

SCED: Hong Kong bears strong testimony to benefits of free trade

Free trade promotes economic development and benefits the whole world, and Hong Kong bears strong testimony to this as the seventh largest merchandise trading entity in the world despite its small size, the Secretary for Commerce and Economic Development, Mr Edward Yau, said at a luncheon during his visit to Washington, DC, the United States (US) today (September 26, Eastern Standard Time).

The business luncheon was co-organised by the Hong Kong Economic and Trade Office, Washington, DC (Washington ETO) and Cathay Pacific Airways Limited, and supported by the American Chamber of Commerce in Hong Kong, Invest Hong Kong and the US Chamber of Commerce.

Mr Yau said that Hong Kong's achievements in practising and preaching free trade are recognised worldwide, citing the ranking of Hong Kong by the Heritage Foundation as the world's freest economic for 24 consecutive years.

"Such recognition comes from our unique status under 'one country, two systems' in accordance with the Basic Law. Our trading partners around the world, including the US, have benefited from our unique status and have conducted trade, commerce and investment with us," Mr Yau added.

He also spoke on Hong Kong's strengths in the global trading landscape. "We maintain our unique strengths in our rule of law, judicial independence, our capitalist system, low and simple tax regime, rights and freedoms, free flow of capital and information, and effective law enforcement across boundaries on various fronts, including intellectual property protection," he said.

In the morning, Mr Yau delivered a keynote speech at a seminar entitled "The United States, Hong Kong & China: Innovation Economies in the 21st Century" co-organised by Washington ETO and the Atlantic Council.

He emphasised Hong Kong's advantages and exceptional position in the evolving global economic and trade architecture and the era of innovation and the digital economy. He added that Hong Kong has served for decades as a strategic gateway for trade and investment into and out of the Asia Pacific region.

"Hong Kong is strategically situated to capitalise on the emerging cross-regional opportunities, and offers comparative advantages for those utilising the city's strengths. Under the 'one country, two systems' arrangement, Hong Kong maintains separate economic and legal systems from Mainland China. As champions of free trade and a level-playing field, Hong Kong has been widely recognised as one of the best places in the world to do business," he said.

Mr Yau also pointed out that Hong Kong must identify and nurture emerging sectors for ongoing economic diversification and realignment, especially in innovation and technology, by focusing on four areas, namely biotechnology, smart city applications, financial technology and artificial intelligence and big data analytics.

Before the luncheon, Mr Yau met with the Chairman of the Subcommittee on Asia and the Pacific of the House Foreign Affairs Committee, Congressman Ted Yoho, and the Chairman of the Subcommittee on Trade of the House Ways and Means Committee, Congressman Dave Reichert. They exchanged views on Hong Kong-US relations and trade-related issues.

Mr Yau will depart for Canada this evening and proceed to visit Ottawa and Montreal tomorrow (September 27, Ottawa time). He will call on senior government officials, Canadian parliament members and local Hong Kong business community to discuss issues on trade and economic co-operation between Hong Kong and Canada.