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CANADA AND HONG KONG UPDATE

SPRING 1990

Introducing the Research Project: Goals and Directions

by Diana Lary
Toronto

Hong Kong is becoming increasingly significant for Canada. During the last decade, trade with China, for which Hong Kong is the major entrepot, has increased. The desire to leave Hong Kong before the territory's return to Chinese sovereignty in 1997 has made Canada an ever more important immigration destination. In 1989, 19,994 people landed in Canada from Hong Kong, almost half the people who left the territory; similar figures are expected for the foreseeable future. Canada's long involvement and fascination with China has been reflected in the academic world by serious study of the country and our relationship with it. This study has focused on China as a whole, with very little attention to Hong Kong as a discrete territory. Though the territory has always been predominantly Chinese, recent developments mean that it must now be treated as a distinct entity. Immigration from Hong Kong is having a major impact on Canada. There are significant settlement issues, as a large, well qualified and relatively affluent group of immigrants comes in; this is a change from the

traditional pattern of start-at-the-bottom migration. The growth in the size and sophistication of the Chinese Canadian community is also likely to have an impact on our relations with China as this group of people makes its voice heard; in last year's demonstrations over the Chinese student movement and the Peking Massacre, the Chinese Canadian community played a leading role. On another plane, the unprecedented return of millions of people to an authoritarian government raises concerns over citizenship, human rights and legal issues in Hong Kong. These will assume considerable importance both in light of Canada's traditional concern for such issues, and the large numbers of people here with close personal connections to Hong Kong.

These issues require serious, objective academic study, especially in a climate which is sometimes overheated. The unfolding situation also needs to be monitored regularly, in order to analyse it in terms of Canadian interests, and to provide a running record of a fluid situation. This is the first of the project's tri-annual updates on Hong Kong and Canada, which will cover some topics (viz immigration, trade, settlement) at regular intervals, and others as they arise.

Material for the updates is provided by a number of correspondents in Canada, the United States, Hong Kong, China and the United Kingdom. The project will also sponsor a series of academic workshops, coordinated by Canadian researchers, which will produce short, readable publications on specialised topics. The overall intention of the project is to provide objective, consistent information which may be useful in ensuring that Canadian involvement with Hong Kong develops as smoothly and as beneficially as possible. References to materials on all aspects of the Canada-Hong Kong relations are being collected from many Canadian, American, British and Hong Kong sources to be stored in a bibliographic database in the project office.

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-

Immigration Statistics

by Diana Lary
Toronto

Over the past two years, the number of immigration applications received at the Canadian Commission in Hong Kong has risen steeply, from 15,334 in 1988 to 29,584 in 1989. The unsettling effect of the Tiananmen Massacre in Peking on June 4th, 1989 on Hong Kong shows up clearly:

Quarter	Applications	
1988	First	3,456
	Second	3,615
	Third	5,161
	Fourth	3,102
	Total	15,334
1989	First	3,837
	Second	4,765
	Third	12,750
	Fourth	8,232
	Total	29,584

These are formal applications; they run well below pre-application questionnaires (PAQ), the first sign of interest in emigration to Canada, of which there were 42,052 in 1988 and 45,229 in 1989. No fee is payable for a PAQ; many people who feel after they have submitted a PAQ that they are unlikely to be accepted as immigrants do not proceed to submit a formal application.

There is often a considerable time lag between making an application and (for the successful) being issued a visa. The length of the lag depends on the case load of immigration officers, and the relative priority of the class under which a person is applying. Very few of the applications made in 1989

will yet have resulted in visas being issued.

One way of avoiding the lengthy waiting period for processing at the Commission in Hong Kong is to make an application at another Canadian immigration office abroad. The major country in which such applications are likely to be made is the United States. In 1988, 722 applications were screened at Canadian consulates for people whose last country of permanent residence was Hong Kong; in 1989 the figure was 1287.

Between 1988 and 1989 the number of visas issued rose slightly. The types of successful applicants changed significantly. In 1988 independent immigrants (people accepted on the strength of their qualifications under the point system) accounted for 54.5% of visas issued, in Hong Kong and at other posts, to people whose country of last permanent residence was Hong Kong (CLPR Hong Kong); in 1989 that proportion fell to 41.4%. Some of the difference can be explained in terms of an expansion of the independent class in 1987, which allowed some people previously ineligible to apply. By 1989 the bulge had passed through system. The business classes (entrepreneurs, investors and self-employed), the groups which have received most publicity in Canada remained stable; in 1988 they accounted for 23.8% of visas issued, in 1989 22.9%. Family class (direct dependents and close relatives) grew in importance from 13.7% in 1988 to 22.9% in 1989. It is likely that a substantial proportion of retired applicants also have relatives in Canada.

Visas issued, by class, CLPR Hong Kong, 1988-1989

CLASS	1988	1989
Family	2,467	3,858
Conv. refugee	0	12*
Designated	74	1,121*
Retired	1,494	1,699
Assisted relative	623	1,669
Entrepreneurs	4,490	4,210
Investors	699	1,132
Self-employed	173	206
Independent	12,353	9,993
Not-stated	103	232
Total	22,476	24,132

* Vietnamese refugees

The change in composition of successful visa applicants is accentuated when the pass rates are examined. From 1988 to 1989 they shifted only slightly in most classes, but declined sharply in the independent class.

Pass rate, by class, CLPR Hong Kong, 1988-1989

CLASS	1988	1989
Family	89.5	95.2
Conv. refugee	--	100.0
Designated	72.3	75.9
Retired	83.6	81.5
Assisted relative	76.3	81.1
Entrepreneurs	86.1	71.6
Investors	94.1	79.5
Self-employed	92.2	62.8
Independent	70.9	43.3
Total	77.3	74.4

After being accepted as an immigrant, a person has up to a year in which to arrange

CANADA AND HONG KONG UPDATE

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1997 and Emigration in Hong Kong

by Lau Siu-kai and Wan Po-san
Hong Kong

The increasing exodus

Despite the promise of the Chinese Government and constitutional measures designed to maintain the existing social structure and lifestyles of Hong Kong under the formula "one country, two systems" for fifty years after 1997, the scheduled return of Hong Kong to China has driven an increasing number of Hong Kong people to obtain a foreign passport or right of abode in a foreign country. From 1980 to 1986, people emigrated at around 20,000 a year. The annual outflow of emigrants rose to approximately 30,000 in 1987 and 46,000 in 1988. The most popular destination countries are Canada, the United States of America and Australia

Total emigrants and immigrant visas issued by major host countries, 1985-1988.

	1985	1986	1987	1988
Total	22,300	19,000	30,000	45,800
Canada	7,380	5,893	16,170	22,802
Australia*	4,610	4,940	6,420	9,530
U.S.A.**	8,530	7,473	8,517	11,394

Source: Hong Kong Government's task force on 9 September 1989; *Nea Magazina*, 15 March 1990.

*Number of migrants residing in Australia.

**By March, the Hong Kong backlog amounted to nearly 30,000. If any of the reform bills before the United States Congress can be legislated, the outflow of Hong Kong people to the States will increase accordingly.

In view of Hong Kong's return to Chinese sovereignty after 1997, people are watching the sociopolitical situation of the mainland and the words and deeds of the Chinese political leaders closely. The June 4 Tiananmen Square massacre, the subsequent political crackdown on the pro-democracy movement and the tough economic austerity programme in China, and the promulgation of the final draft of the Basic Law have significantly depressed Hong Kong people's confidence in the territory's future. The number of people inquiring and applying for emigration visas has drastically

increased. Nevertheless, given the present immigration regulations of major host countries and the time required to process applications, the number of people leaving the territory in the next two or three years is expected to be between 55,000 and 60,000 a year.

In the meantime, emigration-linked investment companies and schemes are increasing and creating a growing passport market for those who are desperate to get a second passport but cannot meet the selection criteria of major host countries. Many second-rung countries have joined in to cash in on the capital and brain drain from the territory. Some (e.g. Singapore and South Africa) have eased their migration regulations to lure capital and professionals and skilled workers, while others (e.g. Tonga and Belize) are simply "selling" passports. Anticipating the setup of the common market of the European Economic Community in 1992, the latest trend in the passport market is to buy property in Portugal and Spain and then apply for residency.

The international safety net

The rising trend to emigration has a potentially catastrophic impact on the prosperity and stability of the territory and has become one of the major social concerns. On the one hand, owing to the immigration policies of the host countries, the majority of emigrants are either the well-off (who are usually qualified to emigrate by investing no less than C\$150,000 in the host country), or key personnel in the labour force (who can meet the visa criteria of independent migrants and who are mainly highly educated, young, professional, technical, managerial and administrative workers). In 1988, the capital outflow to Canada alone amounted to C\$2.4 billion. Degree holders made up 15% of the emigrants while only 3.5% of the population had this level of

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educational attainment. Of all employed emigrants, 33.6% were professional and technical workers, 16.2% were administrative and managerial workers, as compared to 7.4% and 3.8% respectively of the labour force was in these occupational categories. Surveys of professional associations published in the past few months illustrated further the seriousness of brain drain -- e.g. 85% of the local members of the Royal Institute of Chartered Surveyors, 80% of the members of the Hong Kong Society of Accountants, and 60% of the members of the Law Society expressed their intention to leave the territory. The accelerating outflow of emigrants not only would threaten the economy, increase the emigration propensity of those staying behind, but also would dampen the morale and confidence of those who do not want to or cannot qualify to emigrate.

In view of the alarming problem and its negative effects on the territory, collective efforts have been made by the Government and the private sector (especially the business leaders) to help arrest the worsening brain drain and boost confidence in the run-up to 1997. For example, studies have been commissioned to examine the impact of emigration and possible strategies for retaining key personnel of the labour force. Campaigns have been launched to lobby foreign countries for granting passports or right of abode for Hong Kong people. Emigrant businessmen and professionals have been encouraged to return to Hong Kong after gaining the security of a second passport. An unprecedented expansion of infrastructural development and higher education are planned.

The foci and strategies of these campaigns are shaped by two

prevailing viewpoints. In the first place, a healthy economy is regarded as the key to the future of Hong Kong. As a result, the rationale adopted by the lobbyists, especially the business leaders and overseas Chambers of Commerce, is generally based on the bilateral economic interests between the destination country and the territory. The anxiety, helplessness and the future of the general public are deemed to be of less significance than the maintenance of economic prosperity by retaining key personnel of the labour force. In the second place, the major objective is to secure an exit route for insurance instead of immediate escape. This in fact coincides with the dilemma of Hong Kong people. On the one hand, people generally distrust the Chinese government, lack confidence in Hong Kong's future and are desperate for a foreign passport. On the other hand, apart from the difficulties of adaptation, it is quite common for emigrants (particularly professional, managerial and administrative workers) to experience downward social mobility in destination countries. Hence people generally want a passport to stay more than a passport to leave. In a similar vein, the length of residency required by the immigration regulations of host countries (called by Hong Kong people as "emigrant imprisonment") is one of the major concerns in considering the destination of emigration.

Restoring the right of abode in Britain is thus not only regarded by the concerned parties in Hong Kong as the moral and legal responsibility of the British Government for all of the 3.25 million Hong Kong British passport holders, it is also seen to be the first necessary step to lobby other countries to offer similar "delayed action" passport schemes (packages that do not require the passport holder to relocate immediately to qualify),

thereby constructing an international safety net for Hong Kong people should needs arise. In this connection, the changes to the Singaporean immigration policy made last July are a significant breakthrough. Right of abode will be granted to 25,000 Hong Kong skilled workers. Successful applicants have up to five years to relocate in Singapore. By February, 20,038 people had applied and 16,691 applications have been approved.

Yet the nationality package proposed by the British Government to grant British passports to a selected 50,000 Hong Kong residents and their dependents (a total of about 225,000 beneficiaries) has become a matter of controversy. In Britain, it might still be rejected or substantially revised by Parliament and repealed later by the Labour Party when it is in power [the bill has since been passed]. In Hong Kong, due to the limited quota of the package, a majority of people will still be excluded from the scheme. Under the proposed selection criteria, priority is to be given to those who probably are qualified to obtain other foreign passports. Therefore, the package is likely to be socially divisive and may thus intensify the confidence crisis. To the Chinese Government, the package and the internationalization of the Hong Kong issue have made Beijing lose face. China also sees a conspiracy of the British Government either to retain her influence on the territory after 1997, or to destabilize the Special Administrative Region (SAR) by draining its talent. After the June 4 event, Chinese officials have taken a tough stance on the nationality issue of Hong Kong. They oppose the plan fiercely because if an increasing number of foreign passports are granted to

Hong Kong people without the requirement of residency, then after 1997 Hong Kong might become a place administered by people of foreign nationalities. If these foreign passport holders stay in Hong Kong after 1997, their loyalty to China will be held in suspicion. If they choose to leave on the eve of the takeover, which is very likely according to the findings of opinion surveys, the functioning of the territory may be jeopardized. Both possible outcomes will undoubtedly be to the detriment of the interests of China. In responding to the right of abode issue, the Chinese Government has imposed more nationality restrictions on key government officials and legislators of the SAR; stressed the contradiction between the package and the nationality law of China (which does not recognize dual nationality, does not recognize foreign passports obtained without residence requirements, regards all Hong Kong people residing in the territory as Chinese nationals unless they have renounced their Chinese nationality, and forbids state employers to renounce their Chinese nationality); and emphasized the point that passports issued under the scheme will not be recognized by the Chinese Government. Besides, it is expected that one-third of the quota of the package will be allocated to civil servants, the backbone of the government bureaucracy. While the package is not accepted by the Chinese Government, a nationality and loyalty dilemma for civil servants, whose present terms of employment do not restrict them from holding foreign passports, may thus be created.

By and large, the accelerating trend of emigration has affected the function and development of the territory. Yet it is its

seriousness that prompts the British and Chinese Governments to take measures to deal with the problem. Nevertheless, major efforts carried out to stem brain drain might at best serve their purpose to anchor people in Hong Kong up to or before 1997. Without any firm structural assurance of the autonomy of the territory and the establishment of mutual understanding and trust between China and Hong Kong (and assuming that the favourite host countries continue to receive immigrants from Hong Kong), these efforts might only delay the problem of emigration instead of solving it.

Immigration Stats

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departure for Canada. Landings in Canada therefore include many people who were approved the year before. Total landings for 1988 were 23,286, for 1989 19,994. The decline in independent immigrants shows up again - 8,669 of 19,994 (43.36%) in 1989, as opposed to 13,739 of 23,286 (59%) in 1988.

Immigrants, by class, CLPR Hong Kong, 1988-1989

CLASS	1988	1989
Family	3,045	3,180
Conv. refugee	0	3
Designated	52	887
Retired	1,231	1,449
Asst. rel.	742	810
Entrepren.	3,872	3,933
Investors	472	888
Self-employed	133	175
Independent	13,739	8,669
Total	23,286	19,994

In terms of destination, patterns of immigrant landings from Hong Kong were stable. In 1988, 58.07% of immigrants were destined for Ontario (13,523), in 1989, 53.98% (10,793). In 1988, 22.27% (5,185) went to British Columbia, in 1989, 23.82% (4,763). There was a rise in landings in Quebec: in 1988 the province accounted for 5.93% (1,380) of Hong Kong immigrants, in 1989, 9.78% (1,956).

Immigrants (by province)

	1988	1989
Alberta	2,257	1,668
B.C.	5,185	4,763
Manitoba	409	290
New Brunswick	33	49
Newfoundland	30	30
NWT	7	9
Nova Scotia	63	84
Ontario	13,523	10,793
PEI	5	8
Quebec	1,380	1,956
Saskatchewan	390	344
Yukon	4	0
Total	23,286	19,994

Within each province, movement was overwhelmingly to the major cities: in 1988, Toronto accounted for 11,779 of the 13,523 landings in Ontario, in 1989 for 9,010 of 10,793; in 1988, 4,962 of 5,185 landings in British Columbia were in Vancouver, in 1989 4,520 of 4,763.

All statistics used have been supplied to us by the Department of Employment and Immigration, Hull. We are most grateful for this assistance, and for the speed at which statistics have been made available.

Adjusting to Life in Canada: Visa Students in Ontario

by Stephanie Gould
Toronto

"In the late 1970s and early 1980s, a large number of the students who studied abroad returned to Hong Kong to live and work after the completion of their studies; but in recent years, there are indications that more and more are not returning, probably out of personal or family concern for 1997."

Bernard Hung-kay Luk,
"Education" in
The Other Hong Kong Report,
1989.

In 1989, more of Hong Kong's students chose to study abroad than ever before and more chose to study in Canada than in any other country. Last year, 5,096 students from Hong Kong obtained visas to study in Canadian secondary and post-secondary institutions, an increase of 34 percent over 1988. Students from the territory now make up the largest group of foreign students in Canada, with a total of about 14,000. Like all others studying in Canada on a visa, students from Hong Kong must return to their own country. While they may not be choosing to emigrate when they obtain a visa, the numbers alone indicate that the approach of 1997 is making studying abroad an attractive idea.

Articles and advertisements about educational opportunities in Canada and elsewhere abound in Hong Kong's newspapers and magazines. But the most reliable place to get information on education abroad is The Hang Seng Bank which provides a non-profit Education Advisory Service. The bank keeps its information on Canada current by maintaining close ties with provincial trade representatives in Hong Kong and educational bodies here. Ms. Corina Tsang, a senior student counsellor at the

bank, is quoted in the *South China Morning Post*, March 8, 1990, as saying "the low cost of tuition for foreign students is a major attraction [to Canada]."

But, few students are prepared for what they encounter in Canadian schools and universities. "Actually when I think about it, I didn't have very much preparation," said Evelyn Man, a Ph.D. student at the Ontario Institute for Studies in Education. "I knew very little about everything in Canada. Before you come the Canadian consulate arranges some sort of a briefing session in which you can ask questions. But actually you don't even know which questions to ask." Man is determined to return to her country to live and work, but she doesn't know whether she will stay after 1997. She describes herself as committed to the territory despite apprehensions about its future.

"Be prepared for a much freer kind of atmosphere," said Man when asked if she has any advice for students in Hong Kong who are considering studying in Canada. "I don't think a lot of Hong Kong students are trained to cope with a very free system. I mean, if you're going to read a book you choose your own, but only within a very small range. So learn to take more initiative, try to find things out for yourself." Man describes the school system in Hong Kong as very "exam oriented" and academically competitive, but she says in many ways their academic training puts students from the territory at an advantage in Canada.

Many students from Hong Kong are choosing to come to Canada in the transition stage between secondary and post-secondary education. Even though Hong Kong has been a British colony and most students attend Anglo-Chinese schools,

the first challenge for most students on arrival in Canada is to learn English well enough to qualify for university entrance. In Hong Kong, while "primary education is mostly in Chinese, and secondary education is mostly in English," students and teachers have great difficulty with the transition, writes Bernard Luk in *The Other Hong Kong Report*. The result is that in Anglo-Chinese schools, textbooks and exams are in English, but Cantonese is spoken in the classroom, he explains.

Jane Sims, English as a Second Language (ESL) teacher at Sir Sandford Fleming Secondary School in North York, Ontario, where 72 percent of visa students are from Hong Kong, says that they are very dedicated to their school work. "In spite of homesickness and culture shock and goodness knows what difficulties with the language, they work extremely hard and the success rate is very high."

Tam Goossen, School Trustee for the Toronto Board of Education who came from Hong Kong 20 years ago, says visa students from Hong Kong also do well socially in the Canadian system at the secondary school level. She described "one group of visa students [who] took on the Christmas party and fundraising. They've put on functions that include the whole student body and have provided leadership in the school." But she stressed that some students need more assistance adapting to life here. "You also hear stories of kids who are so lonely they don't know what to do with themselves."

To make it easier for visa students to adapt to life in Canada and our school system, Goossen would like to see more information about Canada available to students and their parents before they leave the

territory. "People in Hong Kong really don't know any details about how the education system works here. They don't know that we have all these different high schools. So, we're asking for a pamphlet that can explain the system better."

When students arrive in Canada, Goossen believes more should be done to help them adjust to their new life. "We're trying to encourage them to come two weeks earlier in the summer. And then we'll provide them with an orientation course, combined with ESL. We're looking into doing that, but we can't do it this year. We might do it next year."

Both Sims and Goossen are concerned about some students under the age of 16 who appear to be living in Canada without a guardian. Under Canadian immigration regulations, students younger than 13 are not granted visas on the grounds that they are too young to be away from their families, while students under 16 must have a guardian living here. "A lot of times, the people in Hong Kong will just give you a name of a relative here and, really, a name only." When faced with an emergency situation, social workers with the Toronto board have experienced difficulty reaching people named as guardians, said Goossen. "They have had to call Hong Kong on a number of occasions to find the parents to tell them what's happening."

She says another problem is that the social worker responsible for visa students is only on a ten month contract. "It's not easy for them [students from Hong Kong] to make friends outside the school situation. So, they get very lonely. And a lot of them live in rooming houses, contrary to all that myth about rich Hong Kong students. And then when the summer comes, it's even worse. They can't work. And I don't think many of them can really manage to go back to Hong Kong to visit. So they're here!"

She and other members of the

Toronto Board "have been trying to figure out a way to make it really clear" that students under 16 must have a guardian living in Canada. "One relative suggested that we should tie it in with immigration. Back in Hong Kong, the parents should accompany the children when they get a visa." In addition, she thinks guardians should be required to attend an interview when the student registers at the school he or she will attend in Toronto.

Goossen says "visa students tend to be neglected in the system because they don't have a spokesperson. They don't have the same rights that most Canadians enjoy. All immigrants are eventually voters, so they manage to have a voice. But visa students have no status."

Sims would like to help young students living on their own here, but she doesn't want to take any action that would jeopardize their chances of continuing their studies in Canada. She gives her home telephone number to students. "I don't think children should be living alone and not have an adult's number that they can call if they have a fire."

Sims would like to see more students from Hong Kong able to return to Canada to live and work once they have completed their education. "People from Hong Kong are leaving not because they want to come to Canada, but because they are leaving a bad situation. A lot of immigrants leave against their will; certainly no refugee ever wants to come. But once the students are here, they would love to come back. I have any number of students who would love to come to Canada, but unless their family has money [they are unable to return] which strikes me as very unfortunate because once we've educated them in Canada it seems a shame to loose them."

Citizenship Law Explained

by Chi-Kun Shi
Toronto

Hong Kong citizenship law is stipulated by a series of British legislation as it relates to nationality in British colonies. Under the British Nationality Act, 1948, all citizens of the United Kingdom and Colonies (CUKC) are British subjects. They enjoy the right to enter and reside in Britain in addition to their rights as a citizen of the particular colony where they live as well as travelling convenience within the Commonwealth. CUKC may be secured by birth, by descent from a CUKC on the paternal side, by marriage, in case of women, to a male CUKC or by naturalization after five years of residence in the colony.

The structure of the 1948 Act has been maintained throughout subsequent legislation. The changes introduced by the latter are largely concentrated in redefining the rights of a CUKC. The series of legislation following the 1948 Act consistently erodes a CUKC's right to enter and remain in Britain. This is achieved by narrowing the group of colonial subjects who are to receive such rights, coined by the 1971 Act as the "right of abode".

The most recent legislation is the 1981 Act. It devised three types of citizenship; British citizen, British Dependent Territories Citizens (BDTC) and British Overseas Citizens. British Citizens enjoy the right of abode in Britain, BDTCs do not.

Most Hong Kong people fall within the BDTC category. BDTC may be conferred upon Hong Kong people by birth, adoption, registration in case of minor children of naturalized BDTC parents, marriage in case

of alien women and by descent. BDTC may also be secured through naturalization, after residency of five years in Hong Kong and fulfilment of other qualifications such as command of the English language.

Most significantly, BDTCs are thrust upon existing CUKCs who do not hold the "right of abode" under the 1971 Act. Under the 1971 Act, only CUKCs who were born, adopted, registered or naturalized in Britain have the "right of abode". Such rights were also allowed to people who qualify due to complicated ancestral link to Britain or, in the case of alien women, through marriage. While the 1971 Act stripped all the Hong Kong originated CUKCs of their right to reside in Britain, the 1981 Act took the further step of lumping them into a separate category from the other CUKCs who are assimilated into the "British Citizen" category. The travelling convenience enjoyed by CUKCs within the Commonwealth is subject to the discretion of the individual countries. For example, BDTCs cannot enter Britain without a visa.

Most people in Hong Kong today hold the BDTC. However, there are some who do not qualify for it; they are then stateless. The travelling document they hold is the Certificate of Identity issued pursuant to the United Nations Convention Relating to the Status of Stateless Persons.

Finally, there are a growing number of Hong Kong people who hold foreign citizenship. To the extent that it is not repugnant to the foreign citizenship law, they may hold such citizenship in conjunction with their BDTC.

"Between the Cracks of Contradiction..."

by Chow Ying Wong
Toronto

An article titled "Between the cracks of contradiction: where do the new immigrants from Hong Kong fit?" was published in the *Modern Times Weekly* on March 30, 1990. The author, Su Guannan, attributes adjustment problems of recent immigrants to (i) a lack of accurate information; (ii) the 'safety net' mentality and, most importantly, (iii) a 'vacuum' in the value system -- one which is created when Hong Kong culture meets Canadian culture.

The author contends that although prospective immigrants can get information about Canada from the Canadian Commission, most readily available information doesn't address social problems and pressures existing in the host society. As a result, many are shocked, or feel they are "being cheated" when they come to Toronto.

With the approach of 1997, emigration has almost become a fad in Hong Kong. However, many people treat the experience of migration as "moving, touring, having a vacation, or visiting relatives," without realizing its impact on themselves and possibly the lives of their next few generations.

Like other newcomers to this country, immigrants from Hong Kong experience unemployment and underemployment. Su Guannan argues that this is critical to the settlement process only when downward mobility is related to the value system the immigrants bring with them. Hong Kong is highly materialistic and competitive. Status, and therefore happiness, is determined by the accumulation of assets. Many recent immigrants try to re-establish their status in Canada

when they arrive. This often means transplanting their lifestyle from Hong Kong to Toronto. It also includes spending most of their savings on an automobile and the down payment on a house. By obligating themselves to a huge mortgage, many immigrants are prone to family crises and other problems of adjustment. Finally, the author suggests a more flexible financial policy for new immigrants.

The 'vacuum' in the value system Su Guannan refers to is an important element in the process of cultural adjustment. Dissonance is created when the cultural values of newcomers and the host society are not mutually accepted. More than one 'vacuum' may exist for recent Hong Kong immigrants. Not only do they have to adapt to the 'mainstream' society, they have to be accepted by the local Chinese community as well. The author describes recent Hong Kong immigrants as unwilling to adjust to the new society. Rather than adapting to that of the host society, they try to bring their lifestyle to Toronto, to change the environment by making it similar to the one they have left behind.

The comment, although not a representative one, sounds similar to the saying about the "unassimilatable Asian" in the early part of the century. It reflects a certain degree of conservatism in the Chinese community toward newcomers. The image of recent Hong Kong immigrants as a bunch of well-off yuppies and conspicuous consumers is popular not only in the dominant society, but among some members of the local Chinese community, who try to recall the hard times they had when they first settled in Canada. Hence, it is important to bear in mind that the issue isn't limited to settlement in the mainstream society, but also into one's ethnic community as well.

Chinese-Canadians Split Over Commemoration of Massacre Victims

by Tan Xiaobing
Vancouver

A battle over whether a plaque should be mounted to recognize China's continuing struggle for democracy and to commemorate those killed in Beijing last June disrupted Vancouver's Qing Ming, a festival for Chinese to pay tribute to departed ancestors, relatives and friends, this year on April 5th.

Last August, The Vancouver Society in Support of Democratic Movement proposed that a replica of the *Goddess of Democracy*, the statue that was erected in Tiananmen Square, be built in the Dr. Sun Yat-Sen Garden. But the Dr. Sun Yat-Sen Garden Society refused to provide space, for it was reluctant to become part of "a political forum." This year, the Vancouver Society in Support of Democratic Movement applied to the Vancouver Parks Board to place a plaque in the city-run Sun Yat-sen Park, adjacent to the Garden.

The Chinese Benevolent Association, which has a membership of more than 50 Chinese organizations, opposed placing the plaque in the garden, saying that the events in Beijing in June were an internal affair of China, and overseas Chinese, no longer being Chinese nationals, should not get involved.

During a heated debate in a City Council committee room on Wednesday, March 21, the Council's Race Relations Committee recommended that the Vancouver Parks Board establish a subcommittee, including one member of the Race Relations Committee, to examine the issue further.

After the debate, as the controversy spread within the Chinese community, some organizations took sides. Individuals also expressed their opinions by writing to Chinese newspapers and calling the "Voice of Overseas Chinese", a Chinese-language radio station.

Duan Jin, the departing Chinese Consul-General in Vancouver, reportedly said that to commemorate the deaths in the June 4th incident was to commemorate the counter-revolutionary ruffians, and, thus, was to intervene in China's internal affairs. However, a person using the name of a "UBC student from Mainland China," argued that Dr. Sun Yat-Sen was a Chinese political leader, and to use his name for a plaque in Vancouver could also be considered an act to "intervene in China's internal affairs". He suggested the park's name should be changed.

Although Qing Ming has come and gone for this year, the debate over whether to commemorate the deaths in Beijing continues. The Vancouver Society in Support of Democratic Movement will organize activities in May and June to mark the one year anniversary of the events in Beijing.

	Intra + inter-provincial	International
1967-71	176,810	71,760
1972-66	122,475	74,830
1977-81	145,660	61,250
1982-6	135,235	50,190

The pressure on Vancouver housing has more to do with demographic characteristics of the local population (the baby boom, decline in household size) than to movement into the area from abroad. As for the famous "monster homes," immigrants were less likely to occupy larger homes (9+ rooms) than local purchasers; 73% of such homes occupied during the 1981-6 period were taken up by people moving within the Vancouver area. The report does not distinguish between origins of immigrants, nor does it cover the period since 1986 when the issue of housing has surfaced - statistics for that period will not be available until the next census in 1991.

A more recent Laurier Institute report, *The Housing Crisis: The Effects of Local Government Regulation*, W.T. Stanbury and John Todd, (January, 1990) suggests that the situation has changed since 1986.

Immigration has risen; in the two and a half years from 1987 to June, 1989, 42,476 immigrants arrived in Vancouver, proportionally a much higher number than for the previous five year period. 10,897 were from Hong Kong, a slightly higher proportion than the 8,178 (of 49,775)* who came in the period 1982-6 (p.103). The new immigrant group has included significant numbers of people wanting to live in and able to afford large homes. / -4/10

This report provides a considerable amount of statistical and anecdotal information which indicates that monster homes have come to be seen as a serious problem to many Vancouverites over the last few

Immigration's Impact on Vancouver Housing

by Diana Lary
Toronto

One frequently expressed concern in Vancouver is that immigrants from Asia, notably Hong Kong, have driven up house prices. A report published in 1989 by the Laurier Institute, *When did you move to Vancouver?*, by Gregory Schwann, suggests a different picture. Using a series of federal government statistics for 1971, 1976, 1981 and 1986, the report shows that international immigration to Vancouver declined from 1976 to 1986, and that intra- and inter-provincial migration into Vancouver far exceeded international migration.

Information on Canada

by Diana Lary
Toronto

The Hong Kong emigration climate has spawned a migration industry, which involves immigration consultants, lawyers, real estate agents, investment counsellors, employment agencies, and household movers. The industry also provides information to let people know what they can expect from emigration.

Canada is particularly well known in Hong Kong. There are regular newspaper columns on Canada, such as "Words from the Maple Woods" (*Singtao Daily*). There are numerous publications, in the vein of the late 19th century publications which circulated in Europe, and extolled the virtues of countries, to "sell" emigration to potential migrants. They tend to be vague and general, and to offer some quite dubious means of getting abroad. But in Hong Kong now emigration is a serious business, and much of the information presented is serious and accurate. General emigration publications focus on all possible destinations; they include a monthly periodical, *The Emigrant*. Others deal with one country only; at a local bookstall in Causeway Bay in January, 1990, ten introductions to Canada in Chinese were on sale. Some, such as the *Guide to Canadian Immigration* (which has gone through five editions since 1987) are detailed instructions on immigrant eligibility and application procedures.¹ Others, such as the *Handbook for Immigrants to Canada*, are general introductions to every aspect of Canadian life, from the government and taxation systems to sites of interest, all condensed into just over a hundred pages.² The amount of detailed information available means that would-be immigrants tend to be well informed before they make an enquiry at the Canadian Commission. Those unlikely to

succeed in gaining an immigrant visa know not to apply. In 1989, formal applications received from Hong Kong people (29,584) were less than double the number of pre-application questionnaires filled out (45,229). This contrasted with the previous year in which 42,052 PAQs were filled out for 15,334 formal applications.³ The pass rates in both years for those making formal applications were high - 77.3% for 1988, and 74.4% for 1989.⁴ This high success rate can be ascribed partly to good advice from Commission staff, and partly to the fact that would-be immigrants to Canada are well-informed of their chances of success. Immigration publications must take some credit for getting the information out.

(1) *Guide to Canadian Immigration* (*Jianada yimin zhinan*), CEMA (Hong Kong and Toronto), 1989.

(2) *Handbook for Immigrants to Canada* (*Jiannada yimin shouce*), Xiong Dezhang (Kowloon), 1989.

(3) *Immigrant Applications Received* (Post and CLPR Hong Kong), Dept. of Employment and Immigration, March, 1990.

(4) *Pass Rates* (Post and CLPR Hong Kong), *ibid.*

The Basic Law

The Basic Law (of the Hong Kong Special Administrative Region of the People's Republic of China), in effect the constitution for Hong Kong after July, 1997, was adopted on April 4th, 1990 by the Seventh National People's Congress meeting in Peking. The Law's most important stipulations are that "the socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years (Article 5); there are specific guarantees of the continuation of a wide range of freedoms such as speech, the press, publication, the

person, communication, conscience, creativity, marriage, access to the law (Articles 27-35, 37), and of rights of property and social benefits (Articles 6, 36). These grand, lofty guarantees are matched by stipulations that military forces of the Central People's Government will be stationed in Hong Kong (Article 14), that the Region will enact laws to prohibit "any act of treason, secession, sedition, subversion against the Central People's Government (Article 23), and that the powers of interpretation and amendment of the Basic Law are vested with the National People's Congress in Peking (Articles 158 and 159).

The response to the adoption of the Basic Law in Hong Kong was muted. Its contents were already widely known, and most of the articles which aroused particular concern had already received wide-spread coverage in the local press. The only elements of some novelty were the new regional flag, "a red flag with a bauhinia flower highlighted by five star-tipped stamens" (Article 10), and the stipulation, reiterated in many articles, that the chief executive, the members of the Executive Council, the principal executive officials, 80% of the members of the Legislative Council, the Chief Justice of the Court of Final Appeal and the Chief Judge of the High Court, and most senior public servants are to be "Chinese citizens who are permanent residents of the Region without right of abode in any foreign country" (Articles 44, 55, 61, 67, 101).

There was little show of enthusiasm for the Law. In a climate of continuing mistrust of the Peking authorities, the contents of the Law were less significant than the fact that public confidence in its intention or ability to protect the present way of life in Hong Kong is very limited.

Democratization In Hong Kong

by Sonny Lo
Hong Kong

Since the military crackdown on student demonstrators in the People's Republic of China (PRC) on 4 June 1989, democratization has become the most controversial issue in Hong Kong's political development. Democratization refers to the process of allowing citizens to exercise civil or political rights which they have never enjoyed before. It may be a long process with a transitional period of at least one generation.

Prior to 1982, the colonial administrators in Hong Kong refrained from democratizing the political system. Although the British Colonial Office supported electoral reform in the territory after World War II, the Governor Sir Mark Young felt that membership of the law-making body, the Legislative Council (Legco), should be confined to British subjects and that only British should be entitled to vote. Governor Young's successor, Sir Alexander Grantham, feared that democratization could provide an opportunity for the Chinese Communist Party to influence the politics of Hong Kong. It was not until the 1970s that the Governor Sir Murray LaLehose appointed some members at the grassroots level such as workers to the Legco.

Democratization of the colonial polity has taken place since 1982 when District Board elections were held. District Boards were advisory bodies with members elected by citizens and appointed by the government to discuss district affairs such as repairing roads and building traffic lights. The introduction of District Board elections can be regarded as a purposive adaptation to changing circumstances. In the late 1970s, a large number of citizens moved to reside in new towns, a demographic change that called for the government to meet the basic needs of the migrants and to allocate

resources effectively by decentralizing the administration. Moreover, the colonial authorities perceived an urgent need to strengthen their rule. The 1970s saw the rise of numerous interest groups formed by such middle-class intellectuals as social workers and students, who protested the government and who urged it to combat corruption. In order to curb protests and to minimize the influence of these interest groups, the government channelled citizen participation into such institutions as District Boards.

After the Sino-British agreement on Hong Kong was initialled in 1984, democratization is no longer an occasional phenomenon and becomes a British policy towards Hong Kong. Originally, the Hong Kong government in 1984 intended to introduce some Legco seats directly elected by citizens in 1988. Because of the opposition from China, the colonial policy-makers in 1987 abandoned such electoral reform. In fact, the colonial administrators, the local capitalists and PRC officials formed a triple alliance that opposed the introduction of direct elections to the Legco in 1988.

In the wake of the June 4 incident in China, British policy-makers decided to introduce a bill of human rights in Hong Kong and to increase the number of legislators elected directly through geographical constituencies in 1991. These decisions were due to Britain's desire to curb the anti-British sentiment in Hong Kong using democratization in exchange for the refusal to grant the right of abode in the United Kingdom to 3.25 million Hong Kong British subjects, and to respond to the domestic criticism from the Labour Party, the Social and Liberal Democratic Party and the media.

However, there are several

limits to democratization in Hong Kong. First and foremost, PRC officials, who have been alarmed by the activities of some Hongkongers to give financial support to mainland Chinese protestors in June 1989, use the Hong Kong Basic Law to limit the scope and decelerate the pace of electoral reform in the territory before and after 1997. After 1997, the power of China's National People's Congress will probably override that of the bill of rights in Hong Kong. Second, the disunity among Hongkongers is an obstacle to democratization. While some pro-Beijing capitalists and middle-class liberals are at loggerheads concerning the pace and scope of electoral reform, the middle class has also been split into pro-China and pro-democracy camps. Under these circumstances, PRC officials find it easy to prevent half of Legco members from being directly elected by citizens before 1997. Third, Britain is still reluctant to accelerate political reform in Hong Kong at the expense of jeopardizing the friendly Sino-British relations. Finally, as a large number of middle-class Hongkongers continue to emigrate, middle-class liberals who formed such new mini-political parties as the Democratic Association and the United Democratic Party will lack a strong foundation to influence the direction of electoral reform. The June 4 incident exacerbates the mutual distrust between China and the Hong Kong people, delegitimizes the Basic Law, and convinces many Hongkongers that it is necessary to adopt an insurance policy through emigration. The prospect of democratization in Hong Kong depends not only on China, but also on most Hong Kong people whose refugee or escapist mentality will inevitably weaken the democracy movement in the future Special Administrative Region.

Citizenship Bill Sparks Controversy In Britain

by Harriet Clompus
Leeds

In mid-April, the British parliament voted in favour of a controversial bill to grant full citizenship to up to 225,000 (50,000 key workers and their dependents) Hong Kong residents, despite rebellion in the governing Conservative Party's ranks. In reaction, the Chinese Foreign Ministry stressed that the British Government has no right to "settle unilaterally the nationality status of Chinese citizens of Hong Kong."

When the British government, under pressure from Hong Kong, proposed the bill in December 1989, the Foreign Minister, Mr. Douglas Hurd, stressed that the bill was to be an "insurance policy" giving right of abode to professionals. It was argued that it would stem the "brain drain" and ensure Hong Kong's smooth running and stability.

The 50,000 plus dependents was the maximum the government judged would be acceptable at home and the minimum they thought Hong Kong would accept. On his return from Hong Kong in mid-January, Mr. Hurd said "We have tried to strike a balance, which is disappointing to almost everyone in Hong Kong, but we believe it is a reasonable balance."

The government of mainland China called the proposal "a gross violation" of the Joint Declaration. On the 18th of January, Minister Lu Ping in Canton said consular protection would be withdrawn from the holders of such passports after 1997, and moreover that such people could only hold up to 15% of top civil service and governmental positions in Hong Kong. Gerald Kaufman, the shadow foreign minister asked Mr. Hurd in session, "Does this statement on behalf of the Chinese Government not mean that if the British plan is enacted, everyone awarded a

passport will inevitably come to Britain in 1997, thus making a nonsense of the government's claim that the purpose of the plan is to anchor people in Hong Kong?"

The bill has received vociferous criticism within the British government and the Tory party. A group of 30 or 40 right wing dissidents led by Norman Tebbit, former Conservative party Chairman, says the cabinet has been swayed by the Foreign Office and that Prime Minister Margaret Thatcher should be rescued from the error of her ways. Conservative MP Tony Marlow said "We have a multi-cultural, multi-racial society that no-one has debated or requested. Now the government has gaily decided to invite another quarter of a million in."

Some centre and left Tory dissidents argue that the bill is elitist and not likely to restore confidence, or unfair in light of the long queue of people from the Indian Subcontinent waiting to join relatives in Britain and who must go through the processes of the 1981 Nationality Act to be admitted. In late February a three strong Conservative MP delegation went to Mrs. Thatcher to tell her of a letter signed by over 80 Conservative MPs saying that they would not support the government in this Bill. Even more Tories had privately expressed their opposition to it. Many wanted the Nationality Bill of 1981, which provides for discretionary Entry Certificates without full citizenship, to apply to the Hong Kong citizens. All wanted the Bill to be debated clause by clause in the House of Commons rather than by Committee.

The Bill also faced opposition from the Labour Party. Gerald Kaufman, the shadow foreign secretary, described the plan as "elitist, unfair and impractical." On 21st of January it was reported in *The Guardian* that Labour had identified three

categories that it would welcome. These were 6,000 Indians who could become stateless after 1997, a similar number of British intelligence staff, and a few hundred war widows.

The Guardian noted that "Many MPs believe the Party has ducked the issue of larger, potentially unpopular classes of refugee."

Perhaps the last word on what Peter Jenkins, a columnist in *The Independent* has dubbed "The Prejudicial Numbers Game" should go to a British born Chinese who said in a *Guardian* article titled "Passport to the big money", "Britain has lost a big chance. All the Big Money that has been moving out of Hong Kong in the last few years has gone elsewhere. And even now, instead of encouraging it, the British government has been discouraging them and making them feel like beggars."

The British Nationality Bill

by Ho-yin Cheung
and Keung-sing Ho
Hong Kong

The details of The British Nationality (Hong Kong) Bill, published on Wednesday, 4th April 1990, were announced in Hong Kong by the Director of Administration, Mr. Donald Tsang Yam-kuen. This passport scheme was devised to relieve Hong Kong's confidence crisis and curb the "brain drain" by granting British Citizenship to 50,000 heads of families and their dependents in the run up to 1997. Mr. Tsang said the whole process was designed to ensure that all the applicants will be treated fairly.

The quota of 50,000 will be divided into four sections: General Allocation; Key Entrepreneurs; people in disciplined services such as the police force and prison guards; people in intelligence, all of

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Canada - Hong Kong Trade and Investment Overview

excerpts from "Hong Kong," External Affairs and International Trade, Government of Canada.

In 1989, Hong Kong was Canada's 12th (16th in 1987) largest market while Canada was Hong Kong's 6th largest customer. Two-way trade with Hong Kong increased slightly (2.5%) in 1989 to reach \$2.2 billion. Canada completed 1989 with a merchandise trade deficit with Hong Kong of \$111.8 million, 25% less than that registered for 1988. Canadian exports have increased from \$1004.3 million to \$1049.9 million (up by 4.5%), while Hong Kong domestic exports to Canada increased by 0.6% from \$1153.4 million to \$1160.7 million.

For 1989, exports of valued at precious metals and gold Maple Leaf coins (\$590 million) represented 56% of Canadian exports to Hong Kong and accounted for much of the increased trade. Other major items were special confidential transactions (\$106.3 million), paperboard (\$47 million), aluminum (\$44 million), and plastics and plastic articles (\$40 million).

Hong Kong is an important source of investment for Canada, with a significant potential for growth. In 1989, the total flow of investment from Hong Kong to foreign countries was estimated a \$12 billion. That Canadian share is estimated to represent 20 percent or \$2.4 billion. The value of the estimated outflow of capital from Hong Kong in 1990 is \$20 billion. Of this amount, one-half is considered portfolio investment.

Domestic Political Situation

The Tiananmen violence in China resulted in an accelerated loss of confidence by the residents of Hong Kong

regarding post-1997 arrangements when the Territory will become a Special Administrative Region of the PRC. Since then, the British Government has sought international support to promote confidence in the future of Hong Kong after 1997.

The framework of Hong Kong after 1997 has been determined by the Sino-British Joint Declaration, and by the Basic Law (BL), the constitution for the Territory which was promulgated by the National Peoples Congress in March 1990. The Basic Law grants considerable autonomy in economic trade, cultural and political affairs for 50 years after 1997 and outlines procedures for a system to govern the Territory.

While there is dissatisfaction with the final version of the BL which slows the democratization process in the Territory and limits the participation, in elected positions, of citizens with dual or foreign nationality, there is appreciation that the framework of post-1997 Hong Kong is now more clearly defined.

Bilateral Relations

Bilateral relations between Canada and Hong Kong are very good. Canada is perceived as a friend of the Territory and supportive of efforts to re-establish confidence in Hong Kong's future. This was reinforced by the Prime Minister's statements and actions at the 1989 Commonwealth Heads of Government Meeting and through the Secretary of State for External Affairs' meeting with representatives of the Hong Kong Executive and Legislative Councils at the CHOGM.

For the past three years, Hong Kong has been Canada's principle source of immigrants (approximately 19,950 in 1989). This trend is expected to continue. Canadian interest in

the Territory has also grown. Since 1985, the estimated population of Canadian citizens in Hong Kong has increased from 18,000 to over 35,000. The tens of thousands of Canadian citizens of Hong Kong origin who travel back and forth between Canada and the territory are building bridges between the two societies and contributing to the prosperity of both Canada and Hong Kong.

Canadian officials visited London, Hong Kong and Beijing in February to express concerns about the lack of confidence in Hong Kong's future as a cause of increased interest in emigrating. As a result of the frank and positive discussions, mutually a series of confidence building measures will be implemented.

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Housing

From page 9

years, and that an association is made between them and immigrants from Asia. The report analyses the anxieties, misconceptions and fears involved in the reaction to monster homes; its conclusion is that the fundamental problems are the weakness of Vancouver's planning system, and the reluctance of some people to accept change. Its most important indirect revelation is that solid data is very hard to come by, and that in a situation marked by heightened sensitivity on one side (opposed to "neighbourhood change") and insensitivity on the other (builders of monster homes) the solutions will lie in attempts at mutual understanding and reconciliation.

*this report uses statistics from the BC Ministry of Finance and Corporate Relations which differ slightly from those of the Department of Employment and Immigration used by the first report.

Hong Kong Trade

January-December
thousands of Canadian Dollars

Imports

HS	Description	1988		1989		% change
62	Clothing, not knitted	203	655	228	106	+12.0%
61	Clothing, knitted	208	628	223	005	+6.9%
85	Electrical Equipment	175	277	171	533	-2.1%
84	Mechanical Equipment	83	100	82	288	-1.0%
91	Clocks, watches and parts	57	414	55	969	-2.5%
95	Toys, games, sports equipment	70	061	44	708	-36.2%
71	Pearls, precious stones, metals	30	815	36	997	+20.1%
52	Cotton	33	208	33	806	+1.8%
90	Optical precision equipment	28	511	28	574	+0.9%
39	Plastics and plastic goods	29	673	27	488	-7.5%
	All categories (HS 1-99)	1 153	400	1 160	725	+0.6%

Exports

HS	Description	1988		1989		% change
71	Pearls, precious stones, metals	432	711	590	002	+36.4%
99	Spcl, confidential transactions	137	754	106	331	-22.8%
85	Electrical Equipment	40	876	50	081	+22.5%
48	Paper and Paperboard	44	720	46	958	+4.7%
76	Aluminum and aluminum products	44	961	43	958	-2.2%
39	Plastics and plastic articles	46	044	39	926	-19.8%
84	Mechanical Equipment	29	217	22	280	-23.7%
12	Oil Seeds	20	324	15	835	-22.1%
55	Man-made staple fibres	7	828	13	556	+73.2%
47	Wood Pulp	38	644	13	401	-65.3%
	All categories (HS 1-99)	1004	300	1 049	927	+4.5%
	Two Way Trade	2157.700		2210.652		+2.5%
	Bilateral Balance	-149.1		-111.8		-25.0%

Nationality

From page 12

whom are in especially sensitive positions. About 13% of the quota will be granted later to those who hold important positions and those who failed in the first attempt.

The General Allocation section will account for 36,200; approximately 72% of a total 500 (i.e. 1%) will be allocated to the important entrepreneurs; 7,000 (i.e. 14%) to the Disciplined Service group; and 6,300 (approximately 13%) to the Sensitive Service group. Only the British (Hong Kong) Passport holders and those who have naturalised before the legislation is enacted (predicted for late summer), will be eligible to apply.

In the point scoring system, the highest score is 800. There are seven factors to be considered in the system: age, experience, education and training, special circumstances, proficiency in English, British links and public/community service. Age is considered the most important factor and 200 points will be given to applicants between 30 and 40 years old. Fewer points will be awarded to applicants younger than 30 or over 40. A maximum of 150 points (or 50 points each) will be allocated for working experience, education and training.

Under the General Allocation section, sub quotas are planned for job allocations including business and management 19,703; accountants 1,615; engineers 3,230; information service 1,938; medical and science 2,584; legal service 323; and education 2,907.

The director of immigration will be responsible for codifying applications and a steering committee chaired by the Chief Secretary, Sir David Ford, will recommend applicants with the highest scores to the Governor who will make the final decision on the granting of applications.

HONG KONG-CHINA TRADE AND COMMERCE

by Philip Calvert
Seattle

Attention in this quarter focused on the economic implications of the Basic Law and decisions about the structure of the Hong Kong government after 1997: the expansion of China's presence in Hong Kong's economic infrastructure; attempts in Beijing to deal with foreign investment in China; policy statements from Beijing on the Special Economic Zones (SEZs) which have implications for Hong Kong both as a future Special Administrative Region (SAR) of China and a strong presence in other SEZs.

In the first three months of 1990, through its state-run corporations, China increased its presence in Hong Kong's airline and telecommunications sectors. In January, China International Trust and Investment Corporation (CITIC), which already holds 12.5 percent of shares in Cathay Pacific, announced that it would purchase Hong Kong's Dragonair. In late February, in a deal financed with loans from 19 international banks, CITIC announced the purchase of 20 percent of the shares of Hong Kong Telecom. It was rumoured that there would also be a similar expansion into the power sector. While speculation abounded that CITIC was about to purchase an interest in China Light and Power (a player in the Daya Bay nuclear project), the territory, which relies on Guangdong for much of its water supply, signed a long-term agreement with the Guangdong provincial government.

Some observers expressed apprehension about this growth of China's presence in some key infrastructure sectors in Hong Kong and raised concerns about the outflow of capital for the loan supporting CITIC in the Hong Kong Telecom deal --

capital which could be better used in direct investment in Hong Kong's air and port facilities, they argued. In a meeting with Hong Kong governor David Wilson, Chinese Premier Li Peng stated that projects in the latter sectors already initiated by Hong Kong should not expect Beijing's help after 1997 and should not be funded by the Land Fund set up for the government of the Hong Kong SAR after 1997. // 2/8/91

At the same time, Beijing has been sending some mixed messages regarding Hong Kong investment in China. While the Bank of China reaffirmed its interest in easing access to loans for foreign-funded enterprises, particularly those in energy or export industries, and the State Planning Commission announced that it would further encourage the growth of export industries (particularly textiles and light industry), it was also reported that China was about to put firm controls on foreign-funded, low-technology export industries such as the Hong Kong financed textile industries which have sprung up in the SEA's. Other reports indicated that foreign investors faced increased bureaucratic obstructionism with the new, more centralised economic policies. It appears, too, that Jiang Zemin, General Secretary of the Chinese Communist Party, is directing more central government capital toward projects in Shanghai (his power base) at the expense of Guangdong which had benefited from its ties with Jiang's predecessor Zhao Ziyang, and which, because of its proximity, has been the target of the bulk of Hong Kong trade and investment.

Trade with Hong Kong was the subject of several statements in China, including the unrealistic proposal that a strategy be developed in which each of

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TRADE AND COMMERCE

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China's coastal regions target a particular regional export market, with the Guangdong area being focused on Hong Kong and Southeast Asia. Year end reports showed a 12 percent increase in Hong Kong exports to China and a 25 percent increase in re-exports in 1989, coupled with a decline in Hong Kong's proportion of the total foreign investment in

Guangdong. Hong Kong exporters, however, may feel threatened by the attempts by the Mayor of Shenzhen, an SEZ, to have Beijing lift the customs wall with Hong Kong and allow for exports to the rest of the country through Shenzhen. This was raised at a February conference on SEZs at which Li Peng called for increased use of market forces in these regions, while at the same time admonishing them to maintain a politically correct attitude toward

"bourgeois liberalisation". Official Chinese interpretations of this indicated that Beijing would continue to support the more liberal policies of the SEZs. In light of the several indications from Beijing that the prosperity of Hong Kong -- both before and after 1997 -- is essential to China, Beijing's treatment of these regions no doubt is being closely monitored by the residents of China's future Special Administrative Region.

NEW BOOKS

The Basic Law of the Special Administrative Region of the People's Republic of China,

by the Consultative Committee for the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China,
April, 1990.

China Tide
by Margaret Cannon
Harper & Collins, 1989

*City on the Rocks:
Hong Kong's Uncertain Future*
by Kevin Rafferty
Douglas & McIntyre, 1989

The Ethos of the Hong Kong Chinese
by Lau Siu-kai & Kuan Hsian-chi
The Chinese University Press, 1988

Hong Kong Countdown
by George Hicks
Writer's & Publisher's Cooperative

Hong Kong Epilogue to an Empire
by Jan Morris
Viking-Penguin, 1988

The Hong Kong Money
by Tom Fennell & John Demont
Key Porter 1990

Hong Kong Voices
edited by Gerd Balke
Longman

Kowtow!
by William Shawcross
Chatto Counterblasts

Mouldering Pearl
by Felix Patrikeef
George Philip Ltd., 1989

The Other Hong Kong Report
by Bernard Luk
The Chinese University Press, 1989

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CANADA AND HONG KONG UPDATE

FALL 1990

Hong Kong Governor Received as Head of State by Canada

by Diana Lary
Toronto

During his three day visit to Ottawa and Toronto at the end of May, Sir David Wilson was received as a head of state, though, as governor of the one of the last remaining colonies, he might have been received at a lower level. This was the first official visit by a Hong Kong governor to Canada. Lady Wilson did not accompany her husband because of the sudden and sad death of her father. Sir David's visit to Vancouver International Airport scheduled for May 25th was cancelled to enable him to attend the funeral.

On the day of his arrival, Sir David met with the Prime Minister Brian Mulroney, Mr. Marchand, Under Secretary of State for External Affairs, members of the Standing Committee

on External Affairs and International Trade and the Right Honourable Joe Clark, Secretary of State for External Affairs. At a dinner the same evening given by Clark, the stress was on the length and warmth of the relationship between Hong Kong and Canada. There were a number of Canadian Hong Kong veterans at the dinner, and both Clark and Wilson made prominent mention of Canada's help in defending Hong Kong during the 1941 Japanese invasion, in which many Canadians lost their lives.

Canada's warm and serious reception of the Governor gave the message that all Hong Kong issues are taken seriously, and Canada is willing to assist, where possible, in their successful resolution. There were no formal promises of specific action to deal with issues over which Canada might help, such as Vietnamese refugees, granting of delayed visas to Hong Kong citizens planning to move



to Canada, or the encouragement of return migration after immigrants have acquired Canadian citizenship. But, there was a sense that Canada is one of the few countries to show understanding for Hong Kong's difficult situation.

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Crisis in the Gulf Temporary Dual Citizenship?

by Diana Lary
Toronto

A strange twist has been added to the vexed issue of nationality and dual nationality for people with Hong Kong passports by the crisis in the Gulf. The issue is being followed closely in Canada because in future it may affect many Canadian citizens. On August 13th, Albert Lam, who holds a Hong Kong (British Dependent Territories Citizen [BDTC]) passport, arrived in

Jordan from Iraq, travelling on a document issued by the Chinese Embassy in Kuwait which stated that he was a Chinese national. Mr. Lam made his request after it became clear that, as a British national, he would not be allowed to leave Iraq. A number of other Hong Kong people subsequently took the same path to leave Iraq and Kuwait.

On August 15th, Zhou Nan, China's chief representative in Hong Kong, made a public statement that China would offer assistance to any Hong Kong people, or "Chinese compatriots," who were stranded in the

GULF CRISIS - next page

Up to Date

NEWS IN BRIEF

"The *Bauhinia blakeana* (Hong Kong Orchid Tree) was discovered in 1908 at Pok Fu Lam and was named after former governor Sir Henry Blake. It is among the finest of the *Bauhinia* genus anywhere in the world and has been adopted as Hong Kong's floral emblem. It is widely planted - being propagated by cuttings since, like most hybrids, its seeds are usually sterile." (*Hong Kong: The Facts - Flora and Fauna*, p.1.)

Emigration - The official emigration forecast for 1990 is 55 thousand, compared with an estimate of 42 thousand for 1989. The government predicts that 426 thousand [see new figure p. 5] will leave Hong Kong during 1989-96 for emigration and overseas studies. It plans to set up employment services overseas to entice former Hong Kong residents to return to work. (*Hong Kong Economic Profile*, 70, 15.8.90, p.2.)

Commemoration of Tiananmen - more than 100 thousand people took part in demonstrations in Hong Kong on June 3rd and June 4th to mark the first anniversary of the Peking Massacre.

Lawyers - almost 80 percent of Hong Kong lawyers plan to leave before 1997, according to a survey conducted by the Hong Kong Bar Association. (*Far Eastern Economic Review* 24.5.90.)

Gulf Crisis

From page one

Gulf. He referred to the section of the Joint Declaration which stipulates that all people with Hong Kong passports are to be considered Chinese nationals after 1997. This declaration would only make sense if Mr. Lam and others rescued from Kuwait and Iraq had to surrender their Hong Kong passports, which apparently they did not. Thus Mr. Zhou's overt insistence

From page one

Rt. Hon. Joe Clark's Address

Governor, Ladies and Gentlemen,

It is a great honour and a distinct pleasure for me to be able to welcome you to Ottawa. Yours is an historic visit, the first by a Governor of Hong Kong to Canada. Your visit provides an opportunity to celebrate the strong ties between Canada and Hong Kong, ties of history, of trade, of family, and of trust.

We are not strangers. The links between Canada and Hong Kong stretch back over the centuries to the days of the British Empire, the days of sailing ships, a period when thousands of Southern Chinese arrived in British Columbia and contributed so much to the building of our young nation.

The complex history of ties between Hong Kong and Canada also extends to earlier, sad days of conflict. In 1941, Canadian troops were called upon to defend Hong Kong. 550 Canadian soldiers died during that conflict. They are not forgotten; every December their sacrifice is commemorated at Sai Wan cemetery.

Hong Kong owes its origins to its role as an entrepot post in the China trade, a role which the territory continues to fulfil with brilliance. It is out of this role that a strong trading relationship across the Pacific developed with Canada. That trading relationship continues and grows to this day. Two-way trade stands at over \$2.2 billion, and Hong Kong investment in Canada was \$2.4 billion in 1989 alone.

on single (Chinese) nationality is contradicted by the de facto recognition of dual nationality. This issue will undoubtedly continue to generate intense interest.

The Chinese Embassy in Kuwait also assisted Taiwanese staff members of the BES Engineering Corp to leave Kuwait for Jordan by issuing them with PRC passports.

n.b. In Canada the term citizenship is used, in the United Kingdom and Hong Kong the normal term is nationality.

But our relationship goes well beyond the ties of trade and investment. An important bridge between us has been the flow of people. From modest 19th century beginnings, emigration to Canada has expanded dramatically. One in seven new immigrants to Canada now comes from Hong Kong. Hong Kong is our largest single source of new citizens. Hundreds of thousands of Canadians of Hong Kong origin are contributing their tremendous talents and hard work in almost every field of human endeavour.

These new Canadians are helping to build a modern and dynamic and multicultural Canada. We are proud of their contribution. That contribution not only enriches Canadian society; it is also a business asset, an invaluable resource for Canada as we seek to compete successfully and develop new markets in the Pacific.

The flow of people has not been just one way. The Canadian population in Hong Kong now exceeds 30,000. That is the largest Canadian community in Asia. In addition, some 70,000 Hong Kong graduates of Canadian universities live and work in Hong Kong, enhancing the strong personal links between our two societies.

Both of us depend heavily on trade for our prosperity and security. The people of Hong Kong are the singular traders of Asia and your city remains the best entree to the Asia market. Canada and Hong Kong share a common commitment to open markets and free trade around the world. And in the Pacific region, we share an interest in promoting prosperity through more liberal trade in goods and services.

Our shared interest in freer trade was demonstrated by the fact that the Hong Kong business community was among the first to recognize that the Canada-US Free Trade Agreement would have a positive impact on Canadian trade with all our partners. The Free Trade Agreement will continue to act as a catalyst for the Canada/Hong Kong economic partnership.

CLARK'S ADDRESS - page 3

CANADA AND HONG KONG UPDATE

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In The Next Issue....

1990 Immigration Statistics

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Hong Kong and Japan

This publication is free. Please call or write to us for past or future issues.

operation in the fight against the international drug trade.

Your Excellency, the growth of Hong Kong from a quiet harbor on the South China Sea to a dynamic and creative center for global finance, trade and industry has been an extraordinary triumph of human will and ingenuity. It is also testimony to the values of human freedom and the rule of law.

Canada has an abiding interest in the shape of post-1997 Hong Kong. The undertakings between Great Britain and China, reflected in the Basic Law, provide a framework for the future. But that future will only be bright if these undertakings are observed in their spirit as well as their letter.

There is no doubt that confidence in Hong Kong was shaken by the tragic events in the Chinese capital in June, 1989. You have already taken many positive steps to face this challenge. Canada strongly supports these steps - your bold infrastructure projects, your accelerated pace of democratization and your Bill of Rights.

As you face the future, you can be assured of our steadfast support. Canada stands ready to help. Let me provide some examples.

- We are exploring with Britain and China the establishment of a wide network of bilateral agreements between Hong Kong and Canada. This network would preserve the informal ties which have developed between Canada and Hong Kong. We believe this would be fully consistent with the Sino-British Joint Declaration. The purpose of that network will be to make it clear that the unique role of Hong Kong will not change in 1997. It is our goal to ensure that at the turn of the century the opportunities for cooperation between Canada and Hong Kong are the same then as they are now.

- In 1988, we signed our first bilateral agreement with Hong Kong and there is now direct air service between Canada and Hong Kong.

- In April of this year, we initialled a bilateral mutual legal assistance treaty. That agreement, the first ever entered into by Hong Kong, will promote co-

- As Hong Kong drafted its Bill of Rights, we seconded a senior justice of the Federal Court to Hong Kong to assist in drafting that important document. Judge Strayer's contribution is a demonstration of our commitment to providing expertise as Hong Kong builds its own durable and democratic institutions.

- We have initiated discussions designed to put in place an exchange program of officials between our two governments. This would enable young leaders to gain familiarity with the Canadian approach to the regulation of financial institutions, broadcasting, and transport.

- Canada and Hong Kong have entered into discussions of a film co-production agreement.

- And after the conclusion of the multilateral trade negotiations, we will explore a financial market access agreement whereby the existing environment governing financial institutions in Hong Kong is preserved.

- Finally, Canada believes strongly that Hong Kong should participate in the emerging web of regional institutions. This includes Asia-Pacific Economic Co-operation and the Pacific Economic Conference. We also strongly support Hong Kong's participation in other international agencies, including the GATT and OECD.

Your Excellency, Canada's commitment to, and our faith in, the future of Hong Kong is unwavering. We have made this clear to both the British and Chinese governments. We are prepared to do our part to ensure that Hong Kong's future remains bright and that the relationship between us continues to be strong and to grow.

Your Excellency, if you take back one message to the people of Hong Kong, let it be a clear and simple one: that Canada is committed to your success, and that we will stand by you faithfully in the critical years which lie ahead.

Governor Wilson's Reply

Thank you very much for your kind words. You have given us a truly magnificent welcome to Canada.

I believe I am the first serving Governor of Hong Kong to visit this fine capital city. It is therefore right that I should, on behalf of the people of Hong Kong, express our thanks for everything that Canada and Canadians have done for our community over many years. Many years it is. In this context, I would like to pay particular tribute to the gallantry of the men of the Royal Rifles and Winnipeg Grenadiers who came to join in the defence of Hong Kong in 1941 with such conspicuous bravery. Their sacrifice is not, and will not be, forgotten.

In more recent times, and happier circumstances, Canada has continued to make a major contribution to Hong Kong's welfare and prosperity. The Canadian business community in Hong

Kong, now at least 11,500 strong, is flourishing and continues to expand. Trade between us is booming. We are developing close links in co-operation against drug trafficking. We have reached a new agreement on air services between Hong Kong and Canada, which provides for increased air links on both sides. And, as you know, we hope to open a new economic and trade office in Toronto before too long.

Standing in this magnificent building, a wider theme occurs to me. That is the mingling of civilisations and traditions. In this respect Hong Kong and Canada have much in common. We are both multi-cultural societies. We share the advantages of creativity and vitality this brings. We share a high regard for human rights and values. We both enjoy vigorous free market economies. We are both international in our outlook. We are both major trading societies on the

Pacific Rim, an area of enormous economic opportunity now and in the decades ahead.

Perhaps all these shared experiences explain why we in Hong Kong feel that Canada understands us, and our special circumstances, so well. We have developed a close relationship cemented by trade, by investment, by education, and by personal ties. We are most grateful for the positive and active support which your government has offered to Hong Kong. You have a major economic and cultural stake in Hong Kong and its future prosperity, and we hope that you will continue to take good care of, and a close interest in, the investment your community has made. It is reassuring to know that, whatever the future may hold, we have a good friend across the Pacific. I hope and believe you will find Hong Kong has much to offer in return and that this Pacific partnership will endure.

Destinations for Hong Kong People

by Ho-yin Cheung
Hong Kong

The migration climate in Hong Kong has drawn international attention. The promulgation of the British Nationality (HK) Bill, which will grant 50 thousand heads of families and their dependents British citizenship has stirred up controversy in Hong Kong and overseas. Provisions similar to those in the British Nationality Bill have been made by many countries.

It is widely criticized for its stipulations in favour of businessmen and professionals. Under the package, professionals will earn points for the number of years experience they possess in their fields. Years of experience for people in business will be linked directly to their salaries, with the most points awarded to those with the highest earnings. It seems likely that high income earners and those between 30 and 40 years of age with experience in their field will have the best chance of obtaining British passports. In the territory, such mechanisms are seen as prejudicial to the general populace and have aroused

a pervasive sense of dissatisfaction with the package.

The West German Government has promised right of abode to managerial staff and their families working for the 34 German companies in Hong Kong. However, the stringent requirements mean it is likely that only a small number will be granted residency rights. It is alleged that France, Belgium and Luxembourg have announced similar arrangements without specifying the number of people who might benefit.

The American Chamber of Commerce has sent a delegation to Washington to lobby for more immigration visas for Hong Kong people. AmCham wants the number of visas to be increased from 5 thousand to 20 thousand annually and more visas to be allocated to employment and professional categories. The legislation is before a recently approved congressional committee in the U.S.

A record 12 thousand people have applied for visas to emigrate with the Australian consulate in Hong Kong. (The actual number of people covered

in the application would be about 24 thousand.) But immigration to Australia will be cut by 10 percent in the coming year to make room for about 20 thousand mainland Chinese students. The consulate expects that about 13 thousand immigrant visas will be issued to Hong Kong applicants.

Singapore has adopted a rather different migration policy toward Hong Kong people. Hong Kong's skilled, clerical workers, blue-collar technicians and craftspeople are on its list of favoured migrants. Out of the migration quota of 25 thousand Hong Kong people, 13 thousand are allocated in the above mentioned categories. The actual relocation of people from Hong Kong to Singapore is so far about 400.

There are estimates that as many as one fifth of emigrants are being lured back by money, friends and the quality of life in Hong Kong. Residency rights in a foreign country appear to be a necessary insurance policy for Hong Kong people.

Barbara McDougall Visits H.K.

by Diana Lary
Toronto

Canada's Minister of Employment and Immigration, Barbara McDougall, visited Hong Kong in early September to familiarise herself with the emigration situation there and to meet officials of the H.K. Government and the Canadian Commission. Her visit coincided with that of the Australian Minister of Immigration, Gerry Hand. The ministers met the governor together on September 3rd. Neither spoke of the content of the meeting, though there were reports they had been urged not to try to entice "the cream of Hong Kong" away.

In a speech, McDougall said that while the current slow down in processing applications and issuing visas had to do with the fact that the global figure of immigrants to Canada for 1990 had been reached, and did not relate specifically to Hong Kong, she also indicated that there would be no special "insurance scheme" (preferential visa treatment). "A basic requirement for all immigrants is that they share a commitment to Canada and to Canada's future. That is why we cannot, and will not, allow our immigration programs to be used simply as a kind of 'insurance policy'.

"There has been speculation in the media recently that we are cutting back on immigration, specifically from Hong Kong. I cannot stress too strongly that this speculation is false.

"Because the number of immigrants coming to Canada has been much higher than expected this year, we have been forced to temporarily slow down visa issuance. But this temporary slow down is not a cut back, and it is definitely not aimed at Hong Kong. It applies universally to all countries, and it is intended to give our service and support agencies time to adjust to increased demands," said McDougall.

During the visit, the H.K. government estimate of the number of people who will leave Hong Kong in 1990 was published. At 62 thousand, it is nearly 50 percent above the figure for 1989. Government spokesman Mike Rowse said it consists largely of professionals between 25 and 40, people the government considers most essential to maintain stability in Hong Kong before and after 1997.

