

“Change and Continuity” webinar co-hosted by Toronto ETO and HKCBA (with photos)

â€‹The Hong Kong Economic and Trade Office (Toronto) and the Hong Kong-Canada Business Association (HKCBA) in Canada co-hosted a webinar on July 24 (Toronto time) on the latest financial developments and the new National Security Law in the Hong Kong Special Administrative Region (HKSAR). The webinar entitled "Change and Continuity" is presented by the Secretary for Financial Services and Treasury, Mr Christopher Hui, and moderated by the National Chair of the HKCBA, Mr Arthur Chan.

Noting 2020 has been a year of change for the world and Hong Kong is no exception, the state and outlook of Asia's top financial centre is full of challenges. At the webinar, Mr Hui, spoke on the latest financial situation in Hong Kong. "With the social unrest and emergence of COVID-19, Hong Kong has gone through a difficult year. That said, our financial markets remain vibrant and orderly. The Hong Kong dollar exchange rate is stable and has stayed near the strong side convertibility undertaking. There has not been any noticeable sign of fund outflow from the banking system but rather, we have seen an inflow of over US\$11 billion since June. Bank deposits have continued to go up over the past months and we have also seen a continuous flow of IPO activities with stock trading showing remarkable increases," Mr Hui said.

Though COVID-19 has imposed pressure on economies and financial markets worldwide, Hong Kong's fundamental strengths remain intact. "A powerful combination of factors, including its prime location, rule of law, high-speed communications, free flow of information and capital, low and simple tax system, continue to make Hong Kong a leading international financial centre," Mr Hui continued.

Mr Hui pointed out that the HKSAR Government has earmarked HK\$6 billion under the Anti-epidemic Fund to create around 30 000 time-limited jobs in both public and private sectors in the coming two years for people of different skill sets and academic qualifications. To support fintech development, the Government has launched the FAST Scheme, offering salary subsidy for fintech companies and start-ups, and other enterprises with fintech-related businesses to create 1 000 new jobs to employ local people and enrich Hong Kong's fintech talent pool.

Looking forward, Mr Hui is optimistic on the financial stability and economy of Hong Kong.

Besides, Mr Hui addressed concern on the new National Security Law's implications on the city's long-term financial stability. "The implementation of the National Security Law will not have any impact on the normal functioning of the financial markets, nor the normal conduct of businesses.

The way in which market participants handle their proprietary data, access or transmit information, conduct commercial analysis or express opinion will not be affected. The law will help restore social stability and with this backdrop, I have every confidence that the financial sector in Hong Kong will continue to develop and thrive," he said.

Before closing, Mr Hui encouraged Canadian enterprises to tap on Hong Kong's strengths and status as a global financial centre, an asset and wealth management centre and an offshore Renminbi business hub, as they expand and invest in the Guangdong-Hong Kong-Macao Greater Bay Area and beyond.

The webinar, moderated by the HKCBA National Chair, Mr Arthur Chan, received overwhelming response and support from HKCBA members in Canada. Mr Hui addressed various questions from members after his presentation at the webinar.



Three-pronged approach to economic recovery

- 1 Connectivity**
 - To safeguard public health while at the same time take into account the need for economic development
- 2 Relief**
 - To provide special subsidies and alleviate burden and pressure of the HK public
- 3 Development**
 - To pursue new opportunities for the financial services industry

1. Connectivity

- 1. Allowing application for exemption from compulsory quarantine arrangement:
 - Registered practice units of HKICPA
 - Directors and executives of listed companies or listing applicants:
 - 1st round (regulatory reasons)
 - 2nd round (essential business activities)

2. Relief

- 1. A total of HKD 200 billion relief measures from the Budget and two rounds of Anti-epidemic Fund
- 2. To the general public: \$10,000 cash payout scheme and Employment Support Scheme etc.
- 3. To the financial services industry:
 - Cat B and C Exchange participants, MFC licensed individuals, Chinese Gold and Silver Exchange (CGSE) members and

3. Development

- 1. IPO, asset management and risk management centres
- 2. Opportunities from Greater Bay Area ("GBA")
- 3. FinTech ecosystem
 - Talent development: eMPP
- 4. Green Finance and ESG