieved are satisfactory. China has a very good foundation for future economic development now that inflation has gone down to below 10% and we have such a healthy amount of external reserves.

"I am personally very optimistic about China's economic future, especially for the years 1997 and 1998."

Q. Why not 1996 also?

Cautious

Yang Zilin: "This year China will continue to adopt appropriately tight monetary policies. The economic performance this year is likely to be a bit better off than last year. But this year the policy will be cautious and still relatively tight."

Q. Will it affect the Hong Kong economy?

Yang Zilin: "I forecast the economy of Hong Kong will be better in 1997 and 1998 because of this factor. Some people are

talking about a new boom by 1998."

• Yang Zilin has had an impressive career in BOC and his current appointments underline the importance that the Bank places in its Hong Kong and Macau operations.

He completed his university education in 1968. He was a Research Fellow of the Institute of International Finance at the Bank of China head office from 1972 to 1980. He was Representative and Chief Representative in the Bank of China's Tokyo Representative Office from 1980 to 1985. He became Deputy General Manager and General Manager of the Executive Office in BOC's Head Office from May 1985 to December 1989.

Tokyo

He was then appointed in 1989 as General Manager of the Bank of China, Tokyo Branch, and remained in Tokyo until December 1992. He then became Assistant President in the Bank of China head office. He was appointed Managing Director in the head office in December 1993. In June 1994 he was appointed Chief Executive of the Hong Kong and Macau regional office.

Yang Zilin was promoted to his current three titles, including Vice Chairman of BOC's Board of Directors in September 1995. From January this year he, on behalf of the Bank of China, Hong Kong Branch, became Chairman of the Hong Kong Association of Banks. ■

可謂絕不尋常。國內的經濟實力毋疑增強不少，但有不少問題仍待解決。通脹壓力即為其一。

他說：「正如我剛才所言，我們正處於過渡時刻，法規制度固然未臻完善，對商品經濟的經驗亦嫌不足。

難題

「在93年上半年，我們須面對房地產及股票市場過熱，以及高通脹等等問題。92和93年的經濟增長是太快了。

「房地產和股票市場過熱象徵經濟出現問題。當時的通脹率更已到達不能容忍的地步。

「於是，政府在93年7月實施一系列的措施，藉此冷卻過熱的經濟和控制通脹。

「經過30個月的宏觀調控，我們已取得重大的成績。經濟增長速度亦叫人滿意。

「93及94年的增長率分別為13.5%及11.8%，去年則輕微下調至10.2%。不過，通脹率卻從94年的21.4%成功地回落至去年的14.8%。

二月佳績

「在本年首兩個月，通脹率更進一步回落至平均低於10%，2月份的通脹率僅為7%。

「外貿（進口及出口）表現令人滿意，而外匯儲備更有大幅度的增長。

「現時，中國的外匯儲備約為730億美元。

「宏觀調控措施已取得理想的成效。國內的通脹率已回落至低於10%，加上外匯儲備充足，在在為未來的經濟發展提供了良好基礎。

「對於中國的經濟前景，特別是97和98年，我個人感到非常樂觀。」

問：1996年又如何？

審慎的一年

羊子林說：「中國在96年仍會維持適度的金融緊縮政策。今年的經濟表現會較去年為佳，但經濟政策還是會以審慎為主，略作收緊。」

問：這會對香港經濟構成影響嗎？

答：「就是因為這個原因，我預料香港經濟在97及98年會有較佳的表現。有人更預期98年將是另一個繁榮的高峰。」

羊子林在中國銀行歷任要職，從他現時所擔任的職位，已可說明銀行對港澳區業務的重視程度。

羊子林於1968年大學畢業，於72至80年間在中銀總行國際金融研究所擔任研究員；80至85年，他獲委任為中國銀行駐東京辦事處代表；1985年5月至89年12月，更先後擔任中國銀行總行辦公室副總經理及總經理等職。

東京歲月

1989年，羊子林獲委任為該行東京分行總經理，直至92年底。隨後，他出任中國銀行總行行長助理一職，並於93年12月獲任命為該行常務董事；1994年6月，羊子林來港出任港澳管理處主任一職。

1995年9月，羊子林獲晉升為中國銀行副董事長。本年1月，他更代表中國銀行香港分行成為香港銀行公會主席。 ■

Foreign exchange more accessible?

C C Tung discusses current China developments and the work of the China Committee

CC Tung, Chairman of the Chamber's China Committee, in a wide-ranging interview on China raises the question whether China may soon make its foreign exchange more accessible to the business community and its approval procedure easier.

He says the work of the Chamber's China Committee is really to help members understand the latest developments in China and to focus on those most important areas where the Committee organises visits.

Such visits provide a chance for members to visit the local government at city and provincial levels and establish contacts and connections for their own possible investment projects.

"Each year we organise five to six visits to China. The principal cities of Beijing, Shanghai and Guangzhou are annual events. Then there are other areas that are of interest, such as the Yangtse River delta, which covers Suchow and Nanjing, and both the Western and Eastern parts of the Pearl River Delta.

"In the last two years at the request of MOFTEC in Beijing we have organised visits to the interior, such as to Chengtu in Sichuan Province. Most of the members who participated found the visits quite interesting and valuable."

C C Tung says the China Committee receives in Hong Kong many, many delegations from all over China, not necessarily the places the Committee itself visits and where the Provinces organise reciprocating visits.

"When every city that has an interest in Hong Kong organises a visit to attract Hong Kong investment we try to organise a meeting with Chamber members."

Interest

Q. Where do you find the most interest now?

C C Tung: "I think the most interest must be in Guangzhou and the Pearl River Delta. Then of course there's Shanghai and any trip to Beijing is well supported. Many things that happen in China all start from the Beijing central government. He says Tony Fung, Vice Chairman of the China Committee, led the Committee's most recent visit to Shanghai. He understands it was a very good visit.

Q. Something like 50% of the new investment in Shanghai is coming from Hong



C C Tung leads the China Committee on its last visit in October to Beijing and meets Madam Pan Bei Lei, Vice Chairman of the China National Council for Light Industry.

Kong and sea communications are more than they used to be?

C C Tung: "Yes. I think what the Government wants to do is develop Shanghai as a centre of commerce, for trading and finance. There are a lot of banks in Shanghai already and they want to cultivate Shanghai as a financial centre.

"As a centre of commerce it is not complete without a deep water port. The intention of the Government is to build a deep water port but it could be very costly. I think it is still being very actively studied."