British Nationality Proposals

In late July, during the week that royal assent was given to the British Nationality (HK) Bill, which will grant British nationality to 50 thousand heads of families and their dependents, the junior Foreign Office Minister, Francis Maude, visited Peking, to try to mollify Chinese antipathy to the scheme. On July 25th, Maude had a public meeting with the Chinese premier, Li Peng, the man considered chiefly responsible for the Peking Massacre last year. Maude's visit was a publicity coup for Mr. Li, who has had few senior visitors this year, but was criticised in England as 'kowtowing' to Peking. The visit did not succeed in muting Chinese opposition to the British nationality scheme; the day after Maude left Peking, the Chinese Ministry of Foreign Affairs put out a statement which sternly reiterated Peking's rejection of it.

Maude's visit coincided with the trial in Hong Kong of five members of the recently established United Democrats of Hong Kong, who were charged with the illegal use of loud hailer during protests in February against the Basic Law. They were convicted on July 27th. The trial was

seen in Hong Kong as an effort on the part of the Hong Kong government to reassure Peking that Hong Kong would not be used as a base of "subversive" activities. It was not immediately clear whether the pettiness of the charges, launched under an antiquated, little used statute, was a demonstration that any act of defiance to China would be punished, or whether it was meant in a subtle way to ridicule Chinese fears of subversion.

In the same week that Maude visited Peking, there was a rush in Hong Kong to apply for registration as British Dependent Territories citizens. Thousands of people tried to register before the deadline of July 27th; registration is a minimum qualification for application for British nationality. The process of selecting the 50 thousand heads of household will begin in December, 1990. One and a half million application forms will be distributed in November. The first passports will be issued at Easter, 1991. There is some concern that if the Chinese government continues to refuse recognition of these passports while the holders remain in Peking, the desired effect of the scheme of allowing people to remain in Hong Kong will be reversed, and passport holders will instead be forced to use them to leave Hong Kong.

Xu Jiatun Leaves Hong Kong

by Diana Lary
Toronto

Many observers of the Hong Kong scene were startled to hear in May that Xu Jiatun, former director of the New China News Agency in Hong Kong, and de facto Chinese chief there, had left for California on an extended vacation. Xu has been a member of the Chinese Communist Party for 54 years, and at the time of his departure was still a member of its Central Committee. Xu retired from his position in February under a cloud because of his loss of control over previously pro-Communist elements in Hong Kong in May and June, 1989. On his departure he was publicly humiliated by his successor, Zhou Nan, who made a point of not thanking Xu for his many years of work in Hong Kong. Xu had done a good job on behalf of China, and had gained a measure of popularity in Hong Kong; his apparent understanding of capitalism - he

described the modern capitalist system as "a great invention of human civilisation" - was both surprising and reassuring to many Hong Kong people. The fact that his departure was transformed into a dismissal conveyed another clear message that "niceness" in terms of China's treatment of Hong Kong was no longer in the cards. Xu was ordered to return to his home in Nanjing for his retirement; only his wife went - he and other members of his family went off to the States.

Both the United States and the Chinese governments were careful not to refer to his move as a defection, though a three year tourist visas is unprecedented. Whether a defection or not, Xu is the most senior person to leave China since Lin Biao's attempt to fly out of China in 1973, an attempt which ended in his death when his plane was shot down. Xu's departure had a disturbing effect in Hong Kong, where the disillusionment of a top Chinese official gave no cause for encouragement about China's attitude towards Hong Kong.

Demographic Characteristics of Hong Kong Immigrants

by Diana Lary
Toronto

In any migration, the characteristics of the migrants are determined in part by the nature of the applicants, and in part by the immigration policies of the host country. The pressure to leave Hong Kong before 1997 is an extra factor of major significance in the determination of who is emigrating and who is staying in the territory. Under different circumstances, many of the people now migrating would seem too well established to want to move. The demographic statistics from Employment and Immigration Canada cited below, give us some indication of what types of Hong Kong people are now immigrating to Canada. The figures are for immigrants whose country of last permanent residence (CLPR) was Hong Kong and who landed in Canada in 1988 and 1989; they do not yet include people who applied to emigrate in 1989, when the number of applications went up dramatically (see last *Update*).

In looking at statistics for only two years, it is not easy to make worthwhile comparisons. These figures should be taken as an indication of the overall composition of the group, rather than as signs of significant changes from one year to the next.

Principal immigrants (those who made the successful applications) accounted for somewhat under half the total number of immigrants in each year. This is consistent with the global proportion of principal to spouse and dependents of 1:1.2.

	1988	%	1989	%
Principal	10353	(44.47)	8407	(42.33)
Spouse	5400	(23.19)	4359	(21.95)
Dependents	7528	(32.34)	7083	(35.66)
Total	23281		19861	

Sex

Females slightly outnumbered males by 52 percent to 48 percent in both 1988 and 1989. The percentage of female principal immigrants is unusually high - 41 percent in 1988, and 43 percent in 1989. Quite a large number of female principal immigrants sponsored their husbands: in 1988, 10.23 percent of all male immigrants were sponsored spouses; in 1989, 10.08 percent. Wives made up 35.09 percent of all female immigrants in 1988; 32.59 percent in 1989. This pattern is in part a reflection of employment demand; some of the categories in which there was high demand are ones dominated by women - viz. secretaries.

	Male	Female
1988		
Principal	6059	4294
Spouse	1140	4260
Dependent	3943	3585
Not stated		
Total	11142	12139

1989		
Principal	4782	3625
Spouse	948	3411
Dependent	3661	3422
Not stated	5	7
Total	9396	10465

Marital status

Approximately half of all immigrants in both 1988 and 1989 were married: in 1988, 50 percent were married, 46.8 percent single; in 1989, 48.6 percent were married, 48.3 percent single. While these statistics do not indicate whether spouses came to this country together, they do suggest, when dependent children are taken into account, an immigrant group heavily concentrated in families.

	1988	1989
Single	10914	9603
Married	11645	9656
Widowed	503	437
Divorced	168	118
Separated	51	47
Total	23281	19861

Ages

The current migration is concentrated in the most productive years: 50 percent of the immigrants in 1989 were between 25 and 44; in 1989, 48 percent. People over 45 accounted only for 15.65 percent in 1988; 17.25 percent in 1989. This is a standard age distribution for any immigrant group, and indicates that the pressure to leave Hong Kong has not greatly distorted normal patterns of migrant behaviour.

	0-14	15-24	25-44	45-64	65+
1988	5126	2825	11686	2911	733
1989	4132	2769	9532	2723	705

Language abilities

Over half the Hong Kong immigrants who landed in 1988 and 1989 spoke English; for principal immigrants the percentages were even higher (77.12 percent in 1988; 70.82 percent in 1989). There was a decline in the proportion of English speakers from 1988 to 1989. The number of French speakers, both people who spoke French only, and people who were bilingual, did not reach 1 percent of the total in either year. The number of people who speak only their mother tongue (predominantly Cantonese) was high, and rose proportionately between 1988 and 1989. This rise can be attributed to the rise in the proportion of people coming in under the family class, from 13.7 percent in 1988 to 22.9 percent in 1989 (see last *Update*, p.2).

	English	French	Bilingual	Mother tongue	Total
1988					
Principal	7984	49	66	2254	10353
Spouse	3374	6	18	2202	5400
Dependent	1718	1	7	5802	7528
Total	13076	56	91	10058	23281
%	(56.17)	(0.24)	(0.39)	(43.20)	
1989					
Principal	5954	21	57	2375	8407
Spouse	2366	3	11	1979	4359
Dependent	1905	2	7	5169	7083
Not stated	8	0	0	4	12
Total	10233	26	75	9527	19681
%	(51.52)	(0.13)	(0.38)	(47.97)	

Educational levels

As a rule, Hong Kong people put great stress on education, though opportunities for university education have been limited by the fact that until now there have only been two small universities. The number of immigrants with one or more university degrees is not striking, (3597 or 15.05 percent in 1988; 2340 or 11.79 percent in 1989), but if principal immigrants are taken separately, then the figures for university graduates are 2869 (27.71 percent) in 1988, 1681 (20 percent) in 1989. The number of people with trade certificates, non-university post-secondary training or university diplomas is quite substantial: 5959 or 25.60 percent in 1988; 4807 or 24.22 percent in 1989. The number of principal immigrants with such training was 3980 or 38.44 percent in 1988; 3116 or 37.10 percent in 1989. At the bottom end, in 1988, 3503 (33.83 percent) principal immigrants had secondary school education or less, as did 3119 (57.75 percent) spouses and 7101 (94.32 percent) dependents (the great majority of dependents would be infants or children still in school). In 1989, the figures for secondary school education or less were: principal immigrants, 3603 (42.85 percent), spouses, 2803 (64.3 percent) and dependents 6292 (88.83 percent).

	1988	%	1989	%
None	2660	(11.43)	2031	(10.23)
Secondary or less	11063	(47.52)	10672	(53.76)
Trade certificate	3282	(14.10)	2527	(12.73)
Non-university	1974	(8.48)	1458	(7.35)
Univ. non-degree	703	(3.02)	822	(4.14)
B.A.	2665	(11.45)	1740	(8.77)
Post-graduate	192	(0.82)	123	(0.62)
Master	702	(3.02)	445	(2.24)
Ph.D.	38	(0.16)	32	(0.16)
Not known	2			
Total	23281		19861	

Principal immigrants: education levels

	1988	%	1989	%
None	384	(3.71)	272	(3.24)
Secondary or less	3119	(30.13)	3331	(39.65)
Trade certificate	2255	(21.78)	1728	(20.57)
Non-university	1354	(13.08)	986	(11.74)
Univ. non-degree	371	(3.58)	402	(4.79)
B.A.	2137	(20.64)	1231	(14.65)
Post-grad	127	(1.23)	89	(1.06)
Master	579	(5.59)	338	(4.02)
Ph.D.	26	(0.25)	23	(0.27)
Not known	1		7	
Total	10353		8407	

Spouses: education levels

	1988	%	1989	%
None	203	(3.76)	156	(3.58)
Secondary or less	2916	(54.00)	2647	(60.72)
Trade certificate	921	(17.06)	639	(14.66)
Non-university	576	(10.67)	376	(8.62)
Univ. non-degree	70	(1.30)	81	(1.86)
B.A.	522	(9.67)	347	(7.96)
Post-grad	58	(1.07)	27	(0.62)
Master	122	(2.26)	78	(1.79)
Ph.D.	12	(0.22)	8	(0.18)
Not known	0		0	
Total	5400		4359	

Dependents: educational levels

	1988	%	1989	%
None	2073	(27.54)	1600	(22.60)
Secondary or less	5028	(66.80)	4692	(66.28)
Trade certificate	106	(1.41)	160	(2.26)
Non-university	44	(0.58)	95	(1.34)
Univ. no degree	262	(3.48)	335	(4.73)
B.A.	6	(0.08)	160	(2.26)
Post-grad	7	(0.09)	7	(0.10)
Master	1	(0.01)	29	(0.41)
Ph.D.	0		1	(0.01)
Not known	1	(0.01)	4	(0.04)
Total	7528		7083	

Occupation

Listed here are the occupations people hope to take up on arrival in Canada. To some extent they reflect occupational demand (viz. secretarial). Independent immigrants applying in categories of high demand get more points than do people applying in areas of low demand. There were some changes in the occupational composition of the immigrant group from 1988 to 1989. The percentage of entrepreneurs rose from 4.67 percent in 1988 to 6.48 percent in 1989, while the managerial and administrative category declined from 12.35 percent to 8.61 percent. New workers rose from 4.35 percent to 10.12 percent; this category is made up largely of people coming into Canada as dependents in the family class or as refugees. These figures do not differentiate between principal immigrants and their spouses or dependents; it can be assumed that the vast majority of those listed as 'other workers' are children.

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We would like to thank Meyer Burstein, Director, Strategic Planning and Research, Employment and Immigration Canada, for his help in making these statistics available to us.

"Place" and "Face": One Immigrant's Experience

by Wendy Tang
Toronto

Many recent immigrants from Hong Kong are accomplished professionals and entrepreneurs. Yet too much attention has been focused on their economic power. Despite their previous achievements, these people still face the challenge of re-establishing their former social status in this country. As Max Weber once pointed out, mere economic power is by no means the sole basis of social honor. New immigrants, with few exceptions, experience downward social mobility. My own experience, and that of many others I know, seems to bear this out.

An immigrant who has an academic or professional degree from a North American university should be able to secure a position comparable to his former occupational attainments. It is very difficult, if not impossible, for those immigrants who are "self-made" individuals to do the same. Experience is all they have, but it is not Canadian experience.

In 1985, armed with fifteen years of experience at an executive level, I had to start from the very beginning at York University as a clerk/typist/receptionist to gain "Canadian" experience. It was only after many good supervisory reports on my first few assignments that I was approached with an offer of a permanent and better position. Of course, I did have another option at the time: working in Canada for a Chinese employer at a lower salary but with higher status.

In addition to demotion in occupational status, the new immigrant experiences self-perceived demotion which is attributable to the structure of Canadian society. Hong Kong is a highly stratified society with a good supply of cheap labour. Consequently, the small middle class, to which the great majority of immigrants from Hong Kong belong, enjoys many services and comforts for just a tiny fraction of their income. In the workplace, for example, administrative personnel are served by a large pool of "minor staff" who perform all kinds

of menial tasks such as photocopying, message delivery, and filling teacups. Thus, immigrants from Hong Kong starting out in Canada may perceive a loss of status as they suddenly find themselves deprived of the personal benefits derived from cheap labour. Worse still, they may find themselves performing menial tasks for others!

Another factor influencing the immigrant's employment status is the loss of business, familial, and social networks: the old-boy connection, personal links, or what would be referred to in Chinese as guan-xi. The new immigrant can no longer "pull strings" because he or she no longer has pals in high places. So, instead of picking up the phone and calling a friend in the government department responsible for employment, he/she now has to line up with the "common" people early in the morning. This scenario is duplicated in the workplace. The immigrant has no more properly positioned "good friends" to give him or her "face." Everything is done in a formal and business-like manner. Rules are to be observed down to the letter, which is especially true in a unionized work environment. Guan-xi may not be particular to the Chinese, but the fact that one is not a "local boy or girl" denies one access to local networks.

This situation inevitably gives rise to the perception of lost status, especially for someone who is used to being "somebody."

Higher social status generally results in special privileges and unequal access to opportunity. Its loss, therefore, should not be regretted. Unfortunately, status is often correlated positively with self-esteem. The loss of status and a diminished sense of self-esteem is intensified by feelings of personal inefficiency in a new environment. Psychologically disoriented, some individuals react with resignation while forcing their hopes onto their children. Some individuals find compensation in other aspects of life. Some turn into incessant complainers. And still others choose to postpone the inevitable by staying in Hong Kong as long as possible while sending the family over first.

Canada needs the human and economic resources provided by immigrants from Hong Kong, while Hong Kong emigrants believe they need a haven from the risks of the change of government in 1997. A healthy relationship between new immigrants from Hong Kong and the Canadian people cannot, therefore, be left to chance but must be engineered with care and intelligence.

Demographic Characteristics

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	1988	%	1989	%
Entrepreneur	1087	(4.67)	1276	(6.48)
Managerial & Admin.	2876	(12.35)	1696	(8.61)
Science, engineering	1170	(5.02)	493	(2.5)
Social Science	283	(1.22)	131	(0.66)
Religion	19	(0.18)	22	(0.11)
Teacher	148	(0.64)	95	(0.48)
Medicine & health	335	(1.44)	215	(1.08)
Arts	275	(1.18)	242	(1.22)
Sports & recreation	4	(0.02)	2	(0.01)
Clerical	2604	(11.19)	1872	(9.43)
Sales	912	(3.92)	632	(3.18)
Service	325	(1.4)	344	(1.73)
Farming	8	(0.03)	4	(0.02)
Fishing, hunting	7	(0.03)	0	
Forestry	1	(0.00)	0	
Mining	0	(0.00)	0	
Processing	20	(0.09)	21	(0.11)
Machining	27	(0.12)	23	(0.12)
Fabricating	361	(1.55)	250	(1.26)
Construction	49	(0.21)	58	(0.29)
Transport	31	(0.13)	18	(0.09)
Material handling	23	(0.1)	11	(0.06)
Other crafts	53	(0.23)	55	(0.28)
New workers	1013	(4.35)	1994	(10.04)
Other workers	11650	(50.04)	10407	(52.40)
Total	23281		19861	

French Language Courses More Popular Than Ever in Hong Kong

by Francis Allard ✓
Toronto

As central as they are to helping define the political climate in Canada, language issues also play an important role in the nation's immigration policy. While it is generally less important in determining the outcome of applications by investors or entrepreneurs, language proficiency may be very important for other immigrants in the independent class. While Canada's national immigration policy and Quebec's provincial one use a similar point system, the number of points allocated in each category differs. In the language category, out of 15 points, Canada allocates a maximum of nine points for the applicant's knowledge of French or English (whichever the applicant is most fluent in), with another maximum of six points for the second of these languages. Quebec, on the other hand, allocates a maximum of 15 points for the knowledge of French, while English receives only two points.

For Hong Kong people who have decided to apply for immigration at the Quebec office rather than at the Canadian Commission (in some cases because they have decided that the overall requirements are less stringent in Quebec), this decision may entail learning French in order to improve their chances of scoring high in the language category. While language proficiency may be of little consequence in the case of those many "business" immigrants from Hong Kong who scored high in the point system while having little or no knowledge of French, the same is not true of the many non-business immigrants who wish to enter Canada through Quebec, where such proficiency becomes an important issue. In fact, Hong Kong based immigration lawyers are advising their clients to learn French prior to their interviews.

The desire to emigrate to Canada is believed to be at least partly responsible for a rapid increase in enrolments at Alliance Francaise (AF), France's "instrument" for the dissemination of French culture abroad. The school has seen a marked increase in the number of people learning

French at their Hong Kong offices, which together mark the territory as AF's third or fourth largest presence in the world. The number of such students jumped from 7,040 in 1986-87 to well over 13 thousand in 1989-90, with a particularly strong demand for French courses in the last year. Mr. Herve Braneyre, of the central AF office in Hong Kong, points out that, although the school does not poll its students as to their reasons for enrolling, and although some of the increase may be explained by the opening of a new centre in the New Territories, there is little doubt that many students are in fact looking to improve their chances of emigrating to Quebec (other French-speaking countries have not been attracting as many Hong Kong people because of their more restrictive immigration policies, said Braneyre).

Already plagued by a declining birth rate and a smaller share of immigrants (16%) than its demographic weight in Canada (25%), Quebec also faces the problem of ensuring that the newly arrived immigrants will decide to remain in the province rather than leave for anglophone communities in other parts of Canada. Though there are no formal statistics, many Hong Kong immigrants who have obtained a CSQ (Certificat de Selection du Quebec) leave the province soon after their arrival, often moving to Toronto or Vancouver. In order to solve this problem and allay dissatisfaction from its French speaking community about the lack of integration by some ethnic groups, Quebec is now trying to promote immigration from French-speaking countries which are culturally most similar to it, such as France and Belgium. In the case of Hong Kong, it has come up with a solution which it hopes may in the long run prove beneficial. On August 29, Monique Gagnon-Tremblay, Quebec's Ministre des Communautés Culturelles et de l'Immigration, signed an agreement with Alliance Francaise establishing a two semester pilot project in which 50-60 people now holding a CSQ will take French language courses given by teachers from Quebec (or French teachers who are familiar with the province), using Quebec teaching

materials. With Montmartre giving way to la rue Saint-Denis in the textbooks, the hope is that early identification with Quebecois culture will facilitate the integration of immigrants following their arrival in the province. It is also possible that the program may be expanded later to allow *prospective* applicants (those without a CSQ) to take the classes.

Report From China's Capital

by Mark Rowswell ✓
Beijing

Chinese press coverage of Hong Kong over the past few months can be easily divided under three headings: positive economic reports, criticism of London's nationality package (the British Nationality [Hong Kong] Act 1990) and calls for unity and cooperation between Hong Kong and the mainland. All the coverage gives the reader the impression that everything is fine and would be even better if the British stopped meddling and Hong Kongers quit squabbling.

The positive economic reports come in the form of short summaries of selectively chosen statistics. Glowing coverage was given to the official opening of the 70-storey Bank of China (BOC) building in May, an occasion attended by the president of the state-owned bank, Wang Deyan. BOC loans to local Hong Kong industries were said to have increased by 17 percent, but no time frame was specified. Headlines such as "HK sees increase in foreign firms," and "More ships arrive in Hong Kong" appeared in the week before the British parliament passed the nationality package.

This move by London, which grants full British citizenship, including right of abode in the United Kingdom, to 50,000 heads of families and their dependents, has been repeatedly criticized in the Chinese press. A new round of condemnation followed the British Parliament's final passing of the proposals in July. The Chinese claim that the nationality package is a clear violation of the spirit of the Sino-British Joint Declaration and other relevant agreements. Beijing has

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by Josephine Smart
Calgary

Emigration is nothing new for Hong Kong, but the recent wave of 1997-related departures of skilled and professional, middle-class Chinese to Canada, Australia and the United States has caused much concern and debate. An estimated 95 thousand people left in the period 1986 to 1988 [SCMP, 20-11-1988]. In 1989 alone, over 42 thousand people left Hong Kong. The Hong Kong government estimates a net out migration of 425,664 persons for the period 1989-1996 [SCMP, 8-05-1990]. Some multinational companies are concerned enough about the instability generated by the steady loss of qualified personnel to consider moving their headquarters to Thailand [Hong Kong Business Today, March 1988; 17-18]. Local residents, many enjoying unprecedented wage increases and promotional opportunities due to the increasing labour demand, also express concern about the economic and social stability of Hong Kong as a result of the "brain drain". The government, naturally, tries to downplay the negative impact of brain drain [SCMP, 17-03-1989]. However, even the government admits that foreign investors are shying away from Hong Kong because of the brain drain [Hong Kong Standard 6-19-1989].

It is not surprising that both the public and private sectors in Hong Kong share a common interest in return migration of Hong Kong emigrants. More pointedly, they are interested in finding ways to encourage and facilitate return migration. The Institute of Personnel Management, representing 665 major firms in Hong Kong, has just launched a plan code named Net Project to reverse the brain drain via active recruitment of Hong Kong immigrants in North America and Australia [SCMP, 15-05-1990]. Similarly, the Hong Kong government is considering sending senior officials overseas to lure Hong Kong emigrants and university students back to the territory [SCMP, 12-10-1989]. Many multinational companies have been doing that for some time with mixed results. Last year, Price Waterhouse advertised in Toronto for positions in Hong Kong and received 800

responses, of which 120 were interviewed for positions as accountants, engineers, marketing and financial consultants. In contrast, Louis Thomas of Odgers and Company received only 67 responses from his English and Chinese advertisements in Vancouver last October seeking Hong Kong professionals who wished to return [SCMP, 12-10-1989].

Nobody knows exactly how many emigrants return to Hong Kong to live and work despite repeated attempts by the government and other non-government bodies, like the Institute of Personnel Management, to pinpoint the phenomenon through surveys. In a recent government survey of 60 thousand people, the result was considered invalid due to the people's unwillingness to respond truthfully to a survey on the subject after the June massacre in Beijing in 1989 [SCMP, 21-05-1990]. In an earlier survey in 1989, a government task force found that there were about 41 thousand Hong Kong people holding foreign passports who had returned to the territory [SCMP, 9-09-1989]. The Canadian Commission estimated there are about 26 to 29 thousand Canadian passport holders of Hong Kong origin living in Hong Kong in 1990 [SCMP, 22-04-1990]. It is not clear from these figures whether the people included are recent emigrants or whether they left Hong Kong more than a decade ago and whether their stay in Hong Kong is temporary or permanent. There is a general optimism about return migration based on the belief that once they secure their foreign passport and citizenship, emigrants will be attracted to the greater economic opportunities in Hong Kong. At present, the return rate of recent Hong Kong emigrants is estimated at 10-15 percent [SCMP, 22-04-1990]. It is expected that the rate of return will increase from 1991 under the influence of more active overseas recruitment campaigns and the ongoing strength of the Hong Kong economy.

The optimism about return migration, however, is not shared by all. The recruitment of Hong Kong emigrants holding foreign passports to alleviate the labour shortage in Hong Kong is at the best a band-aid

solution. Many, if not all, of the returnees will leave again in or before 1997 when The People's Republic of China takes over Hong Kong [Ming Pao, 9-01-1990]. In a recent survey by the City Polytechnic of Hong Kong, about 50 percent of returned emigrants indicated they would leave before 1997 [SCMP, 6-01-1990]. More importantly, the assumption that economic incentives are the primary driving force behind return migration is both simplistic and misleading. It cannot be denied that economic factors are major issues for some returnees. A survey by The Survey Research HongKong in 1990 revealed that almost half of those coming back to Hong Kong did so because they could earn more or find better jobs in the territory, a third cited nostalgia and other social reasons as the reason for coming back, and a fifth came back because they had trouble adapting to life overseas [SCMP, 12-07-1990]. The significant number of "astronauts" with or without a foreign passport living and working in Hong Kong while their family lives overseas is a strong indication that good jobs and high wages are strong attractions indeed for some. However, money alone is unlikely to increase the return rate significantly. There are several major factors contributing to many emigrants' lack of interest in return migration.

First, it may not be economically viable to return to Hong Kong after living overseas for several years to qualify for citizenship and a new passport. Even with a job guarantee, the new job in Hong Kong may not pay sufficiently to cover the cost of relocation. Housing is extremely expensive in Hong Kong, it can cost up to Cdn\$1 million to duplicate an average Canadian family's living space and style in Hong Kong. The children will not be able to follow the more rigorous curriculum and higher demand of Chinese language skills in the public schools. The only alternative is the international schools which offer North American, British and, in future, Canadian curricula. There are 17 international schools at the secondary level and 28 at the primary and pre-school level. Altogether they offer about 10 thousand places at a cost of Cdn\$3-\$10 thousand a year which

increases by 15-20 percent every year [SCMP, 13-03-1989; 18-06-1990; 29-06-1990]. Some schools have a waiting list of several years [SCMP, 04-03-1990]. For a returnee, a move back to Hong Kong is simply not viable economically if his income cannot cover these and other costs. Some companies obviously will pay a candidate that they really need and want, but other companies are expressing concern about the divisive effect of offering returnees a better package than that offered to their local staff [SCMP, 17-03-1989]. Such differential treatment is likely to cause internal unrest and loss of staff loyalty.

Secondly, many social and non-economic factors arising from an emigrant's experience of living in another country can affect his/her decision about return migration. Some Hong Kong emigrants left initially with the intention of returning after they obtained their foreign passport, and their experience of downward mobility and loss of status/rank and income in the new host country might very well intensify this desire for return migration in their first year away from Hong Kong. However, as time goes on, they experience a way of life that they enjoy like nothing they ever had in Hong Kong. They have more time to spend with their family, they have more space to themselves, their children enjoy school and the parents no longer have to spend all evenings and holidays supervising and preparing the children for the never ending examinations. They can slow down and take holidays, they no longer have to drive like Mad Max or to get all stressed out on the road to avoid aggressive

drivers as they did in Hong Kong. They can be more casual in their dress and lifestyle since there is not the same pressure on consumption and keeping up with the Joneses. In short, they become more human. They are happier. Many still miss the excitement and material extravagance of Hong Kong, but at the same time they are not willing to give up their better quality of life in return for more money, more stress, more pollution and more work. One senior telecommunications executive from Hong Kong earning a yearly income of close to Cdn\$100 thousand before he left last month sums it up this way, "I have had enough of it. I sold my body and soul to the company for almost twenty years. Now I want to live." For people like that, no amount of money will lure him back to Hong Kong before or after 1997.

Lastly, most professionals and middle-class Chinese leave Hong Kong because they fear the uncertainty of 1997. They give up their career, income and status in order to resettle their family in a place they can call home permanently. The relative lack of interest in Singapore, Taiwan and a myriad of smaller and unstable countries as a final destination for Hong Kong emigrants, reflects clearly this sentiment. Return migration, for these emigrants, means a transitional phenomenon that will be modified or reversed once the conditions change. Older folks may return to live in Hong Kong for social and cultural reasons, but they will move back to North America or Australia if political and social stability in Hong Kong should worsen. "Astronaut" husbands and wives will continue their divided

existence between Hong Kong and another country for as long as the economic incentives are strong, and the social pressure to rejoin the family remains low. In view of the increasing awareness of the psychological and social problems associated with the astronaut phenomenon, maybe more Hong Kong emigrants would decide not to become "astronauts" in order to reduce the possibility of divorce, generational hostility and mental stress associated with single-parenthood and migration [Hong Kong Standard, 28-04-1990; Lam, 1990; Smart, *In press*]. Most return emigrants intend to take their family out of Hong Kong before 1997 to ensure their safety. If conditions remain good in Hong Kong after 1997 they may go back, but clearly they do not intend to put their families at risk for the sake of money or position. It must be made clear to the policy makers and other significant players in Hong Kong that return migration before or after 1997 is a volatile phenomenon governed only partially by economic forces. There are the many social and individualistic factors that no amount of money or material attraction can displace to increase the rate of return migration or to keep the returnees in Hong Kong for any longer than they wish.

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Report from Beijing

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declared that it will not recognise the British citizenships granted to "a number of Hong Kong Chinese citizens" and vowed that "the government of the Hong Kong Special Administrative Region will be composed of local inhabitants." This latest round of criticism was merely a repetition of previous statements by China.

The remainder of news articles on Hong Kong consist of calls for stability and a sense of unity and cooperation among Chinese from the

mainland and Hong Kong. This was the thrust of CCP General Secretary Jiang Zemin's message to prominent Hong Kong figures such as Li Ka Shing when they met in Shenzhen in June. Also in June, director of the Hong Kong branch of the Xinhua News Agency, Zhou Nan, urged Hong Kong businessmen to learn how to live in harmony and cooperate under the "one country, two systems" arrangement. These calls reflect Beijing's desire to avoid the internationalization of the Hong Kong

question and instead treat it as an internal Chinese affair.

Chinese press coverage of Hong Kong has been very sparse, especially in comparison with news related to Taiwan. Beijing apparently believes that the Hong Kong question has been settled and any difficulties arising during the transition of power to the mainland can and must be solved by the Chinese government, without interference from international or dissident Hong Kong forces.

by Philip Calvert ✓
Ottawa

Hong Kong was born out of Sino-British hostilities over access to the China market, and its proximity to China has dominated its life ever since. Created by the treaty which ended the first Opium War in 1842, Hong Kong has served as a listening post for the gathering of intelligence on mainland China, as a goal for refugees from the mainland, and as a centre for the study of Chinese politics, history and culture. The impact of its proximity has also dominated its economic life. Although Hong Kong in its own right serves as an important market for Canadian goods and services, the territory has also become increasingly important for the access it provides to China and the Chinese market. Hong Kong based trading companies are playing important intermediary roles in the expansion and maturing of trade relations, and with the increasing economic presence of China in Hong Kong and the growing fusion and interdependence of the two economies, this role is likely to become even more important in the future.

Re-exports dominate Hong Kong's export trade. According to figures provided by the Hong Kong Trade Development Council, the territory's 1989 re-exports were worth about US\$44 billion, as compared with US\$29 billion worth of domestic exports. Figures for the first six months of 1990 indicate a continuation, even a strengthening of this trend: the value of re-exports (US\$23.5 billion) was nearly double that of domestic exports (US\$12.9 billion). The bulk of the re-export trade comes from factories in Guangdong (Canton Province), China, where assembling and processing is carried out for foreign (mainly Hong Kong) companies. These re-exports of Chinese origin continue to increase,

despite a drop this year in Hong Kong's overall re-export trade. Re-exports also play an important role in Canada's trade with Hong Kong and China. Currently, Canada exports about \$1.1 billion (Canadian) to Hong Kong, about 25 percent (or \$275 million) of which is re-exported; of this, about 80 percent (or \$220 million) goes to the People's Republic of China.

Figures on the value of exports passing through Hong Kong trading houses, however, only tell part of the story, for Hong Kong's importance in Sino-Canadian trade takes on many more dimensions. Many Canadian companies and organisations, including some provincial governments, have offices in Hong Kong which serve as a base for their Asian activities, allowing for more regular, frequent contact with Asian markets -- including China -- and promoting the development of ongoing personal associations which are so important to the conduct of business in this region. Other companies make use of Hong Kong agents for the promotion of their activities in China. A good agent can provide an understanding of the language and cultural traditions of the market: proximity to the mainland, careful cultivation of contacts within the Chinese bureaucracy, and the judicious use of ties of ethnicity and locality can give them access to essential technical or commercial intelligence, while knowledge of the structure of, and key players within, the Chinese bureaucracy can allow them to cut through the red tape associated with transactions in China. Of course, any company wishing to have its own effective Hong Kong office will be aware of these considerations when hiring its own staff as well.

The use of Hong Kong offices or Hong Kong-based trading companies and agents (some of which have offices in Canada) continues to play

an important role within the framework of Canadian trade with China. Wheat, of course, dominates our exports to China; this is managed through negotiations between the Canadian Wheat Board and central agencies in China, and shipped mainly through northern ports such as Dalian and Tianjin. However, a significant part of the growth of trade in other sectors comes from activities generated or managed through Hong Kong. This trade tends to focus on South China, where ties of language and personal connections are stronger.

The growth of Hong Kong export industries based in Guangdong and China's Special Economic Zones (SEZ's), however, also reflects the growing interdependence of the economies of China (particularly South China) and Hong Kong. Hong Kong companies are major investors in the mainland, and the most powerful Hong Kong entrepreneurs have access to China's top leadership. In the past few years, Chinese government corporations, particularly China International Trust and Investment Corporation (CITIC), have been investing heavily in the Hong Kong economy, especially in the energy and transportation sectors. CITIC now has shares in Cathay Pacific, Dragon Air and Hong Kong Telecom, and is pursuing interests in China Light and Power. It is significant, too, that when the United States was considering not renewing China's Most Favoured Nation Status, the Hong Kong government and business leaders strongly urged that the status be renewed, arguing that cancellation of this status would have devastating effects on the Hong Kong economy. As we approach 1997, we can expect the two economies to become even more interlocked, and Hong Kong's importance as an entrepot to become more crucial in trade relations with the People's Republic of China.

Workshop on Project's Future ✓

On June 1, 1990, the Asia Pacific Foundation in Vancouver hosted the first workshop of the Canada and Hong Kong Project since it began operations in January of this year. Key participants from Toronto, Vancouver, and Victoria gathered to help define the issues to be addressed

over the course of the four year project. The day was divided into four sessions: an Introduction, Hong Kong Issues, Settlement Issues and International Issues.

During the morning sessions, Professor Diana Lary, Director of the Project, led informal discussions on the project's objectives and issues to be addressed in research, workshops, conferences, newjournals and

publications. The issues include how new immigrants from Hong Kong are perceived by Canadians including the Chinese community and how they are portrayed in media reports. Professor Lary said the project is to be a sober counter-balance to any existing or potentially negative atmosphere anywhere in Canada in response to the large-scale immigration of people from Hong Kong.

Immigration Brings New Challenges for B.C. Schools ✓

by Stephanie Gould
Toronto

Like many others in Canada's urban areas, school districts in British Columbia, especially in Richmond, Surrey and Burnaby, are facing the challenge of rapidly increasing enrolments of children recently arrived from Hong Kong.

For the second year in a row, School District #38 in Richmond, is not accepting fee-paying international students this year because English as a Second Language (ESL) Programs are bursting at the seams. Mr. Rubin Chan, Director of Special Programs, reports that from 1982-1986, the school district had 180-190 students enrolled in ESL classes; in 1987, 220; in 1988, 400; in 1989, 950; in September of this year there are 2100 ESL students. "Last year, every month, 50-70 new kids needed ESL. This gives you an idea of the magnitude and speed of change. Ninety percent of these are from Hong Kong and Taiwan," said Chan.

Last year, the school district subsidized the program by over a million dollars. Funding from the Ministry of Education in B.C. is based on a head count on the 30th of September every year. "They kept coming, every month we'd get 50-70 [students], so for those that arrived after September 30th, we did not get funding," said Chan. "We have made submissions to our local MLA and to our MPs and they said they would look into it and try to come up with a

funding formula that is more equitable." Despite lack of funding, the school board has taken a "pro-active" approach to meet the challenges of a rapid influx of new students. "Now, this is an evolution rather than a revolution because we have some inkling about the fact that there will be more and more coming, not knowing the magnitude of the whole thing," said Chan. Programs have been designed and implemented for teachers, students and parents.

Much has been accomplished by an ESL Teacher Consultant, "who organized our teachers and administrators to raise their awareness, acceptance and their understanding of the students' needs." At monthly meetings, coordinators of ESL programs "compare notes and share ideas so we can help each other meet the challenge of the newly arrived ESL students, said Chan.

The board has worked closely with community organizations and the teacher's association to organize professional workshops and seminars. Members of community groups working with Indo-Chinese and Indo-Canadians have been brought in to speak and meet with teachers. Last year, the theme of the annual teachers' association convention was multiculturalism and English as a Second Language.

They are also working with local universities to offer credit courses for teachers. University professors are teaching credit courses in multiculturalism, teaching ESL and

teaching ESL students in regular classrooms. Chan said the courses, which are offered in Richmond to save teachers travelling to university, are oversubscribed.

A program for students called English as a Second Culture was designed to provide orientations about Canada and Richmond "as cultural communities." A buddy system has also been started in the schools. "We call them friendship clubs where you have the kids make friends and work together. And that's to avoid any possible racial tensions."

Chan is also pleased with the reception of the first orientations and workshops for parents last October. "We have set up parents' nights to provide orientations about the community, about what the education system can offer, the health department and support services in the community. Last year, over 200 parents came to the meeting. That was followed by a one day workshop on parenting called 'Bringing Up Children in the Land of Your Choice' and about 100 people showed up for that day."

Chan admits that there are still many problems to be overcome, but he prefers to see them as challenges and opportunities. "A lot of people see the immigration as a problem. You know, of course it has presented us with many challenges, like funding, staffing and whatnot. But it has also offered us many opportunities to cultivate acceptance, understanding and multiculturalism."

Expo Site Still an Issue

by Tan Xiaobing ✓
Vancouver

In April 1988, the site of Expo '86 sold to a consortium headed by Hong Kong billionaire Li Ka-shing. The site is about 96 hectares, or one sixth of the downtown area, by some estimates. The sale to off-shore interests aroused public concern and controversy among politicians because the property is seen by some as "the jewel in the city's crown".

Not long after, Grace McCarthy, then B.C. Minister of Economic Development, resigned. Four months later, the B.C. Enterprise Corporation (BCEC) board, which engineered the sale, was fired. Premier Vander Zalm

advocated the sale, then, after it was signed, called for it to be renegotiated. Later, he again supported the sale as it had originally been negotiated.

The concern and controversy remain strong. On April 28, two years after the land was sold, the *Vancouver Sun* published reports to provide the public with more information on the central questions: how much money the government got from the sale, and why the land was sold to the Hong Kong company.

According to reports, the B.C. government will get between \$125 million and \$320 million, depending on how it is calculated. Li Ka-shing's Concord Pacific Developments Ltd. will have paid a total of \$320 million by the year 2003. Once interest is

deducted, the company will have paid \$125 million.

Grace McCarthy says the land was sold for the "market value" determined by an open-bidding process. But there were only two potential buyers, Li's Concord Pacific and the Vancouver Land Corp., a consortium headed by Vancouver developer Jack Poole. Only Li's company proposal met the B.C. cabinet's objective of privatizing the lands quickly. Poole's bid included a 25-percent participation by the province. A third potential bidder, Toronto-based Bramalea Ltd., asked for more time to submit a proposal but was turned down by BCEC, under pressure from the premier to proceed. Li's company paid about \$1.3 million a hectare. The B.C. government must

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by Stephanie Gould
Toronto

"Documents and facts are intended to direct our prejudiced hearts but rarely provide direction by themselves. I have boxes and boxes of documents but what I need is vision and vision comes from relationship. Facts bereft of love direct us nowhere."

Joy Kogawa in *Magdalene Redekop*,
"The Literary Politics of the Victim,"
Canadian Forum, November 1989.

Sky Lee's recent novel, *Disappearing Moon Cafe*, like Joy Kogawa's *Obasan*, is based on historical documents and facts. Like Kogawa's, Lee's "vision comes from relationship"; history and fact are transformed into fiction by intense feeling, if not love. In her first novel, which Lee describes as a "protest novel," the characters, plots and themes are animated by protest and anger. Lee's voice of protest is "a Chinese voice that has been silenced for many, many decades here in Canada," she said. It has taken several generations for Chinese Canadians to regain the cultural voice which they lost in the "process of being displaced from China to Canada." Lee researched and wrote *Disappearing Moon Cafe* over a fifteen year period

while she worked as a nurse and a single parent to her six year old son. The novel is not autobiographical, but her themes are strongly influenced by her own experience as a woman and a Chinese Canadian. One of five children born into a Chinese Canadian family who lived in Port Alberni, a small mill town in British Columbia, Lee experienced poverty and isolation as a child. Her mother, who was born in Burma, was barred from coming to Canada by the Chinese Exclusion Act of 1923 which was not repealed until 1947. Her father was born in Canada, but in keeping with tradition, he returned to China to "take a wife."

Many things have changed since her family came to Canada, but Lee said Chinese Canadians experience as much prejudice and stereotyping as ever. Her novel will have special significance for people leaving behind a whole way of life to come to Canada -- especially people who share her own cultural roots, such as those moving from Hong Kong, said Lee. "I think the human response to displacement, alienation, isolation are the same experience [as they were early in this century]. And the nice thing about *Disappearing Moon* is that those things are not at all diminished.

On the other hand, they are not portrayed as something that is crushing emotionally. Given a certain intactness of being people will not only survive but thrive."

For Lee, the book is a celebration of her cultural roots. She believes Chinese Canadians have always been, not "ethnic," but part of the "mainstream". The novel traces the history of the Wong family over five generations, beginning with Wong Gwei Chang, who fell in love with a native woman in the wilds of British Columbia where he hunted for the bones of deceased railway workers.

"There's a way in which I just assume that we are very mainstream, very much present. And I've never really had to defend that in the book. That's the wonderful part. In the book you'll find that there are recorded incidences of racism over and over again. But they seem to be very much on the outside. And the personal drama that's happening within the community, within the generations of women in the Wong family, were very much the centre stage. And they had no other sense of themselves except as that."

LEE - next page

Democracy Month in Toronto

by Yang He
Toronto

Overseas Chinese in Toronto used to be regarded as hardworking citizens who concentrate their lives on business and aren't particularly interested in politics. But this image has changed dramatically since the June 4th event in Tiananmen Square in 1989. Like overseas Chinese around the world, the Chinese community in Toronto has been mobilized and united by the student-led democratic movement in Beijing. During May and June, 1989, many community and student organizations, including the Toronto Association for Democracy in China, the Federation for a Democratic China (Toronto chapter), the Chinese Alliance for Democracy (Toronto), the Federation of Chinese Students & Scholars in Canada, Design for

Democracy and the University of Toronto Students Concerned About Student Movement in China were established. These groups play a leading role in organizing activities to support the student movement in Beijing.

To commemorate the anniversary of June 4th, the Toronto Association for Democracy in China and Design for Democracy launched a joint project, Democracy Month, from May 4 to June 4, 1990 in Toronto. Democracy Month began with an opening ceremony in the Peace Garden at Toronto City Hall on May 4th. Four days after the opening ceremony, a concert for democracy in China, performed by ten top singers from Hong Kong, Taiwan and Canada, was held on May 9th at Maple Leaf Gardens. The concert was sponsored by Sing Tao Newspapers, Am-Can Sino Broadcasting Toronto Ltd., Channel Forty Seven Cable Four Television and Essex Park Hotel. Twelve thousand fans and more than

300 volunteer workers joined the singers at Maple Leaf Gardens. The concert received wide media coverage and raised more than \$60 thousand.

The second climax of the month was the "Democracy in Motion" rally and march on Sunday, June 3rd. Over seven thousand people from all walks of life gathered at Nathan Philip Square in front of City Hall that afternoon. The crowd was singing "Elegance Stained With Blood" and "We Shall Overcome". One after another, speakers commemorated those who devoted their lives to democracy in China and called for solidarity to continue the struggle. Among them was Premier Bob Rae, then leader of the New Democratic Party in Ontario, representatives from Toronto women's organizations and members of the former independent Worker's Union in Beijing. Both the federal and the Ontario governments sent endorsements to the rally. Afterwards, people marched from Nathan Philips Square

DEMOCRACY - next page

Sky Lee

Lee interweaves historical truths and fictional dramas to create the sense of a community rife with intrigue in which women must think up strategies to survive. Lee's contribution to Canadian literature and to the understanding of Canadian history is peppered with protest against the misogyny not just of Chinese culture but all cultures. She has written an historical novel that traces the lives of Chinese Canadian women in Chinatown. Lee's contribution fills a void in a country where very little has been written about either the Oriental women of B.C. or Canadian Chinatowns (see Margaret Conrad, "'Sundays Always Make Me Think of Home,' Time and Place in Canadian Women's History," in Rethinking

Canada: The Promise of Women's History, Toronto, 1986). As the title suggests (the name of a restaurant in Saskatchewan was the inspiration for the title), Lee is also protesting the disappearance of a way of life which she believes is being obliterated by white Canadians.

"One of the most compelling elements in this book, I find, is that it portrays Chinatown to be small town Canada, which is exactly what Chinatown is -- in this case Chinatown Vancouver. But there have been many, many Chinatowns in many small centres all over B.C. at one point or another in history, in Cumberland, Nanaimo, Courtney, even Port Alberni," said Lee. "And I suppose because Chinese were such an unwanted element by white Canadian

standards, the powers that be worked on getting rid of them as soon as they could."

As a feminist and a Chinese Canadian who took part in protests against urban renewal (a phase in Vancouver's Chinatown history), Lee has a strong message for people settling in a country dominated by white Canadians of European origin who she believes are responsible for the disappearance of cultures all over the world. "It is very important for them to maintain their own sense of being and their own love of themselves," she said. But as a writer, Lee has another message for Canadians, and especially for scholars: "I'd like to warn them and say watch out for the passion, anger and intensity."

Democracy Month

from previous page

to the consulate of the People's Republic of China. The seven thousand protestors stretched over a mile long and people constantly joined the march from the streets. The commemorative rally and march took more than three and a half hours. Like the concert for democracy in China, it was also reported by all major press in Canada.

In addition to the two major activities, a number of art exhibitions and speeches were organized by the Toronto Association for Democracy in China and the Federation of Chinese Students and Scholars in Canada during Democracy Month 1990. On May 13, a children's drawing contest called "Democracy Through the Eyes of a Child" was organized at Nathan Philip Square. On May 19, an art exhibition, "Democracy in

Perspective," was opened at the Ontario College of Art and later moved to the City Hall rotunda. Through their works, many well-respected artists, designers and art educators from Canada and the U.S. expressed their perspectives on democracy. Another exhibition tour, "1989," organized by the Edmonton Federation for Democracy had a show in Toronto during May 19 to 21.

On May 13th, Mr. Liu Binyan, a famous investigative writer who was expelled by the Chinese Communist party in 1987, was invited by the Federation of Chinese Students & Scholars in Canada to give a speech at the University of Toronto. An enthusiastic audience of over 500 packed the Medical Sciences Auditorium to listen to Mr. Liu's speech. On May 20, again invited by the Federation of Chinese Students & Scholars in Canada, Mr. Wan Runnan, secretary of the Federation for a Democratic China based in Paris and

the Chinese government's top fugitive, gave a speech at the University of Toronto. Mr. Wan's speech was considered one of the most informative and clear-minded analyses of the democratic movement in China. On both occasions, audience members donated funds for a Toronto based newspaper - Press Freedom Herald, Canadian Edition. Over \$1 thousand was raised for the newspaper.

The 1990 Democracy Month in Toronto was a remarkable success. The concert, the march, the arts and the speeches touched every participant's heart and will constantly remind people what happened at Tiananmen Square on June 4, 1989. As Dick Chan, chairman of the Toronto Association for Democracy in China, put it: "As long as we do not forget, the children of China will soon see a new country where they will be able to determine their own destiny democratically and where human rights are truly valued."

Expo Site

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clean up toxic waste on the land and in the water.

While the bidding process seemed to favor Li's company, things after the sale were not so smooth. The company originally planned to have construction under way by December 1989. But, the rezoning proposal was not passed until June 1990. Public hearings were held and proposals were changed again and again. One factor in the delay was the deletion of islands and lagoons from the plan --

the city planning department was concerned about public accessibility to the False Creek waterfront. The cost of the delay was substantial, up to \$25 million, according to a former BCEC official. However, the land itself gained value during the 1989/90 real estate boom. In April, it was estimated to be worth between \$310 million and \$1 billion.

On June 14, Vancouver City council approved a CD-1 rezoning application for developing the land, a site-specific bylaw tailor-made to the intended form of development. Under the agreement, the developers will

provide a maximum of 720 dwellings in buildings no taller than 285 feet. They must also supply 25 percent family housing over the entire site, and 144 units of social housing.

After the plan passed, Concord Pacific acted quickly. On July 9, 802 days after sale, the company declared an official start of its development. The first phase included a ten-acre public park between Quebec, Keefer Streets and Pacific Boulevard. The Vice-President of Concord Pacific said that the project would cost about \$2 billion and create more than 28 thousand jobs a year in Vancouver.

What the Ads Say

by Chow Ying Wong
Toronto

Since large numbers of people from Hong Kong decided to make Canada their home, a new market has opened up for services designed to make their lives easier. The advertisement of a product or service can be seen as an entrepreneur or service provider's attempt to cater to the needs of prospective customers. The attempt is, of course, based on a set of assumptions or perceptions on the part of the seller. Advertisements published in the Sing Tao Daily Newspaper between April and August 1990 reflect the perceived needs of this immigrant community.

Out of an average of 88.4 pages published daily by Sing Tao during this period, 80 percent or 72.5 pages were filled with ads. About one third (34 percent) of these ads were related to the buying and selling of property, the majority of which being residential. Another 2.5 percent of the ads dealt with mortgage arrangements and options available, and another seven percent associated with home renovation services. More than seven percent of the advertisements were selling cars or offering different packages of driving lessons. Another seven percent offered attractive travelling packages. About three percent advertised for legal, accounting and other professional or para-

professional services. Almost ten percent were related to ethnic food, eateries and entertainment. It should be noted that employment-related ads only accounted for 1.4 percent of the commercial coverage.

On closer inspection, many of the advertisements published during this period, offer services designed specifically for newcomers from Hong Kong, particularly those who conform to the "typical" image of wealthy immigrants. For instance, one of the ads by a bank offered special relief to the wives of "astronauts", promising that arranging a mortgage will be easy despite the absence of the husband. Another reminds investors that they are legally bound to fulfil their immigration agreement and the company will guarantee them a safe return. Indeed, about 1 percent of the ads explicitly offer investment opportunities, not only to immigrants, but to prospective ones overseas. It is not unusual to find real estate ads which emphasize the proximity to local "prestigious" schools. Others offer to buy properties in Hong Kong from immigrants already landed in Canada.

There are, of course, immigration consultants, traffic ticket/accident consultants and various kinds of para-professionals offering services to new immigrants. Other services include visits to ancestors' graves in Hong Kong, complete with a choice of religious ceremonies; sending flowers

to Hong Kong on Mother's day; a call to advertise in a bilingual magazine which promised access to the "high income professionals in Hong Kong and Taiwan"; language classes and tutoring services for children (very popular in Hong Kong). For those seeking entertainment, there are tours to favorite casinos in Atlantic City and competitive rates to Hong Kong including accommodation packages. A recently popular pastime in Hong Kong called karaoke and other high-tech features such as laser discs are advertised.

The entrepreneurs behind these ads have isolated people from Hong Kong into a market, or group, with special needs and desires. These ads capitalize on the assumption that new immigrants from Hong Kong maintain close ties to the country of origin, and that they are in search of a sense of continuation, both culturally and socially. Members of a family may be landed, but still have elderly parents and other extended relatives remaining in Hong Kong; the husband may need to travel regularly to Hong Kong where part of the business continues to operate; alternatively, the entire extended family has emigrated, leaving no one to pay respect to the ancestors...the services suggested in the ads are trying to provide such linkages.

But if people from Hong Kong and entrepreneurs could get together and talk about real needs and real people, I wonder what they'd say?

Workshop

from page 12

The first afternoon session on Settlement Issues, chaired by Professor Graham Johnson of the University of British Columbia, looked at patterns of settlement. Professor Johnson said that Canada must be looked at as a composite of regions with different responses to the settlement of people from Hong Kong. Issues differ across the country and must be approached differently by researchers, he said. Discussion centred on how to carry out quantitative research on the ethnic makeup of the Canadian population considering the difficulties of gathering accurate statistics. Professor Lary said the project would like to encourage graduate students to consider Hong Kong issues and to coordinate with other individuals, institutions or projects undertaking complementary research.

During the final session of the day, chaired by Professor B. Michael Frolie of York University, issues such as where Hong Kong fits into the international scene and how changing regional, economic and financial patterns will affect Canada-Hong Kong relations as 1997 approaches, were raised and discussed. Professor Lary said that it is important for people in the academic community to tackle international issues relating to Hong Kong's future because of the "policy relevance" of this work.

One sad piece of news - Stephanie Gould, who played a major role in designing and setting up the project, has moved to Winnipeg, and so has had to leave the project. We thank her for all her excellent work, and look forward to contributions from her for future updates. Janet Rubinihoff will be joining the project in Stephanie's place.

Dianna Lary

Hong Kong Conference Report

Professors Donald McMillen and Daniel Kwan Yat-kau were the principal organizers of a major three-day conference on "China and Hong Kong at a Crossroads: Prospects for the 21st century." Held at Hong Kong Baptist College, September 3-5, 1990, it gathered more than 150 participants from H.K., Macau, the PRC, Taiwan, Japan, the U.S., Australia, the U.K. and Canada. Paul Evans of York University represented the Canada and Hong Kong project.

In his keynote address, Professor Wang Gungwu, Vice-Chancellor, Hong Kong University, outlined promising lines of new research by a generation of young scholars in H.K., but also offered a somber assessment of the prospects of independent scholarly research and activity after 1997.

More than half of the fifty papers were delivered by H.K. based social scientists, several of whom are collaborating on a long-term project on "Hong Kong and Politics in Transition." One focus of the project is a detailed examination of political attitudes and participation. The researchers emphasized their interest in cooperative research with Canadian scholars in examining the attitudinal and behavioural changes that occur after H.K. residents emigrate overseas.



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CANADA AND HONG KONG UPDATE

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WINTER 1991

Excerpts From the Hon. Barbara McDougall's Address Canadian Chamber of Commerce, Hong Kong, September 5, 1990

"Hong Kong has always seemed a bit of an enigma to me. It's just a tiny patch of land on the edge of China, with few if any natural resources. Yet it has become a manufacturing giant and a household name throughout the Western hemisphere.

It is one of the most modern urbanized centres in the world and a major international commercial centre. It's little wonder that Hong Kong holds a special grip on the world's imagination, it is a symbol of entrepreneurial drive. And it is a gateway – not just to the "mysteries of the Orient," but to the fastest growing market in world trade today.

It's also little wonder that the largest foreign branch of Canada's largest business organization – the Canadian Chamber of Commerce – is right here in Hong Kong. Or that the Hong Kong Canada Business Association, with 11 chapters and more than 3,000 members, is the largest bilateral group of its kind in our country.

Organizations like these attest to the growing ties between Canada and Hong

Kong. These ties are based, in part, on our shared economic interests. Over the last ten years, the Asia-Pacific region has become Canada's largest single trading area outside of the United States.

But behind these ties are strong **human** ties between Canada and Hong Kong, stretching back well over a century. Canada's commitment to Hong Kong remains firm whether expressed in the movement of people or through bilateral agreements with your government.

The movement of people between our countries is growing steadily. Over the past three years, more than 65,000 Hong Kong citizens have decided to make a new home in Canada. Moving the other way, well over 30,000 Canadians now live and work in Hong Kong and about 150,000 Canadians visit Hong Kong each year.

We have about 15,000 Hong Kong students studying in our schools – more than a quarter of our total foreign student population. Already more than 70,000 university graduates in Hong Kong

graduated from Canadian universities.

This movement of people is, without question, a good thing for **both** Canada and Hong Kong. It brings with it a movement of ideas, an enrichment of our cultures, and new opportunities for economic exchange and development. And it forms a human bond that will endure and prosper well beyond the year 1997.

•••••

A large proportion of Hong Kong immigrants to Canada enter as part of the family stream of our programs. I've already mentioned the growing numbers of Hong Kong people who decide to come to Canada. Many of those have left close family behind. As far as possible, we want to help those families come together again in Canada.

•••••

Hong Kong entrepreneurs and investors are putting their faith in Canada and investing heavily in Canadian business and industry. By doing so, they

McDougall's Address cont'd, page 2

Two Chinese-Canadian Development Projects in Richmond, B.C.

by Hugh Xiaobing Tan
Vancouver

Two significant development projects, financed by the Chinese Canadian community in Vancouver, are the **International Buddhist temple** and the new **Aberdeen Mall**. Both are located in Richmond, a suburb south of Vancouver where many new immigrants from Hong Kong, as well as Taiwan, have recently

settled. Since it is estimated that one out of every three or four people living in the area are now of Chinese origin, Richmond was a logical place for this development.

Located on Steveston Highway, the



B.C. Development cont'd, page 14

are contributing directly to our economic growth, and they are creating jobs in areas where jobs are needed, as was intended.

During consultations on immigration levels over the past year, I found support for the Business Immigration program in all parts of Canada. Concerns were expressed though about the need to encourage these immigrants to consider other destinations in Canada besides the traditional ones of Montréal, Toronto and Vancouver.

In addition, Canadians want to see the intended benefits of this program realized. They do not want to see people simply using the program as a short-cut to obtain a Canadian passport. As with anything new, there were some problems to be ironed out. But we have recently taken steps to improve the management and effectiveness of the program.

We must protect the integrity of the program by eliminating suspect investment plans and by discouraging unscrupulous operators. As you may know, new regulations for the investor category were made public in August. These new regulations are not designed to discourage the legitimate investor immigrant – here in Hong Kong or anywhere else – from coming to Canada. Rather, they are intended to make it very clear to all business immigrants that we expect from them a certain level of commitment to Canada. The business program will continue, although not as a dominant element of our immigration program.

We welcome the legitimate business immigrant and acknowledge that most are prepared to invest for the benefit of their chosen country and to participate fully in all aspects of Canadian life. In a general sense, that is true for all immigrants to Canada, whatever category they may fall under. A basic requirement for all immigrants is that they share a commitment to Canada and to Canada's future. That is why we cannot and will not allow our immigration programs to be used simply as a kind of 'insurance policy.'

There has been speculation in the media recently that we are cutting back on immigration, specifically from Hong

Kong. I cannot stress too strongly that this speculation is false.

Because the number of immigrants coming to Canada has been much higher than expected this year, we have been forced to temporarily slow down visa issuance. But this temporary slow down is not a cut back, and it is definitely not aimed at Hong Kong. It applies universally to all countries, and it is intended to give our service and support agencies time to adjust to the increased demands. We have taken, and we will continue to take, whatever steps are necessary to ensure that the flow of people into Canada is managed properly.

In the case of Hong Kong, we are working to ensure that the thousands and thousands of immigrant and temporary visa applications are handled as effectively as possible. Despite significant resource restraints, we have been able to put extra resources into our Hong Kong office as part of our commitment to better management of the immigration program.

.....

We have strong and growing interests in Hong Kong and its people – trade, education and most importantly, the people to people relationship. The principles underlying our immigration policy towards Hong Kong are stability and continuity. The ties of family, which strengthen daily, are the bedrock of our approach to Hong Kong and its people.

The most hopeful prospect for Hong Kong's future lies in increased opportunities for Hong Kong citizens to manage their own affairs. We encourage the rapid development of democratic institutions and processes within the territory.

We care about what happens in Hong Kong, and we have spoken out on various occasions. As Prime Minister Mulroney said last fall in Singapore, just before the Commonwealth Heads of Government Meetings, 'Hong Kong involves us all, as we have to accept part of the responsibility and provide some leadership.'

We strongly support and will continue to work for Hong Kong's participation in the emerging web of regional institutions, including the Asia-Pacific Economic Cooperation and the Pacific Economic Conference.

We are working to set in place a wide network of bilateral agreements between Hong Kong and Canada. The purpose of this network will help to ensure that the special relationships between Hong Kong and Canada will remain in place after 1997. We have already begun work on agreements involving film co-production, mutual legal assistance and an exchange program involving our two governments.

Canada's commitment to Hong Kong remains firm. We are determined to see Hong Kong prosper. Together, we will work towards this goal."

Visits to and from Hong Kong

by Diana Lary
Toronto

Hon. Barbara McDougall, Minister of Employment and Immigration, visited Hong Kong from September 1st to 6th to familiarize herself with the emigration situation there, and to talk about Canada's immigration program. (See Excerpts) Her comments were positive, but she made it clear that there would be no special concessions from Canada on delayed visas for Hong Kong emigrants to Canada.

Martin Lee, Hong Kong legislative councillor, visited Canada from October 25th to November 3rd. The theme of his



visit was the promotion of confidence in Hong Kong's future through the strengthening of democratic institutions and the protection of human rights. In Toronto he was given a luncheon by the Hong Kong-Canada Business Association and had discussions with faculty

Visits cont'd, page 3

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members of the Joint Centre for Asia Pacific Studies.

In Ottawa he met Justice Strayer, who was involved in the drafting of Hong Kong's bill of rights, was hosted for lunch by the Department of External Affairs, met a number of DEA officials, including Raymond Chretien, Acting Under-secretary of State, and had dinner with the Hong Kong Students' Association. He also met officials from the Justice Department, and spoke to the Canadian Institute for International Peace and Security about the future of Hong Kong. He held talks with a group of members of parliament led by John Bosley, chairman of the Standing Committee on External affairs.

In Vancouver he met the deputy mayor, members of the Hong Kong-Canada Business Association, visited the Asia Pacific Foundation, and talked to Chinese students, writers and scholars. In Victoria he met Lieutenant Governor David Lam and had discussions with provincial officials. Throughout his visit he was interviewed by national and local media.

Sir David Ford, Chief Secretary of the Hong Kong Government, was in Vancouver and Victoria from November 14th to 16th to promote Hong Kong. His remarks were generally hopeful and reassuring about the future of Hong Kong.

Hon. Pierre Cadieux, the Solicitor General, made a brief visit to Hong Kong in November, and signed an agreement with the Hong Kong Government calling for increased cooperation in combatting drug smuggling.

Premier Joe Ghiz of Prince Edward Island visited Hong Kong in November to open a PEI office there. An officer for Newfoundland has been attached to the Commission. Eight out of the ten provinces now have representation in Hong Kong, and the other two (New Brunswick and Nova Scotia) are represented by the office of the Council of Maritime Premiers. This is a higher level of representation than any other city in the world.

Hong Kong et la Politique d'Immigration du Québec

par *Francis Allard*
Toronto

Jusqu'à l'an dernier, c'est à Hong Kong que l'on trouvait le plus important bureau d'immigration du Québec à l'étranger, un poste destiné à solliciter et à attirer les capitaux. Bien que maintenant relégués au second rang par ceux de Paris, les services d'immigration du gouvernement québécois à Hong Kong continuent à jouer un rôle prépondérant. En 1989, 48% des 2 851 dossiers approuvés pour l'obtention des Certificats de sélection du Québec (CSQ) dans le «territoire» de Hong Kong (comprenant la Corée et Taiwan mais dont le volume est moindre par rapport à Hong Kong proprement dit) étaient des dossiers de «gens d'affaires», c'est-à-dire des investisseurs et des entrepreneurs.

Ces données contrastent avec celles de l'ensemble des autres postes du Québec à l'étranger, où seulement 12% des «dossiers approuvés» entrent dans cette catégorie. Guidé par une politique d'immigration visant en partie à ralentir le décroissement démographique auquel il fait présentement face, le Québec explique que son intention est d'établir des services d'immigration là où l'intérêt se fait sentir. La présence à Hong Kong demeure toutefois essentiellement économique. Dans un communiqué de presse récent intitulé «Immigrants gens d'affaires à Hong Kong, Québec maintient ses objectifs», la ministre des Communautés culturelles et de l'Immigration du Québec, Mme Monique Gagnon-Tremblay, disait: «Je crois qu'en augmentant de façon significative le personnel et les ressources du Service d'immigration à Hong Kong au cours des dernières années, le Québec a eu l'occasion de démontrer à quel point ces candidats nous intéressent.» Toute évaluation des tendances futures à propos de l'immigration des gens de Hong Kong vers le Québec doit toutefois tenir compte non seulement des facteurs économiques prévalants, mais aussi des courants culturels et linguistiques existant au sein de la société québécoise.

Le problème démographique auquel fait face le Québec depuis déjà plusieurs années est le résultat d'un taux de

naissance faible, d'une population vieillissante, et aussi d'une immigration qui ne reflète pas son poids démographique à l'intérieur du Canada (26%). Par exemple, en 1989, le Québec ne recevait que 17,7% de tous les immigrants arrivant au pays. Visant à corriger cette disproportion, la nouvelle entente entre le gouvernement fédéral et le Québec garantit à ce dernier un minimum de 25 à 30% des nouveaux immigrants. Une telle augmentation est salutaire sur le plan démographique. On doit toutefois tenir compte du contexte économique et d'une population québécoise de plus en plus irritée par l'inhabileté de plusieurs nouveaux immigrants à s'intégrer à la majorité francophone.

En 1989, malgré un objectif fixé à 40% d'immigrants francophones, seulement 28,4% des nouveaux venus parlaient français, tandis que 34,1% parlaient l'anglais et que 49,6% ne parlaient ni l'un ni l'autre. À cause des problèmes engendrés par plusieurs de ces derniers, il n'est pas surprenant que le Québec, désirant affirmer avec plus d'emphase que jamais son identité culturelle, s'engage maintenant à attirer une plus grande proportion d'immigrants francophones de pays comme la France et la Belgique. Bien qu'il soit difficile de prévoir les résultats, il semble bien que la grille de sélection utilisée par le Québec dans son choix d'immigrants dits «indépendants» puisse l'aider à atteindre ses objectifs. Certains prédisent que cette grille, dans laquelle sont présentement alloués des points pour la «langue» et l'«adaptabilité», sera bientôt modifiée dans le but de donner au processus de sélection une flexibilité encore plus grande.

Comment situer l'immigrant de Hong Kong dans ce contexte? En premier lieu, il va sans dire que les considérations économiques jouent encore un rôle important. Au cours de sa conférence de presse à Hong Kong, en août dernier, Mme Monique Gagnon-Tremblay déclarait: «Je puis vous assurer, qu'en 1990, nous sélectionnerons au moins le même nombre d'immigrants gens d'affaires que par les années précédentes.(...) J'ai aussi précisé que nos objectifs de sélection pour 1990 sont les mêmes qu'en 1989.»

Par ailleurs, la décision récente du gouvernement fédéral de permettre au

Québec de maintenir le montant d'investissement minimum à \$250 000 (par opposition aux \$350 000 requis pour certaines autres provinces) a été bien reçue par les fonctionnaires de l'immigration de la Délégation du Québec à Hong Kong: on se dit confiant que le Québec pourra ainsi demeurer une destination attrayante pour les investisseurs de Hong Kong.

Pierre Saint-Louis, avocat spécialisé en immigration et domicilié à Hong Kong depuis quelques années, observe le phénomène d'une diminution marquée dans la «qualité économique» des Hongkongais intéressés à investir au Québec. L'avocat montréalais ajoute que le Québec est maintenant plus sélectif dans le choix des investisseurs et des entrepreneurs. Jusqu'à maintenant, la perception de plusieurs de ces «gens d'affaires» à Hong Kong était que les chances d'obtenir un visa pour le Canada étaient meilleures si l'on s'adressait à la délégation du Québec plutôt qu'au Commissariat du Canada. Le fait que le Québec devienne plus vigilant envers ces «gens d'affaires» est sûrement lié au fait qu'un bon nombre d'entre eux (près des deux tiers, selon certains), n'y séjournent qu'une brève période de temps avant d'aller s'installer à Toronto ou à Vancouver où existent d'importantes communautés chinoises. Bien que ces investisseurs doivent déposer \$250 000 chez un courtier reconnu au Québec, aucune loi ne les empêche d'aller vivre ailleurs au pays. Plutôt que de servir de simple porte d'entrée au reste du pays, le Québec aimerait mieux profiter pleinement du dynamisme des hommes d'affaires du Manhattan de l'Asie.

Personne ne doute du fait que les immigrants de Hong Kong sont en grande majorité de vaillants travailleurs; ils n'abusent que rarement des services sociaux offerts aux Canadiens. Ils sont toutefois moins portés à s'intégrer à la culture québécoise francophone que les autres minorités. Jean Larue, chef de la section Asie du ministère de l'Immigration à Montréal, souligne que le Québec, tout en visant maintenant à sélectionner des candidats susceptibles de mieux s'intégrer, entreprend également de pourvoir aux besoins des nouveaux immigrants afin de les convaincre qu'ils sont les bienvenus au Québec et qu'ils pourront y prospérer. À ce sujet, l'entente

récente entre Ottawa et le Québec en matière d'immigration comprend justement le transfert à cette province de tous les programmes fédéraux d'intégration linguistique, culturelle et économique. Il faut aussi signaler qu'à Hong Kong même, un nombre grandissant de personnes suivent des cours à l'Alliance Française dans le but évident d'améliorer leurs chances d'être admis au Québec. De plus, dans ces mêmes écoles, le Québec a lui-même mis sur pied un programme de langue destiné à faire connaître des éléments de la culture québécoise à ceux qui détiennent déjà un CSQ. Bien que positives et encourageantes, ces démarches ne peuvent quand même pas garantir de façon absolue que le nouvel arrivant de Hong Kong vaudra bien s'établir de façon permanente dans la province francophone et assimiler sa culture.

En 1989, plus de 20% de tous les CSQ étaient émis à Hong Kong. Dans un avenir rapproché, il est probable que le gouvernement du Québec s'intéressera moins à ces moins à ces immigrants. Cette année, on ne prévoit qu'une légère diminution du nombre de CSQ émis à Hong Kong (par rapport à plus de 8 000 en 1990), mais il faut souligner qu'il y aura en fait une augmentation du nombre total d'immigrants que le Québec s'attend à recevoir en 1991.

