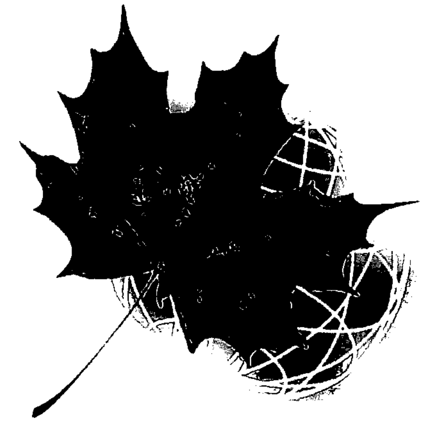
6 Focus on . . .



Business and Professional Services

Business Environment

Canada has large business interests in Hong Kong. Over 100 Canadian businesses of all sizes from a wide range of sectors use Hong Kong as their regional headquarters for East Asia. The Canadian Chamber of Commerce in Hong Kong is Canada's largest offshore chamber, with 900 members. Hong Kong's evolution toward a regional information, financial and corporate services centre has the full support of the new Hong Kong government, and has created many potential opportunities for Canadian firms in the international business services sector.

If current trends continue, Hong Kong's services sector share of gross domestic product (GDP) could surpass 85 percent in the near future. The Hong Kong Monetary Authority estimates that Hong Kong is the third-largest concentration of financial sector employees in the world, with nearly 350 000 persons in the industry. This formidable role further emphasizes Hong Kong's financial importance to Canada in Asia.

Twenty Canadian financial institutions are located in the territory, together with three Canadian law firms, sixteen law firms providing Canadian legal services and nine accounting firms offering Canadian financial and management consultancy services. Other Canadian firms are active in the brokerage, telecommunications, information technology, and immigration services sectors.

With the establishment of the Canadian Education Centre (CEC) in 1996, Canada has attracted increasing numbers of university and post-graduate students from Hong Kong. Business education, both within a structured educational syllabus, such as an MBA program, and based on more practical business skills training, also offers great promise for Canadian educational and training institutions.

The Chinese market for both management training and skills-based training is growing rapidly, and many Canadian educational institutions and companies have begun to develop partnerships with Chinese organizations to tap this market. A new mini-CEC in Beijing concentrates on developing opportunities for contract training with institutions and companies – and in contrast to other CECs in the region, student recruitment will not be a focus, at least in the short term.

Tourism is also a great sector of opportunity as, with increased affluence, Hong Kong tourist preferences have shifted to more adventurous activities, including sports (golf, scuba, trekking), cruises and railway tour holidays.

Although less developed than in Hong Kong, the services sector in China is expanding rapidly. Centred in Beijing, Shanghai and Guangzhou, growing numbers of Canadian professionals are actively delivering banking, legal, consulting, accounting, and trade facilitation services, primarily to expatriate customers.