Trunk liners

He explains that the latest generation of container ships draw too much water for Shanghai and they are not able to enter. But Shanghai is being served by trunk line vessels from North America and Europe. So Shanghai does have direct calls to these major markets.

"The Government is quite adamant they must develop a deep water port for Shanghai," he says. "Ningpo port is nearby but it doesn't have the source of cargo backup that Shanghai has."

Q. Shanghai is being developed as a centre for high-tech industries. Some say it will eventually leave the Delta behind industrially. But others say the industrialists on the Delta are resourceful and ingenious

people and are not likely be left behind?

C C Tung: "China is so big it really needs a few high-tech centres.

Q. Is the Delta going more high-tech?

More value-added

C C Tung: "I think they will probably have to. Most of the manufacturing projects that have moved into Guangdong Province are beginning to find the operating labour cost is getting quite high. To move forward they will have to look at more value-added type products on the high-tech side.

Q. There have been reports some higher type exports from China are beginning to hit some of America's established industries?

C C Tung: "I think ideally for China the labour-intensive industries should move inland to develop the economy of those interior provinces that are quite backward. They would prefer the coastal provinces to develop this value-added, high-tech area.

"That would give everybody a chance to progress economically. Of course, the infrastructure is not built in the interior to cater for the transportation of finished products for export purposes. Moving labour-intensive industries to the interior will have to mean more domestic sales.

"But of course it's a catch-22 problem because the economy is not good enough and the disposable income is not high

enough to absorb domestically all the possible newly available products. So China needs to rely on exporting to developed economies to give the people the capability to spend and consume.

C C Tung said he saw in Sichuan a factory that is manufacturing fibre optic cable. So the province does already have a bit of high-tech. But China is more interested to have industrial investors to manufacture for domestic sales in provinces like Sichuan.

Taxation

He thinks taxation is still a new concept to China being a socialistic country of share and share alike and whatever you receive is what Government gives you. In order to open up the economy they allow everybody to develop their own ability to make more, based on productivity.

Since the receipts are now made by the company which is corporatised they need to have a taxation system so that country will have sufficient income to manage national affairs.

"Being a new system you can imagine that it takes a long time to have the right taxation system. There has been a lot of tax fraud in VAT."

C C Tung says he thinks the Government is not shy in talking about its tax problems. The question is how they are going to tackle them?

"If you look at each year's tax receipts, they have been increasing quite phenomonally. It means the Government is doing its work in collecting the taxes and people are gradually understanding they must pay, particularly at the corporate level.

State enterprises

"That's probably another reason why the Government is very critical about the State-owned enterprises that have been losing a lot of money. By definition when they make a loss there's no tax.

"It is not an easy problem. All these enterprises are organised so that they are providing social welfare for not only their workers but their retired workers. The Government does not provide anything. "So if you want to tidy things up probably you would need to have a social security system for the population at large. And then try to tighten up control on these loss-making enterprises. If those enterprises should fail then at least the workers' welfare would be taken care of by the Government.

"I think they tried to put some State enterprises into bankruptcy. But they realised if they did that they would have to pick up the tab for the workers and retired people and feed them.

"It is a huge problem when you are changing from a socialist system to a market economy where every company must take care of itself and provide for its

retired personnel. Right now there is no safety net to catch everybody that may fall through."

Taiwan

C C Tung discusses the Taiwan situation and emphasises the critical issue is sovereignty. Since 1982-84 the concept of one-country-two-systems is now taking hold, he says. Hong Kong is about to embark on this system.

"I think China doesn't really care whether the Taiwan President is directly elected or otherwise. As long as Taiwan says, yes, we are Chinese, we are part of China and ultimately on a certain day we will be one nation. Let's take time to reconcile our differences in our political systems.

"If Taiwan would say it is part of China and we'll resolve our differences in time. That we are one country but two systems, let's each get on with its own business. That, I think, would have gone a long way to resolve the problem -- the question of sovereignty..."

He says: "As long as that principle is accepted by both sides, China can tolerate a different system."

He said trade through Hong Kong is not yet affected. But if the Taiwan situation deteriorates he imagines Hong Kong could be affected, too, especially if the US took certain action. Hong Kong would suffer if there were sanctions against China. If there were no return on its investments in China, the Hong Kong economy would be affected.

C C Tung says logically MFN should be renewed but there might be a lot of emotion behind the US decision and it was difficult to say MFN would be renewed. Some US politicians might seize upon the Taiwan flare-up for their own purposes in the Presidential election year. But he was nonetheless cautiously optimistic.

Economic achievements

He says from talking to Western bankers he learned they were quite surprised that China had successfully managed its inflation problem and yet had 9-10% real growth. It looked like China would achieve a "soft-landing."

The other good news was that China might further reform its foreign exchange regulations.

"It is quite optimistically believed they will take certain action to make the foreign exchange market more accessible to the business community and the bureaucratic approval procedure easier.

"The ultimate question is to see whether they will continue to exercise foreign exchange control on capital items. On trade items I think they are moving ahead to liberalise and give much better accesibility on foreign exchange." ■

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Preferential Tax treatments unchanged after 1997

China's deputy tax commissioner explains the new tax measures

Preferential tax treatments for Hong Kong investors will remain unchanged after 1997, Mr. Xiang Huai-cheng, Deputy Tax Commissioner of China, told a Chamber subscription luncheon on February 28, 1996.

"They will continue to enjoy those preferential treatments being offered to foreign investors including Hong Kong compatriots," he added.

He believes there will be some changes on the preferential tax treatments for foreign-funded enterprises. However, he guarantees that Hong Kong investors will be treated on equal footing as any other foreign investors so that a level playing field can be ensured.

The introductory speech was given by Mr. James Tien, Second Vice-chairman of the Chamber, in fluent Putonghua.

Questions

After a brief introduction, Mr. Xiang invited his audience to raise questions.

Questioner: Will the preferential tax treatments such as corporate tax exemption and reduction be scrapped?



Xiang Huai-cheng
項懷誠



Introduction by James Tien, Chamber's Second Vice-chairman 第二副主席田北俊為講者作簡介

Xiang: "It's just a matter of time. They will certainly be scrapped in the future. However, you don't have to worry about this. These preferential treatments won't be scrapped immediately."

Questioner: I learnt from a newspaper that those preferential tax treatments currently enjoyed by foreign enterprises will be cancelled. It is also reported that with effect from April 1, duty exemptions on imported equipment and machinery for foreign enterprises will no longer be applicable. What is your comment about this?