En vue du regain d'intérêt du Québec pour une immigration provenant des pays francophones de l'Europe, du mécontentement de plus en plus grand des Québécois, et du refus d'une bonne partie des Hongkongais de s'établir de façon permanente au Québec, on peut prévoir que leur pouvoir d'investissement dans la province demeurera leur principal atout. Au cours des prochaines années, non seulement peut-on s'attendre à une diminution de la «qualité économique» de ceux qui n'ont pas encore réussi à quitter Hong Kong de façon définitive, mais il faudra également considérer les problèmes soulevés par les demandes de réunion de famille (faites par les Hongkongais qui résident déjà au Québec). Pour des raisons humanitaires, la majorité de ces requêtes sont acceptées. Les bénéficiaires de ce programme auront tendance à demeurer avec leurs proches au Québec, c'est certain, mais il s'agit toutefois d'un groupe plus âgé qui a plus de difficulté à se trouver des emplois.

Notre analyse nous porte donc à prédire non seulement une réduction dans ce mouvement migratoire vers le Québec, mais également un changement dans le type d'immigrants admis dans cette province. On peut s'attendre à une diminution du nombre de «gens d'affaires» et à une augmentation dans le

nombre de «parents aidés.» Quoi qu'il en soit, une fois vidé de ses riches citoyens, Hong Kong deviendra certainement, dans les années à venir, une source moins attrayante d'immigrants.

Je remercie Jules Nadeau pour son aide dans la rédaction de cet article.

Hong Kong's Port and Airport Development Scheme

by Philip Calvert
Ottawa

Hong Kong is embarking on an ambitious and expensive project involving the construction of a new airport and container shipping complex on Lantau island. A massive undertaking, which will involve extensive land reclamation on Lantau as well as construction of a fixed crossing, the US \$16.3 billion project has become a subject of public disagreement between the governments of Hong Kong and Beijing. This has cast something of a cloud over the financing of the project.

In addition to the economic aspects of PADS (Port and Airport Development Scheme), the project has a great deal of political symbolism. Undertaking a project of this magnitude in the shadow of China's takeover of the colony in 1997 is in part an attempt to express optimism for the future of Hong Kong as a Special Administrative Region of China. Thus, the disagreement between Hong Kong and Beijing over the project has strong political overtones and reflects the complex dimension which 1997 adds to economic and policy decisions taken in the 1990's.

Scheduled for completion in 1997, PADS is to be funded from a combination of surplus reserves in Hong Kong and private sector financing from international banks. In public statements, Hong Kong originally maintained that the project is a local economic matter. However, it softened this position when several representatives of the Beijing government (including Zhou Nan, head of the New China News Agency's Hong Kong office and the highest-ranking Chinese official in Hong Kong) protested that the project would be a liability for China as the financial implications of the project extended well beyond 1997 and urged that it be delayed. Further, they argued Hong Kong had not been keeping Beijing informed on the project. Before issuing any statement approving the project, they

wanted to see a detailed financial and engineering analysis.

Tensions between the two governments were also heightened when Hong Kong announced invitations for bids on the fixed crossing component of the project. The situation became even more complicated when Gordon Wu of Hopewell Holdings, who had been involved in initial planning of the project since 1986, publicly criticized this move, saying that the fixed project component could be replaced by less expensive alternative links. He further criticized the Hong Kong government for not consulting as widely as it might have on the project. Hong Kong's position was also undermined by Lord Caithness, the newly appointed British Minister responsible for Hong Kong, who stated in early October that the project would be a "liability" for China after 1997 and that they ought to be consulted more on the project.

Later the same month, perhaps in response to this pressure, experts from both governments met for eleven days in Hong Kong to review the project. The atmosphere, from all reports, was more cordial than might have been expected in light of the acrimonious statements leading up to it. However, after the meetings the Chinese side let it be known that while they were still considering the project, they remained "unconvinced" of the feasibility of the scheme. For about six weeks, it seemed that confidence in the project was building again until Lu Ping, the new director of Beijing's Hong Kong and Macao Affairs Office, publicly stated that Hong Kong's pursuit of the project risked the financial stability of the colony and its currency. He demanded that Beijing be given a say in the membership of the body overseeing the project.

Despite the strength of this public stand, officials involved in the process

have indicated that Beijing privately recognizes the need for the project and that their public criticisms reflect a genuine desire to be more frequently and thoroughly consulted on its development. Earlier in the autumn, Hong Kong Governor Sir David Wilson had stated he felt that Beijing was warming to the project. Lu Ping's predecessor, Ji Pengfei, told a visiting Hong Kong delegation in September that Beijing had agreed to the project "in principle". One Hong Kong-based senior official in the New China News Agency apparently confirmed that the project would go ahead "eventually" because China has "no choice" – a statement echoed by officials in Beijing. China's Guangdong province, in a separate move, has already expressed its approval, reportedly in exchange for guaranteed labour and raw materials contracts.

There is no doubt that a new airport is needed in Hong Kong. The main issue seems to be Beijing's desire to have more of a say in the project for reasons of economics, politics and international prestige. Nevertheless, interested parties should not be complacent; controversy between the two governments and delays in Beijing's expression of approval of the project may delay financing from the private sector and, thus, drag out the implementation of the new airport and port scheme. Nor should Chinese domestic politics be ignored. The outcome of the current power struggle at the upper levels of the Chinese government may have an impact on its stance on the project as well.

One thing is certain. When the project goes ahead, international competition for a piece of the action is going to be intense. Attracted by the opportunities they see in PADS, a number of Canadian companies are actively marketing their capabilities in engineering, aerospace and financial management and have travelled to Hong Kong in January to participate in Airport discussions on the scheme. Canadian governments, at the federal and (in one case) the provincial level, are actively involved in mobilizing Canadian resources, an indication that the project is being taken as a serious and potentially lucrative opportunity. No one will feel really secure though until Hong Kong and Beijing come to some kind of agreement on the issue.

Immigration to Canada, 1990

by Diana Lary
Toronto

During 1990, interest in Hong Kong in migrating to Canada remained strong. As applications continue at high levels, a major concern in Hong Kong will be the back-log. The average processing time, the period between making a formal application, including medicals, and the final disposition of a case, was 288 days in 1988. By 1989 it had risen to 384 days, and by 1990 to 461 days. The future processing time will depend on the number of applications.

Immigrant applications screened, by class, Hong Kong - 1990*

Family	14528
Conv. refugee	0
Designated	124
Retired	3416
Assisted relative	5358
Entrepreneur	16908
Investor	6709
Self-employed	768
Independent	5955
Not stated	16
Total	53782

* all figures given here and in subsequent charts refer only to the first eleven months of 1990.

Figures for applications should not be closely linked to the number of visas issued, many of which will be the result of applications made in 1989 or earlier.

Visas issued, by class, CLPR Hong Kong - 1990

Family	2703	p
	5407	t
Conv. refugee	0	p
	0	t
Designated	282	p
	691	t
Retired	524	p
	1801	t
Assisted relative	880	p
	2529	t
Entrepreneurs	1078	p
	4382	t

Investors	687	p
	2944	t
Self-employed	73	p
	224	t
Independent	2610	p
	7079	t
Not stated	71	p
	205	t
Total	8905	p
	25262	t

p = principal applicant; t = principal applicant plus dependents.

The number of visas issued in 1990 did not increase much over the previous year – from 24,132 in 1989 to 25,262 in 1990 – but shifts in the composition of the movement continued, in the same general direction as in 1989. The family class (family and assisted relatives) made up 31.42% of the total (7936 people), a substantial increase over the 22.9% in 1989. The independent class, at 28% (7079), continued to decline, from 54.5% in 1988 and 41.4% in 1989. The business class (entrepreneurs, investors and self-employed) meanwhile was still increasing; in 1990 these categories accounted for 29.88% of the total (7550), up from 22.9% in 1989, and 13.7% in 1988. The main increase was in the investor category, which went from 699 in 1988, to 1,132 in 1989 to 2,944 in 1990. The entrepreneur category has been stable over the past three years, as has the self-employed category. The decline in the independent class may be caused in part by the fact that family and business classes have priority in processing. We should not assume that the decline in the independent class means that the calibre of immigrants is declining, as measured by the point system for independent immigrants. Some people who could qualify in the independent class still apply in the family or business class in the hope of speedier processing.

Another noticeable shift is in the number of dependents per principal immigrant. In 1989 the ratio was 2.2:1, in 1990, 2.3:1. The ratio varied considerably by class, ranging from a low of 1:1 for family class, to 1.7:1 for independent immigrants, to 3.28:1 for investors.

Landings in Canada, CLPR Hong Kong - 1990

First quarter	4089
Second quarter	7753
Third quarter	12124
Fourth quarter	3177
Total	27143

The total number of landings in Canada in 1990 was up from 19,994 in 1989 and 23,286 in 1989. The 1990 figure could include people who were visaed up to a year before the date they actually arrived in Canada, so may include many people who were visaed in 1989. The figure may be still higher, because the figures we have so far cover only until the end of November. Many people moved in the third quarter; one possible explanation is that some of these people were families who planned to arrive in Canada for the start of the school year.

Landings, CLPR Hong Kong, by province, 1990

Alberta	2335
B.C.	6965
Manitoba	323
New Brunswick	39
Newfoundland	17
NWT	17
Nova Scotia	91
Ontario	15205
PEI	12
Quebec	1825
Saskatchewan	313
Yukon	1
Total	27143

In terms of the declared destinations of immigrants within Canada, Ontario is still by far the most popular destination; in 1990 the percentage was 56%, up slightly from 53.98% in 1989. British Columbia is still in second place, at 25.66%, slightly up from 23.82% in 1989. Alberta is fourth, at 8.60%, and Quebec fifth at 6.72%

We would like to thank the Strategic Planning and Research Branch, Employment and Immigration Canada, for supplying us with these statistics.

Destinations

In the continuing emigration from Hong Kong, changes in immigration policies for receiving countries get close attention in the territory. These are some of the changes noted over the past six months.

Changes in US Policy

On October 28th the US Congress passed a new immigration bill which will have important effects for Hong Kong. Amongst many provisions, most of which are global, the bill increases the number of Hong Kong residents who can emigrate to the States from the present 5,000 p.a. to 10,000, until 1994, and thereafter to 27,000. Part of the increase will be taken up by people already in the States who have not yet reached their turn on the previous quotas. Special provisions are to be made for employees of the US Consulate, American companies trading in Hong Kong, and employees of the Foreign Broadcast Information Service. Some of those granted visas in the future will have the option of entering the States at any time up to 2001. This provision is designed to encourage people, especially those employed by US companies, to stay in Hong Kong as long as possible.

Dominican Republic

The Dominican Republic is one of a number of Caribbean countries which are encouraging the immigration of Hong Kong residents. For an investment of US\$50,000 and a six month stay in the country, landed immigrant status may be acquired which, after two years, may be transformed into citizenship.

Tonga

Investors may acquire a "protected person passport," which gives them a certificate of nationality but not citizenship. Until June, 1990, such passports could only be acquired on payment of a lump sum; payments can now be made on an instalment basis spread over three years. The total sum involved is US\$11,868 for an individual or \$22,550 for a family. Protected persons are not required to move to Tonga but are encouraged to visit.

Hungary

One new potential destination, still only at the general proposal level, is Budapest. The mayor of Budapest is said to have come up with a proposal to establish a Hong Kong enclave on an island in the Danube.

Immigration Policy

Canada's global ceiling for immigration, which was 180,000 for 1990, is to be raised to 220,000 for 1991 and 250,000 for the next four years. Although the global figure makes no specific reference to Hong Kong, unlike the new US immigration policy (see DESTINATIONS), the higher figure can only be helpful to people wanting to move here from Hong Kong. There will not, however, be any special programmes for Hong Kong, such as delayed visas or an expansion of the family and/or assisted relative class. Potential Hong Kong immigrants may be affected by the raising of the minimum amount needed to qualify as an investor immigrant - now \$250,000. The new levels were announced as Canada was officially entering a recession, but there has been little protest over their raising.

Emigration Rate

The Hong Kong government believes that the rate of emigration is easing. The number of people seeking US and Canadian visas is declining slightly. At the same time the number of people returning to Hong Kong may be higher than was previously estimated. Up to 30% of those who go abroad already have or will return after they have acquired foreign citizenship. Mrs. Regina Yip, Deputy Director of Administration, reported these estimates in December. She made it clear that these figures were "guesstimates," since there are no firm figures either for the total number of visa applicants or for returnees (Hong Kong Digest, December 19, 1990).

THE EMIGRANT

The emigration from Hong Kong has spawned an emigration industry. Much of its activity is reflected in the pages of *The Emigrant*, a glossy, highly professional magazine published monthly by Trade Media. It is directed at middle-class professionals in Hong Kong and Taiwan, and aims to provide information and analysis on emigration possibilities. The magazine is put together by an eight person team in Hong Kong with contributions from about thirty free-lancers abroad. It does not specifically encourage emigration. On its masthead is the statement: "This magazine neither advocates nor discourages emigration. Its purpose is to offer information so that people can make their own choice".

In the two years since it started (the first issue appeared on the auspicious date of August 8th, 1988), its size has expanded from 102 pages (42 advertising) to 140 pages (74 advertising) for 1990. The largest section of the magazine is devoted to **Destinations**, which gives detailed descriptions of life and opportunities in countries which receive immigrants. At first the section concentrated on Australia, Canada, New Zealand and the United States, but after June, 1989, the range of countries covered was expanded to include previously less desirable destinations such as Tonga and Belize. These articles are very specific; in the November, 1990 issue, for example, the major article on Canada is about Markham, Ontario.

The magazine always includes at least one article on an emigrant's experience abroad. The November issue looks at Andrea Eng, an outstandingly successful real estate agent in Vancouver. One section of the magazine is devoted to current emigration regulations from various countries; the occupational rating for independent immigrants to Canada, for example, is updated regularly. Though the magazine is bilingual, much of the advertising is in Chinese only. The advertisers range from emigration consultants, to schools and universities, to moving companies. **Circulation Office:** Dataford Ltd., Block A, 13/F, Vita Tower, 29 Wong Chuk Hong Road, Hong Kong

Precarious Future of the Media in Hong Kong

by Susan Henders
Hong Kong

Although Hong Kong faces no serious challenges to its role as Asia's press and publishing centre, it may now confront threats from within. Britain's legacy of colonial laws, China's intimidation campaign against local media, and self-censorship threaten what is regarded as an island of press freedom in the sea of intolerant regimes that govern much of East and Southeast Asia.

"I don't necessarily think Beijing is going to send in the big guns in 1997," Cliff Bale, an executive committee member of the Hong Kong Journalists Association, said in an interview. "It's the subtle stuff that is really damaging – the intimidation and currying favour in media circles. China is already doing that."

Barry Wain, editor of the Hong Kong-based *Asian Wall Street Journal*, says local media began accommodating Beijing's new role almost immediately after Britain and China signed the 1984 Joint Declaration, the agreement under which China will regain sovereignty over the colony in 1997. In response to banquets, gifts and other enticements offered by Beijing officials, relief that China would not retake the territory by force or just plain fear of reprisals, local editorialists became visibly less critical of the Beijing regime, Wain told a gathering of the Asia-Pacific Foreign Exchange Assembly in Hong Kong. Reporters have avoided topics that might upset the Chinese government.

With China's carrot and stick tactics very much on their mind, many journalists fear that self-censorship is already eating away at the freedom and independence of the media. In a recent survey of local journalists, Joseph Man Chan, a lecturer in the Journalism and Communications Department at the Chinese University of Hong Kong, found that about half of the respondents said they thought other journalists were apprehensive when they wrote reports critical of the Chinese government. About 20 per cent said they themselves were apprehensive about writing such stories. Reporters pick up cues about what is politically acceptable from their

organizations's editorials and their bosses' behaviour, Chan said in an interview. "They know that the Chinese government remembers, that the Chinese government will punish them, if not now, then later."

Self-censorship is a problem for media around the world, but conditions in Hong Kong could make local reporters particularly vulnerable to its influence. Lorraine Hahn, a Canadian journalist reporting for Hong Kong's privately owned TVB, says salaries are generally low, so reporters tend to be young and inexperienced. Management styles are hierarchical and reporters have little influence over editorial decisions.

Hong Kong's media are no stranger to the pressures of Chinese politics. Over the past century, the colony has played host to dozens of partisan newspapers taking advantage of its liberal press climate to wage propaganda wars. Even today, both the Mainland-based Chinese Communist Party and its rival, the Taiwan-based Nationalist Party, continue to own, subsidize or maintain close links with local newspapers.

According to Chin-Chuan Lee of the School of Journalism and Mass Communication at the University of Minnesota, it was not until 1970 that Hong Kong newspapers moved beyond their preoccupation with Chinese politics – in particular, the Communist-Nationalist battle – to pay significant attention to local Hong Kong affairs. Today several market-oriented newspapers with "centrist" Hong Kong perspectives, but no binding partisan ties, dominate local circulation wars. A significant amount of space is still reserved for the discussion of Chinese politics which is of salient concern for Hong Kong citizens.

At the same time Joseph Man Chan maintains that this highly charged political atmosphere has helped make Hong Kong one of the most competitive print media markets in the world. While two newspaper cities are a rarity in Canada, Hong Kong readers can choose from more than 60 newspapers, about 20 of which concentrate on news and

opinion while the rest (known locally as the "mosquito" press) devote themselves to entertainment, gossip and horse racing tips. Dozens of magazines – including locally-headquartered international publications like the *Asian Wall Street Journal*, *Asiaweek* and the *Far Eastern Economic Review* – two television stations (each with English and Cantonese channels) and two radio networks (also with both English and Cantonese stations) compete for consumers in this city of almost six million inhabitants. New satellite television stations and a third radio network are in the planning stages.

"We have a market place of ideas in Hong Kong and it is very competitive, stretching from the far right to the far left," Chan claims. "Hong Kong has always been a publication hotbed and now it is becoming a communications centre for Asia too."

Chan also maintains that this competitiveness and diversity could inhibit the extent and speed of the Chinese government's ability to muzzle its media critics after 1997. As long as local media businesses are governed by market forces and there is consumer appetite for dissenting voices, some news organizations will take a critical editorial position if only to attract customers. The growing number of media companies listed on the stock exchange could be less vulnerable to political pressure because they have to answer to profit conscious shareholders, even if their proprietors succumb to Beijing's co-optive efforts. Foreign owned media organizations and those headquartered or with assets offshore could also be less susceptible to pressure. New television and radio channels will soon make the territory's electronic media market more competitive as well. "What all these add up to is growth in pluralism in our channels of media communication," Chan says, and "pluralism means it is more difficult to curtail press freedom."

Paradoxically, however, this increasingly lively communications hub sits atop a foundation of less-than-liberal colonial laws and a non-democratic, if

benign government. Hong Kong's British rulers have permitted a very significant degree of media freedom, defined in terms of an absence of official censorship and of government persecution of media. Yet, a wide range of ordinances still give the government broad authority to do such things as ban or edit television programmes, prohibit the broadcast of false news, censor films deemed prejudicial to relations with China, obtain search warrants and prohibit public entertainment.

These laws are seldom used. However, fearing they could prove formidable weapons against the media in the hands of a less liberal government after 1997, the Hong Kong Journalists Association and others have called for government action to repeal or amend them before the transfer of sovereignty. The government is currently reviewing its ordinances for compliance with the territory's proposed new bill of rights. "We have a sort of benevolent dictatorship here now, but these laws could be used to severely repress the press after 1997," maintains Cliff Bale, who covers the Hong Kong-Beijing affairs beat for the publicly-owned Radio Television Hong Kong.

Both Bale and Chan point to the urgent need for access to information legislation to aid journalists' and other citizens' efforts to obtain information about government policies. "The media can say what it wants about the government, but the closed nature of the colonial government system means they have trouble finding out enough information to be able to report effectively," Bale argues. Access to information legislation will be critical after 1997 because Hong Kong's government will not be fully accountable to citizens through direct elections.

The Beijing government's actions since June 4th have done little to inspire confidence in media circles, according to Barry Wain. China has curbed Hong Kong journalists' access to reporting on Mainland affairs through visa restrictions, blacklisting individual journalists and publications and other controls. It fired the publisher, who had sided with the students during the democracy movement in 1989, of the locally-based but Mainland-controlled *Wen Wei Po* newspaper. Furthermore, China has openly attacked Hong Kong media for

spreading rumours about Mainland politics and undermining confidence in the territory's future.

"The local press has taken the full brunt of what is nothing less than a heavy-handed intimidation campaign," Wain maintains. "Peking has moved to regain control of its own propaganda apparatus in Hong Kong while employing every tactic from continuing seduction to punishment and even dirty tricks to convince journalists that there is only one way to report – and that is China's way."

Finding a way to address China's legitimate concerns about the territory being used to subvert the Beijing government, without jeopardizing Hong Kong's freedoms and autonomy, will be difficult in practice. As Chan maintains, "China has a mentality of controlling everything. They think that when they can control Hong Kong, then 'one country, two systems' will work. But control is the very thing that will destroy Hong Kong."

In the end, it could be a dollars and cents argument that proves most persuasive in convincing China and its conservative Hong Kong business allies to put up with the territory's liberal media traditions. Chan and Bale argue that a decline in press freedom would not only hamper the activities of film making, publishing, television production and other profitable industries in Hong Kong, it would hurt Hong Kong's position as a regional financial centre.

William Overholt, a regional strategist with Bankers Trust Securities Research, concludes that the "Chinese government has moved so far toward a hard line that it is raising legitimate doubts about whether freedom of press and opinion after 1997 will be adequate to sustain information-intensive businesses such as regional banking, stockbroking, and publishing, and also to sustain a large population of the kinds of sensitive, opinionated, highly educated individuals who are the principal resource of such businesses."

At this point, no other city in the region has the combination of good facilities and press freedom that would allow it to replace Hong Kong's financial centre role, but this could change, Overholt warned the American Chamber of Commerce. "Depending on the attitude of Beijing, Hong Kong's long-term attractiveness in this area could weaken substantially at a time when one can imagine possible improvements in Singapore or Bangkok. This is a role Hong Kong can lose. China will certainly be tempted to curb 'slander' and 'rumours' about China, as Lee Kwan Yew currently does in Singapore."

Reference: Chin-Chuan Lee and Joseph Man Chan, *Mass Media and Political Transition: The Hong Kong Press in China's Orbit*, will be published by Guilford Press, New York in April, 1991.

Report from Britain

by Harriet Clompus
London

In the past few months, there has been little British press coverage of Hong Kong issues, partly because the Gulf crisis and the recent British leadership election have dominated the media. Another factor is that since passage of the British Nationality (H.K.) Bill, the Hong Kong question is largely seen by the Government as settled.

One effect of the Gulf crisis has been the rapprochement between Beijing and the West – an objective, Britain has actively sought. On September 29, 1990, the U.K. submitted a proposal at a meeting of the European Community's Asian Group of Political Directors to

drop sanctions imposed on China after Tiananmen. Indicative of the growing relaxation of the prohibition on high level contacts, the British Foreign Minister, Douglas Hurd, met in October with his Chinese counterpart, Qian Qichen in New York.

In early November, a statement was issued by the Chinese ambassador to Britain, Ji Chaozu, indicating that Hong Kong had nothing to fear from 1997. Several weeks later on November 19th, Tian Zengpei, the Chinese Deputy Foreign Minister, arrived in Britain for a

Britain, cont'd page 11

Controversy Over UK Nationality Package and Residency Rules

by Ho-yin Cheung and
Keung-sing Ho
Hong Kong

While the UK Nationality Act refers only to the acceptance of 50,000 heads of household as emigrants from Hong Kong, the British Government originally estimated that a total of 225,000 passports would actually be issued under the nationality package. The total would include all the spouses and children of the primary emigrants. This figure of 225,000 was first mentioned by British Home Secretary, Douglas Hurd, when he announced the Right of Abode scheme in the House of Commons in December 1989. Although it has generally been accepted by the Hong Kong press, there is now growing evidence to doubt such a high estimate.

In November 1990, Dr. Paul Kwong Chun-kuen of the Chinese University indicated that the actual figures would be closer to 158,000 and possibly even lower. To arrive at this revised figure, he used the 1986 census tabulations that list average household size, according to the occupation of head of household. The UK estimate of 225,000 suggests an average Hong Kong family size of 4.5 members, considerably higher than the actual 1986 census figure of 3.8 for those in a higher income bracket. As Dr. Kwong concluded, "It seems like they just picked that number out of the air. It's very easy just to talk in terms of 2.5 kids."

Computer analysis of a 1987 Family Planning Association survey of 1,511

women of child-bearing age also indicated that those who were better educated tend to have fewer children, on the average 1.4. The overwhelming majority of these women were married to professional, well-educated men – to whom most of the 50,000 UK passports will be issued. Taking account of a percentage of bachelors and using the 1.4 figure for children, Dr. Kwong estimated a more accurate figure of only 150,000 passports to be issued.

Canadian and American consulate officials have confirmed that this lower estimate corresponds to their own figures on the average size of Hong Kong families emigrating to their countries. The Canadian Commission estimates 2.8 as the average nuclear family size while the US consulate uses a figure of 3.

How the now disputed UK figure of 225,000 passports was arrived at remains unclear. A Home Office spokesman has conceded the final number might be less than the original estimate which was only intended to be a maximum figure. Furthermore, British government officials in both London and Hong Kong have confirmed that the 225,000 estimate was only meant to refer to those receiving passports in the run up to 1997, and does not include the distant future.

The May 1990 amendment to the UK residency rules has also caused potential difficulties for those who hold Hong Kong British Dependency Territory

(BDTC) passports. In order to retain their residency status in the UK, those who hold such passports must now convince immigration officers that they are seeking admission to Britain for the purpose of permanent settlement. Prior to the amendment, people who acquired indefinite leave to enter or stay in Britain were allowed to re-enter the UK as long as they had not been away for more than two years. Essentially the change in the law has meant that Hong Kong people who have residency rights in Britain cannot retain this status if they return to their careers in Hong Kong.

In May and June of 1990, 570 people, who hold BDTC passports and are thereby entitled to residency status in the UK, entered Britain without difficulty. However last June, one Hong Kong resident failed to convince British immigration officers that he intended to settle there. As a result his residency right was removed. Last September, Hong Kong Executive and Legislative Councillors met with Lord Caithness, the British Foreign Minister with responsibility for Hong Kong, to discuss this problem and the stricter requirements for settlement in the UK. While Lord Caithness claimed the above was an exceptional incident, Lady Dunn recognized that there was a potentially serious problem as it was not possible to tell whether this was an isolated incident or a trend.

Applications for British Citizenship

The application procedures for people who may apply for British citizenship are now under way, and the process of selection will start soon. The application date is February 28, 1991. Applications are open to people ordinarily resident in Hong Kong who hold some form of British-connected passport or who as holders of certificates of identity, applied for naturalization before July 26, 1990. Applications are only open to a head of family, his or her spouse, and children under 18 at the time of application; there is no provision for parents or for other relatives. There are 36,200 places for the

general occupational class, 13,000 for disciplined and sensitive services, and 500 for entrepreneurs. Eighty-seven per cent of places will be dispersed in the first phase and the rest at an unspecified later date.

A point system rather like the Canadian one for independent immigrants will be used, with the following categories and maximum number of points: age (200), experience (150), education and training (150), special circumstances (150), proficiency in English (50), connections in the UK (50), public or community service (50), for a total of 800. In order to make

sure that the citizenships are allocated fairly, 200 points will be deducted from an applicant who already holds another citizenship. The large number of points to be allocated under 'special circumstances' is to ensure that people most necessary to the running of Hong Kong will stay as long as possible. It covers people in occupations where there has been 'an exceptional propensity' to emigrate (75), people who have shown 'exceptional merit' (50), or people who have committed acts of bravery (25). This is not a process for the faint-hearted; the application form is 32 pages long.

Hong Kong Coverage in Beijing

by Mark Rowswell
Beijing

News about Hong Kong that appears in the mainland Chinese press tends to consist of short reports on how well the local economy and cooperation with the mainland are progressing. This regular trickle of good news was interrupted twice during the latter half of 1990, by reports on the Hongkong Bank's decision to move its domicile to Britain and Beijing's reaction to the Hong Kong airport project. Still, the reader is left to decipher what the real news is between the lines of Chinese press reports.

Hong Kong's economic growth was reported to be modest but "healthy by world standards" in the wake of a global economic slow-down. Closer economic ties between Hong Kong and the mainland were credited with reducing the negative effects of a sluggish US economy on Hong Kong exports and aiding the development of the mainland's foreign trade. Hong Kong businessmen were reported to be increasing investment in the mainland now that the political and social situation had stabilized and the impact of the "June 4th incident" was "fading." Hong Kong investment has already recovered to pre-June 4th levels and accounts for 63% of the total value of overseas investment in

China, according to a *China Daily* report.

Hong Kong and the mainland have been each other's largest trading partners since 1985, and the "we need each other" theme is often repeated in the Chinese press. Deputy Director of the Hong Kong and Macao Affairs Office, Chen Baoyin, predicted "brighter times ahead" for Hong Kong. Chen boasted that China's reforms and opening "had become one of the major factors which had brought about the rapid growth of the Hong Kong economy in the 1980's." With China providing the base for economic development, Hong Kong will become an even more important centre of finance, trade and communications in the future, Chen claimed.

In a September interview, Jiang Zemin spoke highly of Hong Kong's role in China's development. Hong Kong and the mainland "each complement the other for the sake of common prosperity." In August the State Council issued a set of regulations to encourage overseas, Hong Kong and Macao Chinese to invest in the mainland. These regulations give preferential treatment to export-oriented and technologically-advanced enterprises, allowing them to remit profits and

transfer assets more freely and granting autonomy of management. Clearly, Beijing hopes that Hong Kong will play an important role in investment and technology transfer in mainland development projects.

However, Hong Kong's own mega-projects are a major concern for Beijing. A December article in *China Daily*, under the headline "HK urged not to fund large projects," failed to mention the enormous (US\$16.3 billion) Hong Kong airport project, but it was clear that this was precisely the source of Beijing's worries. The Chinese government has repeatedly balked at the cost of this project, reiterating that Hong Kong's financial reserves should not be drastically depleted. The need for a new airport has not been questioned, but Beijing insists that it must be consulted on such large projects, especially as the construction of this one will extend beyond 1997.

The news that the Hongkong and Shanghai Banking Corporation had decided to move its domicile to Britain was reported very briefly in the *China Daily*. This was followed three days later with a summary of Chinese Foreign Ministry spokesman, Li Zhaoxin's remarks, urging the British government to "abide by its responsibility in safeguarding and maintaining the social stability and economic prosperity of Hong Kong during the transitional period." The Hongkong Bank's move was mentioned, but no specific recommendations on how the British government should act were made. No mention of the Hongkong Bank's move or of Li Zhaoxin's exhortation was made in the *People's Daily* although his comments on other topics were reported.

Articles on Hong Kong in the English language *China Daily* greatly outnumber their counterparts in the Chinese language *People's Daily*. Clearly, this is in part due to the "what we think you need to know" fashion that news is published in China. The *China Daily* is read by a relatively small audience of intellectuals and foreigners and can, therefore, afford to be more open in its reporting. Still, reports in the *China Daily* are very sketchy when compared to their counterparts in the Hong Kong press. At best, Chinese readers get only half the story and are left to infer and imagine the rest.

Britain, from page 9

five day visit. He was a last minute replacement for the ailing Wan Li, Chairman of the National People's Congress. Tian had talks with then Prime Minister, Mrs. Thatcher and Lord Caitness, the newly appointed Minister of State with responsibility for Hong Kong. The resignation of Mrs. Thatcher one week later on November 23rd prompted Sir David Wilson, Governor of Hong Kong, to state, "I am quite sure that it will not mean any change at all to British policy towards Hong Kong."

Other H.K. news which received media coverage in the U.K. was the court case of 111 Vietnamese boat people who, Judge Raymond Spears ruled on November 12th, had been illegally imprisoned for 18 months. They had been detained under Section 13d of the

immigration law dealing with refugees entering Hong Kong, a status which none of them had claimed. In fact, they had never sought to enter Hong Kong but only sought assistance to repair their boat before continuing their voyage to Japan. Instead, the Hong Kong authorities destroyed the boat and held them under the immigration law despite the fact that they refused to apply for asylum in Hong Kong. After the hearing, representatives of the 111 left the court as free men but were immediately rearrested under section 4 of the immigration ordinance covering illegal immigration, although they never sought to enter H.K. On November 13th, a *Times* leader commented that, "This happened not in Albania or China but on British soil." It criticized Hong Kong's Secretary for Security, Alistair Asprey, for his "high handed contempt" of due process.

Statistical Imponderables:

What we do not know.

by Diana Lary
Toronto

One of the best and most satisfying ways to deal with an issue objectively is to rely on hard statistical evidence. But the desire to be precise may be thwarted by statistical imponderables. In some instances statistics are not available; in others there are only partial statistics or ones which cannot be correlated within a specific time frame. These imponderables present some problems in looking at Canada and Hong Kong. Here are some examples:

Immigration applications

There are several areas of imprecision with immigrant applications. 1) The time lag between application and decision is often so long that it is impossible to make accurate correlations between applications and landings, which are spread over a number of reporting periods. 2) It is impossible to tell whether all successful immigrant applicants will come to Canada. Some people apply concurrently as immigrants to more than one country; they only decide where to go when they have heard the outcome of all their applications. One guide is to correlate the number of certificates of good behaviour issued by the Hong Kong Police with the number of applications made to foreign representatives in Hong Kong, but only the Hong Kong government can do this. 3) It is difficult to tell how long people will take between receiving a visa and departing for Canada though not more than one year is allowed. These imprecisions make it hard to predict the rate of future immigration in precise terms.

Family size

Immigration applications are made by an individual who is then entitled to sponsor his or her immediate family (spouse and children under 18). Estimating the number of dependents is difficult since the size of family varies. (See *Immigration statistics and the Cheung/Ho* article.)

Location of immigrants in Canada

Immigrants to Canada declare a specific destination within Canada, but the declared place of landing gives no firm indication as to where people will actually settle. There are no barriers to movement within the country; once people have landed it is up to them where they chose to live. Records are not kept on where immigrants live after they arrive. The next census figures, not due until 1992 or 1993, will only reveal ethnicity, not place of birth. It is difficult to predict the demand for services if it is not clear where the people who may need them are. It may also run counter to the immigration policy of a specific province if people who enter the country destined for a particular province do not stay there.

Investment from Hong Kong in Canada

One of the anticipated benefits of the migration from Hong Kong to Canada is investment in this country. Though large figures are quoted, they are seldom reliable because the process of investment is complex and constantly shifting. Although the amount of money locked in investment funds specifically geared to investor immigrants can be established at any given point, other investments are less clear cut. It is impossible to distinguish between long and short term investments, between money brought in by immigrants for their personal or business use, and money which is here only as long as the returns are good. There are no controls on the departure of money. It is also impossible to distinguish between investments made by non-residents, immigrants and Canadian citizens and, thus, to establish how much investment can be attributed directly to immigration. There is little specific significance here to the Hong Kong/Canada relationship, since the issues discussed relate to standard international market transactions.

Job opportunities for immigrants

Immigrant applicants in the independent class are given up to ten points for the demand for their occupation in Canada. Shifts in the point system are noted widely in Hong Kong and followed by potential immigrants as they make up their mind where to apply. However, by the time successful applicants arrive in Canada, many months or years will have elapsed since the time of application, and the occupational demand pattern may have shifted. At the end of 1989, for example, funeral directors got ten points for demand, but by the time successful applicants arrive, the demand may not be there. The immigrant experience is more painful if the immigrant has to suffer status dislocation alongside the process of migration.

People of Chinese origin in Canada

At the moment, it is difficult to tell the size of the Chinese ethnic group in Canada. Results of the 1991 census will not be available until 1992 or 1993, and in a period of heavy immigration from Asia, the 1981 statistics no longer give an accurate picture.

If immigration statistics are added to the 1981 census figures, it is still not possible to produce an accurate figure for the Chinese group. Immigrants of Chinese origin may come from Hong Kong, the PRC, Taiwan and Southeast Asian countries, as well as from non-Asian sources. The size of the Canadian-born population of Chinese ancestry may also have changed, but birth and death figures are not tabulated by ethnicity. Though there are real distinctions amongst immigrants, and between them and Canadian-born people of Chinese descent, visible distinctions are slight.

Amongst the various categories of Chinese, connections are often limited, except for special circumstances such as the pro-Democracy movement last year. Knowledge of common ethnicity is, however, significant in certain public spheres – the provision of heritage language services and of social services in one or more dialects of Chinese. It is also significant in terms of investment

next page

decisions for businesses geared to the Chinese community. So far, no means has been found of getting round the imprecision other than by subjective 'guesswork'.

Canadian citizens in Hong Kong

It is impossible to tell with any degree of accuracy how many Canadian citizens are living in Hong Kong at any given time. Estimates range from as low as 9,000 to over 30,000. There is no requirement for Canadian citizens to register at the Commission. Dual citizens

live in Hong Kong as local citizens. This is a common situation; Canadian authorities seldom know how many of their citizens are in a specific country at any given time. Canadians are only advised to register at an embassy or commission if they are going to be 'residing abroad for a protracted period, or travelling in a disturbed area' (back page of passport). Lack of precision would only take on real significance if it were ever necessary to evacuate Canadians from Hong Kong.

British Ministers with Responsibility for Hong Kong

*by Harriet Clompus
London*

There have been many "reshuffles" within the British Government since the Joint Declaration with China was signed in December, 1984, and it is useful to examine these changes as they affect Hong Kong.

Secretary of State for Foreign and Commonwealth Affairs

Sir Geoffrey Howe 1983-July 1989:

Sir Geoffrey was Foreign Secretary at the time of the signing of the Joint Declaration, and he made frequent visits to both China and Hong Kong during this period. After the Peking Massacre, Sir Geoffrey stated in Parliament on June 6, 1989 that Britain "condemned the merciless treatment of peaceful demonstrators and deeply deplored the use of force to suppress the democratic aspirations of the Chinese people." The resignation of the Chancellor of the Exchequer in July 1989 precipitated a cabinet reshuffle, and Sir Geoffrey became Deputy Prime Minister. He was replaced in the Foreign Office by John Major.

John Major

July 1989-October 1989:

During John Major's three-month tenure as Foreign Secretary, Parliament

discussed measures that should be taken to protect the interests of the Hong Kong people. Various immigration policies were proposed, but no final decision was reached. Mr. Major did not visit Hong Kong.

Douglas Hurd

October 1989-present:

Under Hurd, the Nationality (H.K.) Bill was introduced and passed in April 1990. On his return from Hong Kong in mid-January 1990, Mr. Hurd stated, "We have tried to strike a balance which is disappointing to almost everyone in Hong Kong, but we believe that it is a reasonable balance." Since the passing of the Nationality Bill, the Foreign Secretary has not visited Hong Kong although he has had high level talks with Chinese officials.

Minister of State, Foreign and Commonwealth Office, with responsibility for Hong Kong

Richard Luce, M.P. 1984-85

Timothy Renton, M.P. 1986-87:

Mr. Renton made a trip to Hong Kong in January 1986 after the publication of a Green paper on Hong Kong's future.

Lord Glenarthur 1988-89

Francis Maude, M.P.

September 1989-August 1990:

Francis Maude visited Hong Kong in April 1990 to reassure the colony about the terms of the Nationality (H.K.) Bill and to suggest that several Western allies were considering plans to allow more Hong Kong people to have 'insurance' visas for their countries. This statement, designed to allay Hong Kong jitters, backfired when many of the countries Maude had mentioned, including Canada, denied that they had any such policy.

Lord Caithness

August 1990-present:

Lord Caithness has no background in foreign affairs and no special knowledge of Hong Kong. He visited Hong Kong for the first time in September 1990. In a *Times* article (Oct. 1, 1990) about the trip, entitled "A Minister Adrift in an Ocean of Indifference," Bernard Levin suggested that although the general consensus in Hong Kong was that, "Lord Caithness was not as bad as Lord Glenarthur," his lack of knowledge was profound. "What the betrayed people of Hong Kong really made of this astonishing Bertie Wooster, apparently made of ectoplasm, there is no knowing, but the choice of such an insubstantial political figure for the political overseeing of Hong Kong demonstrates with saddening clarity our government's indifference to the colony's fate."

In November 1990, Lord Caithness had talks with Tian Zengpei, the Chinese Deputy Foreign Minister, on the latter's visit to Britain.

In Future Issues. . .

Legal Terminology in Chinese and English

Japan and Hong Kong: Trade and Investment Trends

Hong Kong Visa Students in Toronto Schools

European Views of Hong Kong

The Indian Community of Hong Kong: Citizenship After 1997?

Five Arrested in Immigration Case

by Janet A. Rubinoff
Toronto

On October 31, 1990, the *St. John's Evening Telegram* reported that three people had been arrested and charged in connection with an alleged immigration scam involving Hong Kong residents seeking Canadian citizenship. After a nine month investigation the RCMP arrested two Newfoundland residents, Citizenship Judge Eric Noseworthy and Jocelyn Saulnier, an immigration administrator in the Department of the Secretary of State, and Ottawa businessman Paul Vai Seng Ho. The three were charged with 22 offenses including conspiracy, breach of trust, bribery, and issuing false documents. The preliminary inquiry is scheduled for April 1, 1991 and is expected to last up to six weeks, according to Colin Flynn, director of public prosecutions.

Two days later in connection with the same investigation, two more people, a husband and wife who are Hong Kong nationals living in Ottawa, were arraigned on charges of giving false statements to obtain a Canadian passport. These offenses are alleged to have occurred in St. Johns. A tragic result of this case was the sudden death on November 3rd of Judge Noseworthy, five days after his arrest and release on \$30,000 bail. He had been charged with "accepting commissions and rewards, breach of trust, conspiracy and possession of property obtained by crime."

According to Superintendent Emerson Kaiser, the RCMP "have reliable information from Hong Kong that people have paid and are willing to pay anywhere from \$10,000 to \$12,000 up to as high as \$100,000 to get into Canada."

Hong Kong 1997: dans la gueule du Dragon rouge

Jules Nadeau, with the collaboration of Mathieu-Robert Sauvé and the photography of Luc Sauvé
Quebec/Amerique, 1990

This is the first serious treatment of

Hong Kong published in Quebec, and, fittingly, it is written by one of the Quebecois who knows most about Hong Kong, Jules Nadeau. Nadeau has spent a considerable amount of time in Hong Kong over the past twenty years, and has close family connections there. After the debacle in Peking in June, 1989, he went to Hong Kong and conducted an intensive enquiry into the state of the territory. He interviewed people from all walks of life, and looked at Macao and Shenzhen, as well as Hong Kong itself. The report of his enquiry reveals a generally pessimistic view of the future of Hong Kong amongst the people he talked to, but it also shows that there is still the possibility of less negative scenarios.

Hongkong Bank

In December, 1990 the Hongkong and Shanghai Bank, one of Hong Kong's key financial organizations was reorganized under a British holding company, effectively moving the headquarters of the bank to London. The bank's substantial Hong Kong assets will remain there, but non-Hong Kong assets, including the Hongkong Bank of Canada, will come under the new London-based Hongkong and Shanghai Bank Holdings. The move was covered sympathetically in an editorial in the *Globe and Mail* on December 22nd: "...only by signalling its ability to rapidly decamp can the bank hope to retain the confidence of fretful foreign investors..." The move is not expected to effect the operations of the Hongkong Bank of Canada, according to a spokesman (*Globe and Mail*, Dec 18, 1990, B2).

Hong Kong Government Recruitment in North America

In an effort to maintain the Hong Kong civil service at desirable levels, the Hong Kong government has for the past few years been recruiting in North America. In 1990, 154 applications were received in Toronto and Vancouver, up from 105 the year before. These figures compare with 243 (1990) and 107 (1989) from the United States. No information is available on the success rate of applicants.

Lu Ping

On November 23rd, 1990, the deputy director of the Hong Kong and Macao Affairs Office of the State Council in Peking was promoted director, replacing Ji Pengfei, the 80-year old director. Lu Ping is said to share the hard-line attitudes of Li Ping, the prime minister.

B.C. Development, from page 1

one-acre Buddhist temple compound includes the Main Gracious Hall, where most of the activities take place, living quarters, a parking lot and the newly completed Seven Buddha Mural. Plans have been made to construct a new building which will include a Meditation Hall, teaching facility, library and new offices. Temple administrators have asked the City of Richmond to re-zone part of the surrounding farmland for this purpose.

Construction of the temple began on September 25, 1982 when the foundation stone was laid by then mayor B.J. Blair. It was officially opened on August 3, 1986. The project was first initiated by Mr. and Mrs. Wang, devout Buddhists, who had immigrated to Canada from Hong Kong. They donated both the land and the first \$300,000 towards the building of the temple. Additional funds were collected from the local Chinese community to cover a total cost of about \$2.5 million. The temple is mainly financed by donations from supporters.

There are four priests at the temple, including the main administrator, Reverend Cheng-Ming, originally from Mainland China. Temple staff includes sixteen members who work in the office, kitchen and farm. On the weekend, worshippers are provided with vegetarian food prepared in the temple kitchens while vegetables from the farm are sold.

Major temple activities centre on prayer and the chanting of Buddhist scriptures (*sutras*). There are no set services and worshippers can enter any time the temple is open to pray in front of the Kuan-Yin Bodhisattva or the Buddha of Healing. One of the main events sponsored by the temple is the yearly Da-Fo-Qi ceremony which is held at the end of November. Essentially a

next page

meditation, the ceremony includes seven parts and lasts for seven days from 5 in the morning till 9:30 at night. The object for worshippers is to control their physical desires and concentrate on the teachings of Buddha. Besides religious activities, the temple also offers training in Chinese culture, such as traditional painting and stone-carving. Thus, it functions as both a religious and cultural centre for the Chinese-Canadian community.

Not far from the Buddhist temple is the major commercial development project, **Aberdeen Mall**, the largest enclosed Asian retail centre in North America. Thomas Fung, developer of the Mall and the 39-year old president of Fairchild Developments Ltd., immigrated to Vancouver from Hong Kong with his family in 1984. Prior to his immigration, Mr Fung attended high school in Vancouver as well as the University of British Columbia. Aberdeen Mall is his ninth real estate investment project in Vancouver.

Named after the Aberdeen tourist district on Hong Kong Island, the Mall has two levels and covers a total of 11,000 square metres. Total cost was approximately \$20 million. When it was officially opened June 30, 1990, 95% of the retail space (over 40 shops) had been leased. They include fashion boutiques, groceries, restaurants, bowling alley and a number of businesses (electronic equipment, furniture, stationery and book stores where the *HK South China Morning Post* is available, Chinese cinema, and even a traditional herbal tea house) that cater to an Asian clientele. The developer attributes the success of the mall to a "strong pent-up demand in the Asian community." Mr. Fung wants the mall to be a lively place especially in the evenings, to replicate the busy night life of Hong Kong. To this end, all stores must remain open to at least 7:30pm from Sunday to Wednesday and until 9:30pm from Thursday to Saturday.

Canada/HK Project:

First Workshop Held

The first workshop of the Canada and Hong Kong Project was successfully held at Brock University on Saturday, January 5, 1991. Convened by Prof. Charles Burton of the Department of Political Science at Brock, the workshop focused on Politics and Society in Hong Kong up to and after 1997, and included papers on religion, education, and labour unions. Papers were presented by Thomas Leung, Regent College, Vancouver, on "The Crisis and Transformation of the Role of Hong Kong Religious Organizations Before and After 1997;" Bernard Luk, Chinese University of Hong Kong, School of Education and visiting scholar at Victoria College, University of Toronto, on "Education in Hong Kong Up to 1997 and Beyond;" and Ming Chan, University of Hong Kong, Department of History, "Forever Under China's Shadow: Historical Perspectives on the Realpolitik of Hong Kong Labour Unionism Toward 1997."

The papers will be published by the Joint Centre for Asia Pacific Studies in the late spring as part of our new Canada and Hong Kong series. The next workshop, on legal issues involved in the return of Hong Kong to China, will be held this June in Hong Kong. It will coincide with the "Festival of Canada," sponsored by the Canadian Commission. The convener of the workshop is Prof. William Angus, Faculty of Law, York University.

A unique feature of the mall is the **Chinese herbal tea house**, called **Fook Po Tong** — meaning "Bringing Good Luck and Prosperity." Financed by real estate agent Willie Chan and two brothers, Patrick and Peter Chan, it is the first traditional tea

house established in Canada. The Chan brothers, who immigrated from Hong Kong only a year ago, are the fourth generation of a well-known tea house in Hong Kong. Although the business is primarily for the local Chinese community, the Chans also "hope to sell the idea to Canadians as a natural health food."

Hong Kong Institute for Asia Pacific Studies The Chinese University of Hong Kong

The Institute was established in September 1990 to promote multi-disciplinary social science research on social, political and economic development. The Institute's research emphasis is on the role of Hong Kong in the Asia-Pacific Region. The director is Dr. Yeung Yue-man, and the associate director Dr. Lau Siu-kai. The current research projects directly related to Hong Kong are: **Hong Kong and Asia-Pacific Economies**, directed by Dr. Liu Pak-wai and Dr. Wong Yue-chim; **Political Development of Hong Kong**, directed by Dr. Lau Siu-kai; and **Social Indicators and Social Development of Hong Kong**, directed by Lai Siu-kai. There is an **Information and Documentation Unit**, headed by Dr. Maurice Brosseau.

The address is:

Chinese University of Hong Kong,
Shatin, N.T., Hong Kong.

Oxford Hong Kong Project

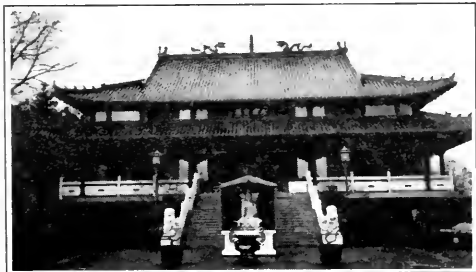
The Hong Kong Project at the Centre for Modern Chinese Studies, Oxford University, was set up in 1986, sponsored jointly by the Rhodes House Library. Its aim is to secure research materials on Hong Kong and promote research and better understanding of Hong Kong. One of its prime tasks is to collect the private papers of retired civil servants, and to conduct interviews with them and with other people who have made major contributions to modern Hong Kong. More than 50 people have already been interviewed. The interviews are transcribed and then deposited in the Rhodes House Library. If no specific restrictions are imposed by the interviewee, the transcripts will be released for scholarly research thirty years after the last event discussed in the transcript.

Director:

Dr. Steven Tsang

Address:

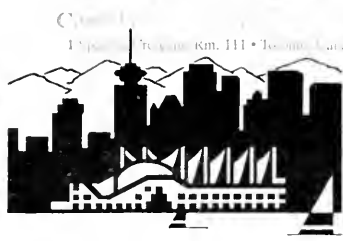
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B.C. Buddhist temple compound

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CANADA AND HONG KONG UPDATE

Number 4

SPRING 1991

Prime Minister's Visit to Hong Kong

Prime Minister Mulroney visited Hong Kong from May 22-26, to launch the Festival of Canada. At a dinner on May 24, given by the governor, Sir David Wilson, the PM talked about the importance of Hong Kong to Canada. "People from Hong Kong have settled throughout Canada; it is a rare town that has no families of Chinese origin. And these families have brought the same qualities of enterprise, energy and self-reliance to their communities in Canada that have made such a contribution to economic and cultural life here. With more than 28,000 more immigrants this past year from Hong Kong and with further immigrants still to come in future years, the Hong Kong thread in the Canadian national tapestry is becoming brighter and stronger and more mutually rewarding."

He underlined Canada's intention to treat Hong Kong as a distinct political entity. At the dinner he said: "As we end this century, the name Hong Kong takes on a new meaning. Hong Kong becomes synonymous with autonomy and with the co-existence of two social systems. Canada wants to see Hong Kong's constitutional development and democratic institutions grow to match your economic enterprise and your truly impressive achievements."

"Canada values its relationship with Hong Kong. We believe that it is in everyone's best interest that it continue and

prosper long into the next century and beyond. You can count on Canada's friendship and support throughout this delicate and challenging period." The fact that the PM's visit to Asia did not include a trip to China underscored this sense of Hong Kong's autonomy.

His visit also stressed past ties; with Sir David he visited the war memorial for the Canadian soldiers killed during the Japanese occupation of Hong Kong and reaffirmed present and future Canadian commitment to Hong Kong.

In a speech to the Canadian Chamber of Commerce on May 24, the Prime Minister talked about the growing trade between Hong Kong and Canada: "the economic links between our societies continue to expand and deepen. The numbers tell the story. Our two-way merchandise trade in 1990 was over \$1.7 billion (Canadian). Canadian exports to Hong Kong have almost doubled in the last five years. In 1990, Hong Kong was our fifth most important trading partner in the Asia-Pacific region. Billions of dollars of investment from Hong Kong are contributing to the dynamism of both our economy and yours...."

"Trade with Asia is crucial to Canada's future. Canada trades more with Asia than it does with Western Europe. Our two-way merchandise trade with this region hit

\$33.5 billion in 1990, and through the '80's, that trade grew at a pace which exceeded that with any other part of the world. Canada's past has been largely an Atlantic past. Canada's future will be increasingly a Pacific future. We want Hong Kong to play a major role in that future.

"Canada's partnership with Hong Kong goes far beyond trade. I want to assure you today of Canada's support as you meet the challenges of the years ahead. Canada endorses the autonomy preserved for Hong Kong by the Joint Declaration, particularly in areas of trade, economy and law. That autonomy is essential to Hong Kong's prosperity. And, as important, Canada believes that the autonomy of Hong Kong is essential for the prosperity of this entire region, including China itself."

On May 23, after a visit with a group of Vietnamese boat people about to leave for Canada, the Prime Minister said, in a spontaneous gesture of compassion, that Canada would take more refugees and, thus, help to reduce the scale of the world refugee problem: "if you take more than your share, not less, you eventually alleviate the human suffering." However, he made no commitment of the kind hoped for by many Hong Kong people to increase the scale of Hong Kong immigration to Canada.

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This publication is free.
Please call or write to us for past or future issues.

Festival of Canada in Hong Kong

The Festival of Canada was launched by Prime Minister Mulroney on May 24th. The heart of the Festival will start on June 19th, and will be officially opened by the governor of Hong Kong, Sir David Wilson. Altogether fifty events have been arranged on the theme of "Canada and Hong Kong: Friends Yesterday, Today and Tomorrow."

There are several strands to the Festival programme: in the cultural area, there will be performances by Les Grands Ballets Canadiens, Jean-Paul Sevilla, Margie Gillis, Mimeworks and Ofra Harnoy. There will also be a film festival, including the Hong Kong premier of *Bethune: The Making of a Hero*. The business programme will be

highlighted by trade promotions and meetings of Canadian business associations from all over Asia. There will be showcases on tourism, industry and technology, and the environment. On the academic side, there will be two legal events, both held at the University of Hong Kong. One will be a conference on the Bill of Rights, the second a workshop on a series of specialized legal issues.

The Festival will finish with a picnic on June 30th, the day before Canada Day. On Canada Day itself there will be a gala reception, and a totem pole, given by the government of Canada to the people of Hong Kong, will be erected in Kowloon Park.

Guarantees of Human Rights in Hong Kong

The United Nations Human Rights Committee meets several times a year to hear reports from signatories of the International Covenant on Civil and Political Rights. (Eighty countries are signatories of the Covenant; China is one of the few countries which has not signed.) Signatories are bound to implement the rights listed in the Covenant and must report every four years to the Committee. Hong Kong has been covered under the Covenant since 1976 when the British government ratified it. Article 156 of the Joint Declaration guarantees the continuation of the Covenant after 1997: "the International Covenant on Civil and Political Rights will remain in force." The Hong Kong Bill of Rights, soon to become law, is based word for word on the Covenant.

On April 1, 1991, United Kingdom representatives were called to answer questions on the periodic report from Britain, which included a section on Hong Kong. The UK government sent a five person team principally to answer questions about Northern Ireland; a second five-man group was sent from the Hong Kong government. The team was led by Solicitor General Frank Stock, who was accompanied by the Assistant Solicitor, General Philip Dykes, and three principal assistant secretaries.

The Human Rights Committee members asked a number of questions about the enforcement of the Covenant in Hong Kong after 1997, given that China has not signed it. The UK delegation was asked about

"measures regarding the protection of human rights of citizens of Hong Kong after the territory is handed over to China in 1997." The Committee wanted to know what Britain would do to ensure compliance after 1997. The United Kingdom was asked if it would be willing to sign the **Optional Protocol**, which would allow people suffering human rights abuses to complain to the Committee directly. (Canada has signed this protocol; it is used quite often by native people. The UK has not).

The Committee requested another report on the situation in Hong Kong in two years, instead of the normal four. At the end of the meeting, the UK government was asked by the Committee to ensure that irreversible human rights statutes be put in place in Hong Kong before the territory's transfer to China in 1997. The Committee made it clear that it considered the UK responsible for ensuring that the people of Hong Kong not be exposed to abuses in the future.

After their stay in New York, Mr. Stock and Mr. Dykes visited Ottawa on April 4th and met people involved with human rights issues in Canada, including Justice Strayer, who helped in preparing Hong Kong's Bill of Rights. Mr Dykes then came to Toronto for a visit to the Ontario Human Rights Commission. Canada is the only country with a common law system to have developed legislation and administrative procedures for the protection of human rights, and this experience may be useful to Hong Kong in the future.

PADS: Further Developments

Hong Kong's Port and Airport Development Project continues to be a focal point of concern for both parties involved, as well as an indicator of some of Peking's attitudes towards its relationship with the territory as 1997 approaches.

While negotiations on the project are still taking place, all indications are that the project itself will be scaled down if it is to obtain the approval of the Chinese government – approval which is needed for private sector support of the project.

In January of this year, after some initial negotiations in the fall of 1990, Hong Kong and Chinese officials met for further discussions on PADS. During the course of these discussions, the Chinese side stated that Peking had to be consulted on all matters which straddle 1997. The Hong Kong side reacted firmly to what seemed to be a move towards veto power over major policy decisions before 1997, and Peking's position was rejected.

By early March, however, it appeared that the Hong Kong government was willing to reconsider the phasing of financing for the project and to have Peking representation in its development. However, no progress was made during the visit of British Foreign Secretary Douglas Hurd to Peking in April, and the airport

project now seems to be stalled. Meetings between officials from Britain, Hong Kong and China, which, it had been hoped, would break the deadlock, ended inconclusively in Peking on May 22.

Peking continues to express concern that the Hong Kong Special Administrative Region will have adequate fiscal reserves in 1997, arguing that the projects being planned could leave as little as HK\$5 billion in the reserves. Hong Kong estimates that the figure will be closer to \$30 billion, as compared with present levels of \$72 billion. Peking has asked Hong Kong to set aside a substantial portion of the fiscal reserves for management of the new SAR after 1997.

The issue is as much political as fiscal. Peking wants a say in a project which will not only have downstream benefits to the region but also great costs. Peking also seems to be putting an interventionist definition to the clause of the 1984 Joint Declaration which allowed for "increased consultation" in the latter part of the countdown to 1997. Peking's interpretation of "consultation" goes well beyond that of the Hong Kong Government. The final definition agreed on will have great influence over the evolution of Hong Kong in the next six years.

Hong Kong Veterans

A highlight of Prime Minister Mulroney's visit to Tokyo came on May 28, when Japanese Prime Minister Kaifu made a formal apology for the maltreatment of Canadian prisoners of war in Hong Kong and Japan during the Second World War. He apologised for the "unbearable suffering and pain that were caused by the Japanese state against the Canadian people who experienced such sufferings." Almost fifty years ago, 1,975 Canadians were taken prisoner by Japanese

forces who took Hong Kong on Christmas Day, 1941. Five-hundred and fifty-seven died during the War; seven-hundred are still alive today. Spokesmen for the survivors reacted negatively to the Japanese apology. Clifford Chatterton, CEO of the War Amputations of Canada, said that an apology without compensation was an insult. The survivors filed a claim against the Japanese government for reparations with the United Nations Human Rights Committee in February of this year.

Poor Response to UK Nationality Package

*by Ho-yin Cheung and
Keung-sing Ho
Hong Kong*

The poor response to the controversial British nationality package, which provides right of abode to qualified Hong Kong people, was unanticipated. At the end of the three month application period on February 28, the total number of forms received was only 65,674. This figure was far lower than the 300,000 predicted by Hong Kong Government officials. Initial processing indicated that there were about 48,380 applications under the general occupation class, which provides places for 32,300 households in this first round. (A second round is to begin after 1993.) Only 7,750 forms have been received from people in the Government's disciplined services class, which had been allotted 6,100 places. A further 1,500 applications were made under the sensitive service class, which provides for a total of 6,300 households. Of the 500 places in the entrepreneur class, reserved for those invited by the Governor, just 200 were received. Separate quotas cannot be transferred from undersubscribed classes to oversubscribed. Altogether, only one-tenth of those targeted by the scheme had submitted an application.

The British Home Office declined to give any reasons for the poor response to the right of abode plan, while the Director of Administration of the territory, Donald Tsang Yam-kuen, insisted that the British nationality scheme has already been a success. The administration has rejected criticism directed against both the abode plan and its failure to adequately publicize the scheme.

The unexpected poor response is attributed to a number of factors. One obvious factor is the very length and complexity of the application form which is 32 pages long [see *Canada and Hong Kong Update*, Winter 1991: 10]. The reference manual for the form is over 250 pages. In many cases it would be difficult to prepare the application without special expertise or legal advice. Although officials may feel the lengthy form is clear and comprehensive, most members of the

UK Package, cont'd page 4

public have found it very complicated and also too limited in its scope. Many simply did not apply because they thought they would not qualify.

A second factor is the Government's failure to sufficiently publicize the scheme. One of the main reasons for this low profile promotion was the sensitivity of the Hong Kong Government to Beijing's antagonism to the plan. Since Parliament's passage of the Nationality Package in October 1990, Chinese officials have opposed the provision of an "insurance plan" for highly qualified administrative and business people to leave the territory.

A third reason is the perception of Hong Kong people that the abode plan merely offered a "travel document" rather than citizenship. Since only 50,000 heads of households were to receive passports, many people believed they had little chance of success. That fact coupled with the limited focus of the abode scheme on professional and managerial elites discouraged many people from applying for migration to Britain. At the same time, according to Michael Davis, law lecturer at the Chinese University, there is considerable resentment among Hong Kong people that they must now "apply for something that should already be theirs." Many of these professionals or their parents previously held British Hong Kong Territory passports

that guaranteed a right of abode before Britain recently changed the law [*Far Eastern Economic Review*, April 18, 1991: 20].

In Britain, the Labour Party's home affairs spokesman, Mr. Alistair Darling, maintained that the low number of applications indicated growing confidence in Hong Kong. He suggested that recent tough Chinese statements on the future of the territory were only diplomatic rhetoric. However, the fact that the rate of migration out of Hong Kong is one every six minutes at Hong Kong International Airport belies this optimistic assessment. More importantly, the preferred destinations for Hong Kong migrants are Canada, Australia and the United States, which are perceived to have more vital economies and greater opportunities than Great Britain. This perception has also contributed to the poor response to the UK Nationality Package.

As Liberal Democrat foreign affairs spokesman, David Steel, concluded, "The UK is not as attractive a location as Her Majesty's Government thought." One troubling implication of Britain's embarrassment over the poor return is that MP's and other government officials are likely to assume that the problem of Hong Kong is no longer a pressing issue and that the crisis of confidence of Hong Kong people has dissipated [*South China Morning Post*, March 1, 1991: 7].

Beijing Update on Hong Kong

by Mark Rowswell
Beijing

In early 1991 news about Hong Kong in the Chinese press increased in frequency, reaching a peak during British Foreign Secretary Douglas Hurd's visit to China in early April. Despite the increase, however, there remained little of substance in reports on Hong Kong.

The frequency of news reports corresponded to a relative flurry of diplomatic activity between Chinese, Hong Kong and British officials and businessmen. In early January the second round of talks between Chinese and British experts on large-scale capital construction in Hong Kong was held in Beijing. (The first round took place last October.) At the same time, Chinese President Yang Shangkun met with a delegation from the Hong Kong Chinese General Chamber of Commerce. Another high-level economic mission, headed by the executive director of the Hong Kong Trade Development Council, Jack So, arrived in Beijing for the opening of a trade exhibition in April. In late January Hong Kong Governor Sir David Wilson met in Beijing with Chinese Premier Li Peng, the director of the Hong Kong and Macao Affairs Office, Lu Ping, and former director Ji Pengfei. Six weeks later Lu and Ji held meetings with Sir David in Hong Kong and again the following month, in early April. British Foreign Secretary Douglas Hurd met with top Chinese officials in Beijing.

Despite all this activity, nothing substantial seems to have happened judging from the Chinese news reports. Results of the meetings and British views rarely are reported. News articles mainly relay the concerns expressed by the Chinese side, making for very monotonous reading.

Central to this diplomatic activity is the new Hong Kong airport scheme, often referred to under the broader terms "large scale capital construction" or "large infrastructure projects." The Chinese repeatedly stressed that such projects "have created concern among Hong Kong residents who fear the projects, which were haphazardly drawn up, will require too much capital" and will "add burdens to Hong Kong and its taxpayers." In January Li Peng

Fearful Fours

There is a belief in some circles, much stressed in some of the recent commentaries on Hong Kong immigration, that no person of Chinese ethnicity will ever buy a house with a 4 in its number. ('Four' is a homonym of the word 'death'; it is also a homonym of 'silk', 'private' and 'thought'). This belief recently led some residents of Metro Toronto to make a formal request to the North York Council to allow applications to delete the numeral four from a house number "where proven hardship exists with respect to the sale of a property due to its existing number" (*Minutes of the Meeting of North York*

Council, February 20, 1991). The proposers are non-Chinese people who are considering selling their houses, and believe that having a four in the number of their house will make it impossible for them to sell to a Chinese buyer. The request was denied by Council by a vote of 14 to 1. North York Mayor Mel Lastman, well-known for his pithy comments, described the request as "the stupidest thing I have ever heard of." The request was also opposed by the Toronto chapter of the Chinese Canadian Council; a spokeswoman said that the superstition about four was held by only a small number of Chinese.

Immigrant Demographics, 1990

by Diana Lary
Toronto

suggested it was possible to have a smaller investment but higher economic efficiency and added that "the Chinese side does not seek any selfish interest in this matter."

The Chinese have emphasized the need for a cooperative relationship with British authorities. In February the director of the Hong Kong branch of the Xinhua News Agency, Zhou Nan, stated that the Chinese government has "no intention of interfering in the purely administrative affairs of Hong Kong before 1997, but was duty bound to look into important matters that straddle 1997 and on which the future government of the Hong Kong Special Administrative Region will bear responsibilities and commitments." During Douglas Hurd's visit, the Chinese Foreign Minister, Qian Qichen, remarked that "there is no such thing as China maintaining control or veto power" over such matters. Communist Party General Secretary Jiang Zemin said that China and Britain are "in the same boat" and should work closely together.

Considerable emphasis is placed on the Basic Law, which was claimed to have already begun to play a guiding role in handling Hong Kong affairs, although the law does not come into effect until July 1, 1997. A front page editorial commemorating the first anniversary of the law appeared in the *Peoples Daily* on April 4. On April 15, a long editorial in *China Daily* summed up Douglas Hurd's visit, repeated Chinese concerns about Hong Kong and stressed the role of the Basic Law. The article quoted from an editorial in *Ta Gong Pao* which compared Hong Kong to a running train, the Basic Law having laid down a new track on which it would run. The conclusion was that "unless the train heads for the beginning of the new track now, it might go off the rails and overturn."

Douglas Hurd's comments to Li Peng expressing the hope that "with your [Li's] help this visit may mark a step forward in giving greater practical content to cooperation between our two countries" seems to have been in vain, at least for the time being. The same article that reported this comment added, "a Chinese Foreign Ministry spokesman did not elaborate on the outcome of their discussion or the Hong Kong airport issue—besides quoting Premier Li Peng as saying that China has adopted a 'cooperative attitude' on the issue of Hong Kong's new airport." It seems clear that the Chinese are not as interested in resolving concrete matters such as the airport plan as they are in using such issues to define the role China plays in Hong Kong during these final years of British rule.

The number of immigrants from Hong Kong landed in 1990 was 28,949, a rise of 45% over 1989 and 24% over 1988. The change in numbers did not have any major effect on the demographic characteristics of the immigrants. Some changes are apparent, in terms of language knowledge and levels of education, but these are slight shifts rather than dramatic alterations.

	1988	1989	1990
Single	10914	9603	14269
Married	11645	9656	13837
Widowed	503	437	613
Divorced	168	118	177
Separated	51	47	53
Total	23281	19861	28949

Ages

The age range of immigrants over the past three years has shown little change. The majority continue to be in the most productive years: 50% of immigrants in 1988 were between 25 and 44, 48% in 1989

Principal immigrants/dependents

Over the past three years, the number of principal immigrants has been declining slowly as a proportion of all immigrants, while the number of dependents has risen.

	1988	%	1989	%	1990	%
Principal	10353	(44.5)	8407	(42.3)	11169	(38.6%)
Spouse	5400	(23.2)	4359	(21.9)	6449	(22.8%)
Dependents	7528	(32.3)	7083	(35.7)	11304	(39.0%)
Total	23281		19861		28949	

Male/female ratios

Male/female ratios have remained constant: in 1990 the ratio was 52%:48%; in 1989 it was 59%:49%. The percentage of female principal immigrants remains high, though at 34% (1990) it is well below the 41% for 1988 and 43% for 1989. The number of sponsored husbands declined in parallel from 10.23% in 1988 to 10% in 1989 and to 7.2% in 1990.

	Total	Male	Female	0-14	15-24	25-44	45-64	65+
1988	11142	12139	5126	2825	11686	2911	733	
1989	9396	10465	4132	2769	9532	2723	705	
1990	14159	14790	6478	3432	14303	3565	1171	

Marital status

The number of married immigrants declined slightly in 1990: 47.8% were married, as opposed to 50% in 1988 and 48.6% in 1989. These changes are too small to suggest a major change away from the predominantly family migration.

and 49.4% in 1990. Other age groups show equally minor fluctuations. Children made up 22% of the group in 1988, 20% in 1989 and 22% in 1990. Young people accounted for 12% in 1988, 13.9% in 1989 and 11.8% in 1990. Middle-aged people made up 12.5% of the 1988 intake, 13.7% of 1989 and 12.3% of 1990. The retired group has grown slightly, from 3% in 1988, to 3.5% in 1989, to 4% in 1990.

