

A Fact-Finding Mission



The Canadian Chamber visits SHANGHAI and BEIJING

by Leslie Henderson

In March of this year a delegation from the Canadian Chamber's Governors and Executive Committee, under the leadership of President Eliza C.H. Chan and Honourary Advisor to the China Business and Investment Committee, Mr. William Yip, organised a mission to Shanghai and Beijing. The mission was part of the Chamber's overall strategy, as outlined by Ms. Chan, of exploring various options regarding our role in the years leading up to 1997 with respect to China.

Last year, the Chamber members amended the Constitution of the Chamber to reflect the economic inter-relationship between Canada, Hong Kong, and China. The Chamber is now debating whether to establish a branch office in China or formalise its association with sister organisations in China. As Ms. Chan wrote in the mission brochure, "The holding of the debate is consistent with our belief that Canadian business will substantially ignore parochial issues relating to Hong Kong's immediate future and concentrate instead on economic issues relating to China as a whole."

The delegation of 11 included representatives from the Chamber's Board of Governors and Executive Committee, as well as members of the China Business and Investment Committee. A full itinerary was organised by Mr. William Yip and Chamber Governor, Ms. Annie S.C. Wu and delegates had the opportunity to meet with many high-level officials and organisations.

Vice-Mayor Mr. Xu Kuang Di who discussed the rapid growth and development of infrastructure in Shanghai. In the last year, RMB 20 billion has gone into infrastructure improvement, particularly in the redeveloped Pudong area.

Mr. Richard Belliveau, Canadian Consul in Shanghai, stated that GNP is up 14.9 per cent from last year. In one year, Shanghai's volume of contracted foreign investment has been equivalent to the past 12 years. The rapid growth rate has fostered the goal of Shanghai municipal officials to see their city as the major financial and commercial centre in Asia by the year 2010. Belliveau sees this as ambitious given the infrastructural requirements, but not impossible in the longer term. Delegates were astonished by the high prices in Shanghai, from real estate to food. Six month

waiting lists for prime office space exist at rates such as US\$80-90 per square metre. The Shanghai Stock Exchange Chairman, Mr. Wu Ya Lun, says that their daily transactions are almost the highest in the world at up to 470,000 per day. With 310



Mission participants and the Vice-Mayor of Beijing, Lu Yucheng

In Shanghai, the delegation was hosted by CCPIT (China Council for the Promotion of International Trade) and met with Mr. Lu Guo Xian, Chairman, over lunch to discuss an overview of development in Shanghai. They went on to meet with