Xiang: "There won't be any significant changes on the preferential tax treatments for foreign enterprises at the moment. However, after April 1 this year, foreign enterprises will no longer be entitled to duty exemptions on imported equipment. Nevertheless, several measures will be implemented after the cancellation of this preferential treatment."

Tariff cut

"First, we will cut our tariff. China's tariff will be 36% lower in 1996. The average tariff rates for imports will be slashed to 23%. It is true that foreign enterprises will then be subject to a duty on imported

equipment, but the tariff rates are now much lower than before.

"Second, if you make an investment in the mainland before April 1, 1996, you may still be granted duty exemptions on imported equipment. However, there is a time limit. If your total investment is less than US\$30 million, the duty-free deadline will be December 31, 1996. If it is in excess of that amount, the deadline will be December 31, 1997.

"Third, if you are unable to import your equipment before December 31, 1997 because, for instance, the investment project is too big, you may file an application to the MOFTEC for special consideration.

"Fourth, a grace period was given when we announced these new measures in last September. You may hurry up and conclude your contracts before March 31 when the measures take effect. All equipment covered by such contracts shall be free from import duties. I don't think China will increase its tariffs in the coming two or three or even five years. It is almost impossible to raise the tariffs again.

"Fifth, we plan to allow convertibility of assets into foreign currencies. The investment environment will be greatly

CHINA TAXATION

improved after the implementation of this new measure. In the past few years, the exchange rate of RMB has been quite stable. It has been lingering around 1 to 8.50-8.31. On the other hand, China's foreign exchange reserve records a healthy growth. Our total reserve is expected to increase from US\$21.2 billion in 1993 to US\$73-74 billion by the end of this year. In other words, we will have US\$50 billion more in just three years. It is not a big sum for a country like ours, but it is indeed a big increase in terms of growth rate. On that base, we are able to put one more step forward towards our foreign exchange policy."

Income tax

Questioner: It is reported that China is planning to change income tax laws. Is that correct?

Xiang: "Yes, China is planning to change income tax laws. The existing laws will be revamped. Planned changes include consolidation of all categories of personal income for tax purposes, switching from a monthly to an annual taxation base, raising allowable deductions and possibly lowering the top marginal rate for wage and salary earners."

Tax evasion

Questioner: Is it correct to say that tax evasion is a widespread problem in China? If it is the case, how will the government tackle with this problem?

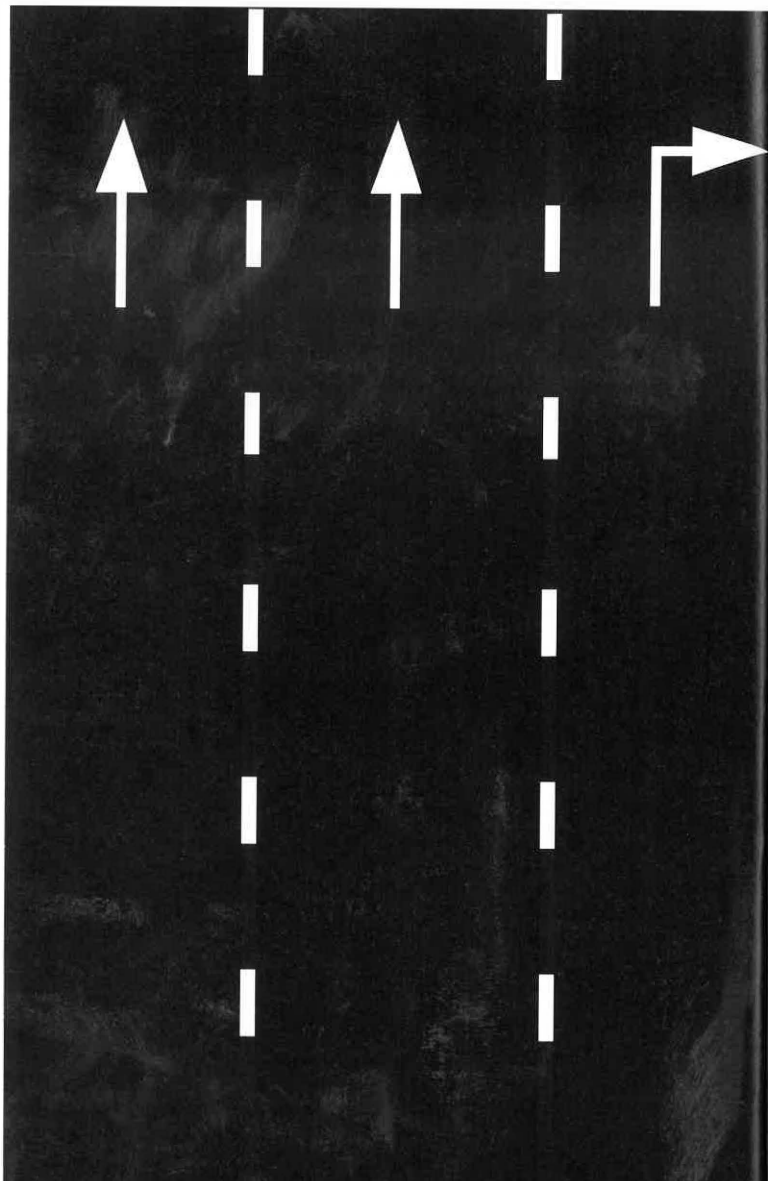
Xiang: "To be frank, tax evasion is quite a problem in China, but it has been improved significantly in the past two years. I think it is all but natural in the process of development. In order to solve this problem, we have improved our tax system in the first place to increase its transparency. We have tightened our regulatory policy. We have streamlined the whole process by using computer more widely. And we have also taken back some authority from the local government so that from 1994, no local government leadership, including myself, are allowed to exercise their discretionary power to grant tax exemptions in an arbitrary manner."

Contradictions

Questioner: Are contradictions still in existence between the central and local governments in revenue sharing. How would this problem be solved?

Xiang: "The relation between the central and local governments is a crucial issue and contradictions are inevitable. There were contradictions between them at the very beginning when the tax-sharing arrangements were first implemented. In the second half of 1993, I was authorized by the State Council to promote and explain the new arrangements to senior officials in 16 provinces. Why promotion and explanation are necessary? It is because there were contradictions which arise from misunderstanding by local government leadership. The tax-sharing system has been operating smoothly since then. In a week from today, the National People's Congress will convene a plenary session in which our state leaders will comment on the progress of implementing this tax-sharing system in their working reports."