Language abilities

Over half of Hong Kong immigrants who landed in 1988 and 1989 spoke English; in 1990 the figure dipped slightly to 49%. In the category of principal immigrants the percentages were higher (77.1% in 1988, 70.8% in 1989, 68.8% in 1990). There has been a gradual decline over the past three years in the proportion of English speakers. There is a similar decline in the proportion of French speakers (unilingual or bilingual) from 0.63% in 1988, to 0.51% in 1989 and 0.37% in 1990.

Immigrant Demographics, from page 5

	English	French	Bilingual	Mother tongue
1988				
Principal	7984	49	66	2254
Spouse	3374	6	18	2202
Dependent	1718	1	7	5802
Total	13076	56	91	10058
%	(56.2)	(0.24)	(0.39)	(43.2)
1989				
Principal	5954	21	57	2375
Spouse	2366	3	11	1979
Dependent	1905	2	7	5169
Not stated	8	0	0	4
Total	10233	26	75	9527
%	(51.5)	(0.13)	(0.38)	(47.9)
1990				
Principal	7687	2	71	3407
Spouse	3524	0	15	2909
Dependent	3064	6	12	8222
Not stated	22	0	0	5
Total	14297	8	98	14543
%	(49.3)	(0.03)	(0.34)	(50.2)

Educational levels

There has been a slight decline in the educational levels of immigrants over the period 1988-1990, caused perhaps by a rise in the proportion of people coming in under the family class. This decline does not effect the fact that this is a highly educated group of immigrants.

	1988	%	1989	%	1990	%
None	2660	(11.4)	2031	(10.2)	3423	(11.8)
Secondary or less	11063	(47.5)	10672	(53.8)	15723	(54.4)
Trade certificate	3282	(14.1)	2527	(12.7)	3311	(11.4)
Non-university	1974	(8.5)	1458	(7.4)	1897	(6.6)
Univ. non-degree	703	(3.0)	822	(4.1)	986	(3.4)
B.A.	2665	(11.5)	1740	(8.8)	2540	(8.8)
Some post-graduate	192	(0.8)	123	(0.6)	168	(0.6)
M.A.	702	(3.0)	445	(2.2)	610	(2.1)
Ph.D.	38	(0.16)	32	(0.16)	40	(0.14)
Not known	2		1		224	
Total	23281		19861		28922	

At the highest levels of education, the number of university graduates was 3597 (15.1%) in 1988, 2340 (11.8%) in 1989 and 3358 (11.6%) in 1990. For principal immigrants alone, the figures for university graduates were 2869 (27.7%) in 1988, 1681 (20%) in 1989 and 2282 (20.4%) in 1990. At the bottom end of the educational spectrum, the proportion of adults with little education included: in 1988, 3503 (33.8%) principal immigrants with secondary school education or less, in 1989 42.9%, and in 1990 45.4%. In 1988 57.8% of spouses had secondary school education or less, in 1989 65%, and in 1990 66%. Many of the dependents are still at school.

Principal immigrants: education levels

	1988	%	1989	%	1990	%
None	384	(3.7)	272	(3.2)	444	(3.9)
Secondary or less	3119	(30.1)	3331	(39.7)	4637	(41.5)
Trade certificate	2255	(21.8)	1728	(20.6)	2039	(17.4)
Non-university	1354	(13.1)	986	(11.7)	1199	(10.7)
Univ. non-degree	371	(3.6)	402	(4.8)	453	(4.0)
B.A.	2137	(20.6)	1231	(14.7)	1686	(15.1)
Some post-grad	127	(1.2)	89	(1.1)	106	(0.9)
M.A.	579	(5.6)	338	(4.0)	459	(4.1)
Ph.D.	26	(0.3)	23	(0.3)	31	(0.3)
Not known	1		7		116	(1.0)
Total	10353		8407		11169	

Spouses: education levels

	1988	%	1989	%	1990	%
None	203	(3.8)	156	(3.6)	6	(4.3)
Secondary or less	2916	(54.0)	2647	(60.7)	3979	(61.7)
Trade certificate	921	(17.1)	639	(14.7)	958	(14.8)
Non-university	576	(10.7)	376	(8.6)	514	(7.9)
Univ. non-degree	70	(1.3)	81	(1.9)	115	(1.8)
B.A.	522	(9.7)	347	(7.9)	464	(7.2)
Some post-grad	58	(1.1)	27	(0.6)	33	(0.5)
M.A.	122	(2.3)	78	(1.8)	79	(1.2)
Ph.D.	12	(0.2)	8	(0.2)	6	(0.09)
Not known	0		0		25	
Total	5400		4359		6449	

Dependents: educational levels

	1988	%	1989	%	1990	%
None	2073	(27.5)	1600	(22.6)	2703	(23.9)
Secondary or less	5028	(66.8)	4692	(66.3)	7107	(62.8)
Trade certificate	106		160		314	
Non-university	44		95		184	
Univ. no degree	262		335		418	
B.A.	6		160		390	
Post-grad	7		7		29	
Master	1		29		72	
Ph.D.	0		1		84	
Not known	1		4			
Total	7528		7083		11304	

Occupation

In 1990, about half of all immigrants from Hong Kong were destined for the work force. There were some significant changes in the occupational composition of the immigrant group from 1988 to 1990. The percentage of entrepreneurs fluctuated from 4.7% in 1988 to 6.5% in 1989, to 3.5% in 1990, while the managerial and administrative category declined from 12.5% to 8.6% (1989) to 7.6% (1990). New workers rose from 4.4% to 10.1%.

	1988	%	1989	%	1990	%
Entrepreneur	1087	(4.7)	1276	(6.5)	1030	(3.5)
Investors					533 *	
Managerial & admin.	2876	(12.4)	1696	(8.6)	2189	(7.6)
Science/engineering	1170	(5.0)	493	(2.5)	613	(2.1)
Social Science	283		131		213	
Religion	19		22		19	
Teacher	148		95		95	
Medicine & health	335		215		294	
Arts	275		242		269	
Sports & recreation	4		2		4	
Clerical	2604	(11.2)	1872	(9.4)	1280	(4.4)
Sales	912		632		895	
Service	325		344		379	
Farming	8		4		7	
Fishing, hunting	7		0		0	
Forestry	1		0		0	
Mining	0		0		1	
Processing	20		21		29	
Machining	27		23		55	
Fabricating	361		250		493	
Construction	49		58		166	
Transport	31		18		19	
Material handling	23		11		3	
Other crafts	53		55		170	
New workers	1013		1994		0	
Not classified	-		-		5742	
Not stated	-		-		32	
Other	11650		10407		-	
Total workers	-		-		14540	
Non-workers	-		-		14409	
Total	23281		19861		28949	

* classification introduced in 1990

We should like to thank Meyer Burstein, Ludvik Medona and Ron Cadieux of Employment and Immigration Canada, for making these statistics available to us.

▷ Martin Pilzmaker

On April 19, 1991, Martin Pilzmaker was found dead in his Toronto apartment; his death appears to have been a suicide. When he died, Mr. Pilzmaker was free on bail, facing a series of charges of conspiracy, forgery, making false declarations, uttering false documents, theft and fraud. The charges related to his immigration practice at Lang Michener Lash Johnston, a prominent Toronto law

firm. His practice centred on bringing in people from Hong Kong under the Business Immigration Program. He was disbarred from the Law Society of Upper Canada in January, 1990. His trial was to have started on May 20. His lonely death brought to an end a career which for a brief period was glamorous and highly lucrative, but crashed in ruins when his activities came to light.

Immigration Patterns, 1990-91

by Diana Lary
Toronto

The final immigration figures for 1990 reveal that the number of Hong Kong immigrants landed in 1990 rose significantly over previous years, from 23,281 in 1988 and 19,861 in 1989 to 28,949 in 1990. The number of immigrants may be expected to continue at a high rate; in 1990, 13,273 applications* were received from people whose country of last permanent residence was Hong Kong.

Applications received 1990, CLPR Hong Kong

Family class	5048
Convention refugee	0
Designated class	48
Assisted relatives	1512
Entrepreneurs	3210
Investors	1074
Self-employed	220
Retired	758
Other independents	1403
Total	13273

Family and business classes accounted for 71.9% of these while the independent class accounted for only 10.6%. Not all these applications were received in Hong Kong; 2,042 were made at other posts, principally in the USA. Processing times can be expected to be shorter at these posts than in Hong Kong where there is a considerable backlog. There are presently 21,020 applications in process at the HK Canadian Commission, the majority in the family and business classes which are given priority in processing. There are several thousand further applications at the Commission whose processing has not yet started; these are principally in the independent and assisted relative classes which do not have processing priority.

* An application may be for more than one person.

Macau's Transition to Chinese Rule

by Susan Henders
Hong Kong

After almost 450 years as a Portuguese administered territory, Macau, the oldest European enclave in China, confronts an uncertain future as it prepares for Beijing to take the reigns in less than nine years. On December 20, 1999, Macau will become a Special Administrative Region of China, theoretically with the same "high degree of autonomy" and right to continue its capitalist, liberal way of life for 50 years as granted to Hong Kong. However, Portuguese officials and Macau people alike fear the People's Republic of China will swallow Macau's almost 17 square kilometres in one bite. In many ways Macau is already half way into the dragon's mouth.

A Monaco of the Far East to the Hong Kong Chinese who crowd its casinos on weekends, the Portuguese enclave has long lived under the British colony's economic shadow, Lisbon's benign neglect and China's political thumb. There are advantages to its close relationship with the PRC, according to Edmund Ho, a prominent Macau Chinese banker and York University alumnus. Ho, who received his high school as well as university education in Canada, is considered to be Beijing's choice for governor of Macau after 1999. "The majority of Macau people are willing to work with China," Ho maintained in an interview. "In this respect it [the transition] will go much more smoothly than in Hong Kong." However, Ho, whose late father Ho Yin was Beijing's unofficial representative in Macau for years, admitted there are other problems to overcome if Macau is to make a successful transition to PRC rule.

As the majority of its inhabitants were born in China and many are recent immigrants, identity with Portuguese Macau is very weak and attachment to China is strong. Portuguese remains the territory's only official language although it is spoken by only 4% of Macau's 500,000 overwhelmingly Chinese residents. As a result, very few local people have either the linguistic or technical capacity to run the Portuguese-style government or legal system. Furthermore, Macau's economy is dominated by Hong Kong investors in textiles, toys, plastics and electronics

manufacturing and Hong Kong weekend gamblers.

"Our future autonomy is forced, not natural," Macau Legislative Assembly deputy, Alexandre Ho, said in an interview. "We have to try to create the conditions that will make it work, but it's very difficult." These measures include the strengthening of Macau's economic and political infrastructure.

The Portuguese say they are reluctant to let the last remnant of their empire be absorbed into Hong Kong or the neighbouring PRC Special Economic Zone of Zhuhai. After the debacles of Portuguese decolonization in Goa (now part of India), Africa and East Timor (now part of Indonesia) in the 1960's and 1970's, Macau is Portugal's last chance at a dignified, peaceful exit. With the way smoothed by Lisbon's generally cordial relationship with China, Portuguese officials are trying to make the most of their last years in the enclave.

In partnership with casino magnate Stanley Ho and Portuguese and PRC investors, the present Macau government is spending billions of dollars trying to transform its faded colonial facade and quiet alleys into the chrome and glass-lined streets of a booming regional service centre. "It can't be autonomous politically, in size or in population," concludes João de Deus Ramos, an expatriate Portuguese who is Macau's Secretary for Transitional Affairs. "The only place where we can do things is in the economy."

The government and its partners are pushing ahead construction of the territory's new airport and deepwater port, its first international transportation links that do not depend on Hong Kong. With a new 3.9 kilometre bridge to the PRC border, high-tech industrial park, technology institute and United Nations software centre also planned, the government hopes to attract enough international investors to turn Macau into a service hub for the west side of China's prosperous Pearl River delta.

Portugal's history of uncertain sovereignty in the territory has traditionally hampered its administration in Macau,

which is officially described as Chinese territory under Portuguese administration. "I don't think we've ever had a clearer cut plan for the next 60 years than we do now," Ramos commented.

If global business cycles cooperate and the strategy succeeds, economic success could provide significant benefits for Macau's political autonomy. Until now the main guarantee of its post-1999 status as a liberal, capitalist enclave in communist China has been Beijing's desire not to do anything in Macau that might upset business confidence in Hong Kong. The enclave is assuming the Chinese government would be more likely to keep its hands off if Macau is independently useful to China's economic modernization drive and if it has a higher international profile. Other potential barriers to PRC interference, such as a strong local civil service, independent judiciary and a vibrant political system, might not provide much help.

Macau Chinese, few of whom have been motivated to learn Portuguese, have traditionally been excluded from all but the lowest ranks of the civil service. All government policy-making and senior technical posts are occupied by expatriate Portuguese on short-term contracts. The Macanese, 10,000-15,000 locally-born Eurasians who speak both Cantonese and Portuguese, dominate the administrations' middle ranks and act as intermediaries between Chinese residents and their Portuguese rulers. All of Macau's judges and all but a handful of its lawyers are Portuguese. The rest are Macanese.

The Portuguese have begun training younger local Chinese to assume senior civil service positions. This involves Portuguese language instruction so they can communicate with departing expatriate administrators and read the numerous Portuguese documents and laws of the colonial enclave. However, even if localization efforts succeed, there is no guarantee the newly-trained bureaucrats will stay in Macau beyond 1999. More than 100,000 Macau people, most of them Chinese, have full Portuguese citizenship, including the right to live in Portugal and,

after 1992, anywhere in the European Community. Ironically, this will entitle them to live in Britain, an option available to few Hong Kong Chinese under current British nationality laws.

Opinion polls taken in late 1989 indicated about one in five Macau Chinese plan to emigrate, most to Canada, the United States or Australia, and not to Portugal. Younger, better educated Chinese who make up the majority of new civil service recruits are particularly distrustful of China's intentions toward Macau and are most likely to leave unless their confidence improves. The 1989 polls found as many as 65% of Macanese also plan to leave, many of them civil servants.

Prospects for a smooth transition are no better for the legal system. In 1989 the Macau government began in earnest to translate Macau's Portuguese legal codes into Chinese. It hopes to have the bulk of the job completed by late 1999, but it is still unclear who will be administering and interpreting the law after the Portuguese leave. A new law program at Macau's University of East Asia (the name will change to the University of Macau in the next academic year) will graduate the enclave's first class of Macau-trained lawyers in 1993. However, difficulties in studying law in Portuguese have forced some local Chinese to drop out of the program. Most of the first graduating class will be expatriate Portuguese with little reason to remain in Macau although some will be allowed to work for the post-1999 government.

Fortunately, the number of local Chinese law students is increasing each year. Nevertheless, Macau people still worry that shortages of local Chinese administrators, interpreters, judges and lawyers after 1999 will make it easier for Beijing to bring in its own people to fill vacant positions. Macau's Secretary for Justice, Sebastião Povoas, admitted that two PRC students in the first year of the Macau law program – both fluent in Portuguese and armed with mainland law degrees – have caused some anxiety. However, he defends their presence by saying, "It's better to bring them into Macau now than wait for them to come after 1999 anyway, but without training in our way of understanding the law."

Beijing's political influence in Macau has always been significant. Local Chinese business, labour and kai fong (neighbourhood) associations with close ties to Beijing have secure control over the Portuguese Governor's Consultative Council and the Legislative Assembly, which has had a minority of directly elected seats since 1976.

With economic prosperity in recent years, Macau society is better educated, richer and more pluralistic. In 1988 Alexandre Ho's liberals won three out of six of the elected seats in the assembly for the first time. In May and June 1989, an estimated 100,000 Macau people demonstrated in support of the Tianamen Square student movement in Beijing, proportionately as many as marched in the streets of Hong Kong.

However, in the March 1991 interim elections, traditional pro-Beijing forces showed their tenacity by winning both of two contested seats. Macau democracy activists worry that expanding the number of directly elected seats in the legislature – indirectly elected and appointed deputies have the majority – will not bolster Macau's defenses against China, at least in the short run.

"If we open up now, we will only have the traditional business community, labour unions and kai fong association parties control everything," predicted Catarina Mok, a Macau journalist. "When the civic education level is a little bit higher, then we should have more directly elected seats. "Without maintaining its political, legal and administrative differences, without a population that sees itself as distinct from other Chinese, people like Catarina Mok fear Macau could soon disappear into the flourishing economy of South China.

Indians of Hong Kong: Citizenship After 1997?

by Janet A. Rubinoff
Toronto

As the countdown to 1997 approaches, it is not only the Chinese of Hong Kong who are concerned about their economic and political fate under PRC sovereignty. The nationality issue of ethnic minorities like the Indians of Hong Kong – especially those who hold British Dependent Territory Citizenship (BDTC) passports – is of particular concern.

One of the largest non-Chinese communities of Hong Kong are the ethnic Indians who number approximately 20,000. While the majority (15,300) of these remain Indian citizens, a number (4,518) who were born in the territory or who have lived there for years are BDTC passport holders [1986 Hong Kong Census]. It is the concern of the latter that they will be "stateless" after 1997. As one Indian businessman in Hong Kong described his nationality situation, "Deep down, I am nowhere. My family left Sind, now part of Pakistan, after the partition of India and came to Hong Kong. We are not citizens of India, and our BDTC passports no longer give automatic right of abode in the U.K."

The Joint Declaration and Basic Law failed to settle the nationality issue of Hong Kong's minorities. In subsequent Memoranda between the PRC and UK governments, Beijing has asserted only that the Chinese of Hong Kong will be automatically recognized as Chinese citizens in the HK Special Administrative Region. Other ethnic minorities like the Indian community will receive rights of residence only and must apply for Chinese citizenship. On its part, Britain has accepted the BDTC passports merely as travel documents after 1997 that do not confer a right of abode or citizenship in the U.K. As a result, non-Chinese BDTC passport holders feel doubly betrayed. As one Indian researcher, Rup Narayan Das, has concluded in a recent article, "The rights of residence [in Hong Kong] bereft of the status of nationality reduces the position of ethnic minorities to that of aliens living in a foreign land" [*The Other Hong Kong Report*, 1990: 151].

The Indian presence in the colony goes back to its founding in 1841 when 2,700 Indian soldiers and four traders accompanied the British landing forces in Hong Kong. As in other parts of the British Empire during the 19th and early 20th centuries, a number of lower echelon civil servants and police were recruited from India. In addition, a number of Indian business families established themselves over the years in Hong Kong and contributed significantly to the economic development of the territory, especially after World War II. Two events in particular stimulated the exodus of Hindu business families to Hong Kong: the partition of India in 1947 and the Communist takeover of China in 1949 when Indian traders left Shanghai and Canton.

The composition of the South Asian community of Hong Kong is diverse and reflects the many different cultural groups of the Indian subcontinent. The largest group (roughly 50%), especially within the business community, are of Sindhi origin (from the city of Hyderabad, now part of Pakistan). Some Sindhi families like the now prominent Harilelas arrived in Hong Kong in the early 1930's from Canton or Singapore. The second largest group are the Sikhs who number about 2,000 and are mainly employed in the police and armed forces. Others include the Parsis who were the earliest traders to arrive with the British in the mid-19th century; the Marwaris, originally from Rajasthan, who fled Burma in the 1960's; the Gujarati and Tamil traders who dominate the diamond market; Goans from the former Portuguese colony in India; and a small number of others.

Overall the Indian community represents only 2% of Hong Kong's population, but it has done remarkably well in trade and manufacturing, especially to non-western markets in Africa, South America or the Middle East. According to the *Far Eastern Economic Review* [April 12, 1990: 44], over 400 Indian firms "account for an estimated 10 % of Hongkong's annual US\$75.8 billion in exports."

Now the Indian ethnic minorities are faced with an uncertain future, and members of the community have considered a number of options. Most Indians, especially established

professionals and businessmen, prefer to remain in Hong Kong though they recognize that this may not be possible after 1997. Many would like an "insurance policy" for immigration just in case. In an optimistic assessment, Hari Harilela, a prominent businessman and leader in the Indian community, said in a speech before the Progressive Association of Indian businessmen on January 8, 1991, that "Unfortunately, many people have come to regard 1997 as a dead end....they see no future here. However, I feel such thinking is mistaken. Far from being the end of the road, 1997 is only a transition point, actually, even a new beginning...."

"Rather than concern themselves with political matters, Indians have always tried to concentrate their energies on economic development. In this way, we become an asset to whatever government is in power. It is plain, therefore, to see that we can continue to be of use to the economic continuity of Hong Kong, come 1997 and a long time thereafter."

With this in mind, some Indian businessmen have adopted a "wait and see" attitude. Some have opted for closer ties with China and have invested more heavily in factories in Guangdong where labour is cheaper. Others, however, have considered the option of emigration. In some cases parents, who retain their businesses or careers in Hong Kong, have sent their children abroad to be educated and to provide alternative employment - citizenship options. As one businessman in Hong Kong explained, the implications of this emigration of the younger generation have important repercussions on the joint Indian business family. Many Indian firms in Hong Kong are entirely family owned, like the Harilela enterprises. The loss of young adults and their dispersal in various western countries poses some threat to the strength, flexibility and continuity of these family firms and the unique family-dominated business culture of the Indian community.

One approach of the Indian BDTC passport holders has been to pressure the UK Government for recognition of rights of abode or full citizenship. They have felt betrayed and abandoned by the British position, with its "undertone of racial discrimination," on immigration from Hong Kong and the recent Nationality Act [*The Other Hong Kong Report*, 1990: 153]. The

latter is perceived to be a program mainly for the Chinese of Hong Kong.

The preferred destination for many is Singapore or other cities of Southeast Asia - partly for the similarity of climate and life style and mainly for the favourable markets and tax laws comparable to Hong Kong. For many of the less wealthy who retain Indian citizenship, the only option may be to return to their country of origin. However, in the case of ethnic Indians with BDTC passports, New Delhi has claimed they are the responsibility of the UK government as British overseas citizens. What India would do after 1997 to accept refugees from Hong Kong of Indian origin is an open question.

Because of differences in standards of living, tax structures and business environment in India, many, if qualified, prefer to migrate to western countries, including Canada, the U.S. and Australia. The Goans have a unique alternative to their BDTC passports; as natives of a former Portuguese colony, they may still apply for Portuguese citizenship which allows them after 1992 rights of abode anywhere in the European Community including the U.K. - a right that other Hong Kong Indians or Chinese do not have.

Because it is perceived to have a fairer and more open visa process and a stable government, Canada is high on the list of preferred destinations. I interviewed several Indian professionals and businessmen who have recently immigrated to Toronto from Hong Kong. Several have entered under the retired class and have tried to re-establish their businesses or professional careers in Canada. They have found this difficult because of the recession and Canadian restrictions on job experience and foreign qualifications. Canada was attractive because of its high standard of living and educational opportunities for their children. One individual mentioned that it was not so much fear of the Chinese that had caused him to immigrate but for better opportunities here for his children. He was concerned about the possibility of discrimination against ethnic minorities by the Chinese government. Though many of the community had opted to remain in Hong Kong, one informant felt that if the business climate deteriorated after 1997, "most Indians would leave as there would be no future for them there."

For this issue of the *Update*, our research assistants in Toronto and Vancouver have compiled a list of organizations within the Chinese and Hong Kong immigrant communities in Canada which are concerned with a variety of issues – social, cultural, political, economic – as well as with promoting ties between Canada and Hong Kong. We have only included a partial list here and will continue with others in the Fall issue of the *Update*. We have also included several pictures of Chinese areas of Vancouver and Toronto.

Chinese-Canadian Associations in Vancouver

by Hugh Xiaobing Tan
Vancouver

United Chinese Community Enrichment Services Society (SUCCESS)

Founded in 1973, SUCCESS is a non-profit social service agency to assist Chinese Canadians in overcoming language and cultural barriers so that they can more successfully participate in Canadian society. Its purpose is to serve as a "bridge" between the two cultures and traditions. SUCCESS provides services in five areas: family and youth counselling, settlement and public education, group and community development, employment services, and resource development.

From its inception, clients have mainly been from Hong Kong; however, especially after 1989, its services to immigrants from mainland China and Taiwan have considerably increased. In 1990, the society provided over 110,000 service contacts for 60,000 people, and this demand is expected to increase during 1991. Most of its clientele are between 20 and 40 years old.

Now in its 18th year of operation, the organization is well known to the general public. Its executive administrators, Maggie Ip and Lillian To, are often featured in the local Chinese newspapers. SUCCESS employs 40 full-time and 35 part-time people as well as 1,000 volunteers. Having begun with only one office on Hastings Street, the organization is now located in the centre of Chinatown and occupies the entire second floor of the Beijing Building. Subsidiary offices are located in the South Vancouver area, Richmond and Burnaby.

Chinese Cultural Centre (CCC)

The CCC mainly deals with cultural matters. Its objectives include the interpretation of China and its people to Canadians, the interchange of Canadian and Chinese cultural traditions, collaboration with other local organizations in sponsoring international artistic and cultural programs, and the promotion of better understanding and friendship between the Chinese community and other communities and ethnic groups.

The idea for a Chinese cultural centre emerged from discussions at a conference in 1973 held at the Wong's Benevolent Association in Chinatown. At the time delegates from Chinese community organizations formed a 21-member Cultural Centre Building Committee to set up an independent entity to promote cultural events. First registered in 1974, the CCC sponsors a number of cultural as well as training programs. One of the main events is the annual Spring Festival Celebration. The CCC also invites well known artists and performance groups from the PRC and Hong Kong to come to Canada. Its cultural classes include Chinese calligraphy, painting, Tai chi, martial arts, dancing and Chinese language training.

A permanent building for the CCC was completed in September 1980. The China Gate, which once stood at the entrance to the Chinese pavilion at the 1986 Expo site, was moved in 1988 to the main entrance of the CCC building. Plans are now underway to construct a \$2 million museum/library complex in the Suzhou Garden style, and a funding campaign has begun to solicit donations.

At present, the organization employs 16 full time administrative staff plus about 40 program training teachers. Membership in the Centre has reached over 1,300. A new office has been opened in Richmond where many Chinese immigrants have recently settled.



Gate to the Chinese Cultural Centre

The Chinese Benevolent Association (CBA)

The CBA was founded in Victoria, B.C. in 1906 and is one of the oldest Chinese Canadian organizations. It moved to Vancouver during the 1930's when the concentration of Chinese increased in that city. At that time, the primary focus of the association was to provide needy Chinese immigrants with charity and relief funds.

In 1979, internal political dissension led to the splitting of the membership and the formation of another organization with a similar name, the Chinese Benevolent Association of Canada (see below). Those who remained in the CBA still use the original name.

Today the CBA is an umbrella organization which has 48 group members, including SUCCESS, the CCC and other major organizations in Chinatown. Individual membership is difficult to determine since the fee is only \$1 per person and there are a variety of ways to become a member. The president of the association estimates about 10,000.

Distinct from the service and cultural organizations, the CBA is mainly concerned with social and political issues within the Chinese Canadian community. It is one of the organizations which initiated the recent Chinese Canadian National Conference that was held in Toronto, May 1991. One of the major topics discussed at this conference was the head tax and redress issue.

In addition to its political concerns, the CBA also sponsors local social activities such as the Chinese Spring Festival parade, celebrations of the national days of Canada and the People's Republic of China, and memorial ceremonies in the spring and autumn.

Chinese Benevolent Association of Canada (CBAC)

After splitting from the CBA in 1979, the CBAC has a group membership of 11 and an individual membership of 600, most of whom have immigrated from Taiwan. It is not only a Vancouver-based organization but also the headquarters of CBAC branches across Canada. Each year delegates from different provinces come together to hold general meetings.

The CBAC mainly concentrates on social activities, entertainment and education. It sponsors both a Chinese music and a Tai Chi

group. It also provides financial support for the Overseas Chinese Public School where students are taught in Mandarin. In addition, the CBAC serves as an arbitrator over minor disputes within the Chinese Canadian community. Recently it invited 14 famous Taiwanese cooks to Vancouver to hold a Food Art Festival, also known as the "Feast of the Chinese New Year." The festival was the first of its kind in Vancouver and aroused considerable interest from the community. In addition to encouraging its young members to visit Taiwan, each year the association sends a delegation to Taiwan for the October 10th celebration.

The Vancouver Chinese Freemasons (VCF)

Founded in 1888, the VCF is probably the oldest Chinese Canadian organization in this country. Because of the discrimination Chinese faced at the time, the organization provided protection and assistance to the community and negotiated with the government. Therefore, 80% of the Chinese immigrants in Vancouver belonged to the VCF.

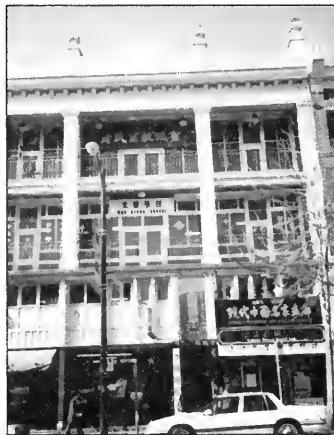
The Vancouver branch is part of the world wide network of Chinese Freemasons. The original revolutionary goal of the Chinese Freemasons was to overturn the Qing Dynasty and restore the Ming. In fact, when Dr. Sun Yat-sen visited Vancouver to promote his revolutionary activities, he was supported by the VCF. In order to publicize its goals, the VCF founded *The Chinese Times* daily newspaper in 1907. As the oldest Chinese press in continuous publication in Canada, the paper provides valuable information on the history of the Vancouver Chinese community.

Today the VCF is still one of the major organizations in Vancouver's Chinatown, with a membership of more than 3,000 people. Its subsidiary association, the Chinese Freemasons Athletic Club, is well known in the community for its variety of sports activities. A recent achievement of the VCF is the completion of the Chinese Freemasons' Senior Building. This 81-unit complex was funded by the government and is very close to Vancouver's Chinatown. Plans are in progress to build similar homes for Chinese senior citizens in Victoria and Kamloops.

Wong's Benevolent Association (WBA)

The WBA is one of the biggest and oldest clan-charity organizations in Vancouver's Chinatown. It was founded in 1911. Since the main goal of the WBA is to strengthen connections between the Wong people/clan, anyone with the family name Wong can join. At present it has a total membership of 700 who work in a variety of industries.

It has two subsidiary organizations: the Mon Keang School and the Hon Hsing Athletic Group. The former is said to be the only Chinese school run by a clan organization in North America. It recruits students who were born in Canada and want to learn Chinese. The major activity of the athletic group is the performance of the lion dance and accompanying music and drums. In addition to its cultural activities, the WBA has also recently been concerned with political issues like the head tax and other concerns of the Chinese community.



Wong Benevolent Association

Chinese Consumers' Association of Vancouver (CCAV)

Founded in 1986, the CCAV has now more than 200 members. Its main goal is to serve as negotiator for potential conflicts between consumers and retailers. Its present chairwomen is a recent UBC law graduate who immigrated to Vancouver with her family from Hong Kong eight years ago.

Chinese Canadian Associations in Toronto

*by Irene Tong
Toronto*

The Chinese Cultural Centre of Greater Toronto (CCC)

Since the formation of the Steering Committee in the summer of 1988, the CCC has grown to about 130 members. As a non-political, non-religious and non-profit organization, it aims to preserve and promote Chinese culture and heritage as part of multicultural development in Canada. It also provides a focal point for the cultural activities of the Chinese Canadian community.

The CCC's activities planned for this year include hosting a pavilion at Caravan 1991, sending teams to the Dragon Boat Race, organizing a concert on Chinese music and hosting a table tennis tournament.

Address:

900 Don Mills Road, Unit 3
Toronto, Ontario M3C 1V8
Executive Committee Chairman:
Dr. Ming Tak Cheung
(416) 445-2808

Toronto Chinese Business Association

The Association was founded in 1972 as a non-profit business community group and has now a membership of about 1,100, one-third of which is under a sister organization, the Ontario Chinese Restaurant Association. There has been a shift in membership from consumer and retail businesses to major corporations in the manufacturing sector and professionals. It aims to represent the Toronto Chinese business community in response to legislation and government policies, such as the Occupational Health and Safety Act, the Workers' Compensation Act and the Employment Equity Act. It has also been playing an advisory and participatory role on issues such as the City of Toronto 1991 Official Plan, the street vendor problem and Sunday shopping in Chinatown.

In promoting and assisting Canadian Chinese businesses, the Association has established links with the Hong Kong Government, the Hong Kong Trade Development Council and the Hong Kong Tourist Association.

Address:

P.O. Box 100, Station B

Toronto, Ontario MST 2C3
(416) 595-0313

Hong Kong Canada Business Association (HKCBA)

The HKCBA was established in 1984 to bring together business people in Canada who are interested in strengthening trade relationships with Hong Kong. It has more than 3,500 members, both corporate and individual, in 11 Canadian cities; the Toronto section alone has about 600.

As the major objective is to promote bilateral contacts, trade and investment between Canada and Hong Kong, the HKCBA tries to act as an information clearing-house. Both the Association's national newsletter, *The Hong Kong Monitor*, and the monthly bulletin published by the individual sections inform members of current economic and political developments in Canada and Hong Kong as they affect trade and business relations. In the Toronto Section, monthly workshops and occasional seminars, luncheons and dinner meetings are organized not only as a forum for increasing knowledge through presentations by experts, but also as an opportunity for networking.

The Association also tries to represent its members' opinions and concerns to the business community and to governments. Occasional missions to Hong Kong are arranged, often in cooperation with the Hong Kong Trade Development Council. This June, it is taking a major role in Festival Canada 1991 in Hong Kong.

Address:
347 Bay Street, Suite 1100
Toronto, Ontario M5H 2R7
President (Toronto Section):
James Klotz
(416) 366-2642

Chinese Canadian National Council (CCNC)

Since its inception in 1979, the CCNC has grown to include 29 local chapters and affiliates across Canada. As the Council was born of a collective reaction against media reporting with racist overtones, its main objective is to create an environment which fully recognizes and protects the rights of all individuals, particularly those of Chinese Canadians, and their full and equal participation in Canadian society. The realization of this objective is sought through the development of a strong national voice and an effective communications network, by

monitoring the media and by fighting stereotyping and institutional racism. To heighten political awareness and participation, it sponsors candidates' meetings, informs the public of important issues, organizes political awareness workshops and writes to various levels of government.

In concrete terms, the CCNC has recently undertaken a survey on perceptions of prejudice and racism in Vancouver and Toronto. It hopes to cooperate with governments to eliminate anti-immigrant feelings and to recognize foreign professional accreditation. It is also pushing federal, provincial, and municipal governments to implement mandatory employment equity programs for the benefit of minority groups. Since 1984 the CCNC has been at the forefront of the campaign for redress of the wrongs suffered because of the head tax and the Chinese Exclusion Act.

The CCNC also seeks to cultivate in individuals of Chinese descent, a desire to know and to respect their historical and cultural heritage, and to promote mutual understanding between Chinese Canadians and other ethnic, cultural and racial groups in Canada. This is often done through cultural and social activities, such as festivals, fairs and exhibitions.

Address:
386 Bathurst St., 2nd Floor
Toronto, Ontario MST 2S6
President (Toronto Chapter): Amy Go
(416) 868-1777

Toronto Association For Democracy in China (TADC)

Formerly known as the Toronto Committee of Concerned Chinese Canadians Supporting the Democracy Movement in China (formed on May 20, 1989), TADC was incorporated as a non-profit organization in Ontario in April, 1990. It now has about 200 members. Its main objectives are to educate the Canadian public and lobby the government on democracy and human rights issues (e.g. Mohawk rights), and to provide support for non-violent, pro-democracy movements around the world, particularly in China.

In 1990 it organized activities on the theme "We will not forget the June 4 Massacre." During the May-June period ("Democracy Month"), a large-scale Concert for Democracy was organized, followed by a drawing contest, an art exhibition and a rally in Toronto. As part of its lobbying effort,

TADC wrote to the Secretary of State for External Affairs, Mr. Joe Clark, in support of Canada's suspension of normal relations with China until human rights were respected in Beijing. It also supplied information to the fact-finding mission of the parliamentary delegation on human rights in China. Together with other groups in Toronto, the TADC organized a protest and forum on the Chinese National Day. A joint press conference was held on the International Day for Human Rights on human rights violations in China.

TADC continues to work closely with and provide some funding for Chinese students and scholars in Canada who participated in the democracy movement. In addition to organizing a series of educational seminars on Chinese politics and culture, it sponsored the first North American Conference of Community-Based Organizations in San Francisco and hosted the second one in Toronto in April this year. (see p. 16) On some occasions, eye-witnesses to the massacre were invited to speak. It will continue to monitor the suppression of dissidents and secret trials taking place in China and to call for the release of political prisoners. Representatives of TADC also attend meetings of other similar organizations as part of its liaison and networking effort. It shows concern and support for other groups such as the Tibetan people, the Lithuanian community and South Africans.

Address:
Suite 407, 253 College Street
Toronto, Ontario MST 1R5
Chairperson: Dick Chan
(416) 931-7621



Spadina Chinatown

Support for Hong Kong in the UK

by Harriet Clompus
London

When the Joint Declaration between Britain and China was signed in 1984, the prevailing attitude in London was that duties to Hong Kong had been satisfactorily discharged and that there was little need for disquiet. This perception was reflected in the relatively small number of organizations, MP's or other prominent people who made Hong Kong or safeguards for its people a particular focus of their interests.

Since the Peking massacre of June 1989 and the subsequent introduction of the HK Nationality Bill in April 1990, the issue of Hong Kong's future has attracted greater media coverage in the UK. Organizations campaigning for a more open immigration policy and greater democracy in Hong Kong were set up while existing groups increased their activities. In addition, many public figures spoke out on these issues.

The level of activity over Hong Kong should not be overstated. Now that the immigration controversy is considered to be settled (see *UK Nationality Package*, p. 3), there has been a concomitant decline in Hong Kong's media profile. Consequently, there is decreasing public awareness of and interest in Hong Kong. Below are listed the main organizations and notable individuals in Britain involved with Hong Kong issues.

Friends of Hong Kong Committee

This organization was set up in 1986 in response to uneasiness about the return of Hong Kong to Mainland China in 1997. Highlighting the general British complacency on Hong Kong issues, the Committee in a press release stated, "It is a matter of some pride to reflect that our Committee then and subsequently was almost alone in taking a more sceptical view [of the Joint Declaration]."

The main activity of the Committee is the publication of a quarterly release, *The Hong Kong Monitor*, which provides current information on events in Hong Kong, China and elsewhere. It also sponsors periodic seminars on matters of concern about Hong Kong. Its seminar in July 1989 in response to the Peking massacre attracted considerable publicity and was well attended. A number of distinguished people, including academics, politicians, businessmen and military officers, are members of its Board of Directors.

Address:
301 Radnor House
93 Regent St., London W1R 7TE

The Anglo-Hong Kong Trust

Founded in 1988 by two British and two Hong Kong businessmen, the Anglo-Hong Kong Trust aims "to preserve the special relationship existing between Hong Kong and Britain for the last 150 years." It maintains strong links with Hong Kong and expatriate Hong Kong businessmen, and has Councils in both countries. The organization stresses the benefit of economic and cultural ties between Britain, Hong Kong and China and seeks to promote understanding through cultural and educational exchanges as well as through the sponsorship of regular seminars for businessmen and professionals from the three countries.

One of its most important projects was the establishment of Hong Kong's first Business School of Management for Executives. The Trust also supports numerous cultural activities like the building of a new opera house in the Midlands and exchange programs that send British musicians to Hong Kong and Hong Kong artists to Britain. Recently in February 1991, the Trust organized a concert of leading young musicians from Hong Kong at the Royal Festival Hall in London. The event was attended by Princess Alexandra and Douglas Hurd, the Foreign Secretary.

Address:
58 St. James's Street
London SW1

Honour Hong Kong

This association was organized in 1989 by a group of British businessmen with links to Hong Kong. Its major function is to promote awareness of the Hong Kong predicament and to pressure the British government for a fair and "honourable" immigration policy for the colony.

Address:
67-69 Whitfield Street
London W1P 5RL

The Hong Kong Link

Hong Kong Link is a London-based lobby group calling for the democratization of Hong Kong and for British passports for

all Hong Kong citizens. It was set up in 1989 by Gideon Lung, an Oxford postgraduate student from Hong Kong, after the Peking massacre.

In general the British Chinese community has been notably quiet on the issue of passports for Hong Kong citizens. It has been ambivalent towards the prospect of mass immigration from Hong Kong because of the perceived threat that an influx of new Chinese talent would pose to their position in British society [*The Times*, April 5, 1990: 2]. Hong Kong Link, based within the Chinese community, has challenged the assumption that this was the attitude of all Chinese in Britain.

Politicians

The Hong Kong Immigration Act was extremely unpopular amongst right wing Tory MP's who viewed it as a relaxation of the tough immigration policy on which they had come to power. In language little short of racist, Conservative MP Tony Marlow registered his disgust at the "government gaily deciding to let another quarter of a million in." The leader of this "anti-Hong Kong group" was Norman Tebbit, former Conservative Party Chairman, who was particularly vociferous in his attacks during the passage of the Act through Parliament.

Labour's official policy on Hong Kong has not been very consistent. In January 1990, Gerald Kaufman, shadow foreign secretary, said regarding the immigration issue that a Labour government would allow only a few thousand Hong Kong Indians, war-widows and British intelligence staff to be given British citizenship. However, the party's official policy was to vote for the bill so that it would not be viewed as voting with the Tory right wing.

The Liberal Democrats have claimed a special concern for Hong Kong and have stressed the promotion and safeguarding of democracy in the territory before and after 1997. In part this position is due to the commitment of Liberal leader Paddy Ashdown, who was stationed in Hong Kong as an army officer and speaks Cantonese. In a recent letter to *The Guardian* (April 6, 1991), five Liberal Democrats wrote on the occasion of Douglas Hurd's visit to China, to criticize the Conservative Government's

Winnipeg Hosts First National Meeting of Chinese Canadians Since 1975

by Stephanie Gould
Winnipeg

"lack of concern over the half-hearted approach to democracy" that has been allowed to exist in Hong Kong.

Support of individual MP's for Hong Kong can also be determined from their list of interests in *Dodd's Parliamentary Year Book*. These include:

Robert J. Adley (Conservative, Christchurch) – member of the British Chinese Parliamentary Group.

Rt. Hon. Jack Ashley (Labour, Stoke-on-Trent) – interest in China and Hong Kong.

J.W. Bray (Labour, Motherwell S.) – Hong Kong and overseas development.

J.R. Couchman (Conservative, Gillingham) – concern with Hong Kong and China.

Robert Parry (Labour, Liverpool Riverside) – patron of the UN Association of Hong Kong 1976, Association for Democracy in Hong Kong 1980, Association of the Promotion of Public Justice in Hong Kong, 1984, and founder president of the Hong Kong Peace Association, 1986.

Robert E. Sims (Conservative, Christchurch) – former director of Inescape International, lists Hong Kong as an interest.

P. Wall (Labour, Bradford North) – interests in Hong Kong and China.

Commentators

Bernard Levin, columnist in *The Times*, has written several articles criticizing the British government's handling of Hong Kong issues, in particular what he sees as the government's conciliatory stance towards Peking.

Peter Jenkins, columnist in *The Independent*, has also been critical of the Hong Kong Immigration Act, which he dubbed "the prejudicial numbers game," and of the British government's lacklustre pursuit of democracy for Hong Kong.

John Walden, former Director of Home Affairs in the Hong Kong government, has also been an outspoken critic of the U.K. government's Hong Kong policy. In addition to his book, *Excellency, Your Slip is Showing!* (1983), he has written several articles on the Immigration Act, which he described in the *Times* (June 29, 1989) as a "scheme which comes too late and offers too little," on Sino-British relations, and on democratic rights in Hong Kong.

On March 22-24, the Winnipeg Chinese Cultural and Community Centre hosted a symposium on challenges facing the Chinese Community in Canada in the 1990's.

Discussion focused on immigrant youth issues ("Asian Gangs/High Achievers in Academic Institutes"), entrepreneur and investor immigrant issues, and the head tax redress question. It was the first national gathering of Chinese Canadians since 1975, when the community met in Vancouver to discuss the federal government's Green Paper on Immigration.

According to Dr. Joseph Du, President of the Winnipeg Chinese Cultural and Community Centre, "This conference should have happened a long time ago. The Chinese community in Canada is growing rapidly, with a population of well over 700,000. I found a need for the Winnipeg conference several years back, but I didn't get the same level of enthusiasm and government response until last year."

Dr. Du believes immigration regulations must be changed to accommodate the realistic needs of immigrants from Hong Kong. He believes the regulation that requires immigrants to stay in Canada six months plus one day in order to qualify for a visa is forcing many immigrants to become "astronauts." "That is ridiculous. That's created a situation in which a lot of people are flying back and forth," says Dr. Du.

Many immigrants have difficulty understanding the differences in labour and safety codes and zoning laws. Dr. Du, therefore, believes that immigration regulations should be relaxed to make it possible for investor immigrants to figure out how to set up a viable business before they are required to live here for prolonged periods of time. He recommends that the immigration process should be speeded up "so people who want to come can come. If Canada wants capital investment plus eventually for all these people to come here, then we have to review our policy and maybe make it a bit more appealing."

Manitoba is not a favoured destination for investor immigrants from Hong Kong. However, Dr. Du maintains that will change. "I think that people will start moving away from Toronto because of saturation and the

housing market. With traffic pollution, noise and security problems, Toronto is gaining a negative image." He would like to see a coordinated effort on the part of the Manitoba government to encourage investors from Hong Kong to develop industries and create jobs. He hopes that future investment in Manitoba will lead to new, wealthy immigrants from Hong Kong creating jobs to help poorer Indochinese refugees.

He would also like to see the Manitoba government spend money on outreach programs for immigrants. He believes education and social activities are important in the assimilation and settling of immigrants to Canada.

The "head tax" issue and redress are important to the Winnipeg Chinese community, and there are diverse opinions on the issue. "Some younger groups are a little bit more militant to say the least," says Dr. Du. Recently, the Chinese Canadian National Council, Winnipeg Chapter, issued the following statement: "As Canadians, we recognize that our society can only be as strong as our weakest link and that discrimination directed against any one group is an injustice to all."

According to Dr. Du, "The new Hong Kong immigrants couldn't care less because they don't know Canadian history anyway. So the head tax and exclusion act are pretty foreign to them. And the boat people also don't feel very strongly because they don't know very much about it. It's the older organizations such as the Chinese Benevolent Association, Chinese Freemason Society and some of the immigrants that came here in the 1960's and 1970's that care."

In 1984 a group of senior citizens in Winnipeg asked Dr. Du to speak on their behalf. "In fact, they turned in all their head tax certificates to me. We have over thirty pieces of original paper. Whether these are to be used for redress or put in an archive in the Chinese Cultural Centre will remain to be seen," said Dr. Du.

At the conclusion of the Winnipeg conference, the Chinese community decided that demands for redress should not put too much emphasis on dollars and cents because Canada is in a recession and many Canadians

are losing their jobs. "We decided to ask for something more reasonable and acceptable to the Canadian public. Redress could be an apology, a guarantee that it won't happen again, the rewriting of Canadian history books in schools so that future generations will know about the head tax and exclusion act, or symbolic compensation," Dr. Du suggested.

An expanded Chinese Canadian National Conference was held on May 18-19 at the downtown Holiday Inn in Toronto. The agenda was similar to that of the Winnipeg conference but included discussion on the Canadian constitution and the Chinese community's increased participation in Canadian politics.

Director Lectures on Hong Kong

Diana Lary recently gave two lectures in England on issues related to Hong Kong. The first, on the internationalization of Hong Kong, was at Chatham House (Royal Institute of International Affairs) on April 25. The second, on emigration from Hong Kong, was part of a conference on a Commonwealth issues research network held at Cumberland Lodge, Windsor Great Park from April 26-28.

Two Project Workshops in June

The second and third workshops for the Canada and Hong Kong Project are to be held in June. One workshop, "Dialogue on Hong Kong: Coverage of Hong Kong issues in the Canadian media," will take place in Vancouver at Simon Fraser University Harbour Centre on Saturday, June 15. This session will include over thirty invited participants from the English and Chinese media in Vancouver and Toronto as well as academics, members of the federal and provincial governments, free lance journalists, members of the Vancouver and Toronto police, and other specialists on Hong Kong/Canada relations. Four sessions at the meeting will cover the topics of Hong Kong investment and trade in Canada, the impact of immigration, political issues such as civil rights, and special issues in media coverage, including the role of the Chinese-language press and ethical issues in press reporting. The workshop is jointly sponsored by the Asia Pacific Foundation of Canada and the Joint Centre for Asia Pacific Studies.

Another workshop focusing on international law, "Canada - Hong Kong:

Some Legal Considerations," will be held at the University of Hong Kong on June 26 in conjunction with "Festival Canada 1991." (see p.2) This workshop is jointly organized by the Faculty of Law, University of Hong Kong and the Joint Centre for Asia Pacific Studies. Its convener is Prof. William Angus of Osgoode Hall, York University. Five papers will cover the following topics: "Hong Kong's International Personality - Issues and Implications," by Dr. Roda Mushkat, Faculty of Law, Hong Kong University; "Coming and Going under Immigration and Refugee Law," by Prof. W. Angus; "Civil Proceedings Arrangements between Hong Kong and Canada: Service of Documents, Taking of Evidence and Enforcement of Judgments," by Prof. Maurice Copithorne of the University of British Columbia and former Commissioner for Canada in Hong Kong; "Extradition Between Hong Kong and Canada," by Janice Brabyn, Faculty of Law, University of Hong Kong; and "Personal and Corporate Status in Hong Kong," by Philip Smart, Faculty of Law, University of Hong Kong. The papers will be published by the Project in the fall.

Lu Ping: Assurances on Hong Kong's Future

In an address to the Hong Kong General Chamber of Commerce on March 8th, Lu Ping, director of the Hong Kong and Macau Affairs Office of the State Council, reassured business people about the secure future of Hong Kong

as a stable and prosperous financial and trade centre. He also promised a great future for Hong Kong as a "bridge, channel and window" between China and the rest of the world (*Hong Kong Digest*, March 15th, 1991).

Conference on Human Rights and Democracy in China

The second North American Community Based Organizations conference on human rights and democracy in China was held on April 6-7 at the University of Toronto. The conference was organized by the North American Coalition for Chinese Democracy and was opened by the mayor of Toronto, Art Eggleton. The keynote speaker was the Honourable Bob Rae, premier of Ontario. Ed Broadbent, the president of the International Centre for Human Rights and Democratic Development in Montreal, spoke on the Fifth Modernization in China - the introduction of democracy. Gordon Cressy, Vice-President, University of Toronto, spoke on behalf of the university. Duo Duo, poet in residence at York University, gave a

poetry reading. The Coalition presented Human Rights awards to Tania Chen, an activist in New York, to Felice Gaer, of the International League for Human Rights, and, in absentia, to Ren Wandong, who is in prison in China. Citations were presented to the Toronto City Council, Amnesty International and Asia Watch.

Three hundred delegates attended the conference, ninety of them from outside Toronto: there were delegates from the United Kingdom, the Netherlands, Switzerland, and Hong Kong. A resolution advocating human rights and democracy was passed at the end of the meeting. A connection was made by a number of speakers between the future human rights situation in Hong Kong and that in China as

a whole. Szeto Wah, of the Hong Kong Alliance, called for people from Hong Kong living abroad to keep up the pressure for change in China. He stressed how crucial this would be for Hong Kong in the future. Ching Cheong, the chief editor of *Contemporary News*, Hong Kong, talked about the "demonstration effect" of human rights activity in Hong Kong for the future of China. He encouraged emigrants to keep in touch with what is going on in Hong Kong and to work for human rights there. He saw a pattern of human rights advocacy moving from Chinese abroad to Hong Kong, then on to Guangdong and finally to the rest of China.



CANADA AND HONG KONG UPDATE

Number 5

FALL 1991

The first of two festivals celebrating the Canada/Hong Kong relationship was held this year. During his visit to Canada in May, 1990, the governor of Hong Kong, Sir David Wilson, and Prime Minister Brian Mulroney agreed to hold reciprocal festivals. Festival Canada was held in Hong Kong in May and June, 1991; Festival Hong Kong will be held in Canada next year.

Festival Canada '91 was composed of a large number of events coordinated by the Canadian Commission: the chairman of the Board of Festival Canada was John Higginbotham, the Commissioner for Canada.

There was active involvement in planning the Festival from provincial offices in Hong Kong, community associations, 15 alumni associations of Canadian universities and 20 corporations. Funding for the Festival was largely through private sponsorship; the Canadian Government provided 20% of the total.

Much of the Festival was made up of formal events, but there were also continuing activities which ran throughout the two weeks of the Festival and gave prominence to Canada in many parts of Hong Kong.

FESTIVAL CANADA '91

Festival Events

MAY 22nd-26th

The visit of Prime Minister Mulroney to Hong Kong, to launch the Festival. (See Update, 4, Spring 1991.)

JUNE 19th

The official opening of the heart of **Festival Canada** took place at a luncheon organized by the **Canadian Chamber of Commerce in Hong Kong**. The speakers were John Higginbotham, Commissioner for Canada, and the Governor of Hong Kong, Sir David Wilson. Both speakers referred to the overall theme of the Festival, **Canada and Hong Kong: Friends Yesterday, Today and Tomorrow**. Sir David spoke of the "celebration of a very healthy relationship", and the "demonstration of ties that bind." (see his **Speech**, p. 3)

JUNE 20th

The **Asia Pacific Foundation of Canada** held a symposium on **An Enduring Partnership, Planning the Co-prosperity of Canada and Hong Kong**. The day-long series of panels looked at the economic interrelationships between Canada and Hong Kong. It was coordinated by Yao Wei, Asia Pacific Foundation, Vancouver. The Honourable David Lam, Lieutenant Governor of British Columbia, spoke at the



FESTIVAL CANADA '91

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Friends Yesterday, Today and Tomorrow

luncheon. His theme was that the growing relationship between Canada and Hong Kong was a win-win situation, and that the relationship, if carefully

nurtured, would bring great benefit to both sides. Victor Li, senior vice-president of Concord Pacific Holdings, spoke of the benefits of investment in Canada for various types of Hong Kong investors.

JUNE 20th

A **Gala Fashion Show** featured styles by a number of Canadian designers, including Alfred Sung, a native of Hong Kong. About three hundred people were at the show and the dinner which preceded it.

JUNE 21st-22nd

A three day conference on the **Hong Kong Bill of Rights Conference** was organized by the Faculty of Law, University of Hong Kong. The Canadian Government was one of the conference sponsors and arranged the visits of a number of Canadian legal experts. The Canadian contributors were Madam

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Justice Bertha Wilson (former judge of the Court of Appeal, Supreme Court), the Hon. Mr. Justice Walter Tarnopolsky (Ontario Supreme Court of Appeal), Professor Rosemary Cairns Way (University of Ottawa) and Chief Superintendent Patrick Cummins (RCMP, Vancouver). They spoke on various aspects of the implementation of the Charter of Rights in Canada, and the lessons there might be for Hong Kong. (See **Rights Conference**, p. 18.)

JUNE 22nd

The **Colourful Canada Ball** was arranged by the Canadian Chamber of Commerce. It was attended by about 400 people.

JUNE 25th

A seminar on **Legal Issues** between Canada and Hong Kong was put on by the Canada and Hong Kong Project and the Faculty of Law, University of Hong Kong. (See **Legal Workshop**, p. 19)

JUNE 30th

The **Celebrate Canada Picnic** was held at Happy Valley Racecourse. The event was widely advertised, and anyone who wanted to celebrate Canada was invited. About 28,000 people came.

JULY 1st

The last event of the Festival was the dedication of a totem pole (p. 1), carved by Tahltan-Tlingit artists Dale and Terry Campbell, in Kowloon Park, as an enduring symbol of the Festival. The pole had been presented by Prime Minister Mulroney on May 24th to Sir David Wilson. The dedication involved a Tshimishan ceremony, attended by First Nation representatives in traditional costume.

Cultural Events

The Festival included a number of cultural events spread out through the Festival. There was a cinema festival of ten Canadian films. *Bethune, the Making of a Hero*, a PRC/Canadian co-production, had its Hong Kong premiere. There were performances by *Les Grands Ballets Canadiens*, by cellist Ofra Harnoy, by dancer Margie Gillis, and by pianist Jean-Paul Sevilla.

Huang Zhongyang's pictures, exhibited at the Cultural Centre, caused considerable interest with their novel combination of Chinese and Western themes. Some of the most striking paintings are based on

Western paintings, transposed to a Chinese setting. **The Last Supper** is a variant of Leonardo's work, but with Christ and the Disciples Chinese and a portrait of Mao Zedong on the wall behind them. **Butterfly in a Dream** is a female nude painted from the rear, gazing at a picture of Chairman Mao. Huang immigrated to Canada from Guangdong in 1984.

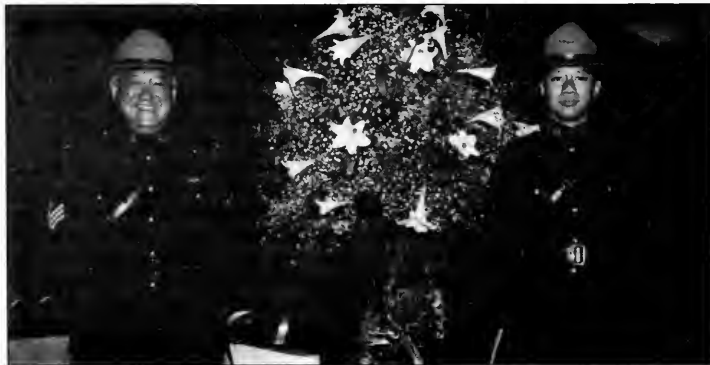
There were also exhibitions of paintings by Karen Kulyk and of pottery by Laura Wee Lay Laq.

Many prominent Canadians were in town for the Festival. The Honourable David Lam, Lieutenant Governor of British

Columbia, was widely interviewed. Art Eggleton, the mayor of Toronto, attended a number of events. Miss Canada, Leslie McLaren, was in Hong Kong for much of the Festival and christened a new Canadian Airlines International aircraft.

Business Meetings

Several business organizations held meetings to coincide with the Festival. The All Asia Canadian Business Association held its annual meeting, as did the Hong Kong Canada Business Association. The government of British Columbia mounted a British Columbia Film Industry Seminar.



Chinese Canadian mounties

Hong Kong Festival in Canada '92

As a counterpart to the recent Canada Festival in Hong Kong, a reciprocal event is now being planned to take place in cities across Canada for the fall of 1992. In addition to the Hong Kong Government and the Urban and Regional Councils, a number of associations are involved in the organization of events. They include the Hong Kong Trade Development Council, the HK Tourist Association, the Hong Kong-Canada Business Association, and other major organizations in Hong Kong and Canada as well as local community leaders of the Chinese-Canadian community.

Like Festival Canada, the Hong Kong Festival will feature a wide range of cultural, sporting, social and business events with the objective of promoting better integration of the Hong Kong Chinese into Canadian communities. According to James So, Hong Kong Secretary for Recreation and Culture,

the theme of the festival will be "Hong Kong and Canada: Friends Across the Ocean." Major highlights will include trade and business promotion, cultural performances, food festivals, films shows, exhibitions related to Hong Kong and recreation and sports events. It is also proposed to celebrate the Lantern Festival which falls within this time period. In addition, cultural galas will be organized to raise funds for local Canadian charities. The festival will occur in a number of cities with the main events in Toronto and Vancouver.

The Canada and Hong Kong Project is involved in planning events for Toronto. One proposed activity is a continuation of the Legal Issues Workshop held last June in Hong Kong (see p. 19). Topics may include a comparison of the Canadian Charter with the new Hong Kong Bill of Rights.

Sir David Wilson's Speech Opening of Festival Canada '91

"Last month the Prime Minister of Canada came to Hong Kong as a very welcome guest. He launched Festival Canada '91. The finishing touches have now been made. The entertainers have arrived. The exhibitions have been set up. The heart of the festival is about to begin.

Festival Canada is a celebration of a very healthy relationship. It is a demonstration of the common interests which bind our two communities together. It is also an entertainment, bringing to Hong Kong examples of Canada's heritage, its culture and the way Canadians enjoy themselves.

I am very pleased that Hong Kong is hosting an important festival of celebration with such a friend as Canada. Hong Kong has much to celebrate. It also has need of friends. We face a number of challenges. It is good to enjoy what is going right, while tackling what still needs to be put right.

The contrast between some of the more alarmist news stories about Hong Kong and what is actually happening here may strike visitors from Canada more forcibly than those of us who live in this unique territory. But we too can sometimes lose sight of the broader picture. We are sometimes prone to being too obsessed with whatever is our immediate problem. We need to remind ourselves from time to time about the broader picture.

Part of this larger picture is that Hong Kong is not just a place with problems. Every place in the world has that in one way or another. Hong Kong is a place which demonstrated success – visible success. Success against the odds. Not everywhere can say that.

In a sense, Hong Kong's success is the reason why most people are here – Chinese from the Mainland who themselves or their families before them came to find a new life, or westerners attracted by the vibrancy

of Hong Kong's unique blend of east and west. That success has meant for the people of Hong Kong a real growth in incomes. This growth has averaged over 3% a year for the past 15 years. It has meant new housing, schools, hospitals, parks, museums and the amenities of modern life. And it has meant the transformation of this city from a manufacturer of cheap products to a financial, business, transport and telecommunications centre serving the region and the world.

Success has also meant a rapid growth in Hong Kong's commercial and trading links. We have played an important part in the tremendous growth of trans-Pacific trade. And we have made a substantial contribution to the development of southern China's economy. Some of you will be familiar with the statistics. But they are worth repeating. About two million workers in Guangdong Province are employed by Hong Kong enterprises, over twice the size of our own manufacturing workforce; and about 70% of overseas investment in China derives from Hong Kong. What is less well known is just how successful this process has been. The value of exports from Guangdong Province grew by over 40% last year alone. The combined talents of Guangdong and Hong Kong is proving a powerful combination. The potential is tremendous. With southern China growing fast Hong Kong will have a major role to play for many years to come as the gateway to this area of rapid economic development.

No wonder the Canadian community here is large – as many as 35,000 people – and that Canadian investment in Hong Kong and southern China is growing. Canadian businessmen can see the potential. They see that, whatever the immediate political concerns may be, the opportunities are there too; and the long-term prospects

for economic growth are at least as good in Hong Kong as anywhere in the world.

We welcome this Canadian involvement. And we welcome the very practical interest which Canada has taken in Hong Kong. The Prime Minister of Canada's visit to Hong Kong last month was a most welcome demonstration of that interest. In his speeches here and in his meetings with me, he left a strong impression of the goodwill towards Hong Kong that exists in Canada and of Canada's conviction of the value to the international community of Hong Kong's continued success.

We treasure this goodwill. We reciprocate the feelings of friendship. And we look forward to showing Canadians more about Hong Kong next year. Some of you who are visiting from Canada are already involved in the planning for the Hong Kong Festival which will take place in cities across Canada in the autumn of 1992. That will be our opportunity to give pleasure and enjoyment in return; our chance to demonstrate how much Hong Kong has to offer.

But this year it is Canada's turn. I congratulate the organizers of Festival Canada on putting together such an impressive range of entertainment. It represents a great deal of effort, imagination and financial support. It is a demonstration of the way the Canadian community and Canadian businesses are so ready to participate in Hong Kong life. And it says much for the dedication and efficiency of the Commission for Canada which has pulled together these many contributions to such good effect.

I wish Festival Canada a successful celebration of its central theme "Canada and Hong Kong: friends yesterday, today and tomorrow."

Comments by John Higginbotham Commissioner for Canada Festival Canada Picnic, June 30, 1991

"I'm happy to welcome you here today as we highlight what I believe is one of the most exciting and multifarious events of Festival Canada '91 – the Festival Canada Picnic.

If I were to search for any single word that might sum up the "why" and "what" of the more than 60 wide-ranging events, displays, activities and exhibitions that make up Festival Canada '91, that word would

simply be "People."

Based on the theme "Canada and Hong Kong: Friends Yesterday, Today and Tomorrow," Festival Canada is a vibrant and wholehearted celebration of the growing cultural, trade and personal ties that bind the people of Canada and the people of Hong Kong.

The idea for Festival Canada '91 origi-

John Higginbotham con't page 4

nated when two people, Prime Minister Brian Mulroney and the Governor, Sir David Wilson, agreed that the very special relationship between Canada and Hong Kong is something worth celebrating, first with a festival in Hong Kong in 1991, and then with reciprocal festivals in cities across Canada in 1992.

The reality of Festival Canada '91 came about through the planning and organising and hours of labour of hundreds of people, members of the Canadian community in Hong Kong, who worked diligently to produce a Festival that brings the culture and lifestyle and very best of Canada to the heart of the territory.

That reality is a Festival that all the people of Hong Kong, no matter what their age or interest, can join in and be part of.

And nowhere is that people-to-people, community-to-community joining more evident than in the Festival Canada Picnic.

The biggest single event of Festival Canada '91, the day-long Picnic, features



John Higginbotham

live entertainment, local celebrities, lucky draws, games, sports, displays, activities for children and, of course, hearty Canadian picnic fare like the Pancake Breakfast, Western Barbecue, and delectable selections at the Provincial Food Tents.

In short, Canada is throwing the biggest party ever for Hong Kong and it guarantees fun for every member of the family, with everything from arts and crafts, clowns and street theatre, art in the park, hot air balloon rides, and a variety of games booths with proceeds going to charity.

The Festival Canada Picnic is the climax of Festival Canada '91, which was officially launched by Prime Minister Mulroney and Sir David on May 24 during Mr. Mulroney's visit to Hong Kong.

The seed of their idea and the caring of many people, working individually and through organisations such as the Canadian Club, the Canadian Chamber of Commerce, the Chinese Canadian Association, and the Canadian University Association, has grown into a wonderful celebration for all of us to enjoy.

The Festival Canada Picnic is a colourful crown for that celebration and a thoroughly entertaining day for people everywhere."

Reporting Crime Statistics

The question of whether or not crime statistics in Toronto should be kept on the basis of ethnic origin has caused a major disagreement within the Chinese Canadian community.

Sergeant Benjamin Eng, a member of the public affairs department of the Metro Police, told the Toronto Crime Enquiry on July 24th that two-thirds of offenses committed in Toronto in 1990 by people of Asian origin were perpetrated by refugees from Vietnam and China. (The number of crimes was 3,000, out of a total of 273,706 offenses committed in Toronto in 1990; in 1,500 cases those charged were Vietnamese refugees, in 500 cases PRC refugees). He called for a tightening of the refugee determination procedures, so that "phony refugees" could not abuse the system. The PRC is currently the largest single source of refugee claimants in Canada.

Eng was taken to task by Susan Eng (no relation), head of the Metro Toronto Police Services Board, for "wilful and direct contravention" of the police policy that no crime statistics should be compiled or published on the basis of ethnic origin. Though Sergeant Eng gave his views as a private

citizen, he was given a formal reprimand by police authorities. The reprimand will stay in his file for two years.

Reaction to the statements of the two Eng's from the Chinese and Vietnamese communities was mixed. Some spokesmen, including representatives of the Vietnamese Association and the Chinese National Council, condemned Benjamin Eng and accused him of spreading a negative picture of Asian communities in Canada. Others commended him for speaking out about an issue which concerns many Asian Canadians. Those who commended him included many of the professional and business groups and the Eng Clan organization. On August 13th, a group of representatives of business and professional Chinese Canadian organizations presented a motion to the Police Services Board asking that the policy on crime statistics kept by ethnic origin be reviewed. They were supported by Chief of Police William McCormack. Six days later, another group of representatives of the Chinese community held a news conference to oppose keeping crime statistics by ethnic origin, on the grounds that it would not be helpful in combatting crime

and that it might foster racism. On August 23rd, the Police Services Board decided not to change its current policy.

Benjamin Eng's concern for precision about the immigration status of criminals of Asian origin stems from the wide-spread coverage given recently to "Asian crime," which tends to lump all people of Asian origin together, whether they are native-born Canadians or immigrants from China, Hong Kong, Vietnam or Southeast Asia. This coverage can be inflammatory, as evident in the March 25, 1991 issue of *Maclean's* magazine whose cover in red and gold had "TERROR IN THE STREETS" emblazoned across it in 1½ inch letters and a posed picture of a young Asian man holding a gun. Eng spoke at length on this subject at the media workshop run in Vancouver by the Canada and Hong Kong Project, in conjunction with the Asia Pacific Foundation of Canada. The transcript from the workshop will be available soon and can be purchased from the Joint Centre for Asia Pacific Studies.

Controversy Over "Dim Sum Diaries"

by Hugh Xiaobing Tan
Vancouver

"Dim Sum Diaries" is a radio series produced by the CBC Vancouver Station. Each of its five parts – "Foreign Accents," "Perfect Class," "Mah Jong," "The Sequoias" and "Dim Sum" – is about 15 minutes long when broadcast. The series is about local attitudes towards recent Hong Kong immigrants and was meant to expose racist views and stereotypes. The most controversial part, "The Sequoias," was based on an actual incident which took place on Vancouver's Westside when a Chinese-Canadian cut down two one-hundred-year old sequoia trees.

The series, except for "The Sequoias," was first broadcast in February 1991 on national CBC radio. In March and April the whole series was aired in the Vancouver area on five Saturday mornings.

The first negative response to the radio-play came from *Vancouver Sun* columnist, Nicole Parton. Her article on April 22nd drew public attention to the program and declared that the play was a "racist diatribe." Leaders of the local Chinese community sent complaints and letters of protest to CBC. Bill Yee, president of the Chinese Benevolent Association, declared, "I think it is the worst kind of stereotyping I have heard in a long time."

