

Speech
Speech by SFST at gala dinner organised by Singapore ETO
in celebration of 20th Anniversary of the establishment of HKSAR
(English only) (with photo)
Thursday, June 8, 2017

Following is the speech by the Secretary for Financial Services and the Treasury, Professor K C Chan, at the gala dinner organised by the Hong Kong Economic and Trade Office in Singapore in celebration of the 20th Anniversary of the establishment of HKSAR in Singapore today (June 8):

Minister Wong (Minister for National Development & Second Minister for Finance, Singapore, Mr Lawrence Wong), Ambassador Chen (Chinese Ambassador to Singapore, Mr Chen Xiaodong), distinguished guests, ladies and gentlemen,

Good evening.

I am very glad to have you with us tonight to celebrate the 20th anniversary of the establishment of the Hong Kong Special Administrative Region (HKSAR). The HKSAR Government has organised a wide variety of celebration activities both in and outside Hong Kong under the theme of "Together • Progress • Opportunity". The gala dinner this evening is the highlight of the events organised by our Economic and Trade Office here in Singapore and I am delighted to be part of it to give you all a big welcome.

Thanks to the staunch support of the Central Government, together with the hard work of the Hong Kong people, Hong Kong has made progress in many aspects in the past twenty years. Let me share with you a few examples.

First and foremost, the principles of "one country, two systems", "Hong Kong people administering Hong Kong" and a high degree of autonomy have been successfully implemented. We remain steadfast to uphold our core values, including the rule of law, human rights, liberty, democracy and integrity.

On the economic front, it is no small feat that we are ranked the world's freest economy for 23 consecutive years. Despite suffering from the Asian financial crisis, the SARS (Severe Acute Respiratory Syndrome) outbreak and

the global financial crisis in 2008, our GDP has increased by 81 per cent in the past two decades, or 60 per cent in per capita terms. Our fiscal reserves has more than doubled to reach HKD 935.7 billion by end March, 2017. The labour market has been broadly in a state of full employment over the past six years, with the total number of employed persons expanded by 620 000 since 1997.

The financial sector has also continued to shine, riding on the two-way opening of the Chinese capital markets. Over the last 20 years, Hong Kong has grown into one of the world's largest equity market by capitalisation with more than 1 900 companies listed. In 2016, about USD 25 billion was raised through initial public offerings, once again placing Hong Kong at the top of the global IPO list.

Since the launch of the world's first offshore Renminbi (RMB) market in 2004, we have developed into a premier offshore RMB business centre with the largest pool of offshore RMB liquidity in the world. We did not stop at that of course when China's markets continue to open up, the Shanghai-Hong Kong Stock Connect, the Shenzhen-Hong Kong Stock Connect and the mutual recognition of funds arrangement have provided global investors unprecedented access to the Mainland's capital markets and vice versa.

Progress is not limited to business and finance. Home to world-class universities and close to 2 000 start-ups, Hong Kong is ranked one of the top five fastest-growing start-up ecosystems in the world. We have also introduced the Statutory Minimum Wage and an official poverty line, initiatives among others to make sure that everyone gets to share the fruits of economic growth and development. An average of HKD 70 billion annually has been invested in infrastructure over the past decade.

Since 1997, Hong Kong has not only weathered the challenges from a number of upheavals but grasped every opportunity to emerge as a stronger and more vibrant and resilient global hub of financial services and commerce, as Asia's world city.

For dinner tonight, we also want to share with you how Hong Kong's culture and traditions are preserved and passed on. We are proud to present a delicious Hong Kong-style "Pun Choi" prepared by students from the Hong Kong Chinese Culinary Institute. Thirty young Hong Kong dancers will show

you our energetic and exciting local culture through a street dance performance. Celebrated Hong Kong photographer Edward Stokes will also present a telling, evocative portrait of Hong Kong's natural beauty. And finally, there will be a debut of a short video on Hong Kong's close relationship with ASEAN, produced by a famous Hong Kong film director, Mr Clifton Ko (Ko Chi-sum).

Indeed, the relationship between Hong Kong and ASEAN has never been closer. With the bilateral merchandise trade value grown by a cumulative 72 per cent over the past ten years, ASEAN is now Hong Kong's second largest trading partner. In particular, Singapore ranked 1st in terms of trade in goods with Hong Kong among the ten ASEAN member states last year. Singapore was also Hong Kong's 5th largest trading partner, our 3rd largest market for domestic exports, 8th largest market for re-exports, and 3rd largest source of imports. Reciprocally, Hong Kong was Singapore's 5th largest trading partner and 2nd largest export market in 2015.

We certainly hope to take the regional co-operation to a higher level. After around three years of negotiations, we would love to conclude and sign the Free Trade Agreement with ASEAN within this year. Building on a new Economic and Trade Office set up in Jakarta last year and the success of the "ASEAN Internship Scheme for Hong Kong Higher Education Students", we will continue to establish closer ties with ASEAN on all fronts, in particular to echo the Central Government's Belt and Road Initiative.

Finally, I would like to express my deepest gratitude to Minister Wong, Ambassador Chen, many distinguished guests from the diplomatic circle and our many partnering organisations for your presence tonight. I would also like to thank the representatives of the business communities from Cambodia, Laos, Myanmar, Thailand and Vietnam for flying all the way to Singapore to attend this gala dinner. Hong Kong and ASEAN countries have long enjoyed good and friendly relations. I look forward to our continuous efforts to work together to make the ties between us even closer and stronger.

Thank you.

Ends

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