Mr. Xiang was followed by Zhang Zhi-yong, Deputy Head of Foreign Tax Administration Department, State Administration of Taxation, who spoke about the requirements of withholding taxes, land value-added tax and local governments' discretionary power over tax exemptions and reduction. ■



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稅務優惠九七後維持不變

中國國家稅務總局副局長闡釋新稅務措施

中國國家稅務總局副局長項懷誠於2月28日日本會舉辦的商務午餐會上保證，香港回歸以後，香港同胞在內地的投資可繼續享有外商投資者的待遇，並不因為回歸以後，對於香港同胞以前所享有的待遇便取消了。

他說，至於說外商投資企業在國內的稅收優惠今後有沒有變化，他認為一定會有變化，但是「它」有多少，香港就有多少，也就是說是公平競爭的。

以下是項懷誠在午餐會上的答問摘錄。

答問環節

問：是否會取消「兩免三減」？

項：這個問題我昨天講了，目前沒有取消的意思。今後是一定要取消的，可是，你不用著急，不會馬上取消的。

問：在報紙上介紹對外資企業的稅務優惠將會取消，並且特別指出外資進口設備關稅優惠將以今年的4月1日，請介紹一下這方面的詳情。

項：外商投資企業的稅務優惠很久以後才會取消，目前我們沒有甚麼大的變化。但是外資企業進口設備的關稅優惠卻從今年4月1日以後取消。我們在取消優惠的同時，會有幾項政策實行。

第一，就是我們把中國關稅的水平降低。在1996年，中國關稅降低的幅度達36%，降低以後的關稅算術平均稅率是23%。以後，雖然外資企業需要為進口設備繳交關稅，但是關稅的稅率降低了。

第二，在1996年4月1日以前，若你已經在國內投資了企業，而你所進口的設備亦可繼續享有免稅待遇，但是有一個時間上的限制，假如你的企業所投資的總金額在3,000萬美元以下，那麼你的免稅進口期限將到1996年12月31日；如果你投資的項目在3,000萬美元以上，那麼你在1997年12月31日以前進口的設備都可以享有免稅的待遇。

第三，由於你這個項目很大，或者是別的原因，有關設備在1997年12月31日以前還沒有來得及完全進口，你也可以向中國的外經貿部提出申請，額外批准。

第四，我們在去年九月份把這個消息發布以後，會給一個季度或者是多一點的時間作為寬限期。此外，你還可以在3月31日協定生效前簽訂合同，因為簽訂合同以後，進口的設備就可以免稅。估計在未來兩年、三年、甚至是五年之內，關稅要想增加，實在是絕不可能的。

第五，今年，我們準備在資產項目上實行人民幣可兌外。這樣一個辦法提出了以



Zhang Zhi-yong
張志勇

後，對三資企業及外資企業來說是一個極大的方便。這是一個投資環境很大的改善。人民幣的匯率在這幾年基本上是穩定的，大概是在8.50至8.31元人民幣之間。中國國內的外匯儲備少量增加，在1993年年底，我們的外匯儲備是212億美元，我想到今年年底，我們的外匯儲備可達730億到740億美元之間，比212億美元就增加了500多億美元的儲備了。對我們這個國家來說，700多億美元不算是太多，但是在比例來說增加了很多，那麼，我們就可以在外匯方面再走一步。

個人所得稅

問：據說中國想調整個人所得稅，請介紹一下。

項：中國準備修訂個人所得稅的稅法，這個修訂是一個進步，因為我們現在的個人所得稅稅法是分月分項分次集徵的，這樣有點漏動，也不太可取，我們以後是採用綜合所得稅的辦法，也就是說，把你的所有收入合併為一來徵，把你的所得稅按全年的收入來徵，這樣就更合理了。

國內個人所得稅的修訂，須由中國的財政部來主持，由我們的國家稅務總局來參加，還有稅利的專家、學者，人民代表大會的法律委員會及法工會都要參加修訂。我希望按照原來的進程表，在今年內把修訂過程完成，如果明年能實行，那當然更好，至於說能不能按期做到，則要看我們的工作及各方面的配合而定，如果實行不了，有可能把它推遲一點。我們在修訂的過程（也可能是今年的下半年），將會廣泛的收取意見，我們會聽取香港的意見及國內其他各方面的意見。

逃稅避稅

問：中國目前逃稅及避稅的問題是否十分嚴重？當局有何對策？

項：我可以坦率地向各位講，中國存在逃稅及漏稅的問題，而且應當說是比較多的。可是，我沒有辦法給你一個數量的解釋，因為所有逃稅及漏稅的人都從來不向稅務局報告，我很想統計一下，但是他們不報告。

這兩年來逃稅漏稅的情況已經得到了很大的改善，這個只是歷史發展的必然。首先，我們改善了國內的稅制，稅制比原來改革前的透明度高了。第二，我們加強了監管。第三，我們改善了監管的條件，就是廣泛地使用計算機。第四，我們從行政上取消了各級領導的減免徵稅優惠，從1994年開始，包括我在內，所有地方政府的行政首長都不可隨便地減免法律規定的稅收。

矛盾分歧

問：中央和地方之間有關分稅之安排，是否仍存在著不少的分歧？這個問題如何得以解決？

項：中央和地方之間的關係是財政上要處理的一個主要關係。從財政部的角度來說，可以分成三個關係來談。一個是中央和地方的關係，一個是資料和消費的關係，一個是工業和農業的關係。中央和地方的關係是一個非常重要的問題，存在著一定的矛盾，但是我想，當分稅剛開始推行的時候，中央和地方確實有分歧。1993年的下半年，我曾經取得國務院的領導同意，到16個省給他們宣傳作解釋。為何要宣傳呢？這是因為有分歧才要宣傳，因為地方還不大清楚，所以才要宣傳。從1994年以後，特別到了1995



The luncheon scene

午餐會一隅

年以來，分稅制已經正常進行，已經納入正常軌道，我相信在一個星期以後，當全國人民代表大會召開了，我們政府的領導人在政府工作報告裡一定會對分稅制作出評價。

以下是國家稅務總局涉外稅務司副司長張志勇的講話：

預提稅

問：中國預提稅標準稅率為20%，但根據財政部1983年的通知，利息稅收入制的租收入可降為10%，該通知可延長到1995年底（才執行），請問該延期有沒有進一步的延期？