SUCCESS (United Chinese Community Enrichment Services Society) president, Maggie Ip, wrote a letter to CBC's director of radio, Robert Sunter, arguing that the play had promoted ethnic stereotyping and reinforced racial hatred. She quoted abstracts from "Dim Sum Diaries" to support her view. Such comments as "this Hong Kong voodoo thing," which refers to Fengshui, is an attack on some aspects of Chinese culture and tradition. She maintains that a quote from "The Sequoias" – "at that moment I just wanted to take that chain saw and go up to Chang's white Jaguar and cut the car in two, and it would have been better still if I had done it when Chang was inside" – is an inspiration to violence and racial hatred. Finally, "he likes Chinese women so much; he says we know how to please a man" is a comparison of Chinese immigrant women to stereotypes like Suzy Wong. Besides such complaints from leaders of major Chinese-Canadian organizations,

some politicians elected from the ethnic community also expressed their criticism of the play.

In response to such criticisms, the author of the series, Mark Leiren-Young, defended his work in an interview with a *Vancouver Sun* reporter. He declared his intention was to promote better understanding between different communities and not the reverse. It was very upsetting for him to be charged with intentionally perpetuating negative stereotypes of Chinese-Canadians. He emphasized that "Dim Sum Diaries" is not five separate plays but five scenes in one work, culminating with "Dim Sum." His final episode concludes with the message that everyone can overcome cultural differences and live together.

While Leiren-Young defended his play, CBC attempted to ease the anger of the Chinese community. Robert Sunter read a public statement to a meeting of the Chinese Benevolent Association on May 5th. He said the intention of broadcasting the play was to "bring to the surface issues and attitudes concerning the Chinese community," but now they realized "the series has offended some Canadians of Chinese origin." He offered his apology and expressed regret that CBC's effort to build bridges between communities had been so profoundly misunderstood.

Sunter's apology, however, was considered unacceptable by Chinese-Canadian leaders. Lilian To, executive director of SUCCESS, said, "The feeling is that it [the statement] is not an acknowledgment that the programs were undesirable." Maggie Ip declared, "We are not questioning their intentions; very often, we do have good intentions but the effect may come out very, very different." In order to put more pressure on CBC, more letters of complaint were written to the prime minister, all members of Parliament, CBC National Headquarters and the Canadian Radio-Television and Telecommunications Commission. A protest petition was also circulated among the ethnic Chinese community, indicating the undersigned "strongly protest the broadcasting of the Dim Sum Diaries by CBC which provokes racist violence to and hatred of the Chinese commu-

nity in Canada." More than 1,000 signatures were collected on the petition. At the same time, Vancouver East MP Margaret Mitchell complained to both the CRTC and the Canadian Race Relations Foundation that the radio-play reinforced negative attitudes among listeners.

The issue was also brought to the National Congress of Chinese Canadians, held in Toronto in mid-May. A resolution on the matter was passed: 1) CBC should not repeat such a mistake in the future; 2) CBC should apologize openly in major newspapers and in CBC radio broadcasting; 3) CBC should report and explain the whole event to CRTC; and 4) CBC should produce another series emphasizing the positive images of Chinese-Canadians. SUCCESS is now negotiating with CBC to implement this resolution, and a final agreement is expected by the end of October.

While the majority of Chinese-Canadians opposed the radio play, there were also some who disagreed with their indictment. Mr. Xu Xin, a well-known journalist who immigrated from Hong Kong, wrote an article for the *World Journal Weekly*, the popular newspaper distributed free in the Chinatown area. Entitled "Is it Racism or Overdefensiveness?", the article defended the CBC broadcast and mentioned that the author had carefully read the transcript of *Dim Sum Diaries* and translated it into Chinese. He declared that he could find nothing that could be labelled "racism." Instead, he found only some conflicts between different cultures and values, which he considered quite normal for a society like Canada. He wrote these conflicts should be solved with the passage of time and by better communication between communities. Regarding the abstracts alleged to reinforce racial hatred, the writer pointed out that literature is not a documentary report and allows some exaggeration.

The whole issue surrounding *Dim Sum Diaries* has yet to be settled. However, the controversy aroused by the event has provided much food for thought for the public and policy-makers concerning the issue of properly building a multicultural society.

Regional Variations in Hong Kong Immigration

by Diana Lary
Toronto

When immigrants leave their home countries for Canada, they are asked to indicate their destination in Canada. There is no firm way of establishing whether they actually stay in their stated destinations, but the statement of intention is generally assumed to be a fairly reliable guide to place of settlement. In 1988, 58% of immigrants from Hong Kong were destined for Ontario, in 1989, 54%, and in 1990, 55%. In 1988, 22% went to British Columbia, in 1989, 24%, and in 1990, 26%. The rise in landings in Québec between 1988 (6%) and 1989 (10%) was not sustained; in 1990 the Québec percentage was 7%. Alberta accounted for 10% of immigrants in 1988, 8% in 1989 and 9% in 1990.

Permanent Immigrants Admitted from Hong Kong, by Province¹

	1988	1989	1990
Alberta	2257	1623	2535
British Columbia	5188	4849	7660
Manitoba	409	267	340
New Brunswick	33	41	39
Newfoundland	30	28	17
NWT	7	9	17
Nova Scotia	63	71	95
Ontario	13527	10812	16032
PEI	5	3	12
Quebec	1380	1912	1939
Saskatchewan	390	319	342
Yukon	4	0	1
Total	23293	19934	29029

Within each province, movement of immigrants from Hong Kong has been overwhelmingly to the major cities. In 1988, Toronto accounted for 11,780 of the 13,527 immigrants to Ontario (87%), in 1989 for 9,329 of 10,812 (86%), and in 1990 for 13,806 of 16,032 (86%). There is an even more pronounced pattern in British Columbia. In 1988, 4,965 of 5,188 landings in British Columbia were in Vancouver (95%), in 1989 4,661 of 4,849 (96%), and in 1990 7,471 of 7,660 (97.5%).

Permanent Residents Admitted from Hong Kong, by Urban Area

	1988	1989	1990	Total
Calgary	1078	741	1302	3121
Edmonton	1055	791	(2960)	2960
Halifax	52	63	77	192
Montreal	1347	1837	1881	5065
Ottawa	139	228	325	892
Quebec	2	15	18	35
Regina	188	140	161	489
Saskatoon	91	54	115	260
Toronto	11780	9329	13806	34915
Vancouver	4965	4661	7471	17097
Winnipeg	386	225	311	922
Other destinations	2010	1850	2448	6308
Total	23293	19934	29029	72256

Amongst cities, Toronto has been consistently the major destination. Over the past three years, Toronto has been the destination of 34,915 of the 72,256 immigrants from Hong Kong, or 48%. In the same period, Vancouver has taken 24% of all immigrants from Hong Kong.

Major regional variations become apparent when we look at destinations in terms of immigrant class. (In the following tables, figures for each class include principal immigrant and direct dependents.) Immigrants to Montreal are concentrated heavily in the business classes (entrepreneur, investor and self-employed). The percentage of business class immigrants destined for Montreal in 1988 was 76%, while for all Canada it was only 19%. In 1989 the figures were 82% and 25%, in 1990 77% and 23%. The proportions of family and independent immigrants are lower than for other parts of Canada. In 1988 for Canada as a whole, 59% of Hong Kong immigrants were in the independent class, but in Montreal, 14%. In 1989 the figures were 43% and 9%, in 1990 44% and 13%.

Montreal, Permanent Immigrants from Hong Kong, by Class

	1988	1989	1990
Family	164	100	125
Conv. refugee	0	0	1
Designated	9	5	0
Asst. relative	17	22	17
Entrepreneur	998	1167	1129
Investor	23	291	301
Self-employed	9	46	19
Retired	28	36	49
Independent	194	170	240
Total	1347	1837	1881

In Toronto, the pattern was very different, with immigrants concentrated heavily in the independent class. In 1988 72% of immigrants were in the independent class and 10% in business. In 1989 the figures were: independent 61% and business 13%. In 1990 they were: independent 57% and business 12%. In Toronto, the proportion of independents has declined over time, while the proportion of relatives (family and assisted relatives) has grown: 1988 13%; 1989 19%; and 1990 27%.

Toronto, Permanent Immigrants by Class

	1988	1989	1990
Family	1208	1386	2449
Conv. refugee	0	2	0
Designated	5	6	6
Asst. relative	291	346	1267
Entrepreneur	1014	840	856
Investor	155	281	743
Self-employed	62	86	64
Retired	561	715	606
Independent	8484	5667	7815
Total	11780	9329	13806

Vancouver's intake of immigrants has also contained a high proportion of independents, though not as high as Toronto. In 1988 independents made up 48% of all Hong Kong immigrants and business 27%. In 1989 the figures were independent 37%, business 36%, and in

Hong Kong Immigration cont'd page 7

1. These statistics are supplied by the Immigration Statistics Division, Employment and Immigration Canada. Slight variations in some statistics published in earlier Updates reflect minor corrections.

Hong Kong Students In Ontario

by Paul L. M. Lee
Toronto

Large numbers of students from Hong Kong have entered schools in Ontario at both the elementary and secondary levels in recent years. According to statistics collected for the Ontario Ministry of Education, the enrolment of students from Hong Kong has increased for the period from 1987-88 to 1989-90, from 2337 to 2710 in elementary public and separate (Roman Catholic) schools and from 2356 to 3214 in secondary public and separate schools.

Students from Hong Kong Entering Ontario Schools (1987-88 to 1989-90)

Year	Public		Separate	
	Elementary	Secondary	Elementary	Secondary
1987-88	1847	2224	490	132
1988-89	1582	2201	378	144
1989-90	2238	2963	472	251

The apparent decline for the year 1988-89 can be explained by the drop in the total number of landings in Canada of Hong Kong immigrants from 23,286 in 1988 to 19,994 in 1989. The corresponding numbers of landings in Ontario are 13,523 in 1988

and 10,793 in 1989. [See *Canada and Hong Kong Update*, Spring 1990.]

It should be noted that statistics on students coming to study in Ontario public or Catholic schools for a particular year are gathered according to their location of study in the previous year. Hence, a Hong Kong student who is studying for the second year in Ontario will not be regarded as having come from Hong Kong but from Ontario. Furthermore, there is no distinction between visa students and those with immigrant status. These facts affect the statistics on Hong Kong students, as those originally from Hong Kong are included with students from Ontario in successive years.

However, statistics for students enrolled in private schools are collected by province or country of permanent residence. These indicate that students from outside the province studying in Ontario private schools come mainly from Hong Kong, Québec and China. (Statistics from the Ministry of Education do not differentiate between students coming from Mainland China or Taiwan. It is presumed the majority of students in the China category are from Taiwan or Southeast Asia.) The enrolment of students from Hong Kong is increasing from 1038 in 1988 to 1685 in 1990, which represents an increase of 62% within two years. These are all visa students.

Ontario Private School Enrolment by Province or Country of Permanent Residence (1988-90)

Year	Hong Kong	China	Québec
1988	1038	107	425
1989	1246	106	450
1990	1685	208	508

Students from Hong Kong coming to study in Ontario tend to concentrate in Metro Toronto and its neighbouring regions. For 1989-90, over 4000 elementary and secondary students of new immigrants from Hong Kong enrolled with schools in the city of Metro Toronto and Peel and York Regions.

Students from Hong Kong Entering Public Schools in Metro Toronto and Neighbouring Regions in 1987-88 to 1989-90

City/Region	Elementary			Secondary		
	87-88	88-89	89-90	87-88	88-89	89-90
East York	30	19	37	25	23	31
Etobicoke	12	23	17	26	23	73
North York	431	244	351	596	558	572
Scarborough	715	677	840	508	511	517
Toronto	212	201	238	628	651	1043
York	10	8	4	13	11	17
Metro	1410	1172	1487	1796	1777	2253
Peel Region	116	130	206	56	90	175
York Region	177	182	361	112	112	233

The number of students entering separate schools is limited because these schools give preference in admission to students of Catholic faith. These students enter schools mainly in Metro Toronto and neighbouring regions.

Students from Hong Kong Entering Separate Schools in Metro Toronto and Neighbouring Regions in 1987-88 to 1989-90

School Board	Elementary			Secondary		
	87-88	88-89	89-90	87-88	88-89	89-90
Metro	315	214	262	21	22	50
Dufferin/Peel	53	46	62	11	4	29
York Region	83	83	106	42	48	75

As mentioned earlier, students coming to study in Ontario are classified according to their place of study in the previous year. There are about 20,000 immigrants from Hong Kong entering Canada each year, and more than half of these immigrants will settle in Ontario, in particular Metro Toronto and the neighbouring regions. There will be a great demand on the educational services in these regions by students originally coming from Hong Kong.

Partially funded by the Canada and Hong Kong Project, a detailed study of Hong Kong visa students in Metro Toronto is being planned. Researchers involved are Kathryn Mickle, Paul Lee and Bernard Luk.

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1990, independent 35%, business 36%. The proportion of relatives increased (1988 15%; 1989 16%; 1990 19%) though not as rapidly as in Toronto.

Vancouver, by Class

	1988	1989	1990
Family	582	588	1081
Conv. refugee	0	1	0
Designated	6	8	0
Asst. relative	155	141	423
Entrepreneur	1064	1317	1554
Investor	257	326	1046
Self-employed	30	49	93
Retired	482	522	645
Independent	2389	1709	2629
Total	4965	4661	7471

Development of Hong Kong's New Manufacturing Base: Guangdong Accelerates

by Paul Levine
Hong Kong

Since the mid-1980's, South China has experienced major economic and social changes but nowhere more than in the Shenzhen Special Economic Zone (SEZ) and its Pearl River hinterland. This region lies just to the north of the Lo Wu border crossing from Hong Kong. Once a collection of sleepy villages with less than 50,000 people, Shenzhen has become a bustling manufacturing city of 2 million in the past ten years. It is accessible by frequent train and bus from Hong Kong, as well as by private boat.

The recent ease of communication is the result of renewed historical ties between Shenzhen and Hong Kong and the greater economic development taking place throughout the provinces of Guangdong and Fujian in southeast China. The involvement of Hong Kong in this rapid development has been recognized by the Beijing government. In a recent interview with a Hong Kong TVB reporter, Premier Li Peng emphasized that Beijing has a great interest in securing the economic stability of Hong Kong because China's well being is directly affected.

Following Shenzhen's phenomenal success in the late 1980's, other Special Economic Zones and SEZ clones were set up all along the China coast, stretching to the northeast coastal areas and parts of the interior. However, Shenzhen and Guangdong province as a whole occupy a special place in the development of China. Until the 1980's, Guangdong was not allowed to industrialize by the Central Government as a matter of policy. It remained an agricultural backwater compared with other cities such as Shanghai or Dalian in the north. With the opening of China to Western investment, the situation changed dramatically.

By 1984 Guangdong as a whole had caught up with and surpassed most other provinces and was ranked fifth in terms of total exports. By 1990 it ranked first with total exports of over \$10 billion U.S. The economy of the Pearl River Delta – the economic heartland of Guangdong which

includes the Shenzhen SEZ – has grown by a minimum of 20% each year and shows no sign of levelling off. During the past ten years of growth, the only downturn came during 1988-89 when the central government enforced austerity measures designed to arrest near-runaway inflation and prevent the Chinese economy from overheating. Since that time Shenzhen has grown by an astonishing figure of 40% per year!

What is the cause of this dynamic activity in Guangdong and in the SEZ in particular? Three main factors can be singled out: first, improved energy and communications infrastructure; second, attracted by lower wages in Guangdong, the large-scale movement by the high-volume manufacturing and assembly sector out of Hong Kong; and third, to a lesser extent, a business climate and local policies that aid rather than hinder investment. The latter includes investment by both Hong Kong and overseas firms.

Because the Guangdong delta region is adjacent to Hong Kong, there are few if any cultural or linguistic barriers. The people of both areas speak a similar Cantonese dialect which increases their solidarity, especially useful when closing business deals. There is also a major upgrading of communication links under way between Guangdong and Hong Kong. These include rapidly expanding port facilities that should increase shipping to Hong Kong's world-class container terminals. A new \$1 billion six-lane super-highway is being built from Hong Kong to Guangdong through the Shenzhen SEZ. In addition, there is an updated power grid. Its centre at the soon-to-be-completed Daya Bay nuclear power generating station, located to the east of Shenzhen SEZ, promises new sources of power for manufacturing and assembly plants.

The second factor, cheaper labour, has always been a strong attraction for foreign investment in China. Until the mid-1980's, Hong Kong manufacturers did not take advantage of this because the Chinese standard of quality-control was inadequate.

However, Hong Kong's competitiveness was threatened as inflation rose rapidly to about 13% and the cost of foreign materials increased in relation to the Hong Kong dollar. The latter is pegged to the more expensive US currency which has remained high in relation to international manufacturing in other lesser developed countries (LDC).

After 1984 the Shenzhen SEZ received special treatment from the Beijing government in order to attract overseas companies. With lower wages and costs, Shenzhen became a magnet for Hong Kong companies. Smaller overseas firms have had more difficulties because of the local costs added to labour, as well regional taxes and subsidiary costs. However, larger, multi-national companies have found that manufacturing in the SEZ/Guangdong is more profitable as long as quality-control can be assured. Such companies include Alcan or Northern Telecom in the Canadian case, Heinz, General Foods or Proctor & Gamble from the U.S., as well as Hong Kong factories that produce garments for such names as Daniel Hechter and Marks & Spencer.

The key factor has been the hiring and training of new workers, many of whom are just out of middle school, rather than employing those from state-run factories. As one engineer, responsible for a joint venture in the energy sector, said, "At first I worried about the quality of workers from the villages, but after about six months of training, I found that they made the transition from lack of respect for machinery to a fairly high level of expertise, better than workers on projects in other third-world countries where I have supervised."

Strolling in the centre of Shenzhen amidst the high-rise office buildings along Liberation Road with its all-day traffic jams, one has the feeling that efficiency and capitalism are concepts whose time has arrived in southern Guangdong.

Japan and Hong Kong: Trade and Investment Trends

by D. Wendy McCallum
Kyoto

Substantial Japanese trade with and investment in Hong Kong since the 1950's suggests confidence in the future of the colony after 1997. However, recent trends show that the increase in the value of the yen since 1985 has negatively effected trade and has had implications for Japanese investment. Japan is Hong Kong's second largest trading partner after China, and after Indonesia, Hong Kong has received the most Japanese foreign investment between 1951 and 1988. Since 1985, the average number of Japanese investments per year in Hong Kong has been higher than that of any other country investing in the territory. Japanese government immigration policy regarding Hong Kong reflects a cautiousness in acknowledging any doubt in Chinese intentions to maintain HK's present economic system for at least fifty years after 1997.

Trade

Japanese trade statistics reveal that Hong Kong imports from Japan have increased an average 15% between 1987 and 1989, despite the doubling of the value of the yen since 1985. Between February 1989 and May 1990,* the value of the yen rose against the Hong Kong dollar by 13%. In the first quarter of 1991, the yen was up 9.4% against the H.K. dollar, compared to the same period a year earlier. This dramatic increase in the cost of Japanese goods did not halt the trend for more Japanese imports to Hong Kong. While the percentage increase of imports from Japan dropped to .2% in 1988-89, down from 29% in 1987-88 and 27% in 1986-86, it rebounded to 13% in 1989-90. The 1988-89 rate was the most dramatic slow down in growth of imports for a major Hong Kong trading partner. It can be partially explained by the dip in the value of the Hong Kong dollar during this period combined with the substantial increase of yen value.

China, Hong Kong's largest trading partner, also saw a drop, but much smaller, in the percentage increase of its exports to Hong Kong, from 30% in 1987-88 to 26% in 1988-89 and 17% in 1989-90. U.S. imports to Hong Kong, the fourth largest after Taiwan, dropped from a 28% to 12% to 10% annual increase over the same period.

Hong Kong Imports (U.S. millions)*

From:	Japan	China	U.S.
1990	103,362.14	236,133.73	51,788.38
1989	93,202.34	196,675.95	46,233.81
1988	93,007.76	155,633.53	41,347.37
1987	71,904.75	117,356.67	32,241.72

First 3 months:

1991	27,132.01	57,173.98	13,050.88
1990	21,235.09	46,008.45	12,693.19
1989	23,352.72	40,584.91	10,765.33

*Statistics from *Hong Kong Monthly Digest of Statistics*, April 1991.

Hong Kong imports more from Japan than it exports, but its domestic exports (not including re-exports) to Japan increased steadily between 1986 and 1989. From 1987-1989, the average increase in the territory's exports to Japan was 18%, but in 1990 the growth rate dropped sharply by 8%. This was a result of the appreciation of the Hong Kong dollar and the reduced price competitiveness of its goods.

Hong Kong exports the most in terms of value to the U.S., while China is second and Japan fifth, after Germany and the U.K. Since 1987 Hong Kong exports to China have increased the most. Japan has the second largest increase while exports to the U.S. dropped .9% during 1988-89 and a further 10% in 1989-90. The weak performance of domestic exports to the U.S. should be viewed against the substantial increase of 77% in re-exports to this market from 1988 through 1990. Hong Kong exports to Japan and the U.S. are considerably less than its exports to China. Hong Kong's domestic exports to Japan are valued at approximately 30% of its exports to China and only 18% of its exports to the U.S.

Hong Kong Domestic Exports

(not including re-exports) (U.S. millions):

To:	Japan	China	U.S.
1990	12,079.11	47,469.59	66,369.77
1989	13,027.82	43,272.20	72,161.61
1988	11,435.47	38,043.01	72,884.33
1987	9,489.08	27,870.91	72,817.21

First 3 months:

1991	2,634.99	10,247.77	11,677.88
1990	2,587.81	9,288.29	13,579.07
1989	2,941.58	9,226.62	14,132.69

Exports of manufactured products to Japan from South Korea, Taiwan and Hong Kong jumped from US\$18.2 billion in 1985 to \$27.1 billion in 1989. Analysts have noted that these exports have consisted mainly of goods made by or produced under contract for large Japanese companies. Efforts by the Newly Industrializing Economies (NIEs) to penetrate Japan's domestic market with their own manufactures have generally been unsuccessful except for a brief boom in NIE-made electronic consumer goods in 1987-88 [*Far Eastern Economic Review*, May 3, 1990].

Domestic exports originate in Hong Kong. This status is decided by product-specific government delineations of the percentage of value added, content or production process which determines country of origin. Re-exports are those produced in another country, brought to Hong Kong where no significant value is added, and then re-exported to a third country. Current observations of increasing integration of the regional economies of East and Southeast Asia provoke special interest in re-exporting trends through Hong Kong. Linda Y.S. Lim and Clyde D. Stoltenberg of the University of Michigan contend that, "Regional trade now has a pronounced triangular pattern: Southeast Asian countries import capital goods and manufactured inputs from Japan and the NIEs for local processing, with the final products exported to the United States, or increasingly within Asia." [*China Business Review*, May-June 1990]. Recent statistics on re-exports from Hong Kong suggest a significant role for the colony in this process.

*1989-91 figures are in real terms and are from *First Quarter Economic Report 1991* (Hong Kong: Government Secretariat, Economic Services Branch, May, 1991).

**Re-exports from Hong Kong/
Percentage of Total Re-exports**

To:	Japan	China	U.S.
1990	24,375.81 (6%)	110,907.94 (27%)	87,752.47 (21%)
1989	22,268.16 (6%)	103,491.71 (30%)	72,032.85 (21%)
1988	17,417.66 (6%)	94,895.11 (34%)	49,482.99 (18%)

Total Re-exports from Hong Kong:

1990	413,998.66
1989	346,405.47
1988	275,405.29
1987	182,780.42

**Total 1990 H.K. Exports* by
Country of Destination:**

Japan	36,454.92
China	158,377.53
U.S.	154,122.24

**Re-exports as a Percentage of Total
Exports* to a Country:**

To:	Japan	China	U.S.
1990	67%	70%	57%
1989	63%	81%	27%
1988	60%	78%	21%
1987	51%	75%	16%

* Total exports = domestic exports + re-exports.

The high proportion of Hong Kong exports to Japan and China which originate in a third country suggests that Hong Kong's role in the triangular pattern of trade is that of a processing centre or a buffer in politically sensitive situations such as Taiwan's trade with China or Japan's enormous trade surpluses with the United States.

Attempts to determine from statistics what percentage of imports from Japan to Hong Kong are being re-exported and to where are unreliable and speculative. A spokesperson for the U.S. customs department said that re-exported goods from Hong Kong which originated in Japan cannot be identified because the country-of-origin delineations vary by country and product and because there is a time lag between importing and re-exporting. Imported goods may sit in Hong Kong for months before being re-exported to the United States.

Investment

Japanese annual foreign direct investment in Hong Kong (in U.S. dollars) has increased from \$131 million in 1985 to \$1.9 billion in 1989, according to Japanese Ministry of Finance statistics. Hong Kong's director of industry, Mr. Andrew Leung Kin Pong said that if Japan continues its current rate of investment, it could overtake the U.S. as the territory's largest overseas investor and technology transfer partner by the year 2000. The U.S. currently contributes 31% of the total value of industrial investment in Hong Kong, and Japan contributes 29%, according to a 1990 survey of overseas investment in Hong Kong's manufacturing sector conducted by the Hong Kong government industry department. The value of Japan's cumulative investment in Hong Kong's manufacturing industries (at original cost) is \$8.6 billion. This is second only to the total value (at original cost) of U.S. investment, \$9.3 billion. Compared to 43% of American investment, 62% of Japanese investment went into the stock of fixed assets.

The first Japanese investment in Hong Kong was recorded in 1960. Since then investment has grown steadily over the past 30 years. Since 1985 the average number of investment projects grew to 14 a year, while American investments averaged 9 a year, and Chinese investments were 6 a year. In 1989, 180 Japanese investments were identified, of which 100 (56%) were wholly-owned by Japanese interests, 9 (5%) were joint-ventures without a local interest and 71 (39%) joint ventures with a local interest. Together they employ more than 20,000 staff, representing approximately 3.6% of Hong Kong's total manufacturing workforce. Americans had 147 investment projects in 1989, of which 90 (61%) were wholly owned, 14 (10%) were joint-ventures without a local interest and 43 (29%) joint ventures with a local interest. China is the third largest industrial investor in Hong Kong with a total of 49 investment projects identified in 1989. Of these 37 (76%) were joint ventures, in contrast to the predominantly wholly owned American and Japanese investments.

Japanese investment in Hong Kong industries is mainly in electronics, electrical products, printing and publishing, and watches and clocks. These account for 67% of total investment, compared to the 51% of American investment in the electronics industry. Other industries with substantial American investment are electrical products, textiles and clothing. Chinese investments

are mainly in transport equipment and chemical products, accounting for 48% of their total investment. Other areas for Chinese investment are tobacco, electronics and textiles and clothing. [*Report on the Survey of Overseas Investment in Hong Kong Manufacturing Industries, 1990*. Hong Kong Government Industry Dept., Nov. 6, 1990.]

The Hong Kong Deputy Director of Industry, Mr. Wilfred Wong, perceives that increasing Japanese investment signifies Japan's confidence in and commitment to the future of the territory. He notes that in 1990 the Hong Kong Industry Department assisted in four new Japanese projects and the expansion of five Japanese factories. Over the last 20 months, the department had assisted some 20 Japanese manufacturers in setting up offices in Hong Kong for sales or procurement activities. These projects included Pacific Tube Corp Ltd., NEC Technologies Hong Kong Ltd., and Ricoh Co. Ltd. [*Hong Kong Digest*, HK Economic and Trade Office, March/April 1991.]

Last year Japanese investment in Hong Kong's property market was estimated to be about HK \$12 billion. The big players are Nissho Iwai, EIE Development and Yaohan International. A total of 1500 Japanese companies are in Hong Kong, including Marubeni, C. Itoh, Toyo Menka Kaisha, Mitsubishi and Mitsui. The Export-Import Bank of Japan records the breakdown of cumulative Japanese direct investment in Hong Kong and notes that the commerce and service sectors received nearly 12 times more Japanese investment than the manufacturing sector between 1951 and 1988. During this same period, the Bank also recorded that Hong Kong was second only to Indonesia as recipient of cumulative Japanese investment, which was \$6.2 billion US to Indonesia's \$9.8 billion US.

Prepared by the Japan Bond Research Institute, the *Country Risk Report* survey of specialists at fourteen Japanese entities in the fields of banking, trading and manufacturing confirms that the perception of investment risks in Hong Kong is reasonably low. This biannual survey aims to determine the level of Japanese investor confidence in about 100 countries based on a risk rating of a number of different factors. These include political stability, consistency of policies, foreign exchange policy and economic growth potential. The rating is done on a 10 point scale, more than 9 meaning no risk, 8.9-7.9 little risk, 6.9-5 some risk and less than 5 indicating various degrees of risk. A general

rating is offered, which is based on comprehensive scores given by each of the fourteen groups.

In January 1991, Hong Kong's general rating was 8.4 which was the same as in January 1989 and July 1989, immediately after Tiananmen. This is compared to Singapore, a country with a similar income per capita (\$8,162US to Hong Kong's \$9,643US in 1989), which received a general rating of 9.9 in January 1991 and 10.0 in January 1989. South Korea (income per capita of \$4,040US) rated 7.9 in January 1991 and 8.4 in January, 1989. (Income per capita figures from *Asia 1990 Yearbook*, Hong Kong: Review Publishing Co.) In terms of political stability, Hong Kong is rated 7.7 as of January 1991, compared to Singapore's rating of 9.9 and South Korea's of 7.1. Hong Kong's political stability rating dropped from 8.3 in January 1989, to 7.4 in July of that year reflecting a reaction to Tiananmen, but returned to average 7.7 since January 1990. Hong Kong's economic growth potential is listed as 7.1 in January 1991, while Singapore's is 7.4 and South Korea's is 7.6. In terms of consistency of policies, Hong Kong is rated with 7.9, Singapore 9.3, and South Korea is 7.6.

Despite the fact it is judged risky on some accounts, increased Japanese investment in Hong Kong is justified by high rates of return. Exemplifying this optimism about the

future of Hong Kong is Kazuo Wada, chairman of the Japanese international retailer, the Yaohan Department Store Group. Mr Wada recently shifted Yaohan's Asian headquarters from Japan to Hong Kong. He defends his move as a foresighted strategy to expand Yaohan internationally and to stimulate business in China and throughout Asia, using Hong Kong as a base. In addition to the appeal of Hong Kong's unparalleled 16.5% corporate tax, he considers Hong Kong to be "Asia's strategic core, where high quality information not available in Japan is concentrated." Quoted in the *Hong Kong Trader*, Mr. Wada maintains, "Eventually, I anticipate that the southern part of China will be the most suitable region for foreign enterprises to make investments. Before such an era arrives Yaohan will penetrate deep into China, and when other foreign companies turn their eyes to China, Yaohan will have established itself in many ways, including the operation of stores and commodity logistics."

Immigration

In December 1990, the Ministry of Foreign Affairs in Japan released data on the number of "foreigners" registered in Japan at the end of 1989. People from China, Taiwan and Hong Kong totalled 137,499. In sharp contrast to the Canadian or American response to the flood of Hong Kong

emigrants, the Japanese government refuses to acknowledge any such trend. The official Japanese response to questions about its immigration policy towards Hong Kong has been to treat the question as "hypothetical." A press release from the Japanese Ministry of Foreign Affairs states: "Rather than talking about specific hypothetical problems and thus heightening the concern of people inside and outside of Hong Kong, it is best that Japan continue to express the hope that Hong Kong will continue to play the role of a good contact and intermediary agent between the Chinese mainland and the outside world. In this way, we intend to foster business confidence in Hong Kong even after 1997." The main concern of the Japanese government seems to be sending the "proper message" to China: "We hope that China will understand that it would be in China's interests to try to respond appropriately to Japan's repeatedly expressed hope and that we will be able to avoid an exodus of people from Hong Kong."

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PADS Agreement and the Future of Hong Kong-China Relations

by Phil Calvert
Ottawa

The July 4th Memorandum of Understanding (MOU) between Britain and Hong Kong on the Port and Airport Development Strategy is doubtless the most significant political development in relations between the two, and between Britain and China, since the signing of the 1984 Joint Declaration. The MOU sets the stage and the tenor of the transition years leading up to 1997 and establishes the parameters within which governments on all sides will be expected to operate. In doing so, it has two, somewhat contradictory purposes. In reaching agreement to go ahead with the project, it lowers the high level of Sino-British tension which had developed on the issue, and in this sense can be seen as an important "confidence-building measure" designed to reassure all observers (and investors) that the future Hong Kong

Special Administrative Region will continue to serve as an important economic centre in Asia. At the same time it establishes clear and, some would argue, quite generous guidelines for giving China influence over significant issues in Hong Kong leading up to 1997 – an influence which, because of the PRC's demonstrated leverage on the PADS issue, could extend far beyond the letter of the MOU or other previous agreements.

Some of the key provisions of the MOU include the establishment of a special committee, operating under the auspices of the Hong Kong-British Joint Liaison Group, to discuss major decisions relating to the airport and the provision that any debts larger than HK\$5 billion, repayable after 1997, would need the agreement of the PRC government. These two provisions establish a notable level of influ-

ence on the part of the PRC over the airport project, and by implication and precedent, over the entire transition process. At the same time, however, it seems to demonstrate Beijing's willingness to get on with the project and the indication that its previous opposition was not directed at the project itself so much as the approach taken by the Hong Kong government.

While the MOU will increase international confidence in the future of the airport and the equally crucial port component, it also makes it virtually certain that the Hong Kong or British governments will consult Beijing on any other significant issues straddling 1997. In this sense, then, the MOU increases short-term economic confidence by allowing the project to continue, while at the same time abrogating

PADS Agreement, cont'd page 12

what was one of the political aims of the PADS project – that is, to demonstrate Hong Kong's political and economic autonomy in the wake of Tiananmen. Indeed, it gives further acknowledgement to the inevitable growth of PRC influence over Hong Kong in the years leading up to 1997.

Doubtless the signing of the MOU on the project was met with sighs of relief from many quarters who saw resolution of the issue as necessary to any further progress in implementing the transition of power. With this issue, for the time being at least, cleared out of the way, Britain can more freely address other sensitive concerns, such as human rights issues. Beijing, despite its posturing, needed an agreement on the issue as well. The MOU aids the PRC in the rebuilding of its international credibility after Tiananmen, in that it conveys a sense of reasonableness on the part of Beijing. For the same reason, Beijing is at least appearing to acknowledge international concern over human rights.

While an ongoing impasse on PADS would no doubt have put Sino-British relations under serious strain, the resolution of the issue has given China a very big lever in future Hong Kong politics. The resolution, however, remains somewhat neo-colonialist, in that its provisions, such as the Sino-British Council to oversee the project, mean that this very significant Hong Kong issue will still largely be dealt with in Sino-British terms. This does not bode particularly well for the growth of the proto-democratic Hong Kong institutions which are intended to provide some protection for the people in the face of China's reassertion of sovereignty in 1997. PRC pressure on Hong Kong publicists to engage in self-censorship on the whole issue of the 1997 handover has already been notable. It remains to be seen whether the commercial and economic implications of this agreement translate into serious political consequences as well.

Hong Kong Elections

The United Democrats of Hong Kong, led by Martin Lee, won a landslide victory in the September 15th partial elections for the Hong Kong Legislative Council (Legco). Twenty-one members of Legco are appointed by the governor, 21 elected by functional constituencies (professional groups), and 18 elected by popular vote. The United Democrats won 16 of these 18 seats. None of the communist-backed candidates nor those from the Liberal Democratic Federation, representing the interests of business, won seats. Voter turn-out was low at 39%, a figure which allowed Peking's chief official concerned with Hong Kong and Macao, Lu Ping, to pour cold water on the results. However, in Hong Kong and in London the results were seen as a proof of the enthusiasm for democracy in Hong Kong. Douglas Hurd, the Foreign Secretary (and a historian of China) commented that the elections "opened a new and encouraging chapter" in Hong Kong's history. An editorial in *The Times* on September 18th called on the British prime minister to "lean on the Hong Kong government to give democracy its due."

Martin Lee allowed no time to elapse before calling on the governor to make appointments to the places in his gift from a list supplied by the UDHK. Sir David Wilson did not follow this advice. On September 21st he named seven continuing members and ten new members, in addition to the four ex officio members. Pressure can be expected now to have the number of directly-elected members of Legco increased and to have representation from the UDHK on the Executive Council.

Emigration from Hong Kong

Only 10,000 of a possible 12,000 employment visas, dedicated by the US authorities for key personnel working for US companies in Hong Kong, are likely to be taken up this year. This is a lower rate than anticipated when the scheme was launched (*Hong Kong Digest*, June 10th). This tepid level of interest is paralleled by a lower than expected level of applications for passports under the British Right of Abode scheme. Only about 65,000 applications were received for the 50,000 places under the first tranche. The global figures for British passports are misleading. Applications are made in specific categories, and some categories were heavily over-subscribed while others were under-subscribed. The two categories most heavily over-subscribed were translators/interpreters (291 for 42 places) and legal professionals (1,200 for 185). Those which were most under-subscribed were: managers and administrators (12,594 for 14,927) and the Royal Hong Kong Police (3,299 for 3,282) (*South China Morning Post*, June 23, 1991). The process of interviewing applicants is under way; the plan is that 200 people will be interviewed every week for the next three years.

These two sets of figures seem to suggest a weakening of the demand for emigration from Hong Kong, but it would be too simplistic to interpret them in this way. People eligible for either scheme may not have applied because they already hold foreign citizenship or because they are planning to move to countries other than the UK or the USA. Others may have been put off by the complexity of the application process (See *Update*, 4, Spring 1991, p. 3). Some people may have felt that they were ineligible. Concern has been expressed that the categories being used are too rigid and limit the number of people who can apply under the scheme.

Choosing to Stay Behind

by Susan Henders
Hong Kong

Not everyone is leaving.

Although Hong Kong's 1997-induced brain drain now draws away about 60,000 emigrants each year, the majority of the territory's nearly six million people have little hope of obtaining a foreign passport. They simply do not have the investment money, job skills, education or family connections to qualify for immigrant visas.

However, even some of those with good immigration prospects say they will stay behind instead of leaving. Their deep attachments to crowded, fast-moving, prosperous Hong Kong and the risks and costs of immigration are holding them back.

"I was born in Hong Kong and I love this place," said Steven Yip [not his real name], a journalist who also fears his not-quite-perfect

English would keep him out of a career in news should he emigrate.

Others choosing to stay echo Yip's worries. "My business could never survive if I went international," said Anna Lo, who built her successful modelling and fashion show production company, Catwalk Productions, from the ground up. "Besides, Hong Kong is my home town. I have travelled a lot and I like Hong Kong best."

Timothy Gibbs, general manager of the Royal Bank of Canada's Hong Kong branch, said he has employees with degrees from foreign universities who say they will stay. "They aren't too scared about 1997," Gibbs said. "There will still be a Hong Kong."

It is difficult to estimate the exact number of people opting for life in Hong Kong despite having the means to leave. Not only are many people reluctant to talk about their plans, many have not applied for immigration visas yet but are trying to create options to leave should it become necessary, according to Ronald Skeldon, a senior lecturer in Geography at the University of Hong Kong. How many will actually stay depends on conditions in Hong Kong, China and immigration destination countries like Canada in the years before and after 1997.

Despite these difficulties, a survey of Hong Kong professionals done in late 1988 and early 1989 gives some tentative indications of how many people with good emigration prospects will potentially stay. The study, done by the Hong Kong Institute of Personnel Management and the City Polytechnic of Hong Kong, found as many as 26% of respondents were potential "stayers," people who said they probably would not or definitely would not emigrate. At the same time, 46% of respondents said they probably or definitely would emigrate; 8% were undecided. Because the responses were gathered before the June 4, 1989 crackdown on the pro-democracy movement in Mainland China, the report probably underestimates the number of potential emigrants among professionals.

The study indicates the professionals more likely to remain in Hong Kong and the reasons behind their decision. Those respondents over 64 years old and those under 25 were more likely to be potential "stayers" than other age groups. Single and childless respondents were also less willing to emigrate, while those married professionals with children were more determined to leave.

Phoebus Tai Hung Wai, a 33 year-old, university-educated senior inspector with the Royal Hong Kong Police and father of two small children, illustrates the dilemma of many parents. Tai said he and his wife, a middle manager with a local bank, have no plans to leave their comfortable lifestyle for the sake of a foreign passport. However, they do worry about the long-term future of their children. "I have confidence in the sta-

bility of Hong Kong for a decade or even a generation," Tai said, "but after that it becomes more uncertain." Tai was educated in Hong Kong and, except for visits to China and Macau, has never travelled abroad.

Professionals educated in Hong Kong rather than overseas showed less inclination to leave. Those with less education and job experience and less well-developed skills were also less likely to leave than their better educated and experienced counterparts.

Many of the reasons respondents had for staying in Hong Kong were distinct, rather than simply the opposite of those forces pushing others to go. The study found that fears about job opportunities and racial discrimination overseas, preferences for living conditions in Hong Kong, confidence in the territory's post-1997 stability and kinship ties topped the list of reasons motivating potential "stayers" to remain in Hong Kong. Other concerns included adaptation to a foreign environment, the cost of living abroad and desire to educate their children in Hong Kong.

Carmen Yim Ka Man is a counsellor at the Hong Kong Catholic Marriage Advisory Council, which works with couples making emigration decisions. She maintains that financial, career and quality of life concerns often overlap. People well-employed in Hong Kong risk losing income and status because of difficulty finding comparable work in their new country of residence. Women also can end up being responsible for unaccustomed housework because they can no longer afford to hire domestic help.

A 1991 Hong Kong Institute of Personnel Management survey of Hong Kong immigrants in Canada backs up Yim's contention that emigration is stressful and risky. Using data collected from 471 immigrants in August and December 1990, Institute researcher Sara F.Y. Tang found 74% of respondents were able to get their first job within three months of moving to Canada. However, almost two-thirds dropped in job rank, nearly 30% by as many as three or more steps. More than half of the respondents had to change professions, and more than half also took a drop in disposable income. For 16% that income drop was more than 50%.

Business woman Anna Lo said that throwing a going-away party for friends departing for a new life in Canada or the U.S. has become a waste of money because

so many of them end up returning to Hong Kong. "They joke that it's because they can't play majong [a popular Chinese game] anywhere else," Lo indicated. "The real reason is that it's easier to make money in Hong Kong." Brian Gunderson, the Canadian Imperial Bank of Commerce's general manager of support services for Asia, said he has heard of people forced to return to Hong Kong because things have not worked out in Canada. "That kind of thing circulates back here and maybe discourages people from leaving."

Nevertheless, intangibles, rather than dollars and cents, motivate some people to stay. While surveys suggest 50-60% of his fellow lawyers could emigrate before 1997, Albert Ho Chun Yan declared he is committed to remain. Ho is the internal vice-president of the United Democrats of Hong Kong, one of the most liberal and high profile of the territory's new political parties and winner of the recent Legco elections. He indicated that love for Hong Kong, "moral" commitment to its people and the desire to live in a Chinese society prevent him from seeking a foreign passport. "It is something that is very personal," adds Ho, who claims many other members of his party share his sentiments. Only two of the United Democrats' 16 candidates for September's Legislative Council elections have foreign passports, according to Ho. Both acquired them years ago while they were overseas as students.

However, researchers at the University of Hong Kong caution that emigration decisions are constantly under review, even for most of those who say they will stay. "I suspect very few people would say categorically that they would not leave under any conditions," said Wong Siu Lun, a professor in the University's Sociology Department. "Hong Kong is basically an immigrant community, so people have that readiness to leave."

Skeldon suspects the risks and costs of emigration are giving some potential immigrants second thoughts, especially given the current economic downturn in Canada, the United States and Australia. However, he expects emigration levels to continue at approximately 60,000 people per year for the next few years. A major shift in the immigration policies of these key countries or another crisis akin to the events of June 4th in Beijing could spark a new rush to apply for immigrant visas.

The following articles by our research assistants are a continuation from the Spring 1991 Update of the description of Chinese-Canadian organizations in Toronto and Vancouver. They also include some of the Chinese student associations at several universities in these cities.

Chinese-Canadian Associations in Vancouver

*by Hugh Xiaobing Tan
Vancouver*

Chinese Community Library Services Association

Established in 1972 as a non-profit organization, this association provides library services to the local Chinese community. It now has more than 500 members, most of whom reside in the Greater Vancouver area. The CCLSA maintains two subsidiary institutions: the Chinese Community Library and the Chinese Community History Room.

The Library collects and maintains Chinese publications and makes them available to the public, free of charge or at minimal cost. With a collection of more than 8,000 books and a regular subscription to 9 newspapers and 24 magazines, it is one of the few libraries of its kind in the Greater Vancouver area. In addition to its "in-house" services, it also operates a mobile out-reach unit which brings a variety of services to senior citizens living in the neighbourhood.

The History Room was established in 1983 in recognition of an acutely felt need to furnish a Chinese-Canadian history of British Columbia. It aims to collect and preserve materials documenting the Chinese heritage of the province. Over the years it has accumulated a rich collection of diverse materials.

Funding for the association comes from both public and private sectors, as well as from fund-raising events.

591 E. Pender St.
Vancouver, B.C. V6A 1V3
President: May Chu
Library (604) 254-2107
History Room (604) 254-3012

Vancouver Section of the Hong Kong-Canada Business Association

Following the National Association's guidelines, the Vancouver Section has a primary goal of promoting connections, communication and trading relationships between business communities in Hong Kong and Canada. It now has a membership

of more than 500, most of whom are Canadians doing business with Hong Kong. About one-third of its members are originally from Hong Kong.

Its regular activities include a monthly luncheon meeting and an annual dinner party for all members. Usually a speaker, well-known to the community, is invited to address the luncheon meeting.

Last year, the organization sponsored an exhibition, called "Transplant," in downtown Vancouver. All exhibits were products of manufacturing firms set up by Hong Kong business immigrants in the Greater Vancouver area. One purpose of the exhibition was to dispel the popular belief that Hong Kong immigrants have invested only in the real estate market. The Association also participated in the Festival Canada held in Hong Kong last June and will take part in the organization of the Hong Kong Festival in Canada in 1992.

700-1550 Alberni St.
Vancouver, B.C. V6G 1A3
Section Pres.: Francis Cheung
(604) 669-4444; fax: (604) 681-0093

Vancouver Chinatown Merchants Association

The primary goal of this non-profit local organization is improving business in Vancouver's Chinatown. All 200 members are people or firms doing business in the area. Founded in 1981, the Association is at present compiling a publication for its 10th anniversary celebration.

To attract more people to shop in Chinatown, the organization has strongly advocated a beautification program which includes cleaning rear lanes and streets and installing more street lights. To solve the parking problem for shoppers, the Association has negotiated with the provincial and municipal governments to turn a parking lot at the edge of Chinatown into a crown property so a multi-level and lower-cost parking facility can be constructed.

The Chinatown Merchants Association has a board of 25 directors. Its funding depends on membership fees and donations from its directors and members.

206-37 E. Pender St.
Vancouver, B.C. V6A 1S9
Pres.: King Wong
(604) 682-8998

Vancouver Chinatown Lions Club

Following the general guidelines of the International Lions Club, the Chinatown Club is a non-profit, charity, and service organization. Its objective is to serve those in need. The organization was established in 1954 and is the oldest Lions Club in Vancouver's Chinese community. Its membership varies from year to year and in 1991 was 73. About 80% of its members are of Chinese origin, 40% of whom are originally from Hong Kong.

The Club actively participates in community affairs. It took part in the building of the Dr. Sun Yat-Sen Classical Park; it initiated the idea of constructing the "China Gate" and negotiated with the provincial government on this matter. It has also built three "Seniors Mansions" and rents the apartments to low-income Chinese senior citizens. Most recently it sponsored a fund-raising sweepstakes for East China flood relief. Every year the Chinatown Lions Club donates \$5,000 to cultural or educational institutions in the community.

Its funding depends on membership fees and fund-raising events, such as the annual Miss Chinatown Pageant. In recent years some of its former members have formed several new Lions Clubs, including the Vancouver Cathay Lions Club, Vancouver Mandarin Lions Club, and most recently, the Vancouver Pacific Lions Club whose members are all women.

830 Campbell Ave.
Vancouver, B.C. V6A 3V2
Pres.: Bill Ma
(604) 324-7717



Dr. Sun Yat-Sen Park

Yee Fong Choy Tong
(National Headquarters and Vancouver Branch)

The Yee Fong Choy Tong is a clan-charity organization with branches all over the world. It has sections in six major Canadian cities. Its Canadian headquarters and Vancouver branch are located at the same address.

The Vancouver branch was established 89 years ago and is registered as a non-political, non-profit organization. Its major goal is to maintain connections and communication between people with the family name of Yee or Yu and provide them with moral, spiritual and, when necessary, financial support. At present it has about 300 members.

Its activities are mainly social and recreational. Regular events include the spring banquet, the annual memorial ceremony, and the autumn outing. It has also set up a scholarship program for children of its members.

226 E. Georgia St.
Vancouver, B.C. V6A 1Z7

Pres. of National Headquarters: Bill Yee
Pres. of Vancouver Branch: Ken Yu
(604) 684-3074

Vancouver Society in Support of Democratic Movement (VSSDM)

The VSSDM was formally registered as a non-profit society on June 28, 1991, following the June 4th incident in Beijing. The idea of forming the society was initiated during demonstrations in support of the pro-democracy movement in China. It presently has about 700 members, including some of non-Chinese origin.

The Society is one of the six member organizations of the North American Coalition for Chinese Democracy. According to its constitution, it aims to promote democracy, freedom, human rights and lawful society in China. During the past two years, it organized or sponsored several

events and activities to achieve this goal. These have included the sponsorship for two years of the Concert for Democracy in China, organization of "Democracy Month" activities, setting up a permanent Goddess of Democracy Statue at the University of British Columbia, and lobbying the Geneva Human Rights conferences.

The VSSDM maintains its profile by the following activities: 1) educating the public on the democracy movement through the publication of articles, organization of seminars and presentation of speeches at schools and community centres; 2) lobbying the three levels of government and parliamentarians on support of the pro-democracy movement in China; and 3) strengthening relations with other democracy organizations in the world, especially those in North America.

362 E. 10th Ave.

Vancouver, B.C. V5T 1Z7
Chairperson: Raymond Chan
(604) 873-2189; fax (604) 873-2181

Vancouver Hong Kong Forum

This organization was founded in April 1991 by a group of Vancouver residents concerned about Hong Kong's future. It now has a dozen active members, most of whom are Hong Kong immigrants. These people are attentively watching developments in the colony including such important issues as the Vietnamese boat people problem, the democracy and human rights movement, and the recent direct elections of members of the Legislative Council (Legco).

The Forum organized the "Don't Forget Our Hong-Kong Roots Movement" in Vancouver and held a news conference last May. With the efforts of Forum members, over 100 landed immigrants who still have valid Hong Kong ID numbers were registered for the September Legco elections. A voting delegation was formed to travel to Hong Kong as part of the larger North American delegation. This has aroused controversy in the local Chinese community, but the organization insists on the justification of this activity.

Although the Forum does not have an office, information can be obtained from its coordinator:

Alex Chan
Dynamex Ltd.
2675 Boundary Rd.
Vancouver, B.C. V5M 3Z5
(604) 876-9245

Chinese Students' Association of U.B.C.

This association is the oldest Chinese student organization at the University of British Columbia and has existed for over forty years. There are presently more than 200 members. About half of the membership is originally from Hong Kong while the others are Chinese-Canadians.

Its activities are predominantly social and a variety of events are held such as regular dances. A Cantonese course is also offered to members free of charge. Another important objective of the association is to provide scholarships for its members.

Box 25, Student Union Bldg.
Univ. of British Columbia
Vancouver, B.C.
Pres.: Simon Gee
(604) 228-4339

Chinese Students' Association of Simon Fraser Univ. (CSA)

The oldest Chinese student organization at Simon Fraser, the CSA was established in 1965, at the same time as the founding of SFU. In 1991 it has a membership of about 90, the majority of whom are students from Hong Kong. The rest are from China, Taiwan and Singapore. The CSA is funded partly by the university and partly through fund-raising events.

Its two main purposes are: 1) to introduce Chinese culture to students from other countries and 2) to develop connections between members in order to help them adjust to Canadian life. Its major events this past year included the New Year Lion Dance, the "Art of the Dragon" Exhibition and the "Moon Cake Sale" for the Mid-Autumn Festival. It also organizes regular movie shows and outdoor activities. Last month it co-sponsored a cinema to raise money for China flood relief. Every Friday from noon to 1:00 pm, the CSA broadcasts in Chinese on the SFU radio station CJIV. Its programmes include news, Chinese songs and comments on social events.

6725 Dumbfries St.
Vancouver, B.C. V5P 3B8
Pres.: Amanda Lam
(604) 324-3688

Chinese-Canadian Associations in Toronto

by Irene Tong
Toronto

Chinese Canadian Intercultural Association (CCI)

Founded in 1980, the CCI is a non-profit organization which today has a membership of about 850. It has pledged to continue the objectives of its founders: the promotion of Chinese-Canadian cultural exchanges and assistance to Chinese compatriots in areas of immigration, education, employment, health and welfare. Its activities include regular recreational and commemorative activities; classes and seminars on Chinese painting and calligraphy, *tai chi*, cooking and needlework; exhibitions and free counselling and English classes. In 1984 the CCI founded the Dr. Sun Yat-Sen Chinese School which is situated at Baldwin and Huron Streets in the Chinatown area.

112 Huron St.
Toronto, Ont. M5T 2B2
Pres.: Moon Lum
Exec. Dir.: Yiu-Kuen Chan
(416) 591-6347

Chinese Information & Community Services of Metro Toronto

In 1968 a number of concerned Chinese students volunteered to provide interpreting services to Chinese residents in downtown Toronto. Initially a project under the University Settlement Recreation Centre, by 1974 the service became independent. The new organization, named Chinese Interpreter and Information Services, was then incorporated as a charitable organization. Its purpose was to facilitate the cultural, economic and political integration and adaptation of Chinese Canadians in Metro Toronto. Since its inception, the agency's services have grown to include its main office in the Cecil Community Centre since 1978 and a branch office in Scarborough established in 1982. In 1988 the agency was renamed the Chinese Information and Community Services.

Its activities fall into six categories. The Information and Referral Services include interpretation, form-filling, referral and telephone information services. Newcomers Language Training Programs hold English-as-a-second-language (ESL) classes to prepare immigrants for citizenship. To facilitate immigrants' adaptation to Canadian society, the Volunteer and Community

Development Programs recruit, train and place volunteers, organize workshops, seminars and mutual-aid groups and educate the public. Services pertaining to Community Relations are aimed at enhancing community orientation, political awareness and identification with Canada. They include leadership development programs, community networking and advocacy, forums and conferences. Senior Services are available to facilitate Chinese seniors' integration into Canadian society and to promote their physical and emotional well-being. For residents in Scarborough, Family Services provide individual and marriage counselling, family life education and assistance in family disputes.

58 Cecil Street
Toronto, Ont. M5T 1N6
(416) 598-2022
Scarborough Branch
3852 Finch Ave. E., Suite 310
Scarborough, Ont. M1T 3T6
(416) 292-7510

Toronto Chinese Community Services Association (TCCSA)

The TCCSA is conveniently located in the downtown Chinese area. It was founded in 1973 and registered as a non-profit organization in Ontario in 1976. Its stated mandate is "to assist newcomers to adapt to the Canadian style of living and become the mainstream of the Canadian mosaic." Its clients are ethnic Chinese who speak Cantonese, Mandarin or Vietnamese. It is supported by federal, provincial and municipal funding.

Its services include counselling, ESL and citizenship preparation classes, visitation of seniors in hospitals and nursing homes, and the orientation of immigrants to Canadian policies through its bi-monthly information handbook. Its Chinese school and library hope to ensure the continuity of heritage languages for Chinese youth by providing reading materials in native Chinese languages. In addition, seminars and workshops, support and interest groups, cultural and recreational activities are organized to integrate Chinese immigrants into the wider Canadian community.

310 Spadina Ave., Suite 602
Toronto, Ont. M5T 2E8
(416) 977-4026 or 977-3689

Toronto-Hongkong Fellowship Association of Canada (THFA)

The THFA was registered in 1988 as a non-profit organization with the objectives of promoting the spirit of mutual assistance among compatriots and showing concern for human rights and freedom in Hong Kong. It provides members from Hong Kong with information pertaining to immigration, employment, education and investment, thus promoting Canada-Hong Kong links. In addition, it hopes to promote harmonious relationships among racial and cultural groups within the community and their integration into mainstream Canadian society.

At present the Association has a membership of 200-300 people, most of whom are recent immigrants from Hong Kong. The majority are business immigrants and professionals, such as lawyers, doctors, architects, social workers and entertainers. It has a 29-member Board of Directors, and its funding comes mainly from members' donations.

Its future projects include the establishment of a permanent location for the Association and the creation of current affairs and elections groups to promote political participation among the Chinese community in Toronto.

112 Huron St.
Toronto, Ont. M5T 2B2
Chair: Allen Leung
(416) 591-6347

Federation of Chinese Canadians in Scarborough (FCCS)

The FCCS is a community-based, non-racial, non-profit organization active in promoting human rights, race relations and multiculturalism. It was formed in 1984 in response to a number of racial incidents in Scarborough, namely the "Dragon Mall Incident" and the hate literature issue.

The main objectives of the FCCS are advocating and promoting equality and human rights of all residents in Scarborough; encouraging greater participation by and integration of the Scarborough Chinese community in the city's social, cultural, economic and political life; and promoting cooperation and communication among Chinese Canadian organizations and residents in Scarborough.

In the past few years the Federation has been active in promoting race relations and community participation in Scarborough. In 1984 along with other Chinese community organizations, it successfully orchestrated a deputation to the Scarborough City Council which resulted in the passage of a motion to condemn the distribution of hate literature in Scarborough. It also spearheaded the campaign for the Heritage Language Program in Scarborough and participated actively as a member of the Policy Advisory Committee of the Scarborough Board of Education in the development and implementation of a policy amenable to better ethnic and racial relations and multiculturalism.

Apart from co-sponsoring youth conferences, educational conferences and seminars, the FCCS advocates human rights issues together with other Chinese community and ethno-cultural groups. These issues have included the redress of the Head Tax and Chinese Exclusion Act and the 1989 pro-democracy movement in China. To promote the participation of Chinese-Canadians in mainstream Canadian life, the organization developed a community project called "Participation '89" and published a bilingual pamphlet on grassroots community participation. In 1991 a well-attended "Cultural Awareness Night" was organized to promote understanding and interaction among Scarborough residents.

P.O. Box 547
4245 Sheppard Ave. E.
Scarborough, Ont. M1S 3V6
Pres.: Dr. Anthony Kwok
(416) 321-3703 or 291-3117

The Mandarin Club of Toronto

The Mandarin Club is registered as a non-profit, non-share-holding corporation which was founded four or five years ago by a "group of dedicated, socially conscious and community-oriented Chinese and Canadian businessmen and businesswomen." It is managed by professionals under the supervision of the Board of Directors. Its objective is to establish a world-class, private membership organization that provides a core for business, personal and cultural life. It has also established reciprocal relationships with prestigious clubs in Hong Kong, Taipei, Singapore and China.

Its membership in 1990-91 was 675, the majority of whom were Chinese with about 20% non-Chinese. Members are mainly doctors, lawyers, accountants and real estate investors – a fact which the Club hopes will



Dragon City – the Mandarin Club revamp the image of the Hong Kong investor from that of a small-time operator to someone "to be taken seriously." It is now planning to solicit members in Hong Kong.

Apart from inviting prominent people to speak during special dinner events and from being a centre for business networking, the Club also provides members, many of whom are new immigrants, with a superb Cantonese cuisine and dining environment, as well as recreational and health facilities. A major undertaking last year was the purchase of a \$7.5 million golf club in Richmond Hill.

280 Spadina Ave.
Toronto, Ont. M5T 3A5
Chair: Herbert Chang
(416) 979-7110

Chinese Chamber of Commerce (East Toronto)

Chinatown East includes the Broadview, Eastern, Greenwood and Danforth areas. Although it is not as big as Chinatown West (Spadina and Dundas), it already comprises about 400 stores, most of which are restaurants, groceries and beauty salons. About half of these businesses have joined the CCC (East Toronto).

The CCC East was established seven years ago to promote cooperation among Chinese-Canadians and other Canadians and to provide a liaison with different levels of government to ensure the security and success of businesses in the neighbourhood. In the past two years, the CCC has worked with both municipal and provincial governments to improve the garbage and parking problems as well as crime prevention in the area. It also sponsors cultural activities such

as the Canada Day celebration and Chinatown East Week to enhance inter-cultural understanding. Its president and one of the ten founders of the organization, Mr. Victor Lee, seeks to increase the number of Chinese-speaking employees in government and social service agencies in the area.

Currently, the CCC hopes to secure the support of at least two-thirds of local businesses to bring Chinatown East under the umbrella of the Business Improvement Area (BIA) program. On a wider scale, Mr. Lee is working with two other Chinese business associations – the Toronto Chinese Business Association and Scarborough/North York/Markham Business Association – to establish a Chinese Business Association of Ontario. Its main purpose would be to handle issues concerning Chinese Canadians at the provincial and federal levels. There are also plans to establish a national organization to represent Chinese Business Associations in Canada.

Chinese Student Organizations at University of Toronto

1) Association of Chinese Students and Scholars (ACSS)

Funded by the Chinese Embassy in Toronto, the ACSS emphasizes social rather than political activities. Its main objective is to provide assistance to Chinese students and scholars at the university during their stay in Canada. Activities include outings, dances, Chinese film shows and counselling. Membership, which is presently 480, is limited to PRC students, visiting scholars and their spouses. The ACSS is affiliated with the national Federation of Chinese Students and Scholars in Canada (FCSSC).

Contact person: Fang Jun
Massey College, 4 Devonshire Pl.
Univ. of Toronto
Toronto, Ont. M5S 2E1
(416) 348-9003

2) Mandarin Chinese Students' Association

Formed in October 1990, this organization aims to provide social events for Mandarin-speaking students. Its membership, now over 180, consists primarily of students from Taiwan but also includes some from Hong Kong and Mainland China. Contact person: Vivien Tang
81 Wilkinson Dr.
Willowdale, Ont. M2J 3Z6
(416) 499-3549

3) Univ. of Toronto China Affairs Association

First registered at U. of T. in September 1989 as the Association of U. of T. Chinese Students Concerned for the Student Movement in China, it was started in response to the 1989 massacre in Peking. At the time it had a membership of 50-60 people, the majority of whom were students from Hong Kong but also included some Canadian Chinese and non-Chinese. This past year it has kept a low profile and has only about 10-20 active members, all of whom are students from Hong Kong. About half of these are visa students.

Concerned with current affairs in China and Hong Kong, it was very active in the summer and fall of 1989. Its activities included issuing statements, organization of study groups and film shows and the publication of news updates. It also organized a signature campaign to petition the Foreign Minister of Canada and the Prime Minister of Britain for support of Hong Kong people's right of abode in Britain.

Contact person: Patrick Ma
Apt. #806, 401 Queen's Quay West
Toronto, Ont. M5V 2Y2
(416) 280-1898

4) The University of Toronto Chinese Alumni Association (UTCA)

Composed of about 50 graduates from U. of T., the main purpose of this organization is to maintain the contacts of Chinese students after graduation. Most of these students were active as undergraduates in the Chinese Students' Association.

Contact person: Dominic Su
248 Alexmuir Blvd.
Scarborough, Ont. M1V 1T7
(416) 754-0896

Chinese Student Organizations at York University

1) York Univ. Chinese Students' Association

This association was formed in the late 1970's with the aim of helping Chinese students adjust to and integrate into the university community. Its primary activities on campus are social, including participation in York Multicultural Week. It also publishes a newsletter for members, in addition to supporting the Chinese campus newspaper Jin Xue. Its functions beyond the campus include participation in the 1991 United

Way Walkathon and the coordination of 14 Chinese Students Associations of Ontario in fund-raising efforts for China flood relief.

The majority of members come originally from Hong Kong and are divided almost equally between visa students and landed immigrants. There are also several members from Taiwan and Southeast Asia. The organization is open to all undergraduates, including Canadians of non-Chinese background. It is partly funded by the Y.U. Federation of Students and partly by membership fees and the annual fund-raising dance.

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2) York Univ. Chinese Alumni Association

This newly formed association (Sept. 1991) is the first cultural alumni chapter supported by York University. It was founded by five graduate students who feel there is a need to maintain communication after graduation, especially since many former students return to Hong Kong to work and subsequently re-enter Canada as immigrants. As the Association is open to all interested undergraduates and graduates, its membership is expected to be large. It plans to publish a newsletter and will support Chinese alumni at other universities in forming their respective alumni associations.

Chairperson: Angus Chan
c/o York Alumni Association
West Office Building
York University
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Chinatown East, Toronto

Bill of Rights Conference

To mark Hong Kong's entry into a new legal era, the Faculty of Law of the University of Hong Kong held a three day conference on the Bill of Rights at the end of June. The conference was sponsored in part by the Government of Canada, which has shown a sympathetic attitude towards the introduction of a bill of rights. Canada, as one of the few common law countries to have a charter of rights, is also well placed to give help to Hong Kong legal authorities in implementing their new bill, especially through the use of case law.

Wang Gungwu, the Vice Chancellor of the University of Hong Kong, opened the conference. He underlined the importance of the execution of the Bill of Rights (on June 8, 1991), but warned that the Bill was not perfect in itself. Its implementation depended on the probity and honesty of lawyers, on the maintenance of the rule of law, and on the value given to human rights by the people of Hong Kong.

The keynote speaker was Sir Derek Cons, Vice-President of the Court of Appeals of the Supreme Court of Hong Kong, who spoke about the challenges of implementing a bill of rights. Philip Dykes, the Assistant Solicitor-General of Hong Kong, was caught in the Philippines by the eruption of Mount Pinatubo. His speech, which was read for him, described the evolution of the Hong Kong Bill of Rights. He made reference to the role in drafting the Bill played by Mr. Justice Barry Strayer, of the Federal Court of Canada.

Another absent speaker was Professor Gong Xiangrui, of Peking University, who was, for unspecified reasons, unable to attend the conference. His paper, which was read by the conference convenor, Dr. Johannes Chan of the University of Hong Kong, came out in favour of both Hong Kong and China moving with the 'international flow towards human rights,' but noted that human rights required freedom of expression and assembly and the tolerance of minority opinions. Professor Gong's absence was the subject of considerable press coverage; he was interviewed from Peking by telephone but could give no clear reason why he had not been able to go to the conference. The assumption in the Hong Kong press and at the conference was that the conclusion of his paper — that the Bill of Rights was not incompatible with the Basic

Law – was the cause of his absence.

The Canadian speakers at the conference all presented analyses of the working of the Charter of Rights in Canada. Chief Superintendent Cummins (Vancouver RCMP) reassured the audience that the Charter had not proved to be a 'criminals' charter' and that although the Charter had forced some changes in law enforcement, it had not diluted its effectiveness. Professor Rosemary Cairns Way (University of Ottawa) spoke about the revitalising role of the Charter within Canadian legal process. Judge Walter Tarnopolsky (Ontario Supreme Court of Appeal) delivered a paper on equality and discriminatory practices. Retired Supreme Court Justice Bertha Wilson spoke about the effect that the Charter has had on the rights of women.

Frank Stock, the Hong Kong Solicitor General spoke of the challenge of the Bill of Rights, and of Hong Kong's duty to give it life. He thanked Canada for her help in bringing it into being and said that Justice Strayer's advice had been of immeasurable value.

The first challenge under the Bill, on June 26th, came just after the conference. In district court, Judge Cameron refused to sign orders preventing three people who owed taxes from leaving Hong Kong, on the grounds that Section 8 of the Bill of Rights gives people the right to leave the territory. Judge Cameron was reported as saying that 32 orders had been signed since June 8th, the day the Bill became law, but only after the conference did judges become aware that such orders might be in contravention of the Bill.

Legal Issues Workshop

by William Angus
Toronto

Entitled "Canada-Hong Kong: Some Legal Considerations," a workshop, sponsored by the Canada and Hong Kong Research Project of the Joint Centre for Asia Pacific Studies, was held June 26, 1991, at Robert Black College of the University of Hong Kong. Jointly organized with the UHK Faculty of Law, the workshop was convened by Johannes Chan of the UHK Law Faculty and William Angus from Osgoode Hall Law School of York University. Vice-Chancellor Wang Gungwu of the University of Hong Kong opened the proceedings with some amusing and thoughtful observations of historical and legal dimensions. The ensuing sessions were chaired by Diana Lary

of York University and Johannes Chan.

Proceedings focused on the presentation of five papers: "Hong Kong's International Personality: Issues and Implications" by Roda Mushkat from the host Law Faculty; "Coming and Going Under Immigration and Refugee Law" by William Angus; "Personal and Corporate Status in Hong Kong" by Philip Smart of the UHK Faculty of Law; "Civil Proceedings Arrangements between Hong Kong and Canada: Service of Documents, Taking of Evidence and Enforcement of Judgments" by Maurice Copithorne from the Faculty of Law at the University of British Columbia; and "Extradition Between Hong Kong and Canada" by Janice Brabyn of the Faculty of Law, UHK.

Following each paper, the approximately 25 invited guests from various Canadian and Hong Kong backgrounds discussed its content and offered further observations. The revised papers will shortly be published as a monograph by the Canada and Hong Kong Project.

In view of the success of this workshop, its convenors are considering a similar proceeding in Toronto during the Hong Kong in Canada Festival next fall.

Media Workshop

by Janet A. Rubinoff
Toronto

Another Project workshop, "Dialogue on Hong Kong: Coverage of Hong Kong Issues in the Canadian Media," was held in Vancouver on June 15, 1991. The workshop was co-sponsored by the Asia Pacific Foundation of Canada. The 30 invited participants included members of the English and Chinese Canadian media as well as academics and representatives from provincial and federal government agencies, the Hong Kong Trade Development Council, the Asia Pacific Foundation, the Vancouver and Toronto police, and local Chinese-Canadian community organizations.

The workshop opened with remarks by Graeme McDonald, President of the Asia Pacific Foundation, who stressed the growing mutual interdependence of Canada and Hong Kong – not only in terms of business and trade but also in terms of human relationships and ideas. Four sessions focused on media coverage of investment and trade, the impact of Hong Kong immigration, political issues, and special concerns including immigrant prob-

lems, Chinese-language coverage and ethical aspects. Highlights of the discussions included the substantial growth and importance of Hong Kong investment in Canada, the effectiveness of Business and Entrepreneur Immigrant Programs from both provincial and federal perspectives, the changing focus of immigration flows to Canada and government planning, and the tendency of the press to emphasize the more negative rather than positive aspects of this immigration process.

