



WILLIAM A THOMSON

Chairman, Legal & Policies Committee

Did You Elect To Pay Canadian Tax?

The 1993 federal election is over. All those who voted in Hong Kong should be proud of their participation in Canada's future. However, one issue remains outstanding after the election and it may take years before it is resolved (or uncovered).

For the voters, you declared that you have intention to return to Canada for the purpose of resuming residence in Canada. Should you therefore remain as a resident of Canada while you are away and pay Canadian tax? It is unclear whether Revenue Canada would put any emphasis on this declaration. Many tax practitioners have raised their voices over the voter eligibility criteria and it did nothing but scare the voters away.

After they have sorted out their data, Elections Canada will probably find a low participation rate in Hong Kong. Many people have given up their rights to vote, believing that there is a chance that Revenue Canada would act on their declarations. This is surely not intended and Elections Canada should reconsider their strategies before the next election.

HENRY LAM

Tax Manager, Coopers & Lybrand

(Editor's note: The Chief Electoral Officer of Canada has recently issued a statement that reads in part: "Information provided on the Application for Registration and Special Ballot is confidential. The Canada Elections Act provides that this information will be used for political

purposes and federal and provincial electoral purposes only. Therefore the list of electors will not be available to Revenue Canada.")

Governor Patten's Policy Address

Hong Kong eagerly awaited Governor Patten's second policy address on October 6, 1993, entitled "Today's Success, Tomorrow's Challenges". Interest centred on developments concerning the proposals for Hong Kong's constitution that were made by Governor Patten in his address last year. Those proposals prompted a much publicized disagreement with the Chinese government, and negotiations between representatives of the British and the Chinese governments concerning the issue. Indicating his regret at the inability of the two governments to reach an agreement, Governor Patten nevertheless confirmed his government's commitment to the proposals and indicated that time for reaching such agreement was drawing short.

In keeping with his theme of success achieved, Governor Patten indicated that at this point in Hong Kong's development certain quality of life issues had become important. These included environmental and pollution concerns, social welfare, care for the elderly, and the arts and culture. On the practical side, the Governor also earmarked large sums of money for roads and education, and indicated his government's commitment to the major port and airport infrastructure programmes that it has begun.

There was great interest in Governor Patten's address on the opposite side of the Pacific Ocean as well. Not only do many people in Canada have family and business ties to the territory, but there are many business and economic links; and if Governor Patten's address is an accurate barometer, those connections are set to grow.

WILLIAM A THOMSON

Tax Manager, Deloitte Touche Tohmatsu,
Hong Kong

Far-reaching Changes To The Canadian Immigration Act

On August 9, 1993, Part 2 of the Regulations resulting from the revisions of the Canadian Immigration Act (Bill C86) came into effect. The new Regulations have a serious impact on the point system for selection of independent immigrants. Every independent applicant must score at least 70 points to be selected for immigration.

Part 1 of the Regulations increased the points awarded for the demographic factor from five to eight. The maximum points available for Specific Vocational Preparation were increased from 15 to 18. On the other hand, points awarded for assisted relatives were reduced from 15 to 10 to 5 only.

Part 2 of the Regulations make two additional significant changes to the point system.