張：這個問題的背景，讓我跟大家說一下。按照我們國內法律的規定，就是外商投資企業和外國企業所得稅法的規定，預提稅的稅率就是對間接投資所得抽20%為法定的稅率。我們和大部份國家簽訂的稅收協定都把利息、特殊享受費用，以及其他投資所得的稅率降為10%。在1983年，我們考慮到引進外資的需要，也考慮到當時有相當一部份的國家和中國沒有稅收協定，為了吸引外資，我們造了一個決定，就是在一定期限內，把所有預提稅的稅收降10%來徵收。

這個規定在83年公布以後，我們延長了幾次，延長到95年底，現在95年底亦已經過去了，到目前我們還沒有發出通知是否再延長，所以大家關心這個問題。由於這個問題直接涉及到香港的企業，所以他們甚為關心。由於香港跟內地不可能達成一個類似國與國之間的稅收協定，所以也不能通過稅收協定把稅率降到10%，因此，當我們考慮這個問題的時候也特別考慮了香港的因素。現在這個問題我們正在積極的研究之中，我們考慮這個問題的時候，也特別考慮到香港企業的要求和利益，雖然現在還沒有決定，但我想說一點的就是，實際上大部份的貸款按我們先有的國內的法律或者規定都可以降到10%，因為大部份的貸款都是用於沿海開放地區或沿邊地區，那麼按照原來國務院頒佈的規定，這些沿海開放地區的地方政府都有權把預提稅的稅率降低。我們雖然沒有作一

個全國性的統一延長，但實際上大部份地方政府都把它降到10%，有些更把稅率降得更低。

問：國稅局跟地方稅務局的分工是否已經落實？對外商來說，甚麼稅項應該到國稅局去，甚麼稅項得去找地方稅務局？是否全國都一樣？

張：這個問題是去年稅收改革以來，大家比較關心的問題。因為在94年稅制改革以後，我們把稅務管理機構的範圍、國家稅務局的系統和地方稅務局的系統改變。對內地企業，我們基本上實行了各徵各的稅，那就是誰的收入由誰來徵；對外商投資企業，我們同意決定保留原有的做法，那就是由國家稅務總局的系統統一徵收（即由一個稅務機關統一徵收）。

現在，我們有一些調整，就是增值稅由國家稅務系統來徵收。由於我們考慮到企業所得稅在管理上的技術性比較強，要涉及到跨地區的企業經營行為，要涉及到國與國之間稅收協定的執行，因此，我們把企業所得稅保留交由國家稅務局系統來徵收。其他一些屬於地方收入的稅種，都交由地方政府來徵收。可是，我們同時亦考慮到一些企業在繳交營業稅及所得稅時，是採用合訂的稅制來計算納稅的，對於這些情況，我們也有這麼一條，就是地方稅務局及國家稅務局可以

協商來解決，比方說地方稅務局可以委托國家稅務局來徵收，這樣保證管理上的方便。目前，我們正在積極的做準備，保證這一過渡比較平穩，不給外商投資企業帶來額外的負擔。

土地增值稅

問：土地增值稅是不是會增加？是不是會有更多的規定？有沒有可能再作出一些特殊優惠的安排？

張：從去年來說，土地增值稅所徵收的量不大，主要的原因是由於提出了土地增值稅以後，我們規定了一個寬限期，也就是說94年1月1日以前簽訂的合同，若在五年之內首次轉讓可得免稅。到目前為止，大部份的房地產轉讓行為都是屬於老合同的行為，這些老合同的轉讓行為按照我們的規定是免稅的。

另外，在我們土地增值稅的細節裡訂下了一系列扣除的規定，特別是其中談到20%的扣除，把這些扣除加起來就使我們大部份利潤水平比較低的、或者比較適中的企業不用交土地增值稅，或者只是交很少的土地增值稅，因此，到目前為止，我們土地增值稅所徵收的量並不大。可是，當中亦存在著一個問題，就是有些地方政府好像沒有開徵土地增值稅，而我們亦發現有些地方在執行土地增值稅時，工作不力，沒有採用比較積極的措施來加強土地增值稅的管理。我們現在正積極加強這方面的管理。

問：地方政府是否有權減免合作企業的企業所得稅和營業稅？

張：剛才我已說過了，在稅制改革以後，我們對減免稅的權限有很嚴格的控制。在營業稅的問題上，我們對娛樂業的稅率規定是5%至20%。在這個範圍內，具體上是用甚麼稅率呢？這是由地方政府決定。在所得稅方面，外商投資企業及外國企業的企業所得稅率是30%，還有3%是地方附加稅，在符合情況下，這3%的附加稅也可由地方政府減免。除了法律中已經明確規定地方政府有權減免的之外，地方政府是沒有權減免的。 ■



James Tien presents a souvenir to the deputy tax commissioner

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Record Years for Tourist Industry

But narrowing travel trade gap is often ignored

Hong Kong's inbound tourist industry had a record year last year, greeting more than 10.3 million visitors and grossing in excess of \$73 billion (US\$9.5 billion) in total travel industry receipts.

Often ignored in the whole travel industry assessment, however, is the fact that more Hong Kong people are travelling overseas every year and spending more when they get there.

Over recent years this has meant a narrowing of the net surplus accruing to Hong Kong from the travel industry and a shrinkage in the importance of travel in the territory's overall external earnings from the services sector.

This is just one of the issues the Chairman of the Century City/Paliburg/Regal Hotels group, Mr Lo Yuk-sui, who also took the Chair at the Hong Kong Tourist Association (HKTA) on April 1, will have to address in the years ahead.

While the local inbound travel tourism industry is likely to have pretty much of a free ride up to 1 July 1997 (global interest in the return to China sovereignty will ensure that), beyond that date things may get a little more difficult.

The opening of the new airport in early 1998 with its controversial single runway (and resultant capacity restraints), its likely teething problems and its distance from the central business district and tourist areas will be a challenge.

Mr Lo will have a greater interest than most in this process with his Regal Hotel group picking up the contract for the airport hotel. There are also continuing concerns about hotel room supply in the territory and Hong Kong as a relatively high cost destination.

Then there is the question of just when the second runway will actually get the go-ahead which, in itself, will determine when it is available for use to expand the new airport's capacity.

Finally, he will take on the task of attempting to get as much of the recent HKTA Strategy Plan for the development of the tourism industry accepted by Government, and that means not just one but two administrations - the current one and the future SAR.

But overshadowing all this may be the

need to get the whole inbound tourism industry moving again as a major "net" contributor to the local economy.

The HKTA has always been good at promoting its own role and the industry by pushing its "gross" contribution to the economy - the \$73 billion earned by the industry last year from the 10.3 million incoming visitors.