Of particular concern was the sensitive issue of reporting "Asian Crime," avoiding stereotypes, and the importance of disseminating accurate information to the press, including statistics on crimes committed by Asian immigrants and refugees. Other topics discussed in the afternoon sessions included civil rights in Hong Kong and coverage of complex legal issues such as the new Bill of Rights, the media in Hong Kong and its reporting of Canadian issues that affect immigration, differences in the emphasis of Québec's immigration policy and its effect on Chinese-Canadians. Issues raised included the predominant negative images of new Hong Kong immigrants in the press, the reporting on problems experienced by Asian newcomers to Canada, and the specific problems of the Chinese-language press in covering Hong Kong immigration issues. Peter Desbarats, Dean of the Graduate School of Journalism at the University of Western Ontario, concluded the workshop with a discussion of broad ethical issues in press coverage, such as the problems of sensationalism, competitiveness and negativism. He emphasized the positive developments of a more diversified media and better educated, self-critical reporters.

The list of speakers included Victor Fung of the *Financial Post*; Louis Ferguson and Mildred Morton of Employment and Immigration Canada; John Gray, Director of Business Immigration, Government of British Columbia; Kevin Griffin from the *Vancouver Sun*; Sgt. Benjamin Eng, Metropolitan Toronto Police; Prof. Maurice Copithorne of UBC, Faculty of Law; Prof. Anthony Chan, School of Communications, Univ. of Washington; Luc Chartrand of *l'Actualité*; Prof. Bernard Luk, Dept. of History, York University; Paul Tsang from *Sing Tao Newspapers*, Vancouver; and Prof. Peter Desbarats, Univ. of Western Ontario. A transcript of the proceedings is in preparation and will be available soon from the Joint Centre for Asia Pacific Studies.

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Hong Kong Seminar at CASA Meetings Brock University

by Bob Perrins
Toronto

A session devoted to Hong Kong issues was one of the best attended at the recent Canadian Asian Studies Association (CASA) conference held at Brock University, October 4-6, 1991. The high turnout for this session reflects a heightened interest in Hong Kong amongst not only the general population but also within the community of specialists in East Asian Studies. As 1997 draws near scholars are attempting to understand the colony's past and present as well as to formulate various scenarios of what the future may hold. The papers that were presented at Brock University reflect these efforts and demonstrate that no consensus exists regarding Hong Kong's post-1997 status.

Claude Comtois of the Université de Montréal addressed the historical role that Hong Kong has played as a trading and financial hub in Britain's relations with China. He discussed the recent Sino-British negotiations over the PADS project and placed them within a historical context. His paper analyzed the short, medium, and long-term implications of the final settlement. Dr. Bernard Luk of York University addressed the fact that Hong Kong as a distinct entity has largely been neglected by historians; he concluded that as much research as possible must be conducted soon for scholars' access to sources after 1997 is of some doubt.

Maurice Copithorne of the University of British Columbia presented a paper on the history of Hong Kong's involvement and membership in numerous international bodies. Professor Copithorne contended that the colony's legal position within these bodies is well established, and he predicted that Hong Kong will retain some degree of independence and identity after 1997 because of its membership in these international agencies. Sonny Lo from the University of Toronto discussed the problem of perception in Sino-British relations with regard to Hong Kong. He noted that a great deal of misunderstanding on both sides has resulted in recent acrimonious negotiations, most notably those that dealt with the PADS project. Professor Ruth Hayhoe of the University of Toronto (Ontario Institute for Studies in Education) chaired the session, and Jules Nadeau of the Université du Québec à Montréal was the discussant.

FUTURE WORKSHOPS

Two Project workshops will be held in January of 1992. The first, "Québec et Hong Kong," will be held on January 8th at the Université du Québec à Montréal and will focus on Québec immigration issues and policies. The convenors are Prof. Claude-Yves Charron and Jules Nadeau, both of the Université du Québec à Montréal, département de communications.

The second workshop, "Hong Kong-China Relations: Economic and Social Dimensions," is scheduled in Vancouver at the University of British Columbia on January 17-18th. Jointly convened by Prof. Graham Johnson of the Department of Anthropology and Sociology, UBC and Prof. B. Michael Frolic, Department of Political Science, York University, the workshop will explore economic and cultural aspects of the relationship between Hong Kong and South China.

New Books and Articles on Hong Kong

The Hidden Establishment: The Inside Story of Canada's International Business Elite, by Brian Milner, Viking, 1991.

"From a Segregated Minority to Chinese Citizens: the Hong Kong Immigrants in Toronto," by Makio Morikawa, in *Proceedings of the First Tsukuba Seminar on Canadian Studies*, 1990, pp. 100-17.

"Personal Relations and Divergent Economies: a Case Study of Hong Kong Investment in South China," by Alan and Josephine Smart, in *International Journal of Urban and Regional Research*, v.15, no.2, 1991, pp. 216-233.



CANADA AND HONG KONG UPDATE

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WINTER 1992



FESTIVAL HONG KONG 92

Bridge Across the Pacific ■ 越洋聯繫港加情 ■ Pont Sur Le Pacifique

Festival Hong Kong 92, to be held this autumn, is the second of the reciprocal festivals celebrating the Canada/Hong Kong relationship. Festival Canada was held in June last year (see *Update 5*). While all of Festival Canada's events were held in one place, the size of Canada means that Festival Hong Kong will be held in several cities. It will start with a gala function in Toronto. Festival events in Toronto will be spread over the week September 28-October 4. During October, Festival celebrations will be held in Ottawa, Montreal, and Calgary and will end in Vancouver on October 22. The governor of Hong Kong is expected to attend the Vancouver part of the Festival. (The present

governor, Sir David Wilson, visited Ottawa and Toronto in 1990, but was not able to visit Vancouver then).

The motto of Festival Hong Kong is "Bridge across the Pacific/Pont sur le Pacifique." Some of the events of the Festival will originate in Hong Kong and will be coordinated by a steering committee there which is chaired by the secretary for Recreation and Culture. These events will include cultural and sporting events, a film festival, trade seminars and store promotions. Local committees in the five places where Festival activities will be held (Calgary, Montreal, Ottawa, Toronto, and Vancouver) will be organizing a complementary program

to bring in local organizations with an interest in Hong Kong. These will include business, academic, cultural and social activities.

Some of the funding for the Festival will be provided by the Hong Kong Government, and other parts will be raised from private sponsorships as was the case with Festival Canada.

An office has been set up in Toronto by the Hong Kong Government to provide information on the Festival:

Tony Dickinson *Festival Administrator*
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The Emigration of Business People and Professionals from Hong Kong

by Alan Nash
Concordia University, Montreal

The effects of emigration upon Hong Kong have been the focus of considerable controversy among academics, journalists, government officials and business people. Certainly, the evidence is not always as unambiguous as one might wish. Nevertheless, the broad outlines of the picture are beginning to emerge, and it is the purpose of this article to report on research in two areas of current concern: the emigration of business people and professionals.

First, let us consider the emigration of professionals. The annual movement of those in the category defined as "professionals, managers, administrators and technicians" from Hong Kong has represented approximately a quarter of the colony's total losses through emigration since 1987. The annual figures are estimated to be 7,400, 11,200, 9,800 and 14,500 respectively. However, Paul Kwong [*The Other Hong Kong Report 1990*] has argued that such a figure of 24%, the official government estimate, gives a misleading picture of the true extent of these losses.

He gives three reasons. First, if these emigration statistics are re-expressed according to the number of families leaving, then the emigration of those headed by professionals would be responsible for 62% of the total number of families leaving the colony. Second, in terms of their impact on the existing size of particular professions in Hong Kong, as measured by the 1986 census, the losses can be severe. Calculations for the period 1987-1988 indicate "depletion rates" of 10% for Hong Kong's stock of engineers, 13% for doctors and dentists, and 35% for the colony's computer programmers and system analysts. Third, although professional, administrative and managerial losses are portrayed as only 24% of Hong Kong's emigration losses, they in fact represent 50% of the colony's annual emigration of "economically-active" people. If this estimate is correct and such rates of emigration continue until 1997, then as Ronald Skeldon has recently remarked, "perhaps a quarter of a million of Hong Kong's best and brightest will depart before the Chinese takeover" [*Pacific Affairs* 63, Winter 1990-91: 510].

Certainly, many more professionals have expressed their desire to leave the colony in the future. A recent article in the prestigious American magazine, *The Atlantic Monthly*, (April 1991) argued that 98% of Hong Kong's pharmacists, 80% of its accountants and 63% of the government's doctors were planning to leave the colony before 1997. That such estimates are not exaggerated is clear from a comparison with the careful examination conducted by Kwong. His data show that of the colony's accountants, 66% of a group of 4,600 surveyed in late 1989 had applied for foreign passports, and an additional 27% planned to emigrate. Of the colony's pharmacists, 48% of an early 1990 survey already held foreign passports, and a further 43% planned to emigrate. Overall, the best summary of the situation is provided by Hong Kong's Institute of Personnel Management (IPM). On the basis of a 1989 survey of its membership, IPM argued that approximately 50% of all personnel managers, engineers and bankers would "probably" or "definitely" leave the colony by 1997. Indeed, Patrick Maule, the principal investigator of the IPM survey, remarked in late 1989 that "the proportion of professionals wishing to emigrate could have reached 71% by now."

The effects of this large and ongoing loss of professionals on Hong Kong are already profound. Commentators have drawn attention to the growing labour shortage in the colony (over 120,000 in 1989), to the current acute shortage of certain groups (such as teachers and pharmacists), to the need to increase salaries in order to encourage key workers to remain (by as much as 27% in some sectors), to the loss of educated workers (almost 15% of Hong Kong emigrants in 1989 had degree-level education, compared to a figure of only 3.5% for the general population), to increased staff turnover (as much as 33% in some cases) and, unfortunately, to fraud and corruption as unscrupulous individuals from Hong Kong and elsewhere have sought to meet the demand for foreign passports.

The Asian Development Bank in its comments on Hong Kong contained in the report, *Asian Development Outlook for*

1991, concluded that "weak fixed investment growth and continued emigration of professionals and skilled workers have limited the capacity for an early return to the high growth rates experienced in the past," a view with which the firm Price Waterhouse has recently concurred. In the face of this, it is perhaps little wonder that businesses have begun to leave the colony. In this respect, Cathay Pacific's recent move of its computing operations to Australia is but one example of a growing trend.

Businesses have also begun to leave Hong Kong in growing numbers because of the recent development, particularly by Canada and Australia (and in the USA since 1990), of another stream of emigration – one specifically targeted at entrepreneurs and investors in the colony, that of "business migration." Indeed, it could be argued that both these countries have tolerated the large increase of Hong Kong immigration in recent years because it brings with it entrepreneurs and investors. Certainly, it appears that business migration programs in both countries have become increasingly tailored to meet the needs of the Hong Kong business person.

The Canadian business migration program, which has been in operation since 1978, has three components: the "self-employed" (who are required to create their own employment), the "entrepreneur" (who must establish a business that hires at least one Canadian), and the "investor" (who must possess a minimum net personal worth of Cdn\$500,000 and must commit at least Cdn\$250,000 for a five year period to an investment that contributes to business development and job creation, a component only in operation since January 1986). Of these three, the entrepreneur component has comprised approximately 75% of all admissions made under the program. The Australian program (which operated between 1976 and 1991 when it was replaced by an "independent-business skills" category) sought those who would transfer to Australia assets of at least Aus\$500,000 "for the purposes of engaging in a commercial enterprise of benefit to Australia."

Data for these programs show that business migration was responsible for 15% (4,760) of all Hong Kong immigration into Australia between 1982 and 1988, and for 19% (7,574) of Hong Kong immigration into Canada over the years 1987 to 1988. It

is also worth noting that Hong Kong business migrants account for the majority of those entering Canada and Australia under such programs. Of the total number of entrepreneur and investor immigrants who arrived in Canada in 1988 (4,437), those from Hong Kong accounted for 37% or 1,633 cases. Of the total number of 1,864 business migrant visas issued in Australia between July 1988 and March 1989, Hong Kong cases accounted for 887 or 48% of the total.

An impression of the economic impact on Hong Kong of such business migration to Australia and Canada can be readily gained from the following statistics. During the three year period 1984 to 1986, Hong Kong entrepreneur migrants planned to create or retain 11,979 jobs in Canada; those arriving in 1988 alone planned to create or retain 8,654 jobs. Of more concern, perhaps, are the data on the movement of funds. By 1989 the total amount of funds transferred to Canada by all migrants from Hong Kong in that year was Cdn\$3.5 billion, of which some \$2.21 billion or 63% was to be transferred by the business migration component. Since it is estimated that the total dollar flow (including investments) from Hong Kong to Canada in 1989 was approximately Cdn\$5 billion, this means that business immigration from Hong Kong was responsible for 44% of the total flow of funds in that year and overall immigration from Hong Kong for 70%.

Data for 1990 are still very preliminary, but the consensus points to a figure of approximately Cdn\$4 billion as the amount estimated to be transferred by all emigrants from Hong Kong to Canada. In fact, such a figure is quoted in the official Canadian government briefing book used for Prime Minister Brian Mulroney's 1991 visit to the Crown Colony. If we assume that the proportion of this flow contributed by business migration remains the same as in 1989, this would mean that some Cdn\$2.5 billion was transferred by business migrants to Canada from Hong Kong in 1990.

Turning to Australia, Kwong has estimated that the 900 business migrant families from Hong Kong who received visas in 1989-90 transferred Aus\$432 million to Australia in that fiscal year. This figure represents 84% of that transferred by all Hong Kong migrants to Australia in 1989-90, a total of Aus\$512 million.

As far as Hong Kong itself is concerned, business migration programs are clearly responsible for significant losses in both business people and funds to the colony. During the year 1988-89 alone, a total of 2,520 business people emigrated from Hong Kong to Canada and Australia where they planned to create 15,750 jobs. Those that had left during 1987-88 indicated that they were transferring a total of HK\$14.7 billion out of the colony; those that left in 1989-90 took approximately HK\$15.64 billion. According to one Australian banker, this figure represents almost half the entire amount transferred by all Hong Kong migrants and investors to these two countries in 1989 and 25% of the total worldwide transfer of funds from the colony in that year. Such figures are estimates for only annual periods. Clearly, the total loss to the colony from the inception of such programs to at least 1997 can only be guessed at, but must be of considerable magnitude.

The challenge that Hong Kong now faces, therefore, is how to solve the many problems posed by such a drain of skills and resources due to the emigration of professionals and business people. It would be inhumane and illegal under international law to prevent emigration from the colony. However, it is not with such a response that the solution lies. Rather, existing government policies to combat the problem should continue. These have been styled "retain and retrain" in the case of those designed directly to combat the brain drain, and "new crew" in the case of those designed through education and overseas recruitment to replace those lost to Hong Kong. Moreover, the potential of the one major influx of population that Hong Kong has received – and most commentators ignore in this regard – its refugee and illegal immigrant population of approximately 50,000, ought not to be overlooked by the Hong Kong authorities.

However, as the evidence abundantly indicates, these strategies alone are inadequate. For example, by February 1991 far fewer people than expected had applied for British citizenship – an important plank in the scheme to retain key workers in Hong Kong. Evidently, the lack of Chinese commitment to recognize such arrangements after 1997 and the unattractiveness of the British economy relative to that of North America have effectively eliminated this approach as a solution.

Similarly, despite HK government optimism, return migration rates are woefully low, and recruitment campaigns overseas have so far achieved very little. The Hong Kong Social Welfare Department's 1989 campaign only resulted in seven Canadian applicants (only two of whom could come in 1990), whereas total vacancies totalled 593 posts. Expanded tertiary education also faces ever-increasing losses as students themselves go overseas.

Rather, the answer rests with those countries that have sought after Hong Kong's

business emigrants and professionals. They must be persuaded to renounce the lure of what seems to be "easy money" and skills, and instead to demonstrate their professed faith in Hong Kong's continued economic future. The various business migration programs that these countries have focused on Hong Kong, by their very nature, clearly do not do this. Therefore, at the very least, Hong Kong ought to insist that they be abandoned and demand that they be replaced by supportive economic policies and emigration programs which are sensitive to the needs of Hong Kong rather than to those of the USA, Britain, Canada or Australia.

Hong Kong Recruitment

Emigration from Hong Kong, plus economic expansion, has created a shortage of skilled manpower which by 1996 will be acute. Even the rapid expansion of tertiary education will not be enough to prevent a shortfall of over 30% in Hong Kong's needs in 1996 [John Chan, Secretary for Education and Manpower, speech, 19 July 1991]. One of the ways in which this shortfall will be filled is by recruiting qualified overseas people, including emigrants from Hong Kong now living abroad. The government of Hong Kong has entered into a joint venture with the Hong Kong Institute of Personnel Management, the Hongkong Bank, and other private sector interests to set up Hong Kong IPM Manpower International. This is a non-profit company whose task will be to identify qualified applicants abroad and match them with Hong Kong employers. Toronto is to be a major focus of activity, given the large number of potential candidates there. The company is also setting up a computer data

base, IPM-NET, which will allow overseas candidates to learn about vacancies in Hong Kong and employers in Hong Kong to identify suitable candidates for jobs.

One area where the shortage of local candidates is most acute is in the Hong Kong university system. At the end of November, the Hong Kong Trade Development Council in Toronto arranged a major event for the seven publicly-funded institutions of tertiary education in Hong Kong, at the Metro Toronto Convention Centre, called "Accept the Challenge: Career Opportunities in Tertiary Education in Hong Kong." The purpose was to provide information for people interested in working in Hong Kong's universities. This was the first of five sessions (the others were held in Chicago, San Francisco, London and Glasgow) whose object was to recruit new staff for the burgeoning tertiary education sector in Hong Kong and to replace academics who have emigrated from Hong Kong.

Thomas Wu, one of the organizers of the event, estimates that from 400-500 people attended the Toronto seminar, and over 170 resumés were received from prospective job applicants. Over the next three years, the HK Trade Development Council hopes to recruit from 2000-3000 people for a variety of university positions. Plans are now in progress for similar seminars in Australia, Singapore and Taiwan for the late spring; another recruitment event is also planned for Toronto in the fall to coincide with Festival Hong Kong '92.

The Points System and its Implementation

Independent immigrants to Canada are processed on a point system which measures a variety of personal attributes, including the demand for a particular occupation in Canada. Though most categories within the point system do not change, the weighting for occupational demand does, in relation to the employment situation in Canada. Information on weightings is published by the CEIC regularly and in an area of emigration such as Hong Kong, is republished in the local media. The weightings are of great concern to potential emigrants because a low score may put an applicant below the 70 points required to qualify for immigrant status.

In the process of application, a would-be immigrant first fills in a pre-application questionnaire (PAQ), which is checked to see whether it is worth making a formal application. PAQs normally run far above formal applications. The purpose of the PAQ is to save a person who is unlikely to be given landed immigrant status the trouble of applying and to save the application fee. It also cuts down the processing work for Canadian immigration officials. The system works well – unless there is a major change in the occupational demand weighting while the PAQ is being processed.

A recent Federal Court of Appeal ruling (December 1991) concerning an applicant from Hong Kong, Yee Chuen-choi, shows what may happen. In between Mr. Yee's PAQ being processed in October 1987 and his formal application being made in November, the weighting for his occupation, business analyst, plummeted from ten points to one. When his formal application was processed, he received only 65 points, instead of the 74 he would have received a month before. This put him out of the running for a visa. The Federal Court found that he should have been allowed to apply directly for a visa in October, instead of being put through the PAQ process first. The court found that potential applicants should be given enough information to decide for themselves which path to choose.



Representatives from tertiary educational institutions in Hong Kong.

Pre-migration Programs in Hong Kong

by Harriet Clompus
Hong Kong

Emigration from Hong Kong to Canada has increased rapidly in the last decade. In human terms this figure represents a great deal of potential anxiety and trauma as people face the difficulty of adjusting from one culture to another.

While there are several long-standing post-migration organizations in Canada to offer assistance to new immigrants from Hong Kong, until recently there have been no equivalent organizations in Hong Kong working to allay pre-migration anxieties. This has meant that prospective immigrants have had to rely on friends and relatives who had already emigrated, so-called "immigration specialists/consultants" (a term used by one of the unsuccessful candidates in the September Legco elections to describe himself), or commercially-run publications such as the *Chinese Canadian Magazine* and immigration guides to obtain the information they required. However, within the last eighteen months the need for impartial, non-profit-motivated pre-migration information has been recognized. In response, two programs have been established.

The first of these is the "Meet with Success" seminar program, which provides general information "regarding the cultural differences between Canadian and Hong Kong people" through an evening seminar open to all those prospective migrants who have already obtained an immigrant visa. Set up in early 1990, "Meet with Success" is run by the Canadian Club of Hong Kong, which was established over forty years ago as a social and fund raising organization for Canadians living in the territory. The Canadian Club is an independent organization run entirely on its membership fees, private donations, and fund raising. However, it has close links with the Canadian Commission, and its Honourary President is John Higginbotham, the Commissioner for Canada in Hong Kong.

"Meet with Success" has received financial support from the Canadian government, provincial government offices in Hong Kong, and the Commission for Canada in Hong Kong, as well as from many corporate and private donors and other Canadian organizations in the territory. The latter include the Canadian Chamber of

Commerce, the Chinese-Canadian Association, and the Canadian University Association (I.K.). With one full-time coordinator, Lyneita Swanson, the program consists of a seminar held one evening a week for new immigrants. This free seminar provides a unique service, there being no equivalent program offered by Canadian organizations elsewhere in the world or by non-Canadian organizations in Hong Kong.

The program is actively supported by the Commission with details of seminars given at the time of visa issuance and the venue being inside the Commission. However, Ms. Swanson stressed that "Meet with Success" is independent of the Commission and that attendance is voluntary and not a condition of visa issuance. Nevertheless, the attendance rate is extremely high, with an 85-90% uptake, which reflects the considerable and previously unmet demand for such a service.

The format of the seminar is a 1 1/2 hour video, introducing a Hong Kong immigrant couple as they go through typical Canadian activities - grocery shopping, "do it yourself" home improvements, and sports activities. It features two well known Cantonese actors, who are recent immigrants to Canada and are "playing themselves." The video is followed by a general talk about different aspects of Canadian life, given in conjunction with a very well produced and comprehensive information package. This covers many aspects of life in Canada and includes practical information ranging from education to car ownership to tips on social and communication skills.

The audience then participates in an exercise to create a personal "checklist" of the issues they consider most important in the migration adjustment process. Finally, there is a question and answer session in which all kinds of queries are raised from educational matters, to taxes, to the bringing of ancestors' bones to Canada for burial. Occasionally guest speakers are invited to present a seminar. Previous guests include Mila Mufroney, the wife of the Canadian prime minister, and David Lam, the Lt. Governor of British Columbia. The seminar is held in Cantonese except when there is a non-Cantonese speaker, in which case an interpreter is provided.

The second program was set up by International Social Services (ISS) in January 1991 and is funded by a private donation from the Marden Foundation (Hong Kong). It provides more individually-tailored and long-term services and can be seen as complementary to the "Meet with Success" program. The latter will refer people to the ISS program if it cannot deal with enquiries within the seminar format.

For a nominal fee, the ISS program offers a series of services for those considering migration to North America and Australia and to those who have already obtained immigrant visas. The service employs one full-time social worker and one support staff member. Pre-migration coordinator, Ms. Wan Fong Tam, said that the Canadian and Australian Commissions have both been helpful in supplying information for the program, but there has been little encouragement or interest from the American Consulate-General.

Services consist of answering telephone enquiries and giving more in-depth group or individual counselling sessions. One of the main areas of concern is the impact of emigration on children and, particularly, its effect on their educational progress. There is a weekly "mutual aid group" for parents where they can discuss their anxieties. Approximately eight couples participate in each session, and some weeks there is a waiting list. Participants are encouraged to exchange addresses in Hong Kong and their destination country, and they are also referred to relevant post-migration organizations. Dependent on funding, there are plans for other services such as skills training classes.

In early October the ISS pre-migration program hosted the 12th annual Chinese Immigrant Service of North America conference, the first time this week-long event has been held in Hong Kong. It emphasized the importance of exchanging information and ideas at both ends of the migration route. Attendees from Toronto, Vancouver, and Montreal represented Canada at the conference. Participants from North America spoke of the necessity for "a greater sensitisation of their governments for the needs of Chinese migrants," and stressed that migrants must prepare them-

selves as much as possible before leaving Hong Kong. A one day open forum, arranged as part of the conference, was attended by over 250 prospective immigrants, indicating the high level of interest in the community for pre-migration programs.

"Meet with Success" and the ISS Pre-Migration program represent a first step towards alleviating the anxiety inherent in the migration process. However, there is a

widespread perception that this is a Canadian rather than a Hong Kong issue. Therefore, the ISS program, in particular, has had great difficulty in attracting local funds. The annual Marden Foundation grant of HK\$330,000 will only continue until the end of 1992, after which alternative sources of funding must be found. So far approaches to numerous charitable foundations and to the government have proved unsuccessful, and the continued existence of the ISS program remains uncertain.

Immigration Applications, HK CLPR 1989

by Diana Lary
Hong Kong

Not all immigration applications are made by people in the country of last permanent residence (CLPR). Some people apply elsewhere, either because there is no Canadian mission in their own country or because they are refugees. For others it is for reasons of convenience. Given how long processing delays can be in Hong Kong and how many potential Hong Kong immigrants travel, a significant number of Hong Kong CLPR applications are made at posts other than Hong Kong. The great majority of non-Hong Kong applications are made in the USA, many at border cities such as Seattle, Buffalo and Detroit. There is some indication that making an application outside Hong Kong is becoming more popular. Though the overall number of applications fell between 1989 and 1990, the proportion of applications made outside Hong Kong increased.

	1989	1990
Hong Kong	15930 (91%)	12912 (86%)
Seattle	315	197
New York	294	167
Buffalo	275	394
San Francisco	184	192
Detroit	79	149
Singapore	76	184
Boston	71	111
Los Angeles	68	106
Dallas	47	139
Tokyo	31	32
Minneapolis	19	67
Atlanta	18	60
London	11	80
Sydney	8	25
Bangkok	6	60
Mexico City	5	87
Other	65	106
(Non Hong Kong) 1570 (9%)		2156 (14%)
Total	17500	15068

Visas issued, Hong Kong CLPR

The proportion of visas issued for people whose CLPR was Hong Kong, but who applied at other posts, ran at 6% in 1989 and 9% in 1991. Care should be taken with these statistics. The two sets, for applications and visas issued, do not correlate because of the time lag in processing, which varies both by the business of the post and by the class of application. Family and business class applications, for example, are normally processed before other classes. Visas issued in 1989 could be based on applications made in 1988 or earlier while 1990 visas might be for 1989 applications. However, there may be some correlation between the 9% of non-Hong Kong applications in 1989 and the 9% of visas issued at posts other than Hong Kong in 1990.

	1989	1990
Hong Kong	8935 (94%)	7972 (91%)
Other	559 (6%)	748 (9%)
Total	9494	8720

Canada, Britain and the Hong Kong Problem

Dr. Gerald Segal, research fellow at the Royal Institute of International Affairs, London and reader in International Relations at Bristol University, has written an article analyzing the complex relationship between Britain and Canada over Hong Kong issues. See "Canada, Britain and the Hong Kong Problem," *The Round Table*, July 1991, pp. 285-98.

British Parliament and Citizenship for Hong Kong Indians

by Rup Narayan Das
New Delhi

Hong Kong's ethnic South Asians, who hold British Dependent Territory Citizenship (BDTC) passports, have been lobbying since 1985, both in Hong Kong and London, for full British citizenship rights, including right of abode in the United Kingdom. Leading this campaign are two of Hong Kong's prominent Indian businessmen, Hari Harilela and Kewalram Sital, president and chairman, respectively, of the Council of Hong Kong Indian Associations.

During the citizenship debate, Harilela, Sital and other members of the Council flew to London on several occasions to give presentations and meet with Ministers and Members of Parliament. Council representatives also canvassed support from the local press. Although the efforts of the leaders of the Indian community in Hong Kong have not produced the desired results of full British citizenship rights, they did succeed in gaining support from some Members of Parliament and the press.

In 1985 members of both Houses of the British Parliament evinced keen interest in and recognized their moral obligation towards the ethnic minorities of Hong Kong, including the Indian population. In response to this pressure on the UK government from Parliament, Baroness Young, then Foreign Office Minister in the House of Lords, on 19 February 1985 clearly committed the British government to undertake amendments regarding citizenship in line with prevailing views in Hong Kong and in both Houses.

A year later, Lord Glenarthur, then Home Office Minister, conceded that every speaker in the House of Lords debate on 20 January 1986 supported the minorities' wishes along with other recommendations. In the debate in the House of Commons on January 16, all but two of the 18 members who spoke on the nationality provisions of the Hong Kong Act also supported the recommendations of Hong Kong's Legislative Council, which included the extension of full British citizenship rights to ethnic Indians holding BDTC passports. Members of the Commons, belonging to different parties, were highly critical of the government's refusal to recognize the just claims

of the ethnic minorities for an effective citizenship.

Given the size of the government's majority, the British Nationality Order-in-Council had smooth passage in the House. However, attempting to allay the anxiety of the ethnic minorities as expressed by some MPs, Mr. Waddington, then Minister of State of the Home office, indicated that any British nationals forced to leave Hong Kong and having nowhere to go would be considered sympathetically by the government for entry to Britain, given their particular circumstances.

In response to overwhelming concern expressed by MPs in the debate on 16 May 1986, Lord Glenarthur reiterated that, "We should consider it an obligation for any future government to treat with very considerable and particular sympathy the case for admission to the UK of any individual British national under pressure to leave Hong Kong." His statement was the first time the word "obligation" in the context of the nationality issue was used by any government minister, and raised cautious optimism amongst leaders of the Indian community of Hong Kong.

The Foreign Affairs Committee of the House of Commons, which visited Hong Kong in April 1989, submitted a report in June of that year which questioned whether these assurances given by the British government were sufficient. The report also recommended that the British government had an obligation to extend UK citizenship to "this group of people which it has cooperated in consigning them otherwise to a second class citizenship."

Passed on 19 April 1990, the **nationality package** [see *Update*, Spring 1990: 12; Fall 1990: 5], offering full British citizenship to 50,000 families of BDTC passport holders of Hong Kong, came as an anticlimax to the Indian community after its protracted lobbying in the territory and in London.

The debate in Parliament for the Bill evoked considerable sympathy for the BDTC passport holders who could be stateless after 1997. Among Tory MPs, Peter Shore, Nigel Forman, and Andrew Faulds had advocated either restoration of full British citizenship rights or stronger guarantees for the future of the non-ethnic Chinese communities in Hong Kong. However, right wing Conservative MP Norman Tebbit led the Tory revolt against the Bill, arguing that, "we have more than enough to do to integrate existing [immigrant] communities into British society without adding to that burden or exacerbating existing problems." At the same time, he expressed concern about the fate of Asians of Indian descent who were likely to become stateless and possibly refugees, and advocated intervention by the UK Foreign Secretary on their behalf with the Government of India.

While Labour also criticized the Bill, the Party, represented by Roy Hattersley, Gerald Kaufman and Max Madden, strongly argued in favour of full British citizenship for ethnic Indians and other vulnerable groups in Hong Kong. Paddy Ashdown of the Liberal Democrat Party sought to strengthen and

improve the Bill in Committee and pleaded for the needs of the ethnic communities.

In response to such pleas by the opposition, Home Secretary Waddington reiterated the government's position that if an individual from the ethnic minorities were to come under severe pressure after 1997, the government would consider his/her application to come to the United Kingdom.

The Nationality Bill, which obtained royal assent in July 1990, shattered the last hope of Hong Kong Indians for full British citizenship rights. However, in a recent development concerning the plight of overseas Indians such as in Hong Kong, the Government of India is now considering the possibility of amending the Constitution to provide dual citizenship to people of Indian origin abroad. This augurs well for ethnic Indians in Hong Kong who hold BDTC passports. New Delhi is expected to announce its decision very soon. Although many Hong Kong South Asians may not prefer to return to India, at least they need not face statelessness in the worst of circumstances.



Manchester, UK Chinatown

Saskatchewan Government Office

In November, the trade minister of the newly elected NDP government, Dwain Lingenfelter, announced that Saskatchewan would close the three trade offices it maintains abroad in Hong Kong, Minneapolis and Zurich. The office in London is to

remain open. The new government believes that the offices to be closed cost more than they are worth in terms of business done, especially the one in Hong Kong. The Saskatchewan representative in Hong Kong, Graham Taylor, is a former cabinet minister in the Conservative government; it was claimed that his living costs in Hong Kong were exorbitant.

According to Robert Perrin, Executive

Director of the International Division, Saskatchewan Economic Diversification and Trade Office, "The decision to close Saskatchewan's international office in Hong Kong was taken as part of a re-evaluation of the Province's overall approach to international trade and the severe budgetary deficit situation of the province. The government is looking for more rational and cost effective ways to encourage trade."

Beijing Update

by Jane Greaves
Beijing

Continuing the recent trend in the Chinese press, there has been little mention of "things Hong Kong" during the winter months. In the few articles that have appeared, the concern of the Chinese government over maintaining stability in Hong Kong (and presumably the mainland) is apparent, no doubt a reaction to the events in the "Soviet Union" last August. This stability, suggested Chen Ziyang, Deputy Director of the Hong Kong and Macao Affairs Office of the State Council, can be enhanced in two ways: through greater cooperation between China and the United Kingdom in affairs concerning Hong Kong and through greater interaction and more channels of communication between the mainland and Hong Kong itself. Cooperation and involvement are the key words in the press at the moment.

The signing in September 1991 of the Memorandum of Understanding Concerning the Construction of the New Hong Kong Airport is referred to several times as a turning point in cooperation

between the United Kingdom and China as it provides certainty for the projects and "also provides a practical framework within which various issues related to the development of the new airport can be discussed by parties concerned." The cooperation is reassuring not only for Beijing but also for British business circles. A *China Daily* article reported that a recent delegation of British business people to Hong Kong saw increasing confidence in the territory, especially as the future sourcing, financial and distribution headquarters for Asia.

The active participation of Hong Kong in mainland affairs was by far the dominant issue in the news. Articles covered the Chinese space exhibition in Hong Kong, to which recrd breaking crowds of overseas Chinese and Hong Kong residents flocked; Hong Kong investment in the mainland stock market; the Hong Kong Trade Development Council's major product promotion in Tianjin; and the reprinting in a Hong Kong magazine of a speech given by Li Peng on Shenzhen's development and

the potential for overseas and Hong Kong participation in it. The inference being given is that Hong Kong is eagerly anticipating its return to the motherland and is demonstrating this through its willing participation in mainland affairs.

Bidding on the Hong Kong airport contracts did actually appear in both the English and Chinese press. This was surprising as reference to PADS is usually made under euphemisms such as "major construction projects" or "infrastructure development." One assumes that the Memorandum of Understanding has lessened, though not eliminated, Beijing's displeasure and, hence, PADS's taboo status in the press. That China is also bidding for contracts is significant.

The general impression one gets from the mainland press continues to be that the Hong Kong issue does not merit much space in the press, but what coverage it does get should show the happy situation in the countdown to 1997.

The Political Implications of Lu Ping's Visit in Hong Kong

by Shun Kwok-cheung
Hong Kong

Lu Ping, director of the China's Hong Kong and Macao Affairs Office (HKMAO) of the State Council, recently visited Hong Kong on January 6-14. His visit was partly in response to the agreement reached by China and Britain in the Memorandum of Understanding on the airport issue, which stipulated regular meetings between the Director of HKMAO and the Governor of Hong Kong. This trip is particularly noteworthy because Lu Ping is the most senior Chinese official to visit Hong Kong since the dispute over the Final Court of Appeal and the establishment of the standing committees in the Legislative Council (Legco).

Although Lu Ping had official contacts with the Governor, Sir David Wilson, the real significance of his trip lay in the eight-day extension of his "informal visit" in order to approach various local communities. These included pro-China groups, commercial associations and political organizations.

These more informal contacts drew much public attention.

His contact with many local political organizations, including two minor liberal groups, Meeting Point and the Association for Democracy and People's Livelihood, was particularly important. However, Lu Ping excluded the most popular and powerful liberal party, the United Democrats, and its prominent chairman, Martin Lee Chu-ming. In an open letter in the *South China Morning Post*, Martin Lee demanded to speak with Lu Ping and stressed that the HKMAO director "regard the people of Hong Kong as an asset, not as an enemy; work with us, not against us" [SCMP, 12 January 1992, p.11]. In refusing to meet with Mr. Lee, Lu Ping stated, "We have to make a selection. Some people want to overthrow the Chinese Government - of course we will not see those people. We do not have a common language" [SCMP, 11 January 1992, p.3].

The relationship between China and local Hong Kong liberals has worsened since the 4 June 1989 Tiananmen massacre. At that time liberal leaders formed the Hong Kong Alliance in Support of the Patriotic and Democratic Movement in China (HKAPDM) to support democracy in Mainland China. This organization was declared subversive by Beijing. To contest the first direct elections to Legco last September 1991, leaders of the majority of liberal groups formed a political party, the United Democrats of Hong Kong (UDHK), in April 1990. Liberals won an overwhelming victory in the Legco elections, attaining 16 (later 17 after a by-election held in December) of the 18 contested seats. Twelve of these seats were won by UDHK candidates. This rapid expansion of liberal power, especially by the United Democrats, increased China's suspicion. As evidenced by Lu Ping's visit, China's tactic has not

been to condemn the whole liberal camp but to isolate those leaders active in the alliance for democracy movement, the HKAPDM and the United Democrats.

China's strategy of divide and rule – in Chinese terms, the "united front" – led to much criticism as reflected in editorials of the Hong Kong press. [See *H.K. Economic Times*, 10 January 1992; *Hong Kong Economic Journal*, 11 January 1992, and the *South China Morning Post*, 13 January 1992.] As one editorial proclaimed, "The guest list to Mr. Lu's functions over the past week reads like a political register of who is in, who is out, who has a future and who has none" [SCMP, 13 January 1992, p.16].

Commenting on the implications of Lu Ping's visit, Dr. Louie Kin-sheun, Research Officer of the HK Institute of Asia-Pacific Studies at the Chinese University of Hong Kong, felt that China had successfully re-integrated and reorganized local political forces sympathetic to Beijing. For instance, after the meeting with Lu Ping, the Cooperative Research Centre, formed by the majority of

conservative Legco members and headed by senior legislator, Allen Lee Peng-fei, claimed they were recognized as a political entity even though the group had not yet functioned as a political party [SCMP, 13 January 1992]. Lu Ping's invitations also were an indication of acceptable candidates for Hong Kong's future ruling class. According to Dr. Louie, China's tactic of divide and rule, both powerful and delicate, had a negative impact on the United Democrats who were excluded from meetings with Lu Ping. At his encounter with two minor liberal groups, Lu Ping reiterated that China was not against the United Democrats as a whole but only opposed to some members of the "liberal flagship" because they wanted to overthrow the mainland government.

What China is attempting to do is isolate political leaders active in both the UDHK and the HKAPDM. As 1997 approaches, the "China factor" will become more and more important. By undermining the solidarity of the liberal camp, China apparently intends to weaken its political power. Chinese leaders like Lu Ping stress the fact that the Hong

Kong electorate should consider if the opposition to Chinese authority will be beneficial to the territory. The political group which is not recognized by China will inevitably face much pressure from within and outside the camp of Hong Kong liberals.

Undoubtedly, China has become an important factor in the Hong Kong political arena, and its influence will increase as 1997 approaches. However, the liberal camp is still the strongest political force with a broad popular base in Hong Kong and cannot be easily dismissed. In the years to come, China will need to rethink its antagonistic and dichard attitude towards the liberals, while the latter will have to try to develop more flexible tactics to deal with the Beijing government. It is significant that Lu Ping met with some liberal leaders last January. Nevertheless, if there is to be a smooth transfer of power after 1997, a crucial consideration will be the improvement of relations between local liberals and Chinese authorities in both the pre- and post-transition period.

Canadian MPs and Chinese Human Rights

The expulsion of three Canadian MPs from Peking on January 7 aroused considerable interest and excitement in Hong Kong. The three, Beryl Gaffney, L. Nepean, Svend Robinson, NDP, Burnaby-Kingsway and Geoff Scott, PC, Hamilton-Wentworth, were greeted with bouquets and major press coverage when they arrived in Hong Kong on a flight from Peking. They had been taken to the Capital Airport in Peking, without prior arrangement and against their will, from a meeting at the Great Hall of the People with Rong Yiren, vice chairman of the National Peoples' Conference and a leading figure in China's foreign trade establishment.

The MPs were in China as the guests of the People's Institute of Foreign Affairs, a unit connected to the Ministry of Foreign Affairs. Their explicit intention was to look into the human rights situation in China. Chinese authorities became upset when the MPs met relatives of imprisoned dissidents and were concerned about the MPs' intention to hold a press conference in Peking. Because of the expulsion the press coverage came from Hong Kong rather than Peking.

The incident aroused a great deal of interest both internationally and in the territory where human rights issues in China are very close to the bone.

The expulsion of the MPs came a week after the release from prison in China of Hong Kong resident, Lau Shan-ching (Liu Shanqing) who had served ten years in prison in China for giving financial help to members of the Li-Yi-Zhe group of dissidents. There was much comment in Hong Kong on the relative advantages of being Canadian.

Hong Kong's Future Court of Appeal

In view of the transfer of sovereignty from Britain to China, Hong Kong will no longer be able to use the Privy Council in London as its final court of appeal. Both the Joint Declaration and Basic Law describe the setting up of a court of appeal in Hong Kong, and allow for an unspecified number of judges from other common law jurisdictions amongst the five judges. Previous expectations were that there would be two

such judges, but a September Joint Liaison Group decision between Britain and China proposed to limit foreign judges to one. On December 4th, by a majority vote of 34 to 11, Legco asked Britain and China to reconsider that decision and to leave the number of foreign judges open. The request was rejected by the Chinese and British governments and by the Hong Kong government. However, the fact that it was made at all was seen as a sign of a new Legco activism and as a manifestation of lack of confidence in Chinese attitudes towards the rule of law.

The issue aroused considerable interest in Hong Kong and abroad because it concerns the independence of the future court and the continuation of a common law regime after 1997. For many Hong Kong Chinese, and for many people doing business there, this is seen as a fundamental issue. Legco is the only partially elected body in Hong Kong. Thus, its present and future role in making its views on Hong Kong's legal future strongly felt is being watched with great interest. For Canada the issue is noteworthy because of the likelihood that, as a major common law jurisdiction, Canadian judges will be asked to serve on the Hong Kong court.

Premier Harcourt Emphasizes BC-Hong Kong Relationship

Shortly after his election, the new premier of British Columbia, Mike Harcourt, visited Asia in order to underscore the importance his province attaches to the region. His stay in Hong Kong at the end of November was an important part of his visit. The following is an address Premier Harcourt gave at the Government of British Columbia reception for the trade and investment community, November 21, 1991.

"I am very pleased to be back in Hong Kong. I visited here during my years as mayor of Vancouver, and I know of the important and special relationship that the province of British Columbia has with the people of Hong Kong.

As British Columbia's new premier, I am committed to strengthening and expanding BC's ties with Hong Kong. I would like to tell you a little bit about the province of British Columbia – our people, our economy and about our long friendship and relationship with the people of Hong Kong....

The province of British Columbia has stunning natural beauty, a clean environment and first-class educational facilities, hospitals and social services. We have a thriving, dynamic, diverse and growing economy – an economy that, like Hong Kong, is closely tied to the international market place.

British Columbia is a trading province that each year exports billions of dollars worth of products. In 1990, for example, British Columbia's exports were valued at over \$16.5 billion.

As the westernmost province in Canada, British Columbia is Canada's gateway to

the markets of the North and South Pacific and the United States. In fact, from British Columbia, it is possible to do business with Asia, North America and Europe on the same day.

We have strong ties with the Pacific Rim countries, and we are a central point for Asian goods entering North America. One of our key trading partners in the Pacific Rim is Hong Kong.

In 1989, for example, British Columbia's trade with Hong Kong was in excess of \$280 million. British Columbia's links with Hong Kong are significant and span many decades. Our people have a close relationship with the people of Hong Kong, and there is a strong Hong Kong presence in British Columbia.

For example, many Hong Kong students choose to pursue their education in British Columbia. In 1990, there were over 2,400 students from Hong Kong studying in our province, and British Columbia is becoming the new home for thousands of Hong Kong residents. In 1990 alone, over 6,700 Hong Kong residents who received immigrant visas chose to come to British Columbia. As more Hong Kong immigrants come to BC, the ties between Hong Kong and our province are becoming family ties.

Our trade, investment and business links are also growing. There are many Hong Kong investors who have invested in British Columbia industries, ranging from garment factories to light consumer goods production.

The head office of the Hongkong Bank of Canada, Canada's largest foreign-owned bank, is located in Vancouver. The regional

offices of Cathay Pacific Airways are located in Vancouver, which as you know, is the centre for trade and commerce in British Columbia.

As well, major trading, shipping and distribution companies like Jardines and Dah Chong Hong have a presence in British Columbia. Many Hong Kong business people have made prudent investments in the province, including manufacturing plants established by the Video Technology Group and Qualidux Ltd. They recognize that British Columbia is a competitive location where their new capital investment is always welcome and supported.

As British Columbia's new premier, I encourage you to join the growing list of Hong Kong businesses and corporations who are finding that investing in British Columbia is a wise business decision.

The people of Hong Kong are well known for their entrepreneurial talents and business know-how. As British Columbians, we are eager to learn from you. That's why, while mayor of Vancouver, I worked hard to promote trade, investment and cultural links with the people of Hong Kong.

And now as premier of British Columbia, I look forward to building upon those efforts so that the people of British Columbia and the people of Hong Kong can enjoy even closer ties....

May both British Columbia and Hong Kong continue to enjoy friendship, business partnerships, prosperity and success."

Crosbie Visit to Hong Kong

On January 12-14, John Crosbie, Minister for Fisheries and Oceans, visited Hong Kong. The minister led a delegation of fish merchants from Canada and hosted a seminar on underutilized species for local buyers.

In a speech to the Canadian Chamber of Commerce in Hong Kong, the Minister reviewed the current state of the Canadian economy, prospects for constitutional settlement and opportunities for investment in

Atlantic Canada and the fisheries. He emphasized that exports of seafood from Canada to Hong Kong had risen from Cnd\$6.3 million (HK\$38 million) in 1986 to Cnd\$14.6 million in 1990. Also Minister for the Atlantic Canada Opportunities Agency, Mr. Crosbie stressed that Hong Kong was limited in its investment vision of Canada, looking to the Pacific west while ignoring Atlantic Canada.

During his visit, the Minister also attended a luncheon with prominent journalists from the Hong Kong media, including resident Canadians Ben Tierney (*Southam News*), Susan Helwig (CBC), Don Pittis (Standard Broadcast), and Kelly McPharland (*Toronto Sun/Financial Post*).

Canadian Organizations in Hong Kong

by Harriet Clompus
Hong Kong

Hong Kong-Canada Business Association (HKCBA)

Founded in Calgary in 1984, the HKCBA was established by Canadian business people to promote bilateral trade. It now has a total membership of 3,400 individuals and corporations and maintains offices in all Canadian provinces.

Early in 1991 John Cheng, a Chinese Canadian and former executive director of the HKCBA who returned to work for the Hong Kong government, became the voluntary HKCBA representative in the territory. However, operations in Hong Kong are still at a very preliminary stage with no permanent office or near-future plans to recruit members locally. Instead Mr. Cheng acted as a liaison officer, working with Canadian members and Hong Kong contacts and agencies. There are also close links between the Canadian Chamber of Commerce in Hong Kong and the Hong Kong Trade Development Council, but John Cheng emphasized the fact that because the HKCBA is a Canada-based organization and the other two are based in Hong Kong, there is no duplication of their work.

In 1991 the HKCBA sent a delegation to Hong Kong to participate in Festival Canada '91, and for the first time since its inception, the organization held its annual general meeting there. Prof. Diana Lary, director of the Canada and Hong Kong Project, was invited as a guest speaker to talk about the research project. The HKCBA will take a leading role in the reciprocal Festival Hong Kong '92 to be held in Canada next fall. Andrea Eng, former national president of the HKCBA, will serve as Co-Chair of the Festival Committee.

Note: The editors recently learned and regret to report that Mr. Cheng died suddenly of a heart attack in February; his untimely death is a great loss to his family, friends and colleagues, and we extend our sincere sympathy. As a new representative has yet to be appointed, we do not have a contact number in Hong Kong for the HKCBA.

Chinese Canadian Association in Hong Kong

The Chinese Canadian Association was set up five years ago to promote links between Canada and Hong Kong, and in the words of its former Chair, Felix Fong, "to look after the interest and welfare of Chinese Canadians living in Hong Kong."

A relatively small organization with only 200 members, it has, nevertheless, been very active in many Canadian projects in Hong Kong in the past year. These include participation in Festival Canada '91, sponsorship of a concert featuring Chinese Canadian musicians, and the hosting of a visit by a Canadian mountain climbing team. The association's main project was its leading role in the establishment of the Canadian International School, which opened on 15 November 1991. Seven of the twelve founding members of the school's Foundation are from the board of the CCA, and former Chair Felix Fong is the Canadian International School representative on the Canada Club Executive Committee. The Association continues to be active in fund raising for the school and supports the Foundations' intention to work toward the building of a new facility to further improve Canadian education in Hong Kong.

Chair: Kwan Li
c/o The Canadian International School
GPO Box 946
7 Eastern Hospital Road
Caroline Hill
Hong Kong

The Canadian Club of Hong Kong

Founded 42 years ago, the Canadian Club aims to "create a sense of fellowship among Canadians in Hong Kong." In addition to social functions, it organizes many fund raising and charity events. Of the approximately 900 members, Nancy Dixon, Executive Director, estimates about 30% are Hong Kong-born Canadians, with the majority being expatriates.

The Club organizes the "Meet with Success" pre-migration seminars [see **Pre-Migration Programs in Hong Kong**, p. 5], which provide information to new immi-

grants from Hong Kong to Canada regarding cultural differences. The Club is a founding member of the Canadian International School and also participated in Festival Canada '91. It has good relations with the Chinese Canadian Association which has contributed to the "Meet with Success" program, and many Chinese Canadians are members of both organizations.

President: Vincent M. Lee
Exec. Director: Nancy Dixon
GPO Box 1587
Hong Kong
Tel. Page: 1108-66244 (N. Dixon)

The Canadian Chamber of Commerce in Hong Kong

The CCCHK is an independent, non-profit organization with a mandate to foster bilateral trade and investment between Hong Kong and Canada. Since its inception in 1977, it has grown from a loose collection of business people to an organization with over 900 corporate and individual members, making it the biggest Canadian chamber of commerce outside of Canada.

The CCCHK holds up to 80 functions a year which include many seminars, as well as jointly sponsored events with other local chambers and associations. Its bimonthly publication, *Canada Hong Kong Business*, has a readership of over 10,000 in Hong Kong and Canada. The Chamber is also a founding member of the Canadian International School and has contributed to the Canada Club's "Meet with Success" Program.

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Goddess of Democracy Erected at UBC

by Hugh Xiaobing Tan
Vancouver

Those who watched TV coverage of the 1989 June 4th incident in Beijing will remember the destruction of the statue of the Goddess of Democracy after the People's Liberation Army captured Tiananmen Square. Exactly two years later, a replica of the statue was erected on the campus of the University of British Columbia in Vancouver to commemorate the 1989 massacre.

The idea of recreating the statue was initiated by the Vancouver Society in Support of Democratic Movement (VSSDM), an organization founded shortly after the Beijing incident. To raise funds for building the statue, the VSSDM organized a Concert for Democracy in China on 4 August 1989, and about \$20,000 was collected. At that time, the VSSDM proposed that the statue be built at the Dr. Sun Yat-sen Garden in Vancouver's Chinatown. However, this proposal was refused by the board of the Garden, which was reluctant to become part of "a political forum." In March 1990 VSSDM applied to the Vancouver Parks Board for the placement of a plaque in the city-run Sun Yat-sen Park, adjacent to the Garden. This application was also turned down because of strong opposition from within the local Chinese community. [See *Update*, Spring 1990, p. 9.] The VSSDM began to look for other sites. A small statue of the Goddess was later built in the Forest

Law Cemetery in Burnaby, B.C., but this did not attract much public attention.

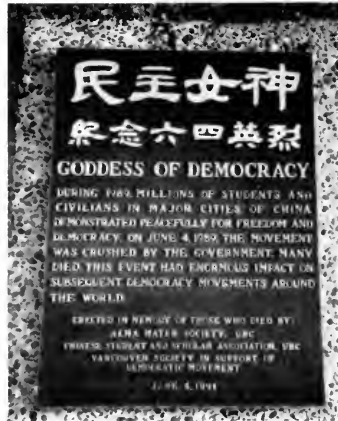
The proposal for placing the statue at the UBC site was first put forward by the Chinese Student and Scholar Association (CSSA) of UBC. In February 1990 Chair of the Association, Dongqing Wei, was invited to give a presentation at the Alma Mater Society (AMS), of which the CSSA is a member organization. A motion was passed by the AMS to build the statue, and a memorandum was given to the president of the university, proposing a site near the Asian Centre. UBC authorities agreed to allow the statue to be placed at the university but decided on a site close to the Student Union Building. The President's Art Advisory Committee also examined details of the plans for the statue from an artistic perspective. Final approval for the project was granted in May 1991.

It is rumoured that during the negotiations between AMS and university authorities, the Chinese Consulate General in Vancouver contacted UBC in an attempt to prevent the proposal from being approved. However, the university considered this matter mainly a student affair and refused to intervene. After approval was granted, Vancouver artists Tom Mash and Chung Hung began construction of the Goddess statue. Their final product was a three-meter high, 800 pound statue made of a resin and marble dust composite. The actual cost of the sculpture was \$25,000, \$20,000 of which came from the VSSDM and the rest from CSSA. The Alma Mater Society paid \$12,000 for preparation of the site. This statue is said to be the largest, permanent outdoor replica of the Goddess of Democracy in the world.

The unveiling ceremony took place on Sunday, 2 June 1991, in commemoration of the second anniversary of the Tiananmen massacre. Over 500 people attended the dedication in the plaza of the Student Union Building, and participants paid tribute to those who died in Beijing. The plaque beneath the statue briefly describes, in both English and Chinese, the democratic movement in China during the spring-summer of 1989.

Speakers at the ceremony included representatives of the three major organizations responsible for construction of the statue and other local political figures. Senator Pat Carney told the audience that she had received calls from the Chinese Consulate General asking her not to attend the ceremony. She added, "Anyone who knows me knows the more pressure on me not to do something, the more likely I will show up." Vancouver-Point Grey MLA, Dr. Tom Pery of the New Democratic Party also mentioned that the Consulate General had pressured him not to attend the unveiling. MP Svend Robinson (NDP, Burnaby-Kingsway), who was later expelled from China this past January 7 [see **Canadian MPs and Chinese Human Rights**, p. 9], and MLA Grace McCarthy (Social Credit, Vancouver-Little Mountain) also paid tribute at the ceremony. A letter was read from then Premier Rita Johnston. At the end of the gathering, participants sang "We Shall Overcome," substituting the words "China will be free some day." The event was covered by major local Chinese and English newspapers and TV stations.

The response from Chinese authorities was indirect but strong. The sister-university relationship between UBC and Zhongshan University in southern China was discontinued by China, apparently as an act of protest.



West's Democracy Push in Best Interests of All

by Danny Gittings
Hong Kong

It comes as a salutary reminder of how patchy Britain's record is in defending Hongkong people's interests to find other major Western democracies are beginning to take a keen interest in the territory's internal affairs and, on occasion, publicly voice their fears while London remains mute.

It is a trend that is most advanced in Canada, but which some analysts believe also shows signs of emerging within the US and Australian Governments, and which became unmistakably apparent in the wake of the recent Legislative Council elections.

Then, British – and Hongkong – Government officials sat on their hands and refused to pronounce the polls a success, let alone endorse the idea of trying to increase the number of directly-elected seats available in 1995.

Canada, however, had no such reservations. Not only did Ottawa endorse the elections as a success, but she also went as close as she could to calling for a speeding up of the democratisation process.

"It is clear that the people of Hongkong are ready to exercise more control over their own affairs," External Affairs Minister Ms Barbara McDougall said in a statement.

"This is an important first step in increasing the pace of democratisation in Hongkong," she said in a tone markedly at odds with the tenor of the comments then emanating from both the Foreign Office and Lower Albert Road.

When asked why they troubled to issue such a statement, even normally talkative Canadian diplomats equivocate.

What they are reluctant to say, even privately, is what – reading between the lines – is one of the main motives behind the move, a feeling Britain can no longer be relied upon to secure the territory's stability and protect its people's interests.

If London was doing its job properly there would be little need for other governments to make pointed comments about issues such as the election.

There would be no need either for senior figures in the US and Australian governments to voice their concerns about the territory's future.

There are persistent reports Lower Albert Road unsuccessfully tried to tone down US Consul-General Mr. Richard Williams' speech last May, in which he called for the settling of differences between Hongkong and Beijing, and came much closer to interfering – as the Chinese would put it – in the territory's internal affairs than is the US habit.

And while no one seems to have tried to tone down Australian Foreign Minister Senator Gareth Evans' remarks when he passed through the territory earlier this year, he too sailed closer to the wind than is diplomatically customary with a warning political events on the mainland might harm international confidence in Hongkong.

The Foreign Office – determined to show the world it can hand a stable Hongkong over to Chinese rule – is less than enthusiastic about such comments.

But far-sighted officials recognise the benefits internationalising the territory's problems can bring, and in particular the pressure it exerts on both Britain and China to improve Hongkong's lot.

And it is in this that Canada is streets ahead of the other Western democracies. Not only has Ottawa already taken up the issue of faster democratic reform directly with Beijing, but officials also revealed last week they would be prepared to do the same over the composition of the Court of Final Appeal.

While some in the Canadian Government might like to put this keen interest in the territory's internal affairs down to a sense of altruism, there are solid self-interests underlining it.

The first is the 40,000 Canadian nationals now living in the territory. Many – if not most – are Hongkong-born Chinese whose foreign passports, on a strict interpretation of China's nationality law, need not necessarily be recognised by Beijing, thus giving Ottawa a very real stake in trying to ensure nothing happens after 1997 that might put this to the test.

Then there is the question of the huge number of Hongkongers who now have relatives on the other side of the Pacific.

Community leaders in Toronto, which has the largest ethnic Chinese population outside

Asia, believe there are more than a million people in the territory who have relations in the city. And Canadian officials privately admit that in the event of Sir David Wilson's so-called "Armageddon Scenario" they would be hard pushed to turn them away.

Finally there is also the not insignificant fact the health of both the US and Canada's economies is increasingly dependent on continuing Asian investment, much of it from the territory.

No one knows how much Hongkong money has flowed into Canada in recent years, although well-informed observers believe the popular emigration destination of Vancouver soaked up C\$2 billion (HK\$13.8 billion) alone last year.

And some local officials freely admit their provinces would be in deep trouble if this flow of money stopped. "We need your investments if our people are to continue to have the standard of living they expect in the decades to come," said an official in Alberta, now Canada's third most popular destination for Hongkong emigrants.

So Canada – and perhaps also Australia and the US – has real concerns pushing them towards taking a closer interest in promoting Hongkong's autonomy.

But that does not lessen the value of their involvement. China may hate it, perhaps Britain too, but if powerful Western democracies pressure these two governments to pay more attention to the interests of the territory's population then they will have done Hongkong a lasting favour.

The editors have received permission to reprint this article which appeared in the South China Morning Post, 3 November 1991. Mr. Gittings's trip to Canada on 26 October-4 November 1991 was sponsored by the Department of External Affairs and International Trade Canada. One of four journalists from APEC (Asia Pacific Economic Cooperation forum) countries invited to Canada, he visited several cities, including Vancouver, Edmonton, Toronto, Ottawa, Montréal and Québec City, and interviewed Canadian business people, academics, politicians, and government officials involved in Asia Pacific affairs.

Commissioner Higginbotham Participates in "Greater China Day" Seminars

During his trip to Canada at the end of January-early February, John Higginbotham, Commissioner to Hong Kong, visited both Vancouver and Toronto where he met with businessmen, academics and other interested professionals. In Vancouver on January 31, he spoke to the Board of Trade on "Canada-Hong Kong Relations as 1997 Approaches." While in Toronto he participated in the "Greater China Day" seminars on February 7, organized by the Joint Centre for Asia Pacific Studies. He was co-speaker at these events with M. Fred Bild, Canadian Ambassador to the PRC, and John Tennant, Director General of the Asia and Pacific North Bureau, Dept. of External Affairs.

An early morning session, the Asia Pacific Update breakfast on Greater China, was attended by over 125 people, primarily from the business community. It was sponsored by JCAPS, the Ontario Centre for International Business, the Asia Pacific Foundation of Canada and the World Trade Centre. At this meeting, Mr. Higginbotham expressed optimism for the strength of Hong Kong's economy and its continued development up to and after 1997, especially with the agreement between the UK and China on the new airport and container port.

He stressed the importance of Hong Kong as a key financial and entrepot centre - "the gateway to the Asia Pacific region...the principal hub for a rapidly growing trade between China and the countries in the region and in the rest of the world." Not only is Hong Kong "the Asian headquarters for some of Canada's most innovative corporations," it also plays an increasingly "unique role as a source of human and financial capital for Canada."

He reiterated that Canada and Hong Kong have developed important trading,

financial and human ties over a long period of time. Because of such ties, Canada has a "major stake in Hong Kong's future" and also has an important role to play in ensuring that future. The commissioner pointed out that since the tragic events of Tiananmen Square, Canada has "adopted a policy to build confidence in Hong Kong," and fully supports the autonomy of the region as promised under the Sino-British Joint Declaration. Furthermore, our government upholds the shared, "fundamental values and liberties which have contributed to Hong Kong's success [and] are essential to long-term stability and prosperity."

The three speakers also met in the afternoon with China specialists at a roundtable held at University of Toronto, followed by a public seminar on "The Future of Canada's Relations with 'Greater China'." The latter was jointly sponsored by JCAPS and the Canadian Institute for International Affairs.

Commissioner Higginbotham stressed the importance of Hong Kong in the phenomenal economic growth over the past decade in the Pearl River Delta of South China, "which is helping to integrate the two economies ahead of 1997." Many Hong Kong industrialists "have close links to Canada," and we should "not overlook the unique opportunities that our ties with Hong Kong offer." Through these links, the Commissioner emphasized, Canada can "become part of the economic miracle that is Hong Kong and its Asian hinterland."

Greater China Day concluded with a dinner meeting with presidents and representatives of several Ontario universities to discuss future linkages between institutions of higher learning in Hong Kong and Ontario and, particularly, instruments for attracting high quality students from the territory to Ontario universities.

Hong Kong Visa Students in Metro Toronto - a Research Project

by Paul L.M. Lee
Toronto

The number of Hong Kong students opting for overseas studies has steadily increased in recent years despite the effort made by the Hong Kong government to provide additional primary and secondary school places, as well as to expand tertiary education (universities and colleges). The four countries most favoured by Hong Kong students for overseas studies are the United Kingdom, USA, Canada and Australia. From 1985-1990, the statistics for student visas issued by these four countries are as follows:

Year	UK	USA	Canada	Australia	Total
1985	4492	3505	2912	445	11354
1986	4269	3509	2930	688	11396
1987	4232	3679	3616	1877	13404
1988	3856	4215	3808	3147	15206
1989	4539	4855	5096	4678	19168
1990	4349	5840	5681	5258	21128

From the above table, it can be observed that the number of Hong Kong students going abroad for further studies has doubled from 1985 to 1990, and Canada has attracted more than a quarter of these in 1990. Generally a large proportion of visa students are going to the US to study at the tertiary level while increasingly large numbers of younger Hong Kong students are attending secondary schools in Canada and Australia. Those coming to Canada tend to concentrate in Toronto and Vancouver although Edmonton and Calgary have become more popular.

Visa students have brought their culture to these schools and, thus, enriched the curriculum and school life in their new environment. However, the acceptance of large numbers of visa students, in addition to the increasing enrolment of immigrant students from Hong Kong, has placed great strain on the available resources of the school boards and individual schools accepting these students. At the same time visa students have often experienced culture shock which can be especially difficult for the younger ones, many of whom have left their families to live on their own for the first time. Their

adjustments in the new environment can have a tremendous effect on their personal development, school performance, and the perception of Canada in their future career.

An earlier study of visa students at Canadian universities was done by Kathryn Mickle in 1984-86. The present research on Hong Kong visa students focuses on both university and secondary institutions in the Metro Toronto area. Dr. Mickle will conduct further research among visa students at York University while Paul Lee and Bernard Luk will focus on secondary schools pupils.

The aim of the overall research project is to concentrate on the experience and expectations of Hong Kong visa students here and the efforts being made by school boards and universities to meet the challenge. The researchers hope to identify specific problems of these students and ways to over-

come difficulties during this transition period and to propose possible improvements. The research on university students will document their experience and investigate factors which facilitate or hinder their adjustment. The study of Hong Kong visa students in secondary schools will focus on the following points:

- 1) the trend and spread of these students in Metro Toronto;
- 2) the psychological, academic, social and financial problems faced by visa students;
- 3) the provision of support by individual institutions, school boards, community service groups and other government and voluntary agencies;
- 4) the difficulties encountered by school teachers, principals and related personnel in providing education and essential services; and

- 5) identification of possible improvements in solving problems faced by visa students, teachers, principals and the personnel of school boards and other agencies.

Questionnaires for university students have been sent to over 500 Hong Kong visa students at York University. With the cooperation and assistance of public school boards and independent schools in Metro Toronto, questionnaires for secondary schools have been administered to students in these schools. Results of this research will form the core of a workshop on visa students to be held next September in conjunction with Festival Hong Kong '92. Papers will be published by the Canada and Hong Kong Project.

Québec-Hong Kong Colloque

Le premier colloque, **les relations entre le Québec et Hong Kong: enjeux, contraintes et perspectives de développement**, a eu lieu le 8 janvier à l'université du Québec à Montréal. Il a été organisé conjointement par le Centre conjoint de recherches en communications sur l'Asie Pacifique (UQAM et Concordia) et le Projet Canada et Hong Kong (Joint Centre for Asia Pacific Studies - U of T et York). Les organisateurs du séminaire étaient le professeur **Claude-Yves Charron** et **Jules Nadeau**. On a présenté quatre sujets, sur l'histoire (président, **Michel Marcel**), la communauté chinoise (président, **François Vanasse**), les relations économiques et commerciales (président, **Alain Laroque**), et l'immigration (président, **Claude-Yves Charron**). On propose de publier un volume au cours de l'année prochaine, basé sur le séminaire. Les suivants ont participé au colloque:

Phillipe Bertrand, Banque Hongkong, Montréal

Leo Brown, Banque de Montréal

Lucien Brunet, vétéran canadien de la campagne de Hong Kong, 1941-45

Joseph Bunkoczy, ministère des Communautés culturelles et de l'Immigration

Claude-Yves Charron, département de Communication, UQAM; Centre conjoint de recherches en communications sur l'Asie Pacifique

Luc Chartrand, *l'Actualité*

Tammy Cheung, Festival international du cinéma chinois

Celia Chua, soeur Immaculée Conception, Amitié-Chine

Claude Comtois, Centre des Etudes de l'Asie de l'Est, Université de Montréal

Pierre Danis, ministère des Communautés culturelles et de l'Immigration

Loy Denis, Association canadienne des études asiatiques

Claude Fournel, ministère de l'Education

Jean Goyer, ministère des Affaires internationales

Camille Gueymard, Téléfilm Canada

Pierre Hébert, ministère des Affaires internationales

Henry Ho, Le Permanent

Alain Larocque, Raymond Chabot International

Diana Lary, directrice du Projet de recherche Canada et Hong Kong, JCAPS

Lau Tin-Yum, département d'Arts plastiques, UQAM

Thérèse LeBlanc, soeur Immaculée Conception

Louis Leblanc, Lévesque, Beaubien, Geoffrin

Ernest Leong, Association commerciale Hong Kong-Canada, section Montréal

Brian Lewis, département de Communications, Concordia; Centre conjoint de recherches en communications sur l'Asie Pacifique

Pascale Luc, Fondation de l'hôtel chinois de Montréal

Michel Marciel, S.J., Amitié-Chine, Montréal

Paul Mayer, Association commerciale Hong Kong-Canada, section Montréal

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Jules Nadeau, Centre conjoint de recherches en communications sur l'Asie Pacifique

Niu Jingren, Service à la famille chinoise, Montréal

Janet Rubinoff, coordinatrice, Projet de recherche Canada et Hong Kong, JCAPS

Robert Thibault, faculté de Droit, Université McGill

Patrick Tsui, hôtel Furama, Montréal

François Vanasse, Sinocan, Montréal

Julia Wang, Banque Nationale du Canada

Hong Kong and Its Hinterland: Workshop

by Janet Rubinoff
Toronto

The fifth workshop of the Canada and Hong Kong Project was held in Vancouver, January 17-18, 1992. Entitled "Hong Kong and Its Hinterland," the two-day seminar was held at the Asian Centre of the University of British Columbia. Attended by over thirty participants, the workshop focused on the economic and social links between Hong Kong and Guangdong Province, PRC. It was convened by B. Michael Frolic, Dept. of Political Science, York University, and Graham Johnson of the Dept. of Anthropology and Sociology, UBC.

The four papers presented included "The Economic Integration of Hong Kong with China in the 1990s: The Impact on Hong Kong" by Sung Yun-wing (Dept. of Economics, Chinese University of Hong Kong); "Hong Kong-Guangdong Interaction: Joint Enterprise of Market Capitalism and State Socialism" by R. Yin-wang Kwok (Center for Chinese Studies, University of Hawaii at Manoa); "Towards a Greater Guangdong: Hong Kong's Sociocultural Impact on the Pearl River Delta and Beyond" by Gregory Guldin (Department of Anthropology, Pacific Lutheran University); and "Changing

Horizons for Regional Development: Continuity and Transformation in Hong Kong and Its Hinterland, 1950s to 1990s" by Graham Johnson (UBC). Presentation of the papers was followed by a roundtable discussion which closed the session on Saturday afternoon. Discussants included Aprodicio Laquian, Director, Centre for Human Settlements, UBC; Paul T.K. Lin, Institute of Asian Research, UBC; Terry McGee, Director, Institute of Asian Research; and Woon Yuen-fong, Dept. of Pacific and Asian Studies, University of Victoria.