Yet there is another side to this - the increased expenditure by outbound Hong Kong residents, who are not only travelling more overseas but are spending more when they do so.

This has had the effect of substantially reducing the "net" gain from the tourism for the Hong Kong economy - the trade balance in tourism as shown in the accompanying table.

Increased outward travel and increased spending overseas is, of course, a function of increased affluence and Hong Kong is not alone in feeling its effects on the tourism balance.

Taiwan is addressing its negative tourism balance and only last month concerns were also expressed in Singapore about the rapid growth in outbound tourist spending.

A Singapore study found that outbound spending by tourists had risen 400 per cent to S\$5.86 billion (HK\$32 billion) in the past 10 years and was equal to 12.5 per cent of personal consumption expenditure of Lion City's residents.

Hong Kong has not reached that level yet, with external expenditure equal to about 10 per cent of personal consumption.

Inbound travel, whether for business or pleasure, has been one of the foundation stones of Hong Kong's success, but during the 1990's, the inbound travel industry has been running faster merely to stand still - at least in dollar terms.

In such circumstances, it is hardly surprising that the HKTA late last year launched its Strategy Report and Visitor and Tourism Study for Hong Kong, prepared jointly with the economic planning consultants, Roger Tym and Partners and other private sector groups.

Apart from outlining the growth prospects for the local tourism industry through the 1997 transition period and into the next century, it also makes major

By IAN K PERKIN, CHIEF ECONOMIST

recommendations aimed at securing Hong Kong's role as a destination in its own right.

Indeed, the whole aim of the strategy paper is to ensure that Government money is available to support the infrastructure needs of the tourism industry, a not unusual demand from the HKTA and other travel related organisations.

With its substantial impact on the health of the local economy, the tourist and travel industry has a powerful voice. In gross terms, the industry is still the territory's second biggest earner of foreign exchange after the textile and garments sector.

To get a real picture of the industry in trade terms, however, there is a need to offset against its inbound revenues the outgoing tourist and travel dollar as well.

And as the accompanying table shows the net contribution of the local tourist industry has narrowed during the early 1990s as visitor arrivals initially slowed and increasing numbers of Hong Kong people travelled, and spent, in foreign markets.

In 1995, however, it appears the industry may well have recovered a little to again make a stronger net contribution to Hong Kong's overall services trade balance.

To be fair to the industry, too, in the early years of the decade it was beset by difficulties not of its own making - the effects of Tiananmen and the Gulf War in 1990 and 1991 respectively.

In the 10 years, 1985 to 1994, the number of visitor arrivals in Hong Kong increased 2.6 times.

Over the same time period, the number of resident departures (excluding those to China and Macau) increased about the same at 2.5 times.

The number of resident departures including those to China (by far the biggest number) and Macau increased by 2.1 times.

But as Hong Kong residents have become more affluent they have clearly tended to spend more on their overseas trips than in the past. This helps explain the rapid rise in tourist expenditure by Hong Kong residents overseas (see table).

According to the HKTA, total tourism receipts in 1995 were \$73 billion or an average of about \$7,087 per traveller. Back in 1985 the total receipts were \$14.47 billion, or \$3,957 a head.

TOURISM

In real terms - after taking account of Hong Kong inflation - the latest figures would be \$32.9 billion (in real 1995 Hong Kong dollars) and \$3,194 a head - down on the 1985 per capita figure.

As for outgoing tourists, they probably spent around \$68.3 billion in 1995 in current dollar terms or \$1,878 a head (including all those travellers to Macau and China), compared with \$912 per head back in 1985 - or more the double.

For incoming tourists and business travellers the increase was less than this at just 72 per cent.

As the accompanying table shows, the travel net trade balance for Hong Kong has only really begun to recover from the easing off after the boom years in the run-up to 1989.

It can be seen that it is only last year that the net travel balance is likely to recover to something around the levels of the late 1980s.

There are probably many reasons for this - the external problems (in China and the Gulf War) capacity restraints in the industry (airline entry and hotels), Hong Kong becoming more expensive, alternative destinations and the like.

The increased numbers of cross-border visitors from China may also have had a dampening effect on the industry's revenues.

Things might have been far worse, however, had not the declining US dollar taken the Hong Kong currency down with against many third currencies including importantly the Yen and the New Taiwan dollar.

Without a weaker currency against those countries providing a substantial share of its inward travellers, the local industry might have fared even worse.

Conversely, the increased Hong Kong dollar costs faced by outbound travellers from Hong Kong in many other countries would have pushed up the overall expenditure on travel and tourism by these people.

An exception to that might have been China, the biggest outbound destination, but for the fact that the Yuan has been stable since the beginning of 1994 and the costs of travelling to and in China have been rising (high inflation etc).

Other destinations, such as the US, Australia, Canada, the UK, would have remained relatively cheap for Hong Kong outbound travellers because of their relatively stable currencies to the Hong

Kong dollar and low inflation rates.

In any case, the message from the broad economic (income and expenditure) figures is that the services trade surplus from the travel and tourism industry has narrowed from the exceptional years of the mid-to-late 1980s.

While the balance on overall services trade has expanded markedly, the balance of travel and tourism has not and travel and tourism's share of the total services surplus has been shrinking.

It is now down to three per cent of the total services surplus or about the same as in the mid-1980s, when it was 2.5 per cent.

In the boom years of the mid-to-late 1980s, however, it actually reached a peak of 20.5 per cent of the total services trade balance (in 1988).

Travel's share of total Hong Kong service export receipts had also declined to 26 per cent in 1994 from a peak 31.3 per cent share in the boom year of 1988.

On the other hand, expenditure on foreign travel by Hong Kong residents (travel imports) has steadily risen and now accounts for about 42 per cent of total service imports compared with 39 per cent in 1988 and 31 per cent in 1980.

As a percentage of Gross Domestic Product (GDP) inward travel receipts have shrunk to 6.3 per cent compared with a recent peak of 7.7 per cent in 1988, but is still higher than in the early 1980s (although this takes no account of the induced or multiplier effects of the industry throughout the economy).

But more has changed than travel and tourism's net contribution to the whole economy.

The opening up of the Mainland economy since 1979 under Mr Deng Xiao Ping's so-called "open door policy" has changed the industry profile from what it was 15 years ago.

Most important have been the growth in the number of business visitors and, more recently the expansion of the number of inbound visitors from the Mainland itself.