Lotto 6/49 in Hong Kong

It is now possible to play Lotto 6/49 directly from Hong Kong. An enterprising company has recently set up a subscription system which allows punters to play Lotto 6/49 for periods of 10 to 52 weeks, using the same numbers for each draw. Subscriptions cost HK\$400 (Cdn\$60) to HK\$12,000 (about Cdn\$1,800), depending on the time period and the number of games played in each draw. Tickets are purchased on behalf of punters in Canada. There is no indication as to how these sums correspond to the actual cost of lottery tickets in Canada, which is Cdn\$1 (HK\$6.70) per ticket.

Lotto 6/49 is advertised as the "world's largest tax-free jackpot," "the most popular lottery game in the world," "operated and controlled by the Canadian Government." Though gambling is very much a part of Hong Kong life and people are used to big winners, the largest ever win on Lotto 6/49, quoted in HK dollars at \$201,365,684.76, certainly makes this appear to be a very attractive way to make a bet. The company advertising the service, Welco Limited, offers a "complimentary air passage and one week's vacation in beautiful Vancouver" to punters winning HK\$338,000 (over Cdn\$50,000) or more.

The brochure for the new service, which has been widely distributed in Hong Kong, has a bottle of Canadian champagne on the cover and is liberally dotted with maple leaves. There is no indication in the brochure as to whether the scheme is legal under Canadian law or not.

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CANADA AND HONG KONG UPDATE

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Interview with David Lam, BC Lieutenant-Governor

by Hugh Tan
Vancouver

In late May I held an interview with Lt. Governor David See-Chai Lam, which focused on his experience as an immigrant in Canada, his achievements, and comments on the recent immigration from Hong Kong.

From Hong Kong to Canada

According to the Lt. Governor, one of the main reasons his family decided to immigrate to Canada in 1967 was "a passionate love of trees, flowers and the natural environment." The Lam family had lived in the suburban area of Shatin in the New Territories of Hong Kong which was later developed into a city centre, surrounded by concrete buildings. While travelling in British Columbia, they enjoyed the clean air, water, beautiful gardens and grand snowy mountains. With the encouragement of the then Canadian Commissioner to Hong Kong, David Lam and his family moved to Vancouver. They found the area "paradise on earth" and determined to stay.

However, as Lt. Governor Lam explained, finding a job in "this earthly paradise" was

not easy despite his education in the U.S. and his experience as a bank manager in Hong Kong. Although he was finally offered a position with Scotia Bank, he turned it down since the job meant returning to work in Hong Kong! At the suggestion of a friend, he became a real estate agent, which did not require much investment at the time. His new career was rough going at first for he did not sell a house for several months. As the Lt. Governor related, even now he still remembers the excitement of earning \$400 from his first sale. The Lams celebrated by taking his friend's family out for steak at a small restaurant. "This was our first steak dinner in Canada." Prior to this time, "We bought only ground beef in order to save money." David Lam recalled this experience as the "happiest day" in his family's early years in Canada.

Later with the help of his friends, David Lam was able to establish about thirty companies. "Thanks to Tien Shi, Di Li, and Ren He" (timeliness, favourable location, and good personal relations), all companies succeeded and earned good money. When he retired in

1983, David Lam sold his companies and set up a charitable foundation in his and his wife's name.

During their early, struggling years in Canada, the Lams, like other new immigrants, often compared their former life in Hong Kong with that in Vancouver. However, they soon made friends with people of many backgrounds and made deliberate attempts to completely integrate into Canadian society. David Lam explained that his companies employed over 100 workers, none of whom were of Chinese origin. He also did not read Chinese-language newspapers and wanted to become a "pure Canadian."

East Plus West

David Lam's desire to become Canadian, however, did not mean abandoning all Chinese cultural traditions. Nor did it mean forgetting his origins in Hong Kong or changing his appearance in order to seem more "Canadianized." Instead, he emphasized that the most important thing was to change one's way of thinking.

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According to the Lt. Governor, the combination of eastern and western cultures is a "very powerful tool," which, if mastered, is always successful. On the one hand, western culture, including its predominant religion Christianity, is known for its aggressiveness and sense of mission. On the other, Chinese culture emphasizes moderation, and even "stepping back." These two cultures complement each other, but people often tend to lean to one side or the other.

Lam's motto is to live a "giving, caring, and sharing" life, principles which he attributes to his family and religious education. When he was a child, he mentioned, he would spend half his pocket money for candy and donate the other half. This habit of giving proved to be very important in his business success and career development. He made friends with many people, and in business he eventually had no difficulty borrowing money from the bank, buying goods on demand, or establishing jointly owned companies.

He also attributes his appointment as Lieutenant Governor of British Columbia to this practice of "giving, caring and sharing." Although he never intended to receive any reward for his generous donations to educational institutes, public parks and charity organizations, the provincial and federal governments recognized his long-time voluntary work in several big projects and his generosity. He declined the nomination for Lt. Governor twice before finally accepting it. It was not an imitation of the famous Chinese three Kingdoms story in which Liu Bei, King of Shu Han, made three calls at the thatched cottage of Zhuge Liang. Rather it was a sense of mission and opportunity to utilize the unique position of Lt. Governor to accomplish his goals that prompted David Lam to finally accept the nomination.

He assumed his job whole-heartedly and enjoys meeting people with the message of "good will, understanding and harmony." During the past 3 1/2 years of his Lieutenant Governorship, David Lam has travelled to every small town in British Columbia and to eastern Canada to deliver speeches, as well as abroad. In 1991 alone, he was invited to speak at 390 functions. On his busiest day, he spoke at 14 meetings, non-stop from early morning to late evening. The Lt. Governor writes all his own speeches and often delivers extemporaneous remarks to which his audience responds very favourably.

He not only goes out to meet people but also invites many guests to his residence. An average month sees some 2,000 people attending various meetings and receptions at Government House. In order to deal with this "full time plus" work, he has increased his secretarial staff from two to eight people. However, he finds his heavy workload "enjoyable."

An important project now under construction at Government House is the landscaping of twelve new flower gardens. One-third of the funding is from the provincial government, one third from David Lam and his wife, and the remainder from public donations, which have amounted to several hundred thousand dollars. The Lt. Governor called for volunteers to work on the gardens and was surprised to have more than 300 people register. This spirit is in line with David Lam's motto of "giving, caring and sharing."

Recent Hong Kong Immigrants

Having been an immigrant himself, David Lam understands many of the problems and difficulties faced by recent migrants from Hong Kong. He commented that these new immigrants are not like the older Chinese generations who came as physical labourers; neither are they the same as David Lam's generation who were middle or lower-middle class. Many of the recent Hong Kong immigrants come with an upper or upper-middle class life style. He contends that this has made it difficult for them to socialize with ordinary Canadians with whom they have little in common. There are a number of other cultural differences which have led to misunderstandings. The Lt. Governor cited the example that while many Chinese consider it polite to talk to others without eye contact, Canadians find this rude. The tendency for some Hong Kong people to treat life "as a continuous gamble" to make money also prevents recent immigrants from integrating into Canadian society.

The Lt. Governor strongly feels that the best way for newcomers to integrate is to volunteer to work with people of diverse racial and social backgrounds. He believes that transcending these barriers reduces potential tensions between new immigrants and local people. At the same time he also sympathizes with those people who, after trying very hard, still cannot find a job in Canada and must return to work in Hong Kong. However, for those who only treat life as "continuous gambling to make big money," he suggests they change their way of life.

David Lam points out that he is not a representative of Hong Kong immigrants, nor is he appointed by the Hong Kong government. He is the Lieutenant Governor of all the people of British Columbia, regardless of their racial origins. Though he has made considerable effort to promote the relationship between B.C. and Hong Kong, this is for the good of the province and the whole country. He is equally glad to promote relationships with other countries for the benefit of B.C. and Canada. However, he feels the thought that "because the B.C. Lt. Governor is a Chinese-Canadian, the Chinese community

should be treated favourably" is harmful and dangerous to building a harmonious society.

The Canada and Hong Kong Research Project

Finally, David Lam stressed that he is in favour of increasing mutual understanding between Canadians and Hong Kong people. He feels the Project is "taking a correct and worthwhile course," and finds our *Updates* "interesting and informative." See his letter to the Project below.

He also commented that the task of achieving mutual understanding is "not an

easy one" and may require more than one generation. The first thing to do is to change attitudes. He dislikes the word "tolerate" in dealing with racial relations because he feels it carries a negative tone: "you have shortcomings, but I can still bear with you." The Lt. Governor suggests using a more positive word like "celebrate" to refer to the acceptance of differences between people of diverse backgrounds. "People can learn from each other to build a harmonious society." Therefore, this is the time for changing attitudes - for Hong Kong immigrants as well as for other Canadians.



David C. Lam (above), Lieutenant-Governor of British Columbia,

and (right) his letter to the publishers of the Canada and Hong Kong Update



GOVERNMENT HOUSE
1401 ROCKLAND AVENUE
VICTORIA, BRITISH COLUMBIA
V8S 1V9

In my capacity as the representative in British Columbia of Her Majesty The Queen of Canada, I am delighted to have this opportunity to extend my warmest best wishes to the publishers of Canada and Hong Kong Update.

I have had a recent opportunity to read the latest edition of this publication, and I congratulate everyone associated with this interesting and informative newsjournal.

In addition to its obvious goal to provide information for readers interested in the relationship between Canada and Hong Kong, I believe that it serves a most important role as a cultural bridge - not only between Hong Kong and Canada, but between people of diverse cultures in Canada.

It is, therefore, a significant vehicle for the promotion of better understanding, goodwill and harmony.

I wish the Canada and Hong Project well in its continuing efforts to disseminate information of significance to Canada's international relations with Asia.

Sincerely,

A handwritten signature in dark ink, appearing to read "David C. Lam". The signature is fluid and cursive, with a long horizontal stroke at the end.

David C. Lam
Lieutenant-Governor of British Columbia

Education Programs for Festival Hong Kong '92

by Janet Rubinoff
Toronto

On June 29, Mr. James So, Hong Kong's Secretary for Recreation and Culture, officially launched **Festival Hong Kong 92** at a press conference in Toronto. This month-long extravaganza, largely initiated by the Hong Kong government, was planned as a follow-up to the Canadian-sponsored Festival Canada 91, held last June in Hong Kong. The two festivals were developed to "promote friendship and reinforce the growing partnership between the two regions."

Festival events will be held this fall in five cities across Canada, opening in Toronto on September 26 and closing in Vancouver on October 21. Other festival cities include Ottawa, Montreal and Calgary. An assortment of cultural, business, trade, educational, sporting and social events are scheduled to promote the rich history and tradition of Hong Kong culture—from dance performances by the Hong Kong Ballet and Chung Ying Theatre Company to sport demonstrations and a Hong Kong film festival.

The local organizing committee chairmen are as follows: Maurice Copithorne, former Commissioner for Canada in Hong Kong and Professor of Law at UBC, Vancouver; S. Robert Blair, C.C., Chairman Emeritus and Honourary Director of the NOVA Corporation of Alberta, Calgary; Dr. Robert Bandeen, Trustee of the Lester B. Pearson College of the Pacific and Governor of Olympic Trust of Canada, Toronto; Frank Ling, an architect and National President of the Hong Kong-Canada Business Association, Ottawa; and Bob Issenman, partner of Martineau Walker and Guest Lecturer on Asian Affairs, McGill University, Montreal.

Among the many scheduled events are several programs with a more academic focus planned for Toronto and Vancouver. On Sept. 27-Oct. 3, a University Education Programme will be co-sponsored by the University of Toronto and York University. The programme consists of three main parts: a public conference entitled "**Societies in Transition**," a series of public lectures, and several focused workshops. The primary themes are education, the impact of technology on society, and societal change.

Keynote speakers at these events include **Wang Gungwu**, Vice Chancellor of the

University of Hong Kong; **Y.C. Cheng**, Director, City Polytechnic of Hong Kong; **Charles Kao**, Vice Chancellor of the Chinese University of Hong Kong; **Rosanna Tam**, former member of the HK Executive and Legislative Councils and graduate of U. of T. Faculty of Social Work; **Lap-chee Tsui**, co-discoverer of the cystic fibrosis gene; and **Y.W. Kan**, world leader in the field of molecular biology.

In addition to public lectures, the focused workshops include Bio-medical Research, co-chaired by Lap-chee Tsui and C.C. Liew (U of T); Education Connections, organized by Bernard Luk (York); Political Transition in Hong Kong, chaired by Paul Evans (York); Business Law Issues, chaired by R. Sharpe (U of T); Constitutional Law Issues, convened by William Angus (York); Societal Issues, organized by Bernard Luk (York), and Visa Students in Metro Toronto, jointly convened by Paul Lee and Kathryn Mickle (York). For additional information on the Education Programme, contact Thomas Wu, Coordinator (978-4649) or Linda Arthur, Institute for International Programmes (978-1486; fax 971-1381).

Two of these workshops are sponsored by the Canada and Hong Kong Project. The **Hong Kong Bill of Rights and Right to Privacy Workshop**, convened by W. Angus, will be held on October 2 at York University. Speakers on the Bill of Rights include Andrew Byrnes and Nihal Jayawickrama, both of the Faculty of Law, University of Hong Kong. Raymond Wacks, Associate Dean of the Faculty of Law, HKU, and Eva Lau, Faculty of Law, HKU, will address the issue of privacy and access to information.

Planned for October 3, the **Hong Kong Visa Students Workshop** will explore the problems and perspectives of secondary and university-level visa students. Convenors Kathryn Mickle and Paul Lee will present the findings of their research on HK visa students in the Metro area. The workshop will also feature speakers from the Vancouver Board of Education, Ontario Ministry of Colleges and Universities, and Ontario Community Colleges. The all day session will be held at York. If you would like to attend, please contact Janet Rubinoff, Coordinator of the

Canada and Hong Kong Project (736-5784).

Other events scheduled for Toronto include a downtown "dragon" parade on Sept. 26; a **Hong Kong Film Festival** (Sept. 10-19), featuring the work of Sylvia Chang (Ai Chia), Asian film star, director and producer; the **Scarborough Lantern Festival** on Sept. 29; "**Come Celebrate Festival Hong Kong 92 in Chinatown**" (Oct. 3); **Hong Kong Carnival** at the Metro Toronto Convention Centre (Oct. 3-4); the **Art of Chinese Theatre – Made in Hong Kong**, featuring Cantonese opera, (Aug. 15-Sept. 27) at the Royal Ontario Museum; and a **Business Seminar** on tourism, investment and development opportunities (Oct. 1), featuring keynote speaker the Right Hon. Baroness Lydia Dunn.

Educational highlights scheduled for Vancouver include a 2-day **Conference on Hong Kong: Economic Issues, Legal Issues, Women's Issues, and Human Settlement**. Scheduled for October 16-17, the meetings will be held at the David Lam Centre for International Communication, Simon Fraser University at Harbour Centre. The Canada and Hong Kong Project will sponsor the October 17 session on **Women of Hong Kong**, which will be chaired by our director, Diana Lary (UBC). Focusing on both professional and working women in Hong Kong and on Hong Kong women in Canada, the workshop will explore the special qualities of Hong Kong women which have led them to play such an important role in the territory's development and the way these qualities have manifested themselves in the process of settlement in Canada. Featured speakers include Emily Lau, Legislative Council, Hong Kong; Janet Salaff, Dept. of Sociology, Univ. of Toronto; Bernard Luk, History Dept., York University; Lillian To, SUCCESS, Vancouver; Elizabeth Johnson, Museum of Anthropology, UBC; Lucy Roschat, Cathay International TV, Vancouver; and May Partridge, Victoria.

Our Fall Update, scheduled for mid-September, will include a more detailed schedule of events for Festival Hong Kong 92.

Hong Kong's Reactions to New Governor

by Shum Kwok-cheung
Hong Kong

The long-awaited appointment of the new Hong Kong governor was announced on 24 April 1992. Mr. Christopher Patten, chairman of the British Conservative Party, will serve as the 28th governor of the territory and is expected to remain until the 1997 return of Hong Kong to China. The following report reflects the different reactions of Hong Kong people to the unexpected appointment.

Although there was speculation prior to the announcement that a politician, rather than a civil servant, would be the next governor, Mr. Patten was not on the list of possible candidates until his defeat in the UK general elections in early April. The immediate criticism in Hong Kong was that Prime Minister John Major's appointment of Patten was a hasty, political manoeuvre to compensate for his election loss.

Reflecting the anxiety that the interests of the territory were not respected by the British Government, an editorial in *Ming Pao* [25 April 1992] stated that for the last five years of the transitional period, Hong Kong would be led by someone who was unfamiliar with Hong Kong and Chinese affairs. It argued that the selection of a politician who had just suffered a major election defeat was a mockery to the people of Hong Kong.

Other opinions expressed a more favourable attitude to the new governor. Some of the media recognized that despite Patten's inexperience in Hong Kong and Chinese affairs, his appointment did have advantages for the territory. He has been acclaimed a tough, realistic man who will bring a different tone to the government of Hong Kong. Not only is Patten a senior politician in the Conservative Party but, more importantly, he is a personal friend of the Prime Minister and the Foreign Secretary, Douglas Hurd. Thus, his close contact with the top figures of the UK Government puts Hong Kong on the British agenda. John Major has given assurances that Patten would have direct access to him and to the Foreign Secretary at all times [see *South China Morning Post (SCMP)*, 25 April].

One article in the *Hong Kong Economic Journal* [25 April] stressed that Patten might signify a new style of administration. In fact, it was reported by the *SCMP* [25 April] that when asked whether Downing Street or Hong Kong would come first in a conflict of interests, Patten responded that he would stand up for the interests of the people of Hong Kong.

China's response was also positive, and Beijing leaders officially expressed the hope that Sino-British cooperation would continue [SCMP, 26 April 1992]. An editorial in the pro-China newspaper, *Wen Wei Po*, [25 April] commented that Patten's appointment was beneficial to Hong Kong's administrative efficiency in the remaining years of British rule and would establish a smooth passage for the transitional period.

A telephone survey, conducted in late April and printed by *Sing Tao Daily* on May 1-2, reflects the opinions of the general public of Hong Kong. When respondents were asked to compare the incumbent Governor, Lord Wilson, and the newly appointed Patten, with regard to their abilities to maintain Hong Kong's prosperity and stability, over 90% gave a score of 50-100 to Wilson. (The minimum passing score was 50.) Reflecting some scepticism towards Patten's appointment, only 75% accorded a passing score to the latter.

When asked to assess the performance of Wilson on specific policies, respondents showed most satisfaction with the former governor's handling of Hong Kong-Chinese relations. Ironically, many Hong Kong people believe that the change of governorship is due to dissatisfaction of Downing Street with Wilson's weak stand in facing China. Such an attitude demonstrates a discrepancy between the UK government and Hong Kong people on how to deal with Beijing.

To the question, "Is it necessary for Mr. Patten to get approval from China before a major decision is made," 34.7% of those interviewed agreed and 46.7% disagreed. However, when asked whether it is necessary for Mr. Patten to stand up to China to check its interference in Hong Kong internal affairs, only 36% agreed, while 48.1% dis-

agreed. These results demonstrate that the opinions of Hong Kong people on facing up to China are ambivalent.

Commenting on this uncertainty, Prof. Lau Siu-kai felt these results reflected the declining authority of the Hong Kong government and the inevitability of China's interference. He further stated that a previous opinion survey had indicated the majority of Hong Kong residents supported the autonomy of the territory's administration, but this trend was changing. The results of the new survey reflect the realization of Hong Kong people that it will be difficult for the HK government to make any major decisions in the next five years without the approval of Beijing.

While the change of governor may bring about a new style of administration, the political development of Hong Kong has been constrained by the Basic Law. Room for change seems to be limited unless it is approved by China. Governor Wilson fully understood the difficulties he faced in dealing with China. He warned his successor not to let working relations with China deteriorate; otherwise it would be difficult for the government of Hong Kong to run [*HK Standard*, 27 April 1992].

The beginning of July marked the end of Lord Wilson's term as governor and the start of Chris Patten's appointment. Concern in Hong Kong that he knows little about the territory's affairs has recently been replaced by a feeling that so long as Patten has the ear of the British government and is willing to stand up to Chinese pressure, he may be more useful for Hong Kong than a governor, such as Lord Wilson, who has a great deal of knowledge about China. This present enthusiasm for Patten will make the start of his governorship smooth. However, the enthusiasms cannot disguise the fact that the road ahead for the last British governor of Hong Kong is very complicated and that the expertise in dealing with China that Lord Wilson displayed may still be very important.

Trends in Immigration from Hong Kong

by Diana Lary
Vancouver

Over the past year there has been a sharp decline in the number of applications for immigration from Hong Kong. The decline may be attributed to the booming economy in Hong Kong and to the recession in Canada. The emigration fever of the past few years seems to have abated. Another explanation might be that the pool of eligible applicants is drying up and that there are fewer people in Hong Kong who are eligible to migrate to Canada. This is unlikely to be the case with the independent class, given the number of young people passing through university or college in Hong Kong (or abroad) each year and getting to levels of skill which would qualify them for an application to migrate to Canada. The figures below are for principal applicants, not individuals. Each application accounts, on average, for just under three people.

Applications from Hong Kong, by class¹

	1989	1990	1991
Family	7697	3900	4099
Assisted relatives	3009	3093	1945
Independent	3227	3456	1123
Business	8001	4413	1358
Retirees		3810	903
TOTAL	21934	18672	9428

The percentage of applications from family members of people already in Canada is rising rapidly, from 21% in 1990 to 43% in 1991. This is matched by a considerable drop off in the number of independent (skilled workers) applications, from 15% in 1989, to 19% in 1990, and only 12% in 1991. This drop can be seen as a natural part of the process of chain migration, in which the best able to adapt members of the family settle first, followed by relatives who need the benefit of family sponsorship to qualify as immigrants to Canada. There may also be cases in which a person who might qualify as an independent (a spouse or unmarried child) would still prefer to apply through the family class because of the processing priority given to this class.

Processing priorities put family and business classes at the top of the list. Given the variation in processing time, there can be no correlation between applications and visas issued. Visas issued may be for applications which were made several years before. The number of visas issued is still rising, from 22,566 in 1990 to 26,647 in 1991. The family class again shows a major leap, from 22% in 1990 to 43% in 1991. The following figures are for individuals to whom visas were issued:

Visas issued to Hong Kong residents

	1989	1990	1991
Family	3566	4937	11513
Assisted relatives	1580	2297	2206
Independent	9851	6855	1668
Business	7133	6799	8159
Retirees		1678	3101
TOTAL	22130	22566	26647

From the time of their medicals, which are given shortly before visas are issued, successful applicants have up to one year to land in Canada. This time lag means that it is impossible to make an exact correlation between figures for visas issued and landings in Canada, which may well occur in the calendar year after a visa is issued. There is also the possibility that some people who are issued visas will not use them.

Landings by class

	1989	1990	1991
Family	3252	5606	8188
Assisted relatives	844	2495	2300
Independent	8923	12779	3037
Business	5319	6787	6339
Retirees	1502	1577	2182
Others	122	22	59
TOTAL	19962	29266	22105

¹Statistics from the Commission for Canada, Hong Kong.

Canada Communicates in Hong Kong

The volume of enquiries at the Commission for Canada in Hong Kong is enormous. To meet the demand, the Immigration Section of the Commission introduced a year ago an on-line data system, CAN-IMMIGRATION-NET, which provides answers to most of the questions which prospective immigrants and immigration professionals, such as lawyers and consultants, may ask. The system provides information on immigration policy and regulations, and on many aspects of Canadian life – housing, social benefits, education, medical care, income tax, etc. It also provides regularly updated information on occupational demand in Canada (for independent immigrants and assisted relatives), on processing times for immigrant applications in various classes, and on investor projects. Anyone with access to the INET system can use CAN-IMMIGRATION-NET for a monthly fee of HK\$80 (about CDN\$12). The only restriction is that since the information provided is copyrighted to the Commission, it cannot be sold.

The network helps users to understand the complex Canadian system of immigration because it can take them through the procedures step by step, explaining what is necessary as a user goes along. It makes it possible for people to get information quickly and at any time of the day or night – information which previously they might have had to queue up for hours to get. Information can be down-loaded onto PC's, so that people can study information carefully. The system also takes pressure off the immigration staff of the Commission, who previously had to spend a lot of time answering the same questions over and over again.

There is no parallel system in operation in Canada, where enquiries still have to be made to CEIC offices. However, this system can be accessed from Canada through INET 2000. Subscriptions cost \$3.30 per month, with a feature charge of between \$12.35 and \$16.50 an hour. Information on subscriptions to CAN-IMMIGRATION-NET can be obtained from INET Customer Assistance Centre, 1-800-267-8480.

Changes in Family Class Dependency

Over the past few years, there has been a considerable increase in the proportion of immigrants from Hong Kong who migrate in the family class. A recent change in the definition of dependency, which came into force on March 27, may have some implications for emigration from Hong Kong. The former definition saw dependency of children on their parents in terms of marital status, something which stopped once a child married. Parents could sponsor an unmarried child of any age but could not sponsor a married child. Parents could sponsor a middle-aged bachelor but not an eighteen-year-old widowed daughter.

This definition has been replaced by one which reflects economic dependency on parents. Children who are in full-time study and have been continuously supported by their parents since they were nineteen can qualify for sponsorship, while children who are no longer studying become ineligible for direct sponsorship once they are nineteen. Children with a disability, who are unable to work, can be sponsored at any age. The new regulations will be a disappointment for unmarried, working children over nineteen, who become ineligible for sponsorship as dependents. They can still get some help from their families in applying as assisted relatives, but this process takes much longer than an application as a dependent in the family class. Assisted relative applications are processed as a very low priority, while family class has top priority. The minimum processing time for a family class application is now about eighteen months, while an assisted relative application takes about forty months.

The regulations will encourage young people over nineteen, who are in full time study but already married, to come to Canada, since now they will not have to make personal applications for admission but can be sponsored by their parents.

Hong Kong Immigrants in Canada: Highlights

One of the most systematic studies yet conducted on Hong Kong immigrants has recently appeared. This study was published in 1991 on the basis of data drawn from a twelve page questionnaire, completed by 512 immigrants from Hong Kong who entered Canada after 1980. It was conducted by the Alberta Career Development, the Hong Kong Institute of Personnel Management and the Canadian Employment and Immigration Commission. The report found that the great majority of immigrants were pleased with their decision to move to Canada; 56% felt that it had been a good decision, 24% an excellent one. Only 1% felt that they had made a dreadful mistake. The respondents were in Vancouver, Edmonton and Toronto, most of them between 30 and 39. One third had a university degree; almost 60% had completed their education in Hong Kong, and 22% in Canada. Most could function in English, very few in French.

Work experience in Canada was mixed. The majority found their first job within three months of arriving in Canada but had to take a drop in income and status. While 23% reported no change in income, 46% recorded a drop and 31% a rise. A lowering of occupational status was experienced by 62%, while 25% saw no change, and 13% felt that their status had risen. The pattern of change in income was quite marked. At the

bottom and top ends of the income scale people had earned more in Hong Kong than they did in Canada, but in the middle income brackets (\$15,200 to \$59,999) people earned more in Canada than they had in Hong Kong. Twenty per cent of the respondents were earning \$15,000 to \$22,000, 25% \$22,000 to \$37,000, and 15% \$38,000 to \$60,000.

Fifty-three per cent of the respondents were definitely planning to stay in Canada permanently; 31% were undecided, while only 16% definitely wanted to go back to Hong Kong. That 16% was made up largely of younger people who have experienced some difficulty in adjusting to Canada. They were attracted to Hong Kong particularly by the promise of higher salaries. In terms of attributes, respondents rated Canada higher for housing, education, neighbours, and crime control, while Hong Kong scored highest for shopping and social life.

For further information contact:

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Lotto 6/49 in Hong Kong: Stage Two

In the last *Update* it was reported that it was now possible to play Lotto 6/49 directly from Hong Kong. It was also mentioned that it was not clear if the promotion and marketing of the lottery tickets was legal under Canadian law.

Subsequently, Wellco, the company which promotes the sale of the lottery tickets in Hong Kong, has come under police investigation. The company has admitted that officers of the Commercial Crime Bureau have collected some of its files for

the purpose of investigation. The Consumer Council of Hong Kong issued a statement in early April to the effect that Wellco was neither authorized nor licensed to sell Lotto 6/49 tickets in Hong Kong. The statement also inferred that the HK\$20 ticket price was much higher than the price charged for tickets in Canada. Wellco has removed the phrase 'operated and controlled by the Canadian Government' from its promotional literature, but continues to sell tickets in Hong Kong.

Success for New Canadian International School

by Harriet Clompus
Hong Kong

The new Canadian International School (CIS) in Hong Kong opened its doors to over 80 students last fall. It was officially opened on 15 November 1991 by the Hon. Otto Jelinek, Canada's Minister of National Revenue, and Mr. James So, Secretary for Recreation and Culture in Hong Kong. Also attending the opening ceremony was the Commissioner for Canada in Hong Kong, John Higginbotham. The school has been an impressive success this year, and over 200 children are expected to enrol next September. Projected enrolments are for 900 students by 1995 (see *South China Morning Post*, 1 July 1992, Canada Supplement, p. 10).

The School was established in response to the Hong Kong government's predicted short fall in places for students requiring a North American-type curriculum and a demand by Hong Kong-born Canadians for an education using Cantonese, as well as French and English, as the medium of instruction. A need was recognized for a school that would allow children to come from Canada with few adjustment problems and enable students returning from Hong Kong to integrate smoothly back into the Canadian education system.



Canadian International School students in the playground

In 1990 a recommendation from the Hong Kong Government's International Business Committee initiated discussion between the North American Chambers of Commerce and the government on how a projected shortfall of places should be met. According to Vincent Lee, the 1990 Canadian Chamber President, these discussions indicated "the importance the commer-

cial sector attached to provision of high-quality Canadian education within the territory as a means of attracting more Hong Kong émigrés back." Meetings between the Education and Manpower Department and the Canadian and American Chambers of Commerce resulted in the decision to set up a new Canadian International School, initially catering to primary level students. It was determined that other schools in Hong Kong with an accredited Canadian curriculum were directed primarily at preparation of students for migration to Canada rather than for returning émigrés. Not only would such a new school be attractive to returning Chinese-Canadians but would also be an important factor in their decision to return to Hong Kong.

In December 1990, the Canadian International School Foundation (CISF) was established as a non-profit organization for fund raising and planning for the new school. Represented on the original board were members of the Canadian Club, the Canadian Chamber of Commerce, and the Chinese Canadian Association, while Commissioner John Higginbotham served as an ex-officio founding member. Seven of the twelve founding members were from the Board of the Chinese Canadian Association (CCA), whose aim, according to former Chairman Felix Fong, was "looking after the interests and welfare of Chinese Canadians in Hong Kong."

The CCA has taken a leading role in fund raising activities for the new school. The speed with which the CIS Foundation worked to set up the new international school within the territory was impressive, particularly since it did not receive any financial assistance from the Hong Kong or Canadian governments. Fund raising events included a "Gala Premier" showing of *Teenage Mutant Ninja Turtles: the Ooze* in July 1991, which earned HK \$1,000,000.

The CIS opened last September with almost 100 students in kindergarten to grade five. Sixty per cent of these are Hong Kong-born Canadians, almost twenty per cent coming directly from Canada. Next September, it is expected that sixty per cent will come directly from overseas, mostly from Canada.

Although the school gives preference to Canadian students, it is open to all nationalities. Presently there are pupils from six different countries according to its principal, Ian Robertson, making it "truly international."

The school has been advertised in both English and Chinese local newspapers, as well as in Canadian editions of Hong Kong Chinese newspapers, like *Sing Tao*. Starting in April, it has also been promoted in the new weekly Canadian edition of the *South China Morning Post*. However, Mr. Robertson indicated, "The greatest response has been through word of mouth recommendation."

Principal Ian Robertson, who was hired from Canada in April 1991, has taught in the Canadian public school system, as well as in an oil company-sponsored school in Libya and the Kuwait English school. He explained that the mandate of the CIS is "to educate the whole child – academically, socially and emotionally – to prepare him or her to participate fully in a rapidly-changing global society."



Canadian International School
Principal Ian Robertson & Brenda Heward
with teacher and students

The school is essentially trilingual and offers a curriculum based on a combination of courses from Ontario and British Columbia. It is distinguished from other Canadian curriculum schools in Hong Kong by its strict English language entry requirements which disqualify many local prospective applicants. It differs also in its extensive Cantonese program with instruction starting in preparatory class. Compulsory French is introduced in Grade 4.

Other Canadian School Options in HK

by Harriet Clompus
Hong Kong

Tuition is relatively affordable at HK\$25,000 (about CDN\$3,850), plus an individual debenture fee of HK\$15,000 or a HK\$75,000 transferable corporate debenture. A scholarship fund for pupils in financial need has been set up with a donation of HK\$400,000 from the proceeds of Festival Canada '91, held in Hong Kong last June.

An indication of the CIS Foundation's confidence in the institution's continued viability after 1997 is its plans to increase the school by a grade each year with grade 6 classes starting this September and K-12 by 1997. Accreditation, which is not required for the primary curriculum, will be sought when the secondary grades start, and Mr. Robertson indicated that the school will probably align with the Ontario system.

At present the school is located in the former premises of the Chinese International School in So Kon Po. However, the Foundation has plans in progress to build its own facility within the next five years, and negotiations are already under way for a site within the area. The Hong Kong government has indicated a land grant will be available, but much of the cost of the expansion must be met by the Foundation.

According to Brenda Heward, Director of Development of the CISF, "two to three major fund raising events will be organized each year." The first of these events will be an invitation performance by the National Ballet of Canada at the Hong Kong Arts and Cultural Centre. The cost of the evening will be HK\$1,000 (approximately CDN\$150) per person, with all proceeds going to the school.

The Board of Governors, which has drawn new members from the wider Canadian community in Hong Kong, is now divided into five working groups, one of which focuses on fund raising. The school is also supported by a very active Parents Association, with several parents helping at the school on a regular basis or for special events. Such help includes designing and manufacturing the school uniform.

Mrs. Denise Chu, a Hong Kong-born Canadian who lived in Toronto for ten years before returning to the territory, has two children in the school and helps out there once a week. She is very committed to the CIS, and undoubtedly spoke for many other parents when she explained, "We feel very lucky to have this school. Now we don't have to rush back to Canada." Her words indicate that the Foundation is succeeding in its aim to provide a quality education with a Canadian curriculum in Hong Kong.

When the Canadian International School (CIS) opened last fall, the local media hailed it as the first Canadian school in the territory. This report drew a swift rebuttal from the principals of three existing accredited Canadian curriculum schools. In a letter to the *South China Morning Post*, they pointed out "that there are many other schools providing Canadian programs in Hong Kong."

The longest established of these is the Canadian Overseas Secondary School founded in 1983, which provides Ontario programs from grade 9 to 12, allowing students to acquire Ontario Academic Credits (OAC). Principal Alvin Gilles explained that the school is a profit-making institution managed by a local company but owned by South East Asia Preparations Ltd. of Toronto. School fees of HK\$38,000 (about CDN\$5850) in 1991 make this the most expensive Canadian curriculum school in Hong Kong.

This spring there were 550 pupils of whom 90% were Hong Kong Chinese and 10% other nationalities, including, Mr. Gilles said, "a smattering of returned Hong Kong Chinese." Given the student composition and the provision of remedial English programs, it is clear that the school is geared primarily towards local students who hope to enter tertiary education overseas.



Canadian Overseas Secondary School

The Delia School of Canada (DSC) was founded in 1987 and is one of many private schools of all types managed by the profit-making Delia Group within Hong Kong. It also manages a Delia school in Toronto. DSC follows an Ontario and Maritime accredited curriculum from grade 1 to 12OAC, and at present has a total of 700 pupils enrolled.

According to its principal, Mr. Alvin Mistruzzi, there are no statistics available for nationality of DSC pupils, but he estimated that approximately one-third of the students are ethnic Chinese. Of these, he did not know how many held Canadian citizenship. The remaining pupils come from several different countries, including Korea, Japan, and Australia. English as a Second Language (ESL) is offered, and a "heritage language program" offering French, Chinese, Korean and Japanese will be given from this September. Fees for DSC are HK\$21,400 (CDN\$3300) for primary and HK\$25,000 (CDN\$3850) for secondary school in 1991-92.

When asked whether DSC had been affected by competition from the Canadian International School, Mr. Mistruzzi argued that the two schools had very different markets. "The CIS is for returned Hong Kong Chinese so at least two-thirds of our students don't even qualify to go there." Although preference is given to Canadian citizens, the CIS has no restrictions on nationality, but its strict English language requirements disqualify many Delia pupils from entry.

Prior to the opening of CIS, the Seaker Chan International School (SCIS) was the most recently established Canadian curriculum school. It is managed by the Chan Education Foundation, a major provider of private education in the territory. Formerly known as the Canadian Program Sham Shui Po, it was founded in 1988 and provided Ontario programs from grade 9 to 12OAC. In 1991 it began teaching grades 1-8 and changed its name to Seaker Chan International School.

According to principal Larry Richardson, the primary program from grade 1-5 was put on hold. He maintains that this change was in no way connected with the opening of the CIS and added, "Our two schools have different catchment areas - CIS is on Hong Kong Island while we are on the Kowloon side." Instead, the decision was due to plans to build a new school on the present site, construction of which will take place in 1992, with a completion date within two years. Grades 6-12 will be temporarily housed in one of the Chan Foundation's other schools.

Schools. cont'd page 10

This past year, the Seaker Chan International School had 170 pupils of whom 90% were ethnic Chinese. Eighty per cent of these were local Chinese while 20% were returned Hong Kong Canadians. Tuition fees are HK\$23,000 (CDN\$3500) for grades 7 and below, and HK\$29,000 (CDN\$4500) for grades 8 and above. There is no English language entry requirement.

After completion of the new school facility, which Mr. Richardson judged would be "a showcase establishment," a vigorous marketing plan for SCIS will be initiated. There is no indication that returned and returning Hong Kong Canadians will be specifically targeted.

Concern Over Rights to Privacy in Hong Kong

John Grace, the Information Commissioner for Canada, visited Hong Kong in February. His work involves ensuring the right of individuals to get certain forms of information, and is closely linked to the separate function of ensuring the right of individuals to the protection of their privacy. Canada has pioneered legislation in both these fields, in the federal and the provincial areas of jurisdiction.

Freedom of information legislation allows people to obtain information from government and other public sources which is of direct significance to them. Hong Kong has no Freedom of Information Act, and the government has no plans to introduce one. Mr. Grace's visit came, ironically, just before an important legal judgment in Hong Kong, in which the Canadian Freedom of Information Act was used to provide evidence for the prosecution. Drs. Linda Koo and John Ho, cancer researchers at the University of Hong Kong, won their case against Dr. Lam Tai-hing, who was found guilty of plagiarising

their research. The judgment was based, in part, on documents of Dr. Lam's work obtained from Canada through the Freedom of Information Act.

Concern over the need for privacy in Hong Kong is growing. Part of the concern stems from the great amount of information about individuals stored in computer data bases and the misuses to which this information can be put by people who have access to it. Another part of the concern is political. As 1997 approaches, there is a fear that the PRC practice of keeping dossiers on all individuals may be extended to Hong Kong. The dossier, which starts when a child enters junior middle school, goes with a person for the rest of his/her life. However, the individual has no access to his dossier, and there can be no correction of erroneous or prejudicial information. PRC authorities have already made it known that they keep dossiers on Hong Kong political activists and on anyone who is considered less than sympathetic to the PRC.

Beijing Update

by Jane Greaves
Beijing

Mainland press coverage of events concerning Hong Kong in the first three months of 1992 was largely issue-oriented, but two government messages emerged: 1) Beijing is making every effort to maintain productivity and stability in Hong Kong which is in the best interests of both the Mainland and Hong Kong; and 2) individuals and business should begin now to tailor their actions to comply with the Basic Law in preparation for 1997, after which date only those in compliance will be guaranteed the Basic Law's rights and privileges for Hong Kong residents.

In addition to the usual assortment of encouraging statistics and investment announcements concerning Hong Kong, the English language *China Daily* and the Chinese language *People's Daily* published articles on several important issues affecting Hong Kong. The announcement in January that Beijing was planning to appoint a group of prominent Hong Kong residents to serve as advisors to Beijing on the territory's

affairs and the ensuing inaugural ceremony and speeches were thoroughly and enthusiastically covered. The *People's Daily* reported that the advisors were appointed at the behest of many Hong Kong residents who felt that the existing channels of communication were not sufficient. The advisors are "unpaid, without organizational set-ups or offices" and will "in no way affect the administrative management powers of the British or Hong Kong governments during the transition, nor will they create a so-called second power centre." One of the key contributions of the advisors will be maintenance of a stable and prosperous Hong Kong.

However, the effect on Hong Kong's stability of appointing such a group without consulting the United Kingdom was not discussed in the Mainland press. In contrast, Hong Kong's *South China Morning Post* published British Foreign Secretary Douglas Hurd's suggestion that Hong Kong might "get the jitters" if China did not con-

sult with or inform the UK prior to such unilateral actions.

The decision to "step up the publicity and promotion of the mini-constitution of the Hong Kong Special Administrative Region" was well covered by the Mainland press. The campaign resulted in many articles urging people (Mainland and especially Hong Kong residents) to study the Basic Law to ensure Hong Kong's prosperity and stability in the second half of the transitional period and beyond. Teaching materials for "such historical documents concerning Hong Kong's political future as the Sino-British joint declaration on the question of Hong Kong and the Basic Law" have been prepared for Hong Kong middle school students. Much of the coverage of and propaganda for the Basic Law uses a carrot-and-stick approach: if individuals respect and act in accordance with the Basic Law, they will be entitled to its rights and privileges.

Hong Kong, Canada and Foreign Investment Protection

The 22nd session of the Sino-British Joint Liaison Group (JLG) in Hong Kong, from March 24 to 26, received minimal press. The only article listed the issues covered and reported a fruitful exchange of opinions, but did not discuss areas of contention between the two sides. This single, brief report is in keeping with recent coverage of Sino-British negotiations over Hong Kong. Qian Qichen's March visit to London, during which he handed over China's articles of accession of the Nuclear Non-Proliferation Treaty, was fully covered, but his talk with John Major over Hong Kong was dealt with in a few lines.

The American bill setting out US policy on Hong Kong received a sharp, terse, and unsurprising response: China firmly opposed any attempt at "internationalizing" the Hong Kong issue. A Chinese Foreign Ministry spokesman's comment that "the Hong Kong question is a matter between China and the United Kingdom before July 1, 1997, and an internal affair of China after that date," appeared in both Chinese and English papers.

Reporting on the recent session of the National People's Congress made only brief mention of Hong Kong: a six line report on a small group discussion of Hong Kong and Macao ("Delegates from Hong Kong and Macao can be very Useful"); and an article that the proceedings of the NPC were being reported in a timely fashion in the Hong Kong press. Evidently, the Hong Kong issue is resolved in the eyes of the Beijing leadership and merits no further discussion by the NCP.

The one important issue that was not mentioned at all in the Mainland press was the Hong Kong budget and the negotiations in the territory's Legislative Council to get it passed. Lu Ping, Director of the State Council's Hong Kong and Macao Affairs Office, criticized the budget as he felt it deviated from the financial principles of the Basic Law—keeping government expenditures within the limits of revenue rather than increasing revenue to meet expenditures, as Financial Secretary Hamish Macleod's budget proposes. However, Lu Ping's comments went unreported in China.

Foreign investment is becoming an increasingly important factor in world trade flows and, thus, in Canada's commercial and financial relations with other countries. Because of this fact and because foreign investment can be seen as an indicator of confidence in an economy, foreign investment protection has become a more significant issue in Canada's relations with Hong Kong, to the point that discussions have taken place on a foreign investment protection agreement.

There are many advantages to establishing agreements on foreign investment protection between countries with significant economic ties. While the details vary with each accord, foreign investment protection agreements provide a legal framework for protection of investment and, in case of expropriation or other developments, provide for international arbitration to settle disputes arising from such actions. Foreign investment protection agreements can also establish compensation in the case of losses

arising from changes in policy, natural disasters, or other developments. Such compensation is determined on the basis of Favoured Nation status with respect to protection of investment, so that terms are no less favourable than those provided to each country's own investors. Of course, the details vary with each foreign investment protection agreement.

Given the nature of these agreements, they represent a mutual vote of confidence in the economy and stability of the signatories. This is particularly important for Hong Kong. Foreign investment agreements, particularly with major investor countries, represent a vote of confidence in the territory's future after it becomes a Special Administrative Region of China in 1997. Such agreements indicate other countries have faith that Hong Kong's role as a financial centre will continue, that it will preserve a capitalist, market-based economic climate which has been its source of wealth, and that political changes will not adversely affect its investment climate. As trade and investment become increasingly linked, such agreements also reflect confidence in Hong Kong as a major Asian trading partner in itself and as an entrepot for trade with China.

As significant trading partners, Canada and Hong Kong are both interested in foreign investment protection and are now in the midst of negotiating such an agreement. Initial consultations have taken place, and both sides are reviewing draft agreements in preparation for further discussions. When an agreement is reached, it will not only demonstrate Canada's interest in continued promotion of investment from Hong Kong, as well as Hong Kong's confidence in the Canadian economy, but also it will be seen as an indication that Canada has confidence in the economic and political stability of Hong Kong after 1997. Thus, such an agreement is by extension a vote of confidence that the People's Republic of China will live up to its commitment to retain Hong Kong's present economic environment in order to preserve its role as a major financial and trading centre in Asia, as well as a motor for the growth and modernization of the PRC's own economy.



This is a view of Hong Kong's infamous Walled City which is now being torn down. For a recent report on the demolition of this historic area (la Cité des Ombres), see the article, "Requiem pour une cité maudite," by Luc Chartrand in Actualités (vol. 17, 15 Juin 1992: 11-12).

Premier Bob Rae's Visit to Hong Kong

Premier Rae visited Japan and Hong Kong in May to strengthen the existing ties between Ontario and Asia. In Hong Kong he met the governor, Lord Wilson, industrialists K.S. Li (Li Ka Shing), F.S. Cheng and James Ting, and members of the Canadian business community. He also met James So, Secretary for Recreation and Culture, who is responsible for Festival Hong Kong in Canada. Addressing the Ontario Legislature after his return he said:

This visit reinforced my belief that Ontario must strengthen its links to these important economic partners. It may sound like a cliché, but the energy and vibrancy of the people and the economies hit you as soon as you step off the plane at Hong Kong's Kaitak airport, or the moment you reach Tokyo. We share a rich history; thanks to decisions made by hundreds of thousands of individuals, Asia and the Pacific have become a part of Ontario's heritage. People from all parts of Asia have chosen to make Ontario their home; and although they have become Canadians, they have not abandoned their languages, cultural roots or contacts. By phone, fax, jet and video cassette, Ontario is now profoundly linked with Asia.

Premier Rae also stressed the importance for Ontario of thinking internationally, for training young people in Asian languages and then making good use of them in business. He concluded:

We must move from simply being exporters to promoting a truly international perspective. Our education, training, our investment and industrial strategies, our communications systems and language programmes, our marketing skills, all can foster this perspective. This is something well known in Japan and Hong Kong, and in many other countries. Our businesses and our young people must begin to see themselves and their future in this light. This is Ontario's challenge.

Municipality Takes Proactive Approach to Economic Development

The following is a statement by Mayor Joyce Trimmer written for the Canada and Hong Kong Update, after her return from a month's trip to Asia this spring. In order to promote business interests for the City of Scarborough, the Mayor visited several cities in China, Hong Kong, Taiwan and Japan between March 20 and April 16. Her trip included a week in Hong Kong from March 29 to April 5.

As Mayor of Scarborough, one of Canada's largest cities, I believe it is very important to play a dynamic role in encouraging business opportunities from Hong Kong. The role of municipal government in many areas, including economic development, is a proactive one. With the increasing pressure on municipalities to undertake greater responsibilities, and with that a greater financial burden, it is important to target and effectively attract new business investment to stimulate economic development.

In an effort to pursue economic development goals, as well as to better understand Scarborough's growing Hong Kong population (the city has one of the largest Hong Kong populations in Canada), I undertook a business trip to the territory last April. This was my second visit to Hong Kong, and in many ways was an opportunity to follow up with the many business contacts made previously. The rationale for selecting Hong Kong as a target for business interests rests on its "fit" with Scarborough. Given the population ties and other similarities, Scarborough is well positioned as a destination for Hong Kong business investment.

My major task was to communicate the benefits of establishing a business in Scarborough and to promote our diverse business community. Since our existing commercial community is of vital importance, my trip was also a chance to articulate its needs in order to foster possible joint ventures and export opportunities.

A full week was spent in Hong Kong meeting with government officials, business associations and entrepreneurs. In the development of my itinerary, I was quite pleased by the level of interest shown by many busi-

nesses in Scarborough. In the course of this trip, I also had the opportunity to visit and meet with government and business officials in Beijing, Tianjin, Shanghai, Wuxi, Taipei, and Sagami-hara, Japan.

Upon arriving in Hong Kong, I met with members of the HK government, and during our discussions I had the opportunity to expand on Scarborough's participation in the upcoming Festival Hong Kong 92. Our city will host a major event Sept. 29, the Scarborough Lantern Festival, based on traditional lantern festivals in Hong Kong.

Following the meetings with government dignitaries, I met many business representatives, all of whom welcomed me warmly and showed great interest in Scarborough. I held many fruitful meetings with the Chinese Manufacturers Association, the Hong Kong Trade Development Council, several high profile developers and major Hong Kong investors in Canada, and members of both the Canadian and Ontario Government trade offices. I also conducted several well-attended business seminars, facilitated by the Ministry of Industry, Trade and Technology and Scarborough's Economic Development Department and opened a Hong Kong branch of a Scarborough real estate company.

Results of Scarborough's business trip to Hong Kong include numerous commercial inquiries, visits by two business delegations, an enhanced relationship with residents originally from Hong Kong, and the establishment of Scarborough as a viable location for investment from Hong Kong.

In the local business arena, I am working to further the interests of our business community by keeping it informed of the opportunities in Hong Kong, via seminars and personal meetings. Municipalities must help their local commercial establishments survive the current economic situation, by thinking and acting "globally." Hong Kong and Scarborough have much to gain from each other in our increasingly complex world economy.

New Brunswick Premier Visits Hong Kong

Frank McKenna, the premier of New Brunswick, visited Hong Kong from March 7 to 11. The purpose of his visit was to promote the potential for investment and for business opportunities in New Brunswick. Travelling with the premier was a group of New Brunswick business people. The premier visited the site of the new airport at Chek Lap Kok on Lantau Island and went to the Delia School in Takko Shing, a school which uses the New Brunswick curriculum.

In a speech to the Canadian Chamber of Commerce in Hong Kong, Premier McKenna stressed that New Brunswick is anxious to attract investment from abroad. The province has the advantage of a location close to the USA, for trade opportunities under the Free Trade Agreement, and an export-oriented economy. Two-thirds of all production is exported. New Brunswick has the fastest growing economy in Atlantic Canada, based on its abundance of natural resources. Future development will be helped by a strong bilingual education system and a skilled work force. It has a base of productive old industries, in natural resources and foodstuffs, and some successful new industries.

The premier foresaw possible partnerships with Hong Kong in forest products. There has been some Hong Kong investment in the province already, for example Atlantic Canada Textiles and WHK Woven Labels. More will be welcomed. There are 200 students from Hong Kong at the University of New Brunswick, whose largest alumni association outside New Brunswick, with one hundred members, is in Hong Kong.

Correction

In the last *Update* issue we erroneously reported in the article on **Pre-migration Programs in Hong Kong** that the Meet with Success programme had received financial support from the Canadian government, provincial government offices in Hong Kong, and other local associations such as the Canadian Chamber of Commerce. According to Larry Mills, President of Meet with Success, the programme is funded only through private sources which include "donations provided by the participants of these weekly seminars and from other private donations."

We regret the error.

Understanding Consumers Moving between Cultures

Professors David K. Tse (University of British Columbia, Faculty of Commerce and Business Administration) and Wei-Na Lee (University of Texas, Austin, Dept. of Advertising) have recently conducted a study of consumer habits of Hong Kong immigrants in Canada. Their research project focused on how Hong Kong immigrants have changed the products they own, whether they have altered their shopping behaviour, and how they participate in Chinese and/or Canadian cultural activities. The following is a summary by David Tse of the objectives and major findings of their research.

Objectives:

When Hong Kong consumers move to Canada, will they purchase the same set of products that they used to own? Will they retain the same shopping habits and buy from similar outlets with the same frequency? Will they practice Chinese and/or Canadian cultural activities? These are some of the questions examined in the Lee and Tse study on how Hong Kong immigrants changed their behaviour when they came to Canada. Answers to these questions have both managerial and public policy implications. For example, should companies adopt similar marketing strategies to these immigrants? If they change at all, in what areas would Hong Kong immigrants become like Anglo-Canadians, or do they always remain as Chinese from Hong Kong.

Design:

The study surveyed four groups of consumers (total of 938), including Anglo-Canadians, recent Hong Kong immigrants, former Hong Kong immigrants (who immigrated before 1984), and Hong Kong residents. They were questioned on their product ownership, retail shopping behaviour, and a set of value-related activities.

Major Findings:

It was found that the immigrants reclassified the products they own. As expected, recent Hong Kong migrants had lower family income than their Canadian counterparts. The former assumed conservative financial plans. Though they bought a comparable percentage of private cars, microwave ovens, and single

family houses, they bought fewer air-conditioners and condominiums compared with Hong Kong residents and Anglo-Canadians. New immigrants shopped more frequently in supermarkets, but they complemented their grocery shopping in Chinatown and Chinese stores. They did not like to buy pre-owned products, such as from flea markets and garage sales. For professional services, they went to Chinese physicians and Chinese accountants. They accepted value free activities readily and tried to maintain Chinese cultural activities. At the same time, they also celebrated Canada Day and participated in community centre events. With regard to marriage, the newer immigrants did not readily accept non-Chinese spouses for their children.

Former Hong Kong immigrants, who had stayed more than seven years in Canada, earned a comparable Anglo-Canadian family income. As a result they classified products differently and owned more household appliances (private cars, microwaves, single family homes) and more recreational products (VCRs, BBQs, and multiple TVs) than Anglo-Canadians. Their shopping behaviour was closer to Anglo-Canadians, representing a "melting pot" phenomenon, though they complemented their grocery purchases at Chinese stores and at Chinatown businesses. Like recent immigrants, they shopped less often at flea markets and garage sales. With better ability in spoken English, they went less often to Chinese physicians or accountants compared to recent immigrants. In terms of culturally relevant activities, they seemed to be more bi-cultural, maintaining their Chinese traditions (celebrating Chinese New Year) along with Canadian traditions (Canada Day). However, they were more willing to accept interracial marriage for their children.

In general, it was found that the immigrants reconceptualized the products they own, changed their retail shopping behavior, and selectively adapted some value related activities. The findings suggest that environmental influences and cultural relevancy are important to the immigrants' adaptation to the norms of their new home.

For further information about this study, please write to Prof. David K. Tse, Faculty of Commerce and Business Administration, UBC, Vancouver, B.C., Canada V6T 1Z2 or phone (604) 822-8364.

Tiananmen Memorial

On May 31, a memorial meeting was held at Toronto City Hall to commemorate the third anniversary of the Peking Massacre. The meeting was addressed by the Nobel Laureate, Professor John Polanyi. Messages of support were read from Jean Chretien, leader of the Liberal Party, and Audrey McLachlan, leader of the New Democratic Party. After the meeting, about one thousand people marched to the University of Toronto for the dedication of a bronze memorial to the students and citizens of China who died on 4 June 1989. (The plaque beneath the bronze was stolen on the night of June 3.) The memorial was unveiled by Gordon Cressy, Vice President, University of Toronto, Dick Chan, Chair of the Toronto Association for Democracy in China, and Farrah Jinha, President of the University of Toronto Students' Administrative Council. Peter Guo, immediate past president of the Students' Administrative Council, and Zhang Xiangmin, Vice-President of the Federation of Chinese Students and Scholars in Canada, also spoke.

A statue of the Goddess of Democracy was also presented at the ceremony at City Hall. A truck carrying the statue led the rally to U. of T. for the dedication and then to the Chinese consulate where the statue was assembled. The 25 foot replica, made of wire mesh, wood and canvas, is a collec-



*Goddess of Democracy
Student Centre, York University*

tive work by the Toronto Design for Democracy Group, consisting of young Canadian Chinese artists, students and designers. The statue has been loaned for three years to York University where it was erected on June 4 in the lobby of the new student centre. There are plans for the fourth anniversary memorial next year to gold leaf both the bronze wall sculpture at U. of T. and the Goddess of Democracy statue at York.

The Chinese Consulate General in Toronto protested to the university presidents about both memorials, claiming that they were being mounted by "a small number of hostile elements" whose aim was to "hurt the feelings of the Chinese people" and undermine Sino-Canadian friendship.



*Dick Chan, Farrah Jinha and John Polanyi
at the unveiling of a Bronze Memorial at
the University of Toronto*

Project Workshop on China-HK Relations

*by Bob Perrins
Toronto*

The Canada and Hong Kong Project recently sponsored a workshop on **China in Transition: Implications for Hong Kong**. Sessions were held at York University and the University of Toronto on 11-12 June 1992. Convened by Prof. Victor Falkenheim (U of T), the workshop focused on political and economic changes in China and their impact on Hong Kong. It also examined US and Canadian government policies towards Hong Kong.

Four papers were presented: 1) **The New China News Agency**, by John Burns, Department of Political Science, University of Hong Kong; 2) **Current Political Developments in China: Implications for**

Hong Kong, by Carol Lee Hamrin, East Asia Division, U.S. Department of State and Adjunct Prof. of Chinese History, School of Advanced International Studies, Johns Hopkins University; 3) **Changing Patterns of Regional Administration in China: Implication for Hong Kong**, by Victor Falkenheim, Department of Political Science, University of Toronto; and 4) **Hong Kong and the Rise of 'Greater China': Policy Issues**, by David M. Lampton, President, National Committee on US-China Relations. The meetings concluded with remarks by Donald Waterfall (North Asia Relations, External Affairs and International Trade Canada) and a round-

table discussion (chaired by B. Michael Frolic) on policy implications for both Canada and the U.S. Among the more than thirty participants were representatives from Canadian and American government, business and private agencies, members of the Hong Kong Economic and Trade Office, reporters from *The Financial Post* and *Sing Tao Newspapers*, and a number of academics and graduate students.

Diana Lary, director of the Canada and Hong Kong Project, opened the workshop with brief remarks on the importance to Hong Kong of the ongoing changes and uncertainties within the People's Republic of China (PRC). As 1997 approaches, Prof.

Lary believes, it is imperative to monitor and understand the domestic economic and political transformations within the PRC and to analyze their impact on the people of Hong Kong.

The papers focused on the interaction between the PRC and Hong Kong. John Burns's paper presented a fascinating and detailed study of the workings of the PRC's operational organ in Hong Kong – the New China News Agency (NCNA). Stating that the PRC's overall goal is the smooth transfer of authority in Hong Kong as laid out in the Basic Law, Burns outlined the NCNA's efforts to promote China's interests in the territory and strengthen Beijing's hand prior to 1997. Activities of the NCNA include propaganda work, maintenance of close relations with the leftist press, involvement in United Front work, the attempt to coordinate and control other leftist organizations including trade unions, and the effort to foster the development of a pro-Beijing political force within Hong Kong. Burns concluded that the future of the territory will largely depend on the outcome of a struggle between the NCNA and Hong Kong's articulate and rising middle class.

Carol Hamrin discussed the workings of the various political organs within the PRC that are involved in drafting and implement-

ing policy related to Hong Kong. The highest level of these organs is the Politburo's Standing Committee, the leadership core, which is responsible for drafting the general guidelines regarding China's vision of Hong Kong's future. The next level, or executive core, is the Hong Kong and Macao Working Committee which is responsible for policy coordination. Below this Committee is the Hong Kong and Macao Affairs Office of the State Council, the administrative core which formulates concrete policies and oversees general administrative functions. The lowest level discussed by Prof. Hamrin is the New China News Agency and its Working Committee, both of which are involved in policy implementation and intelligence research. It is the NCNA's Working Committee which may form the core of the control system over Hong Kong affairs after 1997.

Victor Falkenheim's paper reviewed the growth of regional/provincial powers within China, the decentralization of control in the 1980s, regional experiments like Special Economic Zones, and their implications for the Hong Kong Special Administrative Region (SAR). Prof. Falkenheim proposed that perhaps the best way to view Hong Kong's future within the PRC is to understand it in relation to the diverse and decentralized regional structures that have operat-

ed with increasing flexibility in the reform period. After 1997 Hong Kong might serve as an arena within which China could gain experience in managing a more pluralistic system – experience potentially transferable to its 'domestic' centre-region relations.

David Lampton's paper focused on Hong Kong in relation to the emergence of a regional, integrated economy linking Hong Kong, the Mainland and Taiwan, termed by some observers 'Greater China.' His comments presented a more optimistic view of Hong Kong's future and the modernizing influence of both Hong Kong and Taiwan on China. He also addressed the importance of the growth of 'Greater China' for the development of US policy. Finally, he stressed the importance of the private, rather than governmental, sector in maintaining confidence in Hong Kong and making it a "more important place to China." Lampton concluded that Hong Kong's economic strength, coupled with the present worldwide trend towards regional integration, means that Beijing is unlikely to strangle the goose from which it hopes to procure many golden eggs.

Publication of these papers by the Project is expected in early 1993.

Canada-Hong Kong Database

by Bob Perrins
Toronto

The Canada and Hong Kong Project has been involved in compiling a bibliographic database for the past two years. This database contains information not only on recent monographs published about Hong Kong but, more importantly, on newspaper clippings and magazine articles which deal with Hong Kong and the territory's relations with Canada. Some of the more common categories of material are immigration, settlement, investment, business, and political developments within Hong Kong and the PRC – the most prominent being the Port and Airport Development Strategy (PADS).

Several research assistants in Hong Kong, Beijing, Vancouver, Ottawa and Toronto monitor the print media in both Chinese and English and send monthly reports to the Project. The relevant bibliographic information is input into the database, and copies of many of the original sources are maintained on file. Researchers interested in specific aspects of Hong Kong's relations with Canada may request from the Project a bibliographic printout, including abstracts. Where sources are more difficult to obtain and copies exist on file, they are available upon request for a small xeroxing and mailing fee.

Some of the media regularly monitored for the database include the Toronto and Vancouver editions of *Sing Tao News-papers*, the *Vancouver Sun*, *Toronto Star*, *Globe and Mail*, *New York Times*, *Asiaweek*, *Far Eastern Economic Review*, *South China Morning Post*, *Hong Kong Standard*, the *London Times*, and the Beijing editions of *People's Daily* and *China Daily*.

New Project Publications

The Project announces the publication of the first monograph in our new Canada and Hong Kong Papers: *Politics and Society in Hong Kong towards 1997*, edited by Charles Burton. This book is a collection of the papers from our first Project workshop, held 5 January 1991. Articles include "Under China's Shadow: Realpolitik of Hong Kong Labour Unionism Toward 1997" by Ming K. Chan; "Education in Hong Kong Up to 1997 and Beyond" by Bernard Hungkay Luk; "Crises and Transformation: the Implications of 1997 for Christian Organizations in Hong Kong" by Thomas In-sing Leung; and "Uncertain Refuge: Freedom of the Press Under the Hong Kong Bill of Rights" by Perry Keller. The cost of this publication is CDN\$12 (plus additional charge for overseas airmail). Our second publication is the first in our Research Papers series, *The Economic Integration of Hong Kong with China in the 1990s: The Impact on Hong Kong* by Yun-Wing Sung (Chinese University of Hong Kong). This is a paper presented at the Vancouver workshop, "China and its Hinterland," on January 17-18, 1992. Cost of the publication is CDN \$7. Both of these publications can be directly ordered from the Canada and Hong Kong Project.

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CANADA AND HONG KONG UPDATE

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Governor Patten's Policy Speech to Legco

Reaction to Patten's Constitutional Proposals

On 7 October 1992, the Rt. Hon. Christopher Patten gave his maiden policy address at the opening of the legislative session outlining his agenda for the next five years before Hong Kong's return to Chinese sovereignty in 1997. In this key speech he emphasized that his first duty as Governor "must be to secure stability and prosperity in a way that sustains Hong Kong's freedoms and way of life."

He was confident that Hong Kong "can achieve an annual rate of 5% economic growth in real terms between now and 1997" because of the territory's "four unique advantages": "rapid economic expansion which is transforming the whole of the region; the astonishing performance of southern China, to which Hong Kong makes a major contribution and which has created valuable trade and investment opportunities; traditional commitment to minimal government interference and maximum support for business expansion; and the exceptional qualities and enterprise of Hong Kong people."



He unveiled the following package of proposals to develop Hong Kong's representative institutions to the maximum extent within the terms of the Joint Declaration and the Basic Law:

Political Development:
"...the pace of democratisation in Hong Kong is - we all know - necessarily constrained. But it is constrained."

not stopped dead in its tracks... standing still is not an available option. The Governments of the United Kingdom and China have agreed in the Joint Declaration that democracy should be carried forward with a Legislature constituted entirely by elections. The Basic Law provides for a steady increase in the number of those directly elected to the Legislature. It does not visualise stagnation. What is more, and this was doubtless recognised by those who drafted the Basic law, the community wants a greater measure of democracy. Whenever the community is asked, that is the answer it gives.

by Bernard Luk
York University

The Sino-British Joint Declaration on the Future of Hong Kong (1984) provided for a Special Administrative Region (SAR) government after 1997 which would be "firmly rooted" in Hong Kong, with an executive that would be "accountable" to an elected legislature. The government would enjoy a "high degree of autonomy" from Beijing in areas other than foreign affairs and defense.

Since the ratification of the agreement, however, the Chinese government acted consistently to limit the growth of representative institutions in Hong Kong, and the British authorities acquiesced by accepting the idea that developments before 1997 had to "converge" with provisions of the Basic Law of the SAR, drafted by a Beijing-appointed committee.

The Basic Law, promulgated in 1990 in the aftermath of the Tiananmen massacre, strongly reflects the concerns for political control of the Communist leadership in China, and the socio-economic conservatism

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CANADA AND HONG KONG UPDATE

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Policy Speech, cont'd from page 1

"Democracy is more than just a philosophical ideal. It is, for instance, an essential element in the pursuit of economic progress.... Without the rule of law buttressed by democratic institutions, investors are left unprotected. Without an independent judiciary enforcing laws democratically enacted, businesses will be vulnerable to arbitrary political decisions taken on a whim – a sure recipe for a collapse in confidence and a powerful deterrent to investors from overseas."

ExCo-LegCo Relationship: "In tackling constitutional development, there are some things we can change immediately in order to strengthen our representative institutions. Other improvements are longer term and relate principally to the 1995 elections....."

"My intention is to insure that we have vigorous and effective executive-led Government that is properly accountable to this Legislative Council. I believe that at the present stage of our political development, there is a danger of confusion and muddle in their roles which will both undermine the competence of the Executive and inhibit the effective development of the Legislature as an independent check on Government....As the Joint Declaration and the Basic Law both make plain, it is the Legislature which is the main constitutional element that must be developed. That is, therefore, my major concern."

Reaction, cont'd from page 1

of their allies in Hong Kong, the capitalist elite. It adheres to the wording of the Joint Declaration but interpreted away much of its spirit. It prescribes an executive-dominated government with a chief executive appointed by Beijing. The post-1997 chief executive will have to render an annual "account" to a legislature which will have only one-third of its members returned by popular elections and two-thirds elected by small elite constituencies or committees of Beijing-appointedees. These provisions were imposed by Beijing despite clear indications that a majority of people in Hong Kong favoured a higher degree of democracy in their political system.

Governor Christopher Patten's constitutional proposals [see **Policy Speech**, p. 1-4] have turned the table on Beijing. They adhere to the wording of the Basic Law, but fill in

ExCo: "I have concluded that...there should not be any overlapping membership between the Executive and Legislative Councils. I intend...to separate the non-official membership of the two bodies. This should allow both Councils to play their proper roles. In future within this Council, political parties and groups will be free to develop their programmes and platforms, without the constraints that membership of the Executive Council must impose...."

"I intend the new Executive Council to be a non-party political body to which I can look for sound, impartial advice on the wide range of issues that come before the Administration. I am, therefore, appointing to ExCo independent members of the community, distinguished in their own walks of life, who can give me advice without the conflicting loyalties of active day-to-day political involvement. There will also be a number of senior government officials on the Council."

LegCo: "Separating the non-government membership of the two Councils implies that LegCo must be left free to run its own affairs and, in the process, to develop further its relationship with the Government.... I wish to hand over as soon as possible the responsibilities of presiding over this Council to a President elected by you from among your own members...."

the many grey areas in that document (presumably left by Beijing for interpretation by itself towards or after 1997), by introducing mechanisms and provisions intended to bring the make-up of the Legislative Council somewhat closer to the spirit of the Joint Declaration. These proposals were warmly welcomed by people in Hong Kong, as indicated in a number of opinion polls, as well as in town-meeting style gatherings and radio phone-in programmes in which Patten explained his proposals to the public.

Beijing's reaction has been predictably negative and vehement. Patten was given a cold, and at times vituperative, reception when he visited Beijing from 20-22 October, after his policy address on 7 October. Lu Ping, director of the Hong Kong and Macau Office of the State Council, publicly demanded that the proposals be withdrawn, or else

"We are ready to work actively with Members in developing financial and managerial autonomy in organising your own administration and support facilities.

"We need to develop the relationship between this Council and the Government so as to ensure that public business...is conducted efficiently. I propose that a Government-LegCo Committee should be established where the Administration can discuss with members of this Council the handling of the Administration's legislative and financial programmes...."