In the inbound market, the growth in visitors from the fast-growing Mainland China market has been exceptional, many of them of a business nature, but many of them, too, involving traditional tourism and visiting relatives and friends.

Today, business visitors to the territory account for more than 30 per cent of all visitor arrivals - almost one-in-three visitors

- compared with just 20 per cent - or one-in-five - 15 years ago.

And that is only those who claim visits as business visits, many business trips being a combination of business and pleasure, and pleasure often being given as the reason for the visit.

Likewise, Mainland China visitors today account for 20 per cent - or one-in-five - of the far larger number of arrivals in the territory compared with very few back in 1979.

But, as with most human activities, the more things change, the more they remain the same - and so it is with Hong Kong's annual flood of visitors.

What is immediately obvious is that there are simply more visitors with over 10 million coming to Hong Kong last year, compared with just over 2.2 million 15 years ago.

They are also spending more, with \$75 billion plus coming from visitors last year, up from the \$6 billion outlaid in 1979.

There has also been little change in either the gender breakdown of visitors (62 per cent male, 38 per cent female) or of their age profile.

The majority of visitors (some 53 per cent compared with 48 per cent 15 years ago) are from within the age bracket 26 to 45 years and the average age of all tourists is still around 39 years.

The great majority, too, also stay in commercial accommodation although there has been some slippage here from around 90 per cent 15 years ago to 84 per cent at present.

There has also been a minor slippage in the length of stay of visitors, but it still exceeds three nights at some 3.8 days now compared with 3.7 days at the end of the 1970s.

The two major things that really have altered the visitor profile in Hong Kong are where the majority of visitors come from and what they come to the territory for.

Today's almost seven in every 10 visitors to the territory come from the Asian region, compared with around six in every ten 15 years ago.

Moreover, visitors to the territory are a little less likely to be just on vacation - about 54 per cent compared with 68 per cent plus 15 years or so ago.

On the other hand, there are more claiming business reasons for their visit (31 per cent compared with 20 per cent) and more are en route elsewhere (9 per cent compared with 8 per cent). ■

Table 1:

SERVICES TRADE AND TRAVEL

Year	Services Exports	Services Imports	Services Balance	Travel Exports ⁽¹⁾	Travel Imports ⁽²⁾	Travel Balance
1980	29,164	16,952	12,212	6,529	5,379	1,150
1981	35,332	21,807	13,525	8,143	6,930	1,213
1982	40,051	23,870	16,181	8,770	7,978	792
1983	46,307	28,253	18,054	11,376	9,794	1,582
1984	56,370	33,930	22,440	14,032	12,052	1,980
1985	61,050	37,949	23,101	14,999	14,432	567
1986	71,815	44,271	27,544	18,438	16,294	2,144
1987	92,272	52,324	39,948	26,312	19,717	6,595
1988	110,982	62,806	48,176	34,789	24,933	9,856
1989	127,147	72,173	54,974	38,742	29,401	9,341
1990	142,321	87,692	54,629	41,457	37,117	4,340
1991	161,087	100,814	60,273	42,651	43,742	-1,091
1992	189,352	114,242	75,110	53,232	47,488	5,744
1993	217,447	126,551	90,896	61,563	54,907	6,656
1994	246,846	143,848	102,998	64,263	61,200 ⁽³⁾	3,063 ⁽³⁾
1995	291,030 ⁽³⁾	164,657 ⁽³⁾	126,373 ⁽³⁾	73,000 ⁽³⁾	68,300 ⁽³⁾	4,700 ⁽³⁾

(1) Travel of people to Hong Kong

(2) Travel of Hong Kong residents out of Hong Kong

(3) HKGCC estimate

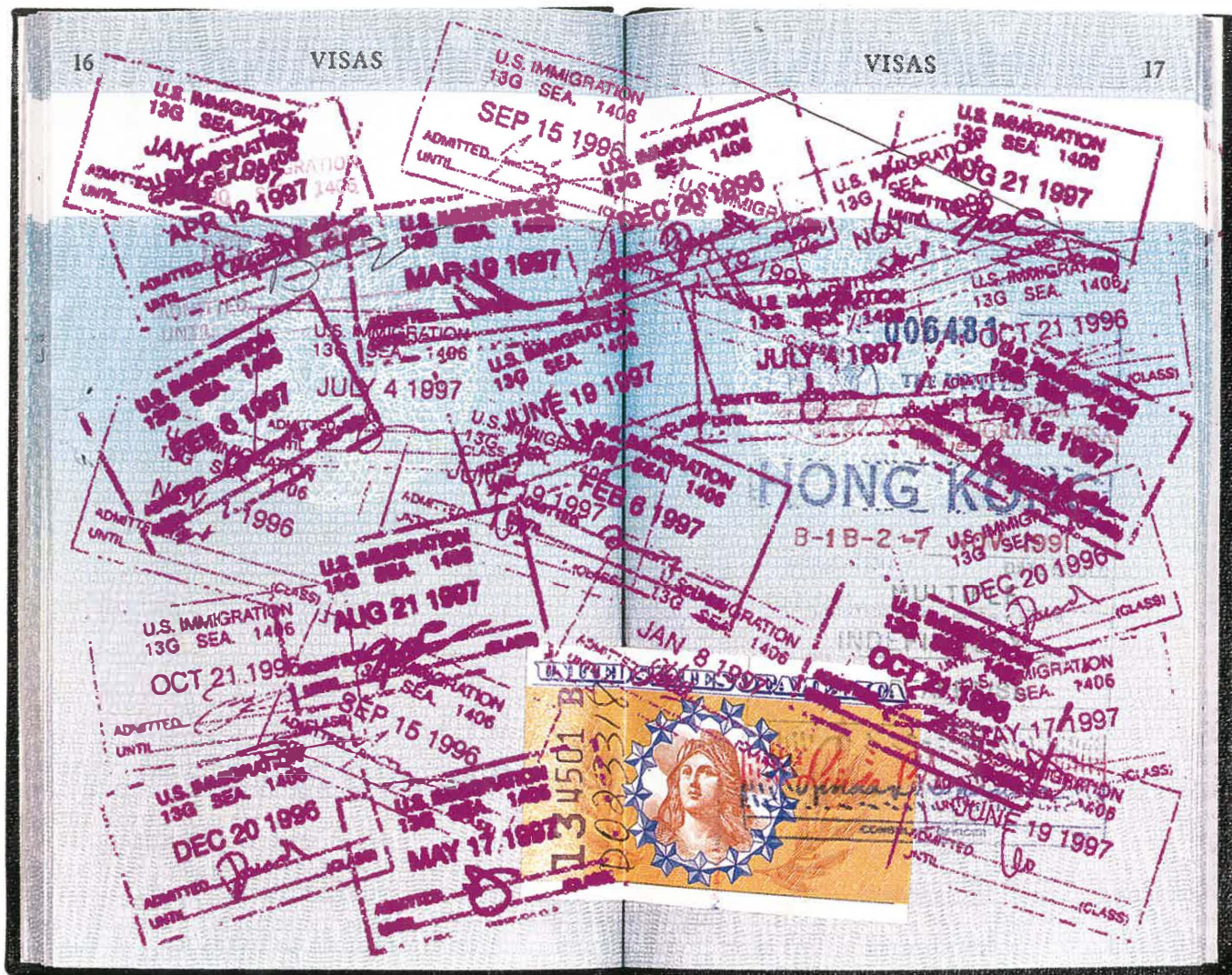
Sources: IKP/Census and Statistics Department figures.

Table 2:

MARKET AREA	Forecast Visitor Numbers	
	2004	2011
PRC	3.0 - 4.1	4.4 - 7.1
Japan	1.8 - 2.1	2.3 - 2.9
Taiwan	2.5 - 2.9	3.1 - 4.0
S.E. Asia	1.7 - 2.0	2.2 - 2.8
Other Asia	0.6 - 0.7	0.7 - 0.9
Australia & Pacific	0.4 - 0.5	0.6 - 0.7
Americas	1.4 - 1.7	1.8 - 2.3
Europe	1.5 - 1.7	1.9 - 2.4
Middle East & Africa	0.1 - 0.2	0.2
Total	13.0 - 16.0	17.1 - 23.1

Source: HKTA Strategy Paper 1995

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Northwest expands

Six flights a week to Beijing and a service to Guangzhou

Northwest Airlines augments on May 1 its US service to Beijing with an additional three non-stop flights a week.

The additional three weekly flights will be direct from Detroit, augmenting Northwest's existing service of three flights a week via Tokyo making a total of six to Beijing and one to Shanghai.

But Northwest plans in July for the time being to stop its Shanghai service and replace it with a once-a-week flight to Guangzhou.

Gilbert Chow, General Manager of Northwest in Hong Kong, says doubling the Northwest service to Beijing reflects the increasing interest of US businessmen in China, where American well-balanced investment and contracts are expanding and negotiations for further US investment continues.

Shifting the weekly Northwest flight from Shanghai to Guangzhou follows similar logic, Gilbert Chow says.

Global alliance



Gilbert Chow.

Northwest is in global alliance with KLM in building a world open skies network. KLM recently was reported to have negotiated two flights a week to Beijing, including stops at Shanghai.

The two airlines maintain separate offices in Hong Kong though they have

combined their offices in many places in the world.

Gilbert Chow says they are stopping duplicating some local services where and when appropriate but their clientele are different. KLM flies predominantly to Europe while Northwest flies to America.

Northwest flies daily to Tokyo from Hong Kong and has three direct non-stop flights a week to Seattle. It has recently begun a direct service to Boston.

Largely unknown to the public, Northwest, in flight frequency, operates 8-9 Boeing 747 pure freighter services to the US every week.

Air cargo

Gilbert Chow says 30-40% of Hong Kong's exports and re-exports are destined for the US market. Also, he expects more airborne imports from the US into particularly South China through Hong Kong as US regulations on high-tech equipment are relaxed.

He says: "Ten to 15 years ago the

ratio of air cargo exports into the US and US imports from the Far East was 3:1. But now statistics for all airlines from the US Department of Commerce show the ratio stands at 1:1. America is now really experiencing an export boom into Asia/Pacific as a whole.

"About 35% of total Hong Kong exports go the US. Northwest, in addition to its pure freighter services, carries air cargo on its passenger flights. As an open market Hong Kong has fierce competition among air cargo carriers which is beneficial to shippers. Rates are getting cheaper and cheaper."

Q. What will Chek Lap Kok new airport mean to Northwest?

Gilbert Chow: "Chek Lap Kok will give us the means to grow and expand. The Airline Industry, the Airport Authority and the Civil Aviation Department understand the urgent need for a second runway as soon as possible. That plan has to be presented to the Chinese Government because the Memorandum of Understanding in 1992 specified only one runway. The revised forecast says that as soon as Chek Lap Kok opens it will be saturated."

Dis-benefits

"The economic dis-benefit to the community will be considerable if the

second runway is not built. Right now Kai Tak is turning away something like 200 planes a week simply because the runway hasn't enough capacity."

"We are talking about billions of dollars in lost opportunity to the Airlines in passenger ticket sales and air cargo and in services to passengers who stay in hotels and go shopping. We had 10 million tourists last year. With Chek Lap Kok it could easily soon go up to 20 million."

Gilbert Chow says simple inflation will make landing fees at Chek Lap Kok dearer. But he doesn't agree the landing fees will be the highest in the world.

He says while it may be partly true that the Government is squeezing the airlines to help pay for Chek Lap Kok, it also had to be recognised that different infrastructural circumstances at different airports require different rates. IATA, together with the local representatives of the airlines, is continuing a good dialogue with the Government about Chek Lap Kok rates.

Gilbert Chow says he was one of the local representatives at a meeting with the Airport Authority in February. Hopefully the Airport Authority could be convinced that it would be to the mutual benefit of everybody if the charges were reasonable and thus encourage more

people to come to Hong Kong and spend their money.

Love

He says he was born and bred in Hong Kong. He was educated here. He developed his career here and raised a family. On a personal basis he would love to see Hong Kong prosper after 1997.

He says: "There will be changes, make no mistake about it. But really I think those changes are taking place right now. It will not be like the day Saigon was taken over with helicopters evacuating people."

"It is important that Hong Kong remains intact. This city has evolved into a place so cosmopolitan, so international, it would be a sin to sink it into Victoria Harbour."

Gilbert Chow's father came from Huiyang. As a boy he lived in a squatter hut and then a resettlement estate. He says his parents went without to educate him. At high school he had enough money to buy breakfast or lunch, but not both.

He is one of the living symbols of what Hong Kong has so remarkably achieved in a generation. ■

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For further inquiries you should contact Ms Rosy Ang, Director of Sales, China Resources Hotel, fax (8610) 501 5668 or telephone (8610) 501 2233.

The China Resources Hotel is a joint venture hotel opened in 1992 with 501 guest rooms, including suites and apartments, managed by a team of expatriates.

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