1995 Elections: "The reforms I have outlined will set the stage for the changes which are needed for the 1995 elections. I know that many people regard the key issue as being the number of directly-elected seats. On present plans, this will rise from 18 to 20 in 1995, and will increase at subsequent elections with the ultimate aim of achieving a Council composed entirely of directly-elected Members. For some time, it has been argued that we should seek to quicken the pace of this development, and the British Government has pledged to pursue this with the Chinese Government.... The Chinese position is that such a move would be incompatible with the Basic Law and they have said that the Basic Law cannot be changed before 1997...."

"But this is not the only way of building up democracy in Hong Kong. I am keen that

we should explore in parallel how to develop our representative institutions to the maximum extent within the terms of the Joint Declaration and the Basic Law...."

"I want to emphasise that we have embarked upon these discussions, begun by the Foreign Secretary, in good faith and with a view to demonstrating to our Chinese colleagues the benefits which a more representative system will bring to Hong Kong....[T]he proposals I am putting forward...will require serious discussion with Peking.... What I will therefore set out...is the broad shape of the understanding which I hope we can achieve both within the community and with the Chinese Government."

Lower Voting Age: "First, as the Council has itself recommended, I wish to see the voting age reduced from 21 to 18. Eighteen is regarded in China and in Britain, and in countries right across the world, as a sensible voting age...."

Single Vote, Single Seat: "Turning next to the voting system for geographical constituencies, I believe this should aim to be clear and equitable and to command the confidence of voters. The 1991 system of double member constituencies has been criticised.... [T]he best option in my view is to give each elector a single vote for a single directly elected representative in a single seat constituency."

Functional Constituency Revisions:

"Third, we need to...deal with some of the criticisms that have been levelled at the existing functional constituencies by giving them a broader electorate and, therefore, a broader base of support....[T]he whole system...will gain inestimably in credibility if we can show that every working member of the community has a second vote to represent his or her interests at the place of work.

"So far as the present functional constituencies are concerned, I propose that all forms of corporate voting should be replaced by individual voters...."

"[T]hese measures would expand the franchise in the functional constituencies concerned by more than five times.... The simplest and fairest approach for the nine new constituencies would be to define them so that they include the entire working population....[T]hese new constituencies would include primary production, power and construction; textiles and garments; manufacturing; import and export; wholesale and retail; hotels and catering; transport and communication; financing, insurance, real estate and business services; and community, social and personal services.]

"Such a step would have two main effects. First, it would give every single worker in Hong Kong the opportunity to elect to the Legislative Council a Member to represent

Policy Speech. cont'd page 4

Beijing would take unilateral drastic actions with regard to both the political system and the proposed airport before and after 1997. Lu also alleged that the Chinese and British governments had agreed in writing in 1990 to preclude the kind of development now proposed by Patten. Diplomatic correspondence dating from 1990, published by the Hong Kong government in response to Lu's allegations, however, does not substantiate Lu's point although it does suggest a consensus to restrict democracy.

In spite of the continued outpouring of attacks against Patten's proposals and against his person by Beijing officials and pro-Beijing politicians and newspapers in Hong Kong, support for the governor remains high among Hong Kong people. Opinion polls conducted in Hong Kong after his visit to Beijing continue to show that a clear majority

approve of his proposals and his performance, and insist that he carry on with them even at the risk of offending the Chinese government. A telephone survey of inhabitants across the border even found that Patten enjoyed higher ratings there than their own provincial and municipal government leaders.

Prior to delivering his policy address, Patten had flown to London to secure the blessing of Prime Minister John Major. The opposition parties in Britain have also given him their backing. By mid-November, the Canadian, Australian, and U.S. governments had publicly stated their support for greater democracy in Hong Kong.

Canadian support was reiterated by Prime Minister Mulroney and External Affairs Minister Barbara McDougall when they met with Patten during his visit to Canada 11-14 November [see **Governor Patten Visits**

Canada, p. 5]. At a news conference following an official luncheon in Toronto hosted by Mrs. McDougall, she affirmed, "We back the proposals Governor Patten has outlined in his policy speech of Oct. 7 and wish him every success in his negotiation with China." On 16 November, U.S. State Department spokesman Mr. Boucher issued an official policy statement expressing support of Patten's proposals which "represent a constructive approach to the goal of the democratization in Hong Kong, a goal which the U.S. strongly supports." This objective is "not inconsistent with the 1984 Sino-British Joint Declaration." The *New York Times* also editorialized [October 10 & 31] in favour of the general direction of the proposals.

Meanwhile, Lu Ping on his part travelled to the U.S. from 5-11 November, at the invitation of the National Committee on U.S.-

Reaction. cont'd page 4

him or her at the workplace. Secondly, by encompassing all occupations, we will ensure broad representation in the Legislative Council.

"These arrangements would result in the franchise of the 30 functional constituencies being extended to all eligible voters in our working population of 2.7 million.

Stronger Local Administration: "I come, fourthly, to the extremely important role of District Boards and Municipal Councils.... I intend...that the [District Board] responsibilities, functions and budgets should be expanded in 1993 so as to give them greater responsibility for the issues which affect the residents of their particular districts.... We will...give District Boards full authority in managing funds for minor environmental improvement projects, local public works projects and community building activities....

"As from 1994, I propose that all [DB] members should be directly elected, with the exception of ex-officio members in the New Territories. We should similarly increase the number of directly elected seats on the two Municipal Councils....we should abolish the appointed seats....

Overall Objectives: "In shaping this package, I have tried to build on existing institutions and to give them a broader base

of support.... What I have tried to do with these proposals is to meet two objectives which I understand represent the views of the community – to extend democracy while working within the Basic Law. All the proposals I have outlined would, I believe, be compatible with the provisions of the Basic Law. What these arrangements should give us, therefore, is a 'through train' of democracy running on the tracks laid down by the Basic Law....

"I repeat once again our goal – 'one country, two systems.' What does that mean in practice? It means a prosperous China, made more prosperous still by the contribution of a vigorous, tolerant and open Hong Kong. We should look towards the fifty years beyond 1997. They will be even more successful than the fifty that went before. They will see our own system and our own way of life – which you made and of which all of us are part – surviving and flourishing because it works so well, because it embodies values we all hold dear, and because of the example of decency and success that it offers to the rest of humanity."

In addition to these significant proposals on constitutional development, the Governor also announced ambitious programs for improving services in social welfare, social security, education, health, public housing, environmental protection, and law and

order. His specific plans included retraining programs for displaced workers in older industries; the improvement of school standards with better trained teachers, smaller class sizes and whole-day schooling in new primary schools; improving welfare services such as an overhaul of the Social Security system and improvement of benefits, residential care for the disabled, and special attention to needs of the elderly.

He announced increased spending plans for health and hospital services with the priority on better patient care and shorter waiting periods for treatment, specialized health centres for the elderly, "well-woman" clinics for females over 45, and better hospital and out-patient care for the mentally ill. He promised a substantial increase in public housing and the rehousing of urban squatters on government land. His proposals for a cleaner environment included the closing of older urban landfills, better disposal of solid waste and toxic industrial waste, and a major program of capital works (HK\$3 billion) for the building of a new sewage treatment system. The Government also promised an increase of 800 police officers and the strengthening of cooperation with Chinese authorities to suppress cross-border crime. Finally, Governor Patten called for not only an increase in but a greater accountability of government in the provision of its services.

Reaction, cont'd from page 3

China Relations, and made use of the opportunity to argue against the introduction of democracy in Hong Kong after one and a half centuries of colonial rule without democracy.

Back in Hong Kong, the Business and Professional Federation, a lobby made up of certain members of the business elite, issued a statement in favour of "convergence" with the Basic Law and against the new constitutional proposals. Many of the most important segments of the business community, however, refused to take part in this action, and the statement was quickly denounced by other business leaders as representative of only certain interests. At the same time, a semi-official representative of the Taiwan government in Hong Kong remarked that if Beijing could not tolerate the Patten proposals, it certainly would find it even harder to accept, under Beijing's formula of "one country, two systems" for national unification, the more democratic system existing in Taiwan.

Within the Hong Kong community, some forty social, occupational, religious, human rights, and service groups began to organize public support for the proposals, through political advertisements, press conferences, public meetings, and demonstrations outside the New China News Agency. Their opponents labelled the proposals as a colonialist plot which would ruin the stability and prosperity of Hong Kong.

In the midst of the political cacophony, the Hang Seng Index of the Hong Kong Stock Market continued to rise after Patten's policy address in early October. By mid-November, it had gained nearly 1000 points to reach historic heights at 6447. It dropped more than 450 points in two days after Chinese Deputy Prime Minister Zhu Rongji made a statement in London (16 November) which the international press interpreted as a threat to abrogate the Joint Declaration. However, the Index stabilized in the 5800s when the Chinese

Embassy in London issued clarifications that such a threat was never made.

On 11 November, the Legislative Council voted 32 to 21 in favour of a motion to support Patten's proposals in general principle. The vote took place after a heated marathon debate between most of the elected members on one side, and pro-Beijing and conservative business interests (appointees of previous governors) on the other side. So Patten enjoys both popular and representative backing in Hong Kong, as well as international moral support. He has appealed to Beijing and to the conservative Hong Kong business groups to make concrete counter-proposals, so that the Hong Kong public could decide in an open and rational process what kind of future government it wants.

No other proposals have yet appeared. However, there is no doubt that the drama will continue to unfold in the months to come.

Governor Patten Visits Canada

The Governor of Hong Kong, the Rt. Hon. Christopher Patten, visited Canada from 11-14 November to mark the official closing of Festival Hong Kong '92. His itinerary included a two-day visit to Vancouver and one day each in Ottawa and Toronto. During his stay in Vancouver, 11-12 November, Mr. Patten met with the Lieutenant Governor of British Columbia, the Hon. David Lam, and Premier Michael Harcourt. On Remembrance Day (Nov. 11), Governor Patten laid a wreath at the cenotaph in Victory Square to pay tribute to Canadian soldiers who helped defend Hong Kong during World War II. Other Vancouver events included a gala dinner, tour of Chinatown, and a visit to the Dr. Sun Yat-sen Garden and the Chinese Cultural Centre. On the evening of 11 November at the **Gala Benefit Dinner** which closed the festival, Governor Patten spoke of the similarities and growing ties between Hong Kong and Canada. He concluded by referring to this special relationship of Hong Kong people to Canada and to the rest of the world:

"Through the Festival, you have been able to experience the best that Hong Kong has to offer – the cream of Hong Kong's talent in music, in the theatre, in film, in fashion, in food and in sport. In all these areas, Hong Kong today is notching up astonishing achievement – and exporting them to the world.

"It is all these things – as much the attributes, like a free press, like freedom of speech, like freedom of worship, of a free society – that together add up to Hong Kong's 'way of life.' A way of life spelt out in paragraph after paragraph of the Sino-British Joint Declaration....

"Implementing the Joint Declaration is, of course, a task for Britain and China. But it is

good to know that we do so with the goodwill of our friends in Canada. And that we do so with the friendship between our people in finer fettle today than it has ever been – a friendship made more intimate and less distant by the advent of modern communications.

".... as I close this Festival it is not fanciful to speak of our having constructed something of a "Bridge across the Pacific" – a bridge between this great land and a rock in the South China Sea, a bridge of which our forebears who crossed the Pacific in their sailing ships would surely and rightly be proud."

Mr. Patten met with Prime Minister Brian Mulroney in Ottawa on 13 November, after which the Governor presented the official gift from Hong Kong to the people of Canada: a traditional 12-metre dragon boat, specially made for this occasion. It has been donated to the National Museum of Civilization in Hull. The Hong Kong-Canada Business Association and Ottawa-Carleton Board of Trade hosted a luncheon, and Mr. Mulroney held a dinner for Mr. Patten the evening of the 13th.

Governor Patten arrived in Toronto on 14 November and met with the Secretary of State for External Affairs, Mrs. Barbara McDougall. She stressed Canada's support in principle of Patten's proposals for more democratic reforms in Hong Kong [see, excerpts from his **Policy Speech**, p. 1-4]. At a luncheon hosted by Mrs. McDougall and later press conference, Governor Patten reiterated his call for a "period of quiet and calm reflection" on the proposals: "I very much hope we can move beyond the recent rhetorical phase of the debate and have a rather calm discussion about the political options for Hong Kong's future."

He also stressed that it was important for Hong Kong people to stand up for their own system and values: "It's that way of life which is described in the Joint Declaration, the values of an open and tolerant society whose values helped to make it more prosperous and more stable. The way of life which is described in such detail in the Joint Declaration comprises our system – one of the two systems in that historic concept, 'one country, two systems.' We have by definition to stand up for our system. We have to stand up for it after 1997 and, of course, ...before 1997 as well....if we won't stand up for it now, what chance that people will stand up for it in the years ahead?"

His visit concluded with an afternoon reception at the University of Toronto, hosted by President J. Robert Prichard and attended by academics, community leaders and Hong Kong students. Stressing the educational ties between Canadian and Hong Kong universities, President Prichard was impressed by Patten's recent recommendation to increase research funding to tertiary institutions in Hong Kong by over 20% a year. Governor Patten concluded his remarks on the importance of these educational connections with the statement that the test for the success or failure of his proposals for democratic reforms would be whether the life style and freedoms now existing in Hong Kong could be sufficiently guaranteed for the future. In particular, this success would be revealed by the choice of a large number of students presently studying in Canada to permanently return to Hong Kong.

Canada Celebrates Festival Hong Kong 92

by Janet Rubinoff
Toronto

The month-long **Festival Hong Kong 92** was celebrated with numerous events in five cities across Canada during September-October. Opening ceremonies took place on 25 Sept. in Montreal, 26 Sept. in Toronto, 1 Oct. in Calgary, 6 Oct. in Ottawa, and 10 Oct. in Vancouver. A colourful 500-foot dragon parade launched the festival in downtown

Toronto, and the celebration concluded in Vancouver on 11-12 November with the visit of Hong Kong Governor Christopher Patten [see above].

Each of the five participating cities – Toronto, Ottawa/Hull, Montreal, Calgary and Vancouver – sponsored numerous exhibits, special performances, local cultural and

social events, sports and food demonstrations, as well as business and educational seminars, to emphasize the close relationship between Hong Kong and Canada. More than 50 events were planned across Canada and over 400 performers took part. Initiated by the Government of Hong Kong, it was their

Festival, cont'd page 6

largest overseas promotion. It was held in reciprocation of Festival Canada in Hong Kong, which was sponsored by the Canadian Government in June 1991.

As part of the promotion several groups were brought from Hong Kong to perform in different cities across Canada. These included the **Hong Kong Ballet** which performed in Calgary (Oct. 10-11) and Vancouver (Oct. 14-15); the **Hong Kong Dance Company**, which appeared in Toronto (Oct. 1-2); the **Chung Ying Theatre Company** which toured Toronto (Oct. 9-10), Montreal (Oct. 13-14), and Vancouver (Oct. 17-18); the **City Contemporary Dance Company** coming to Ottawa (Oct. 14) and Montreal (Oct. 17-18); the **Hong Kong Academy for the Performing Arts** performing in Calgary (Oct. 13-14) and Ottawa (Oct. 19); the **Hong Kong Chinese Orchestra** playing in Toronto (Oct. 7-8) and Vancouver (Oct. 11-12); the **Hong Kong Youth Chinese Music Instrumental Ensemble** (Sept. 28-29) and the **Hong Kong Festival Children's Chorus** (numerous occasions, Sept. 26-Oct. 2), which both performed in Toronto. **Hong Kong Film Festivals**, featuring a number of Cantonese films and a special tribute to director Sylvia Chang, were held in four places - Vancouver, Toronto, Montreal and Ottawa.

A variety of **special exhibits, demonstrations and store promotions** were also held in each city. Food and cooking demonstrations were presented in four centres - Vancouver (Oct. 3-4 & 17-18), Toronto (Sept. 25-Oct 5 & Oct. 3-4), Ottawa (Oct. 8-19), and Montreal (Oct. 7-11). A number of local restaurants in each of these cities also participated in a "dine around festival of flavours." Art exhibitions featuring Chinese theatre as well as crafts and contemporary works were held in Vancouver (Canadian Craft Museum, Vancouver Museum, the UBC Museum of Anthropology, and the Chinese Cultural Centre) and Toronto (ROM). The Chinese coins & currencies exhibit of Hang Seng

Bank toured Toronto, Ottawa and Vancouver. Sports demonstrations, such as table tennis, badminton, and martial arts, were featured in all five locations. Photography exhibits focused on scenes from local Chinatowns and Chinese communities in Canada as well as Hong Kong.

Business seminars and trade shows were a key component of festival events in each city. Several of these meetings, held on Oct. 2 in Calgary and Oct. 19 in Ottawa, were organized by local chapters of the Hong Kong-Canada Business Association and Canadian Chamber of Commerce. The Sept. 30 seminar in Montreal was also co-sponsored by the Asia Pacific Foundation of Canada (APF).

In Toronto (Oct. 1) and Vancouver (Oct. 9 & 21) business conferences were organized by the Hong Kong Trade Development Council in conjunction with other local organizations, such as the APF. The international business conference in Toronto featured six distinguished government and business speakers from Hong Kong, including the Rt. Hon. Baroness Lydia Dunn, senior member of Exco. A Cantonese Business Seminar was also held on Oct. 2 in Toronto. Barrie Wiggham, the HK Government's Acting Chief Secretary, was the keynote speaker at the trade seminar in Vancouver. Hong Kong business seminars were also held in Victoria (Oct. 22) and Kelowna, B.C. (Oct. 23). A workshop on the "Hong Kong Airport Core Programme" was held in Vancouver Oct. 21.

Special education programmes or conferences on Hong Kong, sponsored by several local universities, were held in four cities. The University of Toronto and York University co-sponsored a week long "Societies in Transition Conference," Sept. 26-Oct. 3. It included public lectures, several keynote addresses, and seven workshops (Biomedical Research, Medicine and Hong Kong on Sept. 26, Education Connections, Sept. 28-29, Societal Issues (Sept. 30-Oct. 1),

Political Transitions (Oct. 1), Business Law (Oct. 1), Legal Issues (Oct. 2), and Hong Kong Visa Students in Canada (Oct. 3). Highlights of the conference also included an Exhibition on Developments in Higher Education in Hong Kong (Sept. 29-30); the signing ceremony of an exchange agreement between the University of Toronto, Chinese University of Hong Kong, and University of Hong Kong (Sept. 28) [see "**Heads of Three Universities Sign Joint Agreement**," p. 7]; and a wrap up panel discussion on Oct. 2 at which the Commissioner for Canada in Hong Kong, John Higginbotham, was a keynote speaker [see "**Change in Canada and Hong Kong**," p. 7].

There were also a number of events planned by the school boards in Toronto, North York and East York. A curriculum package and teaching kit on Hong Kong were prepared by the Toronto Board of Education for distribution to schools. Various workshops were also held for teachers, counselors, and all students.

A two-day Hong Kong Conference on Social and Cultural Dynamics was held in Vancouver (Oct. 16-17), sponsored by the David Lam Centre for International Communication at Simon Fraser University, the Chinese Law Program of the Centre for Asian Legal Studies, UBC, and several Chinese community groups. The conference included sessions on economic, legal and settlement issues as well as on Women of Hong Kong. The last was organized by the Canada and Hong Kong Project. Speakers included several leading public figures from Hong Kong - the Hon. Edward K.Y. Chen, Hon. Moses Cheng, Mrs. Rita Fan, and Hon. Emily Lau. [For further information on the Toronto and Vancouver conferences, see *Update*, no. 7, "Education Programs," p. 4.]

Other education programs in Vancouver included an exhibition and seminar on Hong Kong Higher Education, held at UBC (Oct. 14-15) and a seminar, "Forging Long-Term



Bridge Across the Pacific ■ 越洋聯繫港加情 ■ Pont Sur Le Pacifique

Ties," at Simon Fraser (Oct. 14). A teachers' workshop on "Teaching about Hong Kong" and a "H.K. Teaching Module for BC Teachers" were held on Oct. 17-18 at SFU Harbour Centre downtown.

The University of Calgary held a two-day mini-festival entitled "Opportunities," on 13-14 October. In addition to arts, sports and cultural displays, there were several seminars, such as on tourism and Hong Kong airport developments. An Education Programme and luncheon was presented on Sept. 26 in Montreal at the Ministry of Education. Over 30 professors and teachers participated in sessions which focused on the unique character of the history, geography, and the social and business culture of Hong Kong, as well as on the immigration of Hong Kong people to Quebec.

In addition to the above, each festival city

offered a variety of **special local events** for the entire community. Gala benefit dinners were held in all five locations. **Calgary's** festival program included dragon boat races (Oct. 3), a Chinatown Carnival (Oct. 10-12), and a production of *M. Butterfly* (Sept. 13-Oct. 11), with a guest actor from Hong Kong. In a special ceremony Nov. 13 at the Museum of Civilization in **Ottawa/Hull**, Governor Patten presented the official gift to Canada of a dragon boat from Hong Kong, which will be on exhibit at the Museum. **Montreal** featured a painting exhibit (Sept. 10-Oct. 25) of the works of Ming Ma, a Monkey King Mascot promotion during the month of October, a seminar on film and T.V. co-production (Oct. 5; also presented in Toronto and Vancouver), fashion show (Oct. 5), and a conference on Hong Kong Architecture (Oct. 15).

Special community events in **Toronto** and

nearly suburbs included the Chinese Celebration Day at Harbourfront (Sept. 27), a Hong Kong Carnival at Metro Convention Centre (Oct. 3-4), downtown Chinatown Celebration (Oct. 3), Scarborough Lantern Festival (Sept. 29), Fun Day Festival in North York (Sept. 27), the Markham Hong Kong Festival Fireworks Celebration (Oct. 4), exhibitions in Brampton and Mississauga (Sept. 26), Harvest Festival at the Mississauga Chinese Centre (Sept. 27), and Festival Hong Kong in Etobicoke (Oct. 4).

Vancouver celebrated "Hong Kong Weekend" at Granville Island (Oct. 3-4), a series of "Friendship Dinners" at various schools, "Pan Pacificus: a Celebration" of the Vancouver Sinfionetta, and on Nov. 11 the concluding Gala Benefit Dinner with Governor Christopher Patten as special guest and speaker.

Heads of Three Universities Sign Joint Agreement

On September 28, Wang Gungwu, Vice-Chancellor of the University of Hong Kong, J. Robert Prichard, President of the University of Toronto, and Charles K. Kao, Vice-Chancellor of The Chinese University of Hong Kong, signed a partnership agreement between the three universities. The result of prior years of cooperative exchanges, this formal agreement includes collaboration in research, faculty exchanges, and graduate studies.

The signing ceremony and reception took place at Massey College, U. of T., in conjunction with the University Education Programme of the recent Festival Hong Kong 92. The university heads felt that Festival Hong Kong was an opportune event to formalize and strengthen the existing academic

relationships between their institutions. This agreement will serve as the basis of a commitment to foster fruitful and lasting bonds between scholars, students, and the wider communities in both Hong Kong and Toronto.

Both the president and vice-president, research and international relations, of the University of Toronto will be travelling to Hong Kong in early December. The main purpose of their visit is to further academic relationships with the University of Hong Kong and Chinese University as outlined in the joint agreement, to meet with U. of T. alumni, and to promote development activities. Scheduled to visit Hong Kong from 1-5 December, President Rob Prichard plans to speak at the Faculty of Law (HKU), the Canadian Chamber of Commerce, and a recruitment function for high school principals. Vice-Chancellor Wang Gungwu, President Prichard, and Vice-Chancellor Charles Kao will be featured speakers at a reception of the University of Toronto Alumni Association.

Vice-President James Keffer will be in Hong Kong from December 5-10 to continue talks with the two Hong Kong universities on the implementation of the joint agreement. He will also present a paper on Technology Development and the Role of Higher Educational Institutions at a conference on the Integration of Knowledge and Technology Transfer, sponsored by the Hsu Chung Ching Education Foundation of Hong Kong.



Vice-Chancellor Wang Gungwu (HKU), President J. Robert Prichard (U of T), and Vice-Chancellor Charles Kao (CU) sign joint agreement; photo by Linda Hutjens.

Change in Canada and Hong Kong

by John Higginbotham
Commissioner for Canada in Hong Kong

In his keynote speech October 2 at the conclusion of the **Societies in Transition Conference**, Commissioner John Higginbotham provided a personal view of the historical causes, startling differences, and surprising parallels that have led to the special closeness that is growing between Canada and Hong Kong.

In particular, he drew strong parallels between Canada and Hong Kong. He spoke about the similarities between the two societies in historical evolution and in aspirations for the future. Canada and Hong Kong share a British tradition, and they also have similar traditions of bilingualism, multi-culturalism, and cosmopolitanism. They both value an open press, the common law, an efficient public service, and a balance between public and private sectors. Both societies were shaped by migrants fleeing from revolution; their preferred solution to problems is pragmatic compromise. Neither is given to strong ideological positions. Both live next to powerful neighbours whose twitches and grunts can be disturbing. Both are conservative, cooperative, moderate, and tolerant. Hong Kong is a comfortable place for Canadians as Canada is for people from Hong Kong.

Higginbotham, cont'd page 8

The two societies are now confronting common global, economic and social challenges and distinctive political tests, e.g., 1997 and Canadian constitutional evolution. Both rely heavily on international trade and have to make their way in a competitive world. They must do this while maintaining the aims they share: a free society, a good place to raise children, a decent and honest society, with a responsible government.

Both communities have great strengths in terms of values and institutions in handling change. Canada and Hong Kong are twenty-first century laboratories for the world in terms of balancing and reconciling rights and identities in a pragmatic way. The human links being forged between the two places are robust, complex, mutually reinforcing and will transcend short-term political change.



Members of the panel which closed the Societies in Transition Conference: from left to right Dora Choi (Chinese Univ.), Ming K. Chan (Hong Kong Univ.), Byron Weng (Chinese Univ.), Commissioner John Higginbotham, Janet Salaff (U. of T.), Cheuk-yan Lee (HK Conf. of Trade Unions), and Sidney S. Poon (Q.C., Toronto). Photo by Iris Chung, Sing Tao.

Legco Delegation Visits Canada During Festival Hong Kong

From 25 September to 3 October, six members of Hong Kong's Legislative Council (Legco) visited Canada at the invitation of the Canadian Branch of the Commonwealth Parliamentary Association, chaired by Senator William Doody. The purpose of the visit was to introduce Legco members to Canadian parliamentary procedures. The invitation was also a response to the visit of Canadian parliamentarians for Festival Canada in Hong Kong in June 1991.

Members of the Legco delegation included Fred Li Wah Ming, Hui Yin-fat, Lau Chin-shek, Allen Lee Peng-fei, Albert Chan Wai-yip, and Vincent Cheng Hoi-chuen. Mrs. Shelley Lau, JP, Secretary General of Omelco, also accompanied the Legco members. The group spent two days in Ottawa (Sept. 28-29), meeting with a number of parliamentarians as well as government representatives.

Their agenda included talks with the Hon. John Fraser, Speaker of the House; the Hon. John Bosley, Chair of the Commons Standing Committee on External Affairs and International Trade; the Hon. Guy Charbonneau, Speaker of the Senate; and John Tennant, Director, North Asia Relations, External Affairs and International Trade Canada. The schedule also included a meeting with the Canada-Hong Kong Parliamentary Friendship Group, a roundtable discussion on Canada-Hong Kong relations with members of External Affairs, a briefing with Elections Canada, and dinner with Canadian parliam-

mentarians. The Canada-Hong Kong Business Association hosted a luncheon for the delegation, at which Allen Lee delivered an address on political and economic development in Hong Kong.

In Toronto the Legco delegation toured Queen's Park and met with several members of the Ontario Legislature, including the speaker, Hon. David Warner. In addition, the six Legco members participated in a number of events for Festival Hong Kong both in Ottawa and Toronto, including attendance at the opening ceremony in Toronto on 26 Sept., the gala dinner, business seminars, meetings with students at U. of T., the Hong Kong Carnival, and a reception with Premier Bob Rae at the Royal Ontario Museum.

The Legco delegation was part of the new Canada-Hong Kong Parliamentary Friendship Group, formed last July to promote linkages between Canadian and Hong Kong legislators. The Parliamentary Friendship Group is chaired in Canada by the Hon. William Blaikie, MP; its vice-chair is the Hon. Girve Fretz, MP. Allen Lee serves as convener of the Group in Hong Kong. Membership in the CHKPGF includes 39 Legco members as well as a number of Canadian MPs. This is the second "international" parliamentary group formed by Hong Kong's Legislative Council. The first group was established with members of the Japanese Parliament, and a third group is planned with Australian parliamentarians.

Changing Patterns of Immigration from Hong Kong

by Diana Lary
UBC, Vancouver

Some major shifts which will influence future patterns of immigration from Hong Kong are emerging. There seems to have been a considerable fall in the number of applications being made by Hong Kong people to move to Canada. In 1991 14,500 applications were made world wide by people whose last permanent residence was Hong Kong; the number of people covered by the applications was 46,214. In the first half of 1992, only 3,567 applications were made, for 9,794 people.

Immigrant Applications, CLPR Hong Kong, by place made

Year	Hong Kong	Elsewhere	Total
1989	15930 91%	1570 9%	17500
1990	12912 86%	2156 14%	15068
1991*	12251 84%	2249 16%	14500
1992	2449 69%	1118 31%	3567

*These figures are higher than those cited in our last Update since the earlier figures were incomplete at that time.

The major decline in applications seems to have been in Hong Kong itself. Of the 3,567 applications made in the first half of 1992, 1,118 were made in places other than Hong Kong, or 31% of all applications, as opposed to 2,249 of 14,500, or 16% in 1991. Of the 1992 applications, 1,704 were made in the USA, 63% of those not made in Hong Kong. In 1991 the figures for applications made in the USA were 1,549 of 2,249, or 69%.

Though the number of applications has declined dramatically, this decline will affect future immigration. It has not yet had any influence on current immigration. In fact, the number of visas being issued has not declined nor has the number of landings in Canada. In 1991 and the first half of 1992, the numbers of visas issued continued at very high levels. The first half figures for 1992 seem to show that the trend over 1991 is upward.

**Visas Issued to Hong Kong Residents
(CLPR HK)**

1989	22130
1990	22566
1991	29620
*1992	18502

*The final figures for 1991 are higher than the figure (26,647) published in the last Update. The 1992 figures are for the first half of the year only.

A large number of visas are being issued to Hong Kong residents at posts other than Hong Kong. In fact, 12.3% of 1991 visas and 13.8% of 1992 visas were issued in places other than Hong Kong. Most of these were issued in the USA. In 1991, 2,971 of the 3,643 visas not issued in Hong Kong were dispensed in the USA (82%). In the first half of 1992, the comparable figures were 1,877 of 3,107 (60%). Many of these visas were probably sought by people already in Canada as visitors, who went south of the border for convenience, but others may have been made by people who wanted to avoid the lengthy processing time in Hong Kong. Some statistics, for places other than the USA, are harder to understand. For example, who were the two families from Hong Kong whose immigrant visas for Canada were issued in Bogota in 1992?

Landings in Canada in 1991 and 1992 continue to be high. The 1992 figure is for the first six months of the year only. If landings continue at the same level for the rest of the year, then the rate of landings is increasing rather than declining. These figures represent people who applied for immigrant visas in 1989 or 1990 and received their visas in 1990 or 1991. Successful applicants have up to one year after their application is approved to land in Canada.

Landings in Canada (CLPR HK)

1989	19962
1990	29266
1991	22339
*1992	19411

*This figure is for the first six months of 1992.

All statistics are from the Immigration Statistics Division, Employment and Immigration Canada.

Life Style Changes of Immigrant Women from Hong Kong

by Wendy Tang
Hong Kong

In March 1991, as part of my sociological studies at the University of Toronto, I conducted research on immigrant women from Hong Kong. My study involved extensive interviews with ten immigrant women about changes in their life styles after migrating to Canada. In general, the data confirmed that these women from Hong Kong experienced life style changes which involved increased work (either at home or outside), less leisure time for entertainment, and fewer luxuries. Reasons given for these changes were the burden of additional housework due to the expense of domestic help in Toronto or lack of support from an extended family, fewer relatives and friends in Canada with whom to socialize, and little extra money for entertainment.

Five respondents felt they spent far greater time than in Hong Kong at domestic chores, which included tending their family and housework. Four of these women had hired migrant domestic helpers from the Philippines when they lived and worked in Hong Kong. As one complained, "I am now mother, working woman, and domestic helper, all rolled into one." One interviewee had experienced little change in the amount of domestic labour because her mother, who had cared for her child in Hong Kong, had also migrated to Canada.

However, four other women confirmed that they spent more time in their outside occupations, either because of increased financial needs or as a result of a change in the nature of their jobs. Two of these women were working long hours in restaurants, another laboured as a housemaid in order to supplement family income, and a fourth had a better and more lucrative job than the one she had in Hong Kong but it necessitated working overtime.

Loss of domestic support seemed to be a particularly crucial variable affecting life style changes of the respondents. Lack of adequate or affordable domestic help was cited as a reason why many of these women had lowered their career expectations or refocused their priorities in life. The most obvious case was that of a woman with a master's degree. Although she had a position "compa-

rable" to the one she held in Hong Kong, she felt "semi-retired" and had decided that she could not be "as ambitious in her work" as she was in Hong Kong. Every morning on her way to work, she had to drive her daughter to daycare and pick her up again after work. Unlike her situation in Hong Kong where her Filipina domestic helper fetched the children from school, she now felt "leaving the office on time" had become her major concern.

Another interviewee, who was more affluent, had decided to become a full-time homemaker and not "relegate" her children to daycare. She reasoned that since the family's immigration was for the future of the children, she should do her utmost to enhance her children's chances for success in Canada. She believed that the academic achievement of her children would "more than compensate" her personal "loss." Thus, she kept herself busy tending the house and doing volunteer work in her children's school - what she conceived as the lifestyle of a "typical North American, suburban housewife."

Of the ten interviewees, there was only one whose job status had risen in Canada, and she had no children. Though she does not have a university education, she is very self-confident, and as she expressed it, "A good driver is a good driver no matter where she drives, right?" However, she readily admitted that her opportunity for a career would be diminished if she decided to have a child.

Many of these women preferred to live in Chinese communities like parts of Scarborough, not because they wanted to create "a little Hong Kong," but in order to compensate for the support network they have lost - their extended family, friends, and a familiar and unthreatening cultural habitat. As one woman lamented, in her first year here she had to "relearn everything," and she was grateful there is a Chinatown and for the many Chinese friends she came to know in her neighbourhood.

Some of the subjects chose to live in outlying communities of Toronto simply because they have family there. Especially for immigrant women who do not speak English, as

Visa Students' Experiences in Canada

The following excerpts are from two student essays written for the curriculum package on Hong Kong and compiled for the Toronto Board of Education this September 1992. Both essays are from visa students attending public secondary schools in Toronto. We are grateful to Arlene Tanz, Coordinator of the Social Studies Department, Curriculum and Program Division, for allowing us to reprint these essays.

"A Visa Student's Life in Toronto" by Shuki Mo

I have lived in Canada without my family for half of a year, and I have begun a new life because I am here alone.... I am 18 years old. I am the youngest child in my family. Since I have already graduated from secondary school in Hong Kong, 26 equivalent Ontario Secondary credits have been given to me. Therefore, I only need to complete 6 more OACs [Ontario Academic Credits] including English to be admitted to university.

In order to go to University, I came to Canada to be a visa student. ...but why would

I choose to study in another country? I can learn English better and I can become independent.....

During my first class, I found that I needed to face a great problem - language. Although I have been learning English since kindergarten in my country, I was not able to talk to people. I could not really understand what people said or express what I wanted to say. This was especially difficult in my English class; my limited knowledge about Canadian society almost excluded me from the discussions. Eventually I lost interest studying in the class. Finally, I ended up failing the course!

This is the first time I have to leave my family and live in another country alone. I am learning how to take care of myself. I have to plan my daily life because I must do both homework and housework after school. Nobody would help me! Sometimes, I would forget to have dinner because of studying. Anyway, I feel I have done quite well in learning to live an independent life.

In the last year, I have improved my English. I can communicate to people much better now. I am trying to speak English more. So I have less difficulties in the language. I passed the upgrading course ESL4A7 at summer school. It really gave me confidence for learning English.

I will study at high school for one more year even though I got six OAC credits already. I cannot go to university yet. It is because my poor English would be the biggest handicap in my higher education....

After I finish university, I will go back to Hong Kong because it is quite difficult to find a job in Canada.

"One Year in Canada as a Visa Student"

by Frederick Lee

I am 19 years old. I come from Hong Kong. So far I have lived in Canada for about one year. I have learned and grown a lot over the last year.

When I was 18, my parents asked me if I wanted to go to Canada to study. I felt very happy. On the other hand, I was worried because the Canadian school fees are very high for one year. I know it is not easy for my

parents to earn the money. They have decided for me to acquire a good education and to have a good career in the future.... When I finish my education I will go back to Hong Kong. I don't want to stay in Canada. I love Hong Kong more than Canada. I don't mind about China taking over Hong Kong on 30 June 1997. I think that the British is only interested in material gains.

On 4 June 1989, nobody believed that the Chinese Government would shoot the university students. I know that the Chinese Government was wrong, but we could not stop it. I think that after 1997 Hong Kong's economy would be the same. At that time I will go back to find a job and stay there.

Hong Kong is a good place. People there work so hard and they never seem to stop! I believe that China's governing of Hong Kong will be similar to Britain's for a long time to come. It may be better than before. Hong Kong citizens are afraid that China will make them conform to the way that China has been ruled, and the economy would decline. However, I would like to protect our country by participating in the work force.

Many differences exist between Canada and Hong Kong. There are four distinct seasons in Canada. In Hong Kong, we do not have such sharp seasonal changes - the colourful fall and the white snow.... Toronto is a city full of immigrants, and they speak their own languages and live their own cultures.

Last week I joined the Toronto Board of Education Orientation Program for International Students, even though I have been going to school here for a year. It was wonderful. I had the opportunity to meet and make friends with other foreign students like myself.

I am renting a room in a rooming house near Christie subway station. I have to manage my own budget, cook, clean, study, and decide on everything that affects my development and progress in life. My parents cannot help me or look after me because they are too far away. I miss my family terribly. It's a lonely life for me, but I'm also learning independent living skills.

Women, cont'd from page 9

was the case with two interviewees, the presence of the surrounding Chinese community "makes life bearable." Of vital concern to these women is the quickness or extent to which their ESL English classes will assist them in getting out of "demeaning jobs" or their present "immobility."

For those in this sample who are young and well-educated, moving to Canada still meant revising their expectations and re-focusing their priorities. Inevitable changes in lifestyles have occurred. Many now spend more time on housework and childcare at the expense of compromising their career goals. At the same time, because of their own experience of dislocation and insecurity, these women tend to make extra efforts to ensure the future success of their children. Thus, they take them to a number of Saturday enrichment classes, including Chinese language, computers, and "Kumon," or Japanese style drilling in mathematics.

The Asia Pacific Foundation of Canada sponsored a 9-day Ontario tour in November of the musical play, *Canadian Stories*, the first national tour of the Vancouver Youth Theatre. The play explores the thoughts, feelings and impressions of young immigrants to Canada. What makes this original work so compelling is that the tales it dramatizes are all true, coming from the stories of young, English-as-a-Second-Language students who have recently moved to Canada. The performers in the play range in age from 13-20, several of whom are recent immigrants themselves. As well as their production at the Harbourfront Centre Premiere Dance Theatre in Toronto, the group also performed at a number of elementary and high schools in the Metro area.

As Graeme McDonald, President of the APF, writes, "Canadian Stories allows us to hear and see the anguish, the humour and frustrations of newcomers trying to make Canada their home. It puts a human face on the issues of confronting racism and culture and racial diversity within Canada – issues vital to the social and economic fabric of Canada.

"We believe that the message and spirit behind each of these stories represent the tremendous human resource that Canada gains when people from the Asia Pacific region and other parts of the world decide to make Canada their new home."

Specializing in creative "playbuilding," the Vancouver Youth Theatre has been invited to Japan, Australia and Europe. This trip marks the first time the VYT has performed in other parts of Canada outside British Columbia. During the summer of 1991, the group also toured *Canadian Stories* through the United Kingdom. Having won awards in Japan and most recently the Canadian Secretary of State Award for Excellence in the Field of Race Relations, the VYT present a memorable work in *Canadian Stories*, which portrays the resilience, endurance and hope of young people. Carole Tarlington is the Artistic Director of the play, and John Sereda is its Musical Director. For more information, please contact: Vancouver Youth Theatre Suite 200 - 275 E. 8th Ave. Vancouver, BC V5T 1R9 tel: (604) 877-0678

Crime Wave in Hong Kong

by Kwok-cheung Shum
Hong Kong

Many Hong Kong people are worried by the deteriorating law and order situation since violent crime, armed robberies, and smuggling are still widespread. According to official figures in April of this year, the violent crime rate remained high at 4,418, an increase of 4.2% over the same period last year. Although the total crime rate has dropped slightly from that reported in 1991, this year witnessed a spate of violent armed robberies – 18 in the first quarter of 1992 and double that for the same period last year. (See figure 1.)

Figure 1: Quarterly Crime Statistics (Selective)

	1st Quarter 1992	4th Quarter 1991	1st Quarter 1991
Total crime	20,049	22,398	20,340
Total violent crime	4,418	4,842	4,240
Robbery with firearms	18	17	9
Robbery with pistol-like object	144	133	129

Source: *South China Morning Post*, 25 April 1992.

The new crime wave began in March 1991 when police faced increased smuggling between Hong Kong and China. Smugglers, who possessed powerful speed boat engines (called *tai-fei*), illegally shipped luxury cars and other high-priced consumer goods to Mainland China. Last year the number of

smugglers' boats in Hong Kong waters peaked at 1,447 in one month [SCMP, 21 March 1992]. Most serious is the illegal importation of Chinese lethal weapons into Hong Kong. In June 1991, robbers armed with Chinese-made AK-47 automatic rifles fired about forty shots at police. Hours later masked gunmen simultaneously raided five jewelry stores, exchanging more than thirty shots with police. Five people were injured. In April 1992, robbers used AK-47 rifles and grenades to fight back police in Tai Kok Tsui. Seventeen people were injured, including four police officers [Ming Pao, 25 April 1992].

A number of surveys reflect the concern of Hong Kong people with this wave of violence. One study conducted by the Social Sciences Research Centre of the University of Hong Kong last April found that over half the respondents considered that the law and order situation in Hong Kong had deteriorated [SCMP, 8 May 1992]. Government opinion polls also confirmed this result. Since 1983 the City and New Territories Administration (CNTA) has held a series of telephone surveys to monitor public opinion on perceived problems and the Government's overall performance. Its recent reports show that concern with "crime-related problems" has risen from fifth (6%) to top place (42%), between November 1991 and May 1992. (See figure 2.)

Crime Wave, cont'd page 12

Dragons of Crime Asian Gangs in Canada

An October 3 reception in Toronto marked the launching of a new book on Asian crime gangs in Canada, *Dragons of Crime: Inside the Asian Underworld*, by James Dubro, published by Octopus Publishing Group of Markham, Ontario. Researched over ten years by the author, the book explores the historical development of Chinese gangs in Canada as well as the recent rise in criminal activity of Asian tongs, triads and gangs in Canadian cities. It traces the activities and international connections of these gangs and considers the impact of Hong Kong's return to

China in 1997 on criminal activity in North America. The book is available in hardback (CDN\$28.95) from the Sleuth of Baker Street book store (1595 Bayview Ave., Toronto).

James Dubro is a researcher on organized crime in Canada and has written several books and articles on the Canadian Mafia. His investigation of criminal gangs began in the 1970s when he helped produce and research the CBC's "Connections" television series on organized crime.

Figure 2: Problems Perceived of Most Concern to Hong Kong People

	Nov. 1991	Jan. 1992	March 1992	May 1992
Crime-related problems	6%	8%	16%	42%
Hong Kong future	18%	23%	15%	13%
Economy-related problems	23%	28%	15%	13%
Housing-related problems	24%	13%	16%	11%
Labour-related problems	6%	10%	9%	4%
(No. of respondents)	(935)	(1064)	(1048)	(1079)

Source: Report of an Opinion Poll, from Nov. 1991 to May 1992, CNTA

When asked whether Hong Kong was becoming more dangerous than other big cities, the Deputy Commissioner of Police, John Sheppard, insisted that Hong Kong was still a very safe place to live, but he also recognized that some "vicious thugs" have been imported from China to Hong Kong [SCMP, 10 May 1992]. The China factor makes it more difficult for Hong Kong police to cope with the crime wave. Firstly, many criminals associated with local gangs are illegal immigrants from China. Secondly, firearms used by robbers on the streets of Hong Kong are being smuggled from the Mainland since weapons are now easily available in China or via China from Vietnam. Thirdly, after having committed crimes in Hong Kong, Chinese criminals can flee back across the border.

Recently, Sino-Hongkong cooperation has been initiated to curb cross-border crime. In March Hong Kong police set up a direct 24-hour, anti-smuggling hotline with their Chinese counterparts. After his visit to Beijing in May, the Policy Commissioner, Li Kwan-ha, announced China would establish a "liaison office" in Hong Kong to aid local police to combat crime [SCMP, 10 May 1992]. However, the reaction of Hong Kong people to a Chinese "liaison office" is ambivalent. A survey sponsored by *Ming Pao* [18 May 1992] showed that half the respondents were in favour of the establishment of such an office, while the other half were opposed. On the one hand, Hong Kong people understand that without Chinese cooperation it would be difficult for the local police force alone to check the crime wave. On the other hand, they fear PRC involvement in Hong Kong's law and order system as it may lead to China's intervention in local administration.

Hong Kong in the Mainland Press

by Jane Greaves
Shenzhen

The newspaper pickings in Beijing were slim this past summer; however, that this might be the result of lack of newsworthy events is not the case. Filling the Hong Kong papers are articles on recalculations of the airport budget, bilateral negotiations on airport financing, a change in the airport design, a new governor, and debates over appointments to the Legislative Council (Legco), the 1995 elections, and land used by defense forces. Why there was so little coverage of these Hong Kong events in *People's Daily* and *China Daily* is a difficult question. More feasible is a look at how these issues were presented in the few articles that appeared.

Every few weeks, an article appeared, either in English or Chinese, reiterating China's confidence that the transfer of power will be effected smoothly, provided both sides strictly abide by the Sino-British Joint Declaration and the Basic Law. In one such article, a sentence was added to the last paragraph that mentioned the June meeting of the Sino-British Joint Liaison Group. The main topic of the meeting, the article reported, was the future of lands now used for defense purposes in Hong Kong. Unfortunately, it did not elaborate on what had actually been discussed, whether any decisions had been reached, or whether the issue would be taken up again. This article resembled many others. To the reader, it served as a vehicle for Beijing to reiterate China's commitment to the Joint Declaration and the Basic Law and, by implication, to question Britain's.

The changing of the Governor of Hong Kong in early July merited only three articles. Lord Wilson's departure was covered in a three paragraph review. A second article, on the day of the arrival of the new Governor, published Chris Patten's goals to continue the British government's policy on Hong Kong and to build a constructive relationship with China. Governor Patten's swearing in was covered two days after the event in a third article. In August, *China Daily* reported that Patten will visit Beijing for two days on the 12-14 of October. [This was later changed to 20-22 Oct.]

For an issue so central to the determination of Hong Kong's future political structure, Legco received surprisingly little press. Appointments to Legco and the 1995 elec-

tions were mentioned in only one article in mid-June. Governor Patten's comments and China's rebuttals (or China's comments and Patten's rebuttals), which made daily front page news in Hong Kong, were not even acknowledged by the Mainland press.

The bulk of articles discussed the Port and Airport Development Strategy (PADS). In June the upward revision of the estimated cost of the Chep Lap Kok airport project — an increase of 13.8% in the previous ten months — was a great source of concern in the Mainland press. Reports on the high-level talks between the Chinese and British government, 3-7 July, and the Sino-British Airport Committee meeting, 16 July, maintained China's great concern but also expressed its "positive and supportive attitude toward the construction of the new airport." However, an article on 23 July in *China Daily* did not hesitate to suggest where the responsibility lies on any future delay in PADS:

If the Hong Kong government had undertaken construction of the new airport within the stipulated scope of the memorandum after it was signed, all the concerned projects would have progressed smoothly... the problem now is that new issues have been raised, as the financial arrangements proposed by the British side exceed the stipulations of the memorandum by a large margin.

On 17 August, the Provisional Airport Authority announced an improvement of the layout of the new airport which would trim HK\$150 million off the budget of HK\$175.3 billion. In two of the articles, one in Chinese and one in English, there was a visible "I-told-you-so" attitude: the new layout shows "that the former design is not the 'best design' as some officials had claimed.... this showed the criticism against the former design had good grounds, and it is absolutely necessary to listen to opinions from various circles in the construction of the new airport."

In sum, the few articles that appeared during the summer managed to avoid any in-depth discussion of the issues (except where it was in China's favour). At the same time, the reader of the Mainland press is left with the impression that Beijing does not have complete confidence in the UK's intentions.

China-Hong Kong Legal Relations

by Perry Keller
Faculty of Law
Manchester University

Discussion of legal relations between Hong Kong and China has centred on the Hong Kong Basic Law since its enactment in 1990. Concern has been expressed that after 1997 Beijing will use the interpretation of both the Basic Law and the Sino-British Joint Declaration to enlarge its role in the day to day running of Hong Kong. However, less considered is the fact that the future of Hong Kong-China legal relations is already taking shape. There are an increasing number of activities occurring on both sides, within and outside the government, that are setting ground rules for the future. This article explores the growing network of legal activities that is developing in anticipation of 1997.

Legal cooperation between Hong Kong and the Mainland has been a slow and hesitant affair. Mutual distrust has often brought limited progress to a standstill – for example, the lengthy confrontation between the Hong Kong and British governments and Beijing over the Port and Airport Development Strategy (PADS).

China is concerned that Hong Kong's unfamiliar legal system will be used to thwart the exercise of Chinese sovereignty over the Hong Kong Special Administrative Region. Certainly, these fundamentally different legal systems can be an obstacle to cooperation. Little more than an offshoot of English law, Hong Kong's common law system has begun to develop its own character only in the past decade. By contrast China's legal system, only recently rescued from the oblivion of the Cultural Revolution, is a rapidly changing mixture of indigenous, Soviet, civil and common law concepts.

However, Chinese apprehensions in no way compare to the deeper fears of Hong Kong residents towards the state of law in the Mainland. In spite of China's impressive annual output of new laws and regulations, many Hong Kong Chinese remain to be convinced that anything remotely approaching the rule of law exists across the border. Too often it seems that it is the word of a Party leader that is the law. Yet, in the face of this hostility, necessity is forcing a change of attitude regarding the role of law in Hong Kong-China relations. Recent developments show a growing acceptance that, however difficult cooperation may be, a working legal relation-

ship is an inevitable part of the transition to Chinese rule.

Hong Kong's changing legal relationship with China can be detected in four areas: the transfer of sovereignty, preparation of the Hong Kong legal system for 1997, the impact of Hong Kong laws and regulations on the PRC legal system (especially southern China), and the role of private individuals in the development of cross-border legal relations. First, at the level of grand politics is the transformation of a British crown colony into a Chinese Special Administrative Region (SAR). This involves the gradual demarcation of the limits of Hong Kong's autonomy within the PRC and in its relations with the rest of the world.

In this area the spotlight has been on the negotiations between Britain and China conducted through the Joint Liaison Group, a body established under the Joint Declaration. Progress on many issues has been slow. Interrupted after the Tiananmen massacre in 1989, these negotiations have frequently been bogged down by disagreements. For example, in the area of civil air services agreements between Hong Kong and foreign states, it has yet to be resolved whether the civil air link with Taiwan is a domestic issue falling under Beijing's authority or an international issue falling under Hong Kong's limited authority in international matters. Other outstanding issues have not reached the point of substantive negotiation between Britain and China. As time runs out, it is clear that some will remain partially or even entirely unresolved.

Among the latter are the sensitive questions of recognition and enforcement of Chinese civil judgments in Hong Kong as well as rendition (domestic extradition) of criminal suspects to the Mainland. Recognizing and enforcing foreign judicial decisions necessarily involves a degree of trust regarding the reliability of those judgments. Consequently, nations have historically been restrictive in the terms and conditions they set for the acceptance of foreign judgments. Hong Kong, as a British colony, has largely limited its acceptance of judgments to those of other common law jurisdictions.

However, as a future part of China, the territory can no longer be so choosy. Beijing

has indicated that a judicial decision made anywhere within China against a Hong Kong party should be enforceable within Hong Kong and vice versa. In the Chinese view, this is an inevitable consequence of unification. The difficulty for Hong Kong lies in the manifest weaknesses of the Chinese civil court system in which judges, often inadequately trained in the law, lack independence from both government and the Communist Party. The Hong Kong government has established an advisory committee to examine possible ways of resolving this issue. No doubt the avoidance of miscarriages of justice will be a high priority.

Of even greater concern is the question of rendition of criminal suspects. Although Mainland Chinese sought by the Public Security Ministry have been returned to China as illegal aliens, the sensitive issue of turning over Hong Kong residents sought for alleged crimes committed in China has not been settled. In view of China's use of capital punishment for many criminal offenses, a rendition agreement is likely to be repugnant to many Hong Kong people.

The recent rise of violent organized crime that is closely linked to southern China has forced the issue of effective cooperation with Chinese public security forces. Therefore, it seems unlikely that Hong Kong can continue indefinitely in the position of needing Chinese cooperation but avoiding rendition. As much as the issue of recognition and enforcement of Chinese judgments and the rendition of criminal suspects is in many respects unpalatable, it also appears inevitable. Refusal to negotiate is to risk the imposition by Beijing of a unilateral solution. Hence, the search for a *modus vivendi* with Beijing on these matters is yet another item on a long list of unresolved problems.

The second area of developing Hong Kong-China legal relations is in the work of the Hong Kong government to prepare the legal system for 1997. In accordance with the Joint Declaration and the Basic Law, Hong Kong is gradually severing its remaining statutory ties with Britain's legal system. UK statutes that have applied directly to the colony, such as the Merchant Shipping Act 1894 and the Copyright Act 1956, are being

Legal Relations, cont'd page 14

replaced with local versions. However, this work, which requires considerable expertise, has strained the resources of the government's Legal Department. Consequently, other legal links to Britain that appear not to offend against the Basic Law, including ordinances that make direct reference to British statutes, are to be left unchanged.

The much publicized project to translate all of Hong Kong's ordinances and regulations into Chinese has, in fact, no direct role in the transition to PRC rule. It is more closely connected to the territory's restricted progress towards democracy and political maturity. This translation project is intended to reinforce the legitimacy of the common law in a Chinese community. However, because of the vast body of case law involved, complete translation of the common law is plainly impossible. The project has therefore been limited to the translation of the large, but manageable, body of Hong Kong ordinances and regulations. Even this task is unlikely to be completed by the Legal Department's Law Drafting Division before 1997.

The significance of this exercise is difficult to gauge. Perhaps essential from a political perspective, translation is a questionable exercise from a legal point of view. The Chinese language, which lacks direct equivalents for many common law terms, must be stretched to capture the meaning of the English original. Lawyers in Hong Kong will understandably continue to rely on the English version as the authentic form of the law. While to some extent translation will make Hong Kong law more accessible to Chinese speakers, commentators suggest that this strained translation of statute law is unlikely to bridge the gulf of language and culture.

Hong Kong, therefore, faces a post-colonial future in which English will remain the principal language of the law, despite the fact that is not the language of daily life for the vast majority of Hong Kong people. However, once British sovereignty ends, it is inevitable that many residents of the territory will come to question the acceptability of a foreign language legal system.

In 1989, in anticipation of closer legal ties with China, the Legal Department established the China Law Unit within its Legal Policy Division. The task of this small unit is to advise on relevant developments in Chinese law and to raise awareness of PRC law within

the government. Although a step towards legal cooperation with the Mainland, such a service, significantly, was not perceived to be necessary until five years after the signing of the Joint Declaration. The experience of the China Law Unit has shown that many government departments remain skeptical of the benefits of advice on Chinese law. Yet, this may in part be caused by a general uncertainty within the government as to how to interact with the Chinese administrative system.

The third area which should be examined is the response within China to the resumption of sovereignty over Hong Kong. The Basic Law is the centre piece of the Chinese plan for the Hong Kong SAR. Decisions regarding the transition are dealt with by the Hong Kong and Macao Affairs Office within the State Council, in conjunction with a special department of the Ministry of Foreign Affairs (Hong Kong, Macao, and Taiwan Division).

The Chinese government, like Hong Kong, is short of the legal expertise needed to deal with the many complications of 1997. In response to this deficiency, some PRC government bodies have instituted programs to expose their officials to the common law. This includes the Supreme People's Court which is sending selected judges to Britain on six-month study visits in order to develop proficiency in the common law. Other Chinese officials have been sent to Hong Kong or British solicitors' firms for short term placements.

The impending return of Hong Kong has had the greatest impact in southern China. In Guangdong province, particularly in the Shenzhen area, there is distinct awareness of the importance of understanding Hong Kong law. In the last few years, motivation has gone beyond a simple desire to know of developments in the territory and now concerns the import of Hong Kong law into China. The stunning example of this awareness is the new Shenzhen Provisional Regulations for Limited Joint Stock Companies, China's first comprehensive company law. These regulations are taken almost entirely from Hong Kong company law statutes and regulations. If this experiment is deemed successful, the Shenzhen regulations will have a large impact on the national company law which is now being drafted in Beijing.

The eventual significance of these borrowings is far from clear. Chinese translations

of statutes stripped of associated case law are a far cry from any genuine version of Hong Kong law. The insertion of these translations by the Shenzhen authorities into a legal system based on fundamentally different principles and procedures is likely to take Chinese law in a direction unexpected on either side of the border.

Fourthly, consideration should also be given to the role of private individuals in the development of Hong Kong-China legal relations. The integration of the economies of Hong Kong and southern China has created a commercial environment in which business enterprises and their legal advisors are in constant interaction with parties across the border. This has not only meant the transfer of Hong Kong's more sophisticated techniques of drafting legal documents, such as commercial contracts and intellectual property licenses, but has also involved an education in their underlying legal concepts. Without in depth research, it is impossible to estimate the significance of these exchanges. In many instances, the ineffectiveness of law in China, rather than China's progress in legal development, may have more strongly impressed Hong Kong parties. The result would be more a lesson on the importance of power and influence than a lesson in law for the Chinese party.

It is evident that the momentum in both public and private legal relations between Hong Kong and China is increasing. In the 1980s, development was slow and hesitant, as much a result of inexperience on both sides as a consequence of Hong Kong's deep ambivalence towards the Mainland. Now the sheer necessity of cooperation in the final years before 1997 is exerting pressure on both sides to find ways to bridge the gap between the two legal systems.

South China Morning Post

A weekly edition of the *South China Morning Post* has been available in Canada for the past six months and is selling very well. The edition is published on Thursday morning in Hong Kong and then air freighted to Canada. It has two sections, News and Business, and is available from newsstands or by subscription. The annual rate is \$124.95, and an introductory subscription is \$34.95. Orders can be placed through the *Post* at P.O. Box 47, Hong Kong, or Fax: 852-565-9833.

New Asia Pacific Centre Inaugurated in Montréal

Over 300 people attended the official inauguration of the Joint Centre for Asia Pacific Communication Research (Centre conjoint de recherches en communication sur l'Asie Pacifique), held on 16 June 1992 at the Montreal Botanical Gardens. Funded by the Max Bell Foundation, the Centre conjoint is a cooperative venture between Concordia University and the Université du Québec à Montréal (UQAM). Four areas will be emphasized in the centre's research program: 1) communication technologies and policies; 2) public development assistance and human resource development; 3) intercultural communication and immigration; and 4) international communication and organizational development.

Prior to the inauguration ceremony, the Advisory Board held its first meeting in order to discuss the Centre's accomplishments to date, its mandate, and the general direction of future research. Professor Kong Fah Lee and Dr. Minoru Tsunoda co-chaired the meeting. The 29 Board members are from diverse backgrounds, including representatives from the Chinese, Korean, and Japanese communities, as well as individuals from the diplomatic, government, academic, social and economic fields.

The director of the Botanical Gardens, M. Pierre Bourque, welcomed the invited guests

at the inauguration. Speakers included Claude Corbo and Patrick Kenniff, rectors of UQAM and Concordia, who stressed the importance of this inter-university collaboration and the major role of international cooperation in the agendas of their two universities. Representing the president of the Max Bell Foundation, Gail Sinclair emphasized the Foundation's commitment to support the Centre and promised to follow its development closely.

Co-directors of the Centre conjoint are Elizabeth Morey (Director, Special Projects, Concordia), Dr. Claude-Yves Charron (Director, Dept. of Communications, UQAM), and Dr. Brian Lewis (Chair, Dept. of Communication Studies, Concordia). Jules Nadeau, who is also on the Advisory Board of the Canada and Hong Kong Project, is the administrative coordinator of the new Centre.

Four team research projects are already under way, including ones funded by the Canada-ASEAN (Association of Southeast Asian Nations) in Toronto, the Japan Foundation, and the Korea Foundation. They focus primarily on communication technologies and policies in these countries. Ten doctoral students are also associated with the Centre. The Centre publishes a newsletter both in French and English. For more information, contact:

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Principal dignitaries at the inauguration ceremony: standing, Patrick Kenniff, Gail Sinclair, Claude Corbo, Pierre Bourque; sitting, the advisory board co-directors, Minoru Tsunoda and Kong Fah Lee. Photo by J.-A. Martin, Montréal.

Montréal Documentary on Hong Kong

Hong Kong '97, an important film produced by Via Orient (Quai 32) of Montréal, has recently been released on the international market. This three-part documentary (2 1/2 hours in total) discusses problems arising from the transfer of Hong Kong to Chinese sovereignty and examines the condition of Chinese immigrants, especially those from Hong Kong, in a number of urban centres, including Vancouver, Toronto, Amsterdam, Paris, New York, San Francisco, and London.

As well as cultural events, the film features interviews by well known figures and specialists in political, academic, cultural, and business fields. These include Prof. Graham Johnson (UBC), Louis Leblanc (Montréal), Andrea Eng (Vancouver), Darryl Gaw, James Cleave, and Alan Wong. Several

members of the Chinese community are also interviewed by Jules Nadeau, author of *Hong Kong 1997: dans la gueule du Dragon rouge*, recently published in Montréal.

A Bernard Morin film, this Quebec production cost \$1.5 million and took two years to complete, including three months of filming in fifteen Asian, European and North American cities. It was produced by Nicolas Valcour and Diane Lambin. Available in both French and English, the film is also being translated into Cantonese and Mandarin for showing in 1993 on Channel 47 in Toronto. For more information, please contact the distributors: **Dominique Valcour, Voie Numéro Un, Montreal (514-521-1984, ext. 331) or Bruce Raymond, Raymond International, Toronto (416-340-0130).**

Eligible Bachelors

Canadian citizenship seems to be the one of choice for Hong Kong's youthful elite. According to a list compiled by the Hong Kong magazine, *Mode*, five of Hong Kong's ten most eligible bachelors hold Canadian passports. The top two are the sons of Li Kashing, Victor and Richard, both Canadian citizens. Number four on the list is Roger Tse, number six is Preston Chan, and number seven is Michael Lok. All hold Canadian passports. Of the other five on the list, two have applied for permanent residence in Britain: one has an American passport, one an Australian, and one a Singaporean passport. The list is soon to be shortened: Victor Li will marry a University of British Columbia graduate.

NEW PROJECT PUBLICATIONS

Canada and Hong Kong Papers:

No. 1: *Politics and Society in Hong Kong towards 1997*, Charles Burton, ed., 1992. \$12

No. 2: *Canada-Hong Kong: Some Legal Considerations*, William Angus, ed., 1992. \$12

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CANADA AND HONG KONG UPDATE

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Update on Governor Patten's Policy Address

by Bernard Luk
York University, Toronto

When Governor Christopher Patten delivered his policy address, "Our Next Five Years: The Agenda for Hong Kong," at the opening of the 1992-93 session of the Legislative Council last October 7, he made two major promises. One was to increase government spending to provide better education, health, and welfare services, public housing, and environmental protection and to maintain law and order. The other was to improve political representation of the people of Hong Kong with a package of limited constitutional changes. On both counts, he has been severely criticized by the authorities of the People's Republic of China (PRC).

Financial Reserves

Hong Kong has a large financial reserve, estimated at some HK\$120 billion (nearly CD\$20 billion). In spite of low tax rates and rather comprehensive social programmes, the government habitually reports a budgetary surplus. To its embarrassment, in many a year the actual surplus at year-end is higher than that forecast in the budget.

Update, cont'd page 2

Hong Kong Immigration to Canada

by Diana Lary • UBC, Vancouver

The number of immigrants from Hong Kong who landed in Canada in 1992 was significantly higher than the numbers for 1991; 13,440 more people, whose country of last permanent residence was Hong Kong, landed in 1992 than in 1991. This represents an increase of 37.5%.

1988	23,293
1989	19,934
1990	29,029
1991	22,357
1992	35,797

Many of these people can be assumed to have put in their applications to come to Canada a year or two before they arrived here, thus getting back to the period of high anxiety in Hong Kong after Tiananmen. However, the high numbers still suggest a continuing enthusiasm for emigrating to Canada. This becomes clearer if we look at the breakdown by class of immigrant. Substantial numbers of new immigrants appear in the classes with the highest processing priorities – the family class and the three business classes (entrepreneur, self-employed, and investor):

Landings in Canada by class, CLPR Hong Kong, 1992

Family class	13,097
Convention refugee	17
Designated	13
Assisted relative	3,646
Entrepreneur	7,604
Self-employed	623
Investor	4,110
Retired	3,468
Independent	3,219
TOTAL	35,797

[Statistics from Employment and Immigration Canada]

These classes are all rising in terms of new migration, while the independent class continues to decline as a proportion of all immigration. In 1992 it accounted for only 9% of all immigration from Hong Kong, down from almost 14% in 1991. The decline in independents is explained, in part, by slow processing time and, in part perhaps, by the fact that well qualified immigrants can apply in other classes just as easily as in the independent class. [See p. 8 for statistics on Regional Variations in Hong Kong Immigration.]

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Update. cont'd from page 1

Since the late 1970s, the government has been under pressure from the public to upgrade its social investment and provide better quality service in areas related to people's livelihood. In the days before there were any elections to the legislature, such pressures could be dealt with by means of minor concessions. Since indirect elections to some of the seats in the Legislative Council (Legco) were introduced in 1985 and direct elections in 1991, popular demands could not be put off quite so easily.

While the elected legislators do not differ significantly with the conservative fiscal principles of the government and do not advocate any policy of deficit financing, they criticize the government for taking excessive surpluses, holding too large a reserve, and not spending more public revenue on the welfare of the people. This has been a recurrent and consensual theme in each budget debate during the past few years.

The PRC authorities, on the other hand, have been labouring under different assumptions. Since at least 1983-84, during the Sino-British negotiations in Beijing on the future of Hong Kong, they seem to have assumed that the British government would make off with the till when they departed Hong Kong in 1997. Hence, the Joint Declaration imposes restrictions on the sale of crown land, an important source of Hong Kong government revenue, and stipulates that the proceeds from such sales be shared between the pre- and post-1997 Hong Kong governments. They appear to favour as large a reserve as possible to give the post-1997 rulers of Hong Kong a comfortable financial cushion.

In the early 1990s, when the new airport project became entangled in Sino-British disagreements, Beijing's suspicions about British intentions with Hong Kong's money again came to the surface. It was hoped that the Memorandum of Understanding (1991) between the prime ministers of the two sovereign powers would resolve the disagreements and allow the project to proceed. The MOU fixed the minimum amount of financial reserves (HK\$25 billion or CDN\$6 billion) that the pre-1997 Hong Kong government had to hand over to its post-1997 successor.

Social Programmes

The Communist leaders of the PRC were not alone in showing concern about how Hong Kong taxpayers' money should be spent. When the Basic Law was being drafted (1986-90), many of Beijing's allies among ultra-conservative business leaders in Hong Kong vehemently

attacked many social programmes put in place by British colonial administrators since the 1970s and demanded clauses against a "free lunch" in the Basic Law. Such sentiments did not represent the consensus in Hong Kong, not even within business circles. Nevertheless, many of these provisions were adopted by the Beijing drafters and written into the mini-constitution.

Given such a backdrop, it should not be surprising that Governor Chris Patten's proposals to improve social programmes, which were put into operational terms in the latest government budget, should come under attack from the North.

1993 Hong Kong Budget

Financial Secretary Hamish Macleod, in his *Hong Kong Budget 1993-94* tabled in the Legislative Council on March 3, reported a 5% real growth of the GDP in 1992, with unemployment at around 2% and inflation at 9.4%. The government surplus was estimated to be around HK\$20 billion (CDN\$3.2 billion). He forecast comparable rates of GDP growth and inflation in 1993, and expected the GDP per capita to reach HK\$146,700 (US\$18,800 or CDN\$23,660) by the end of the year, surpassing that of Britain.

On the basis of this forecast, the government proposed to cut taxes and increase social spending. The maximum rate of salary tax would remain at 15%, but there would be increases in the personal allowances, dependent child and dependent aged parent allowances, and widening of tax bands. Billions of dollars would be spent on new programmes, or specific improvements of existing programmes, in education, housing, environmental protection, health and welfare, sports and performing arts, trade and industry, tourism, and highways. Total government expenditure would amount to HK\$132.5 billion (CDN\$21 billion), an increase of HK\$17.4 billion over that of 1992-93. Many of the new programmes, it should be noted, do not commit the government to long-term recurrent expenditures.

Even with the increased spending, which is expected to leave a budget deficit of HK\$3.4 billion for 1993-94 (to be taken from the reserves), total public expenditure would represent only 18.5% of GDP. The government remains a small spender by international standards, and it is committed to maintaining reserves well above the minimum level required in the Memorandum of Understanding.

The tax cuts and improvements in social programmes were generally well received in the community, although there has been con-

cern in some quarters about the unaccustomed practice of dipping into the savings account. Specific provisions in the budget, however, attracted considerable criticism from various quarters, particularly with regard to the mechanisms, if not the amounts, of expenditure on housing, job training, welfare allotments, and so on.

Nevertheless, legislators agreed that this was a much better budget than in previous years, even though many of them remained dissatisfied. On March 31, the last day before the new financial year, the budget was passed, without significant change, by the Legislative Council. It was supported by the more moderate conservative members (mostly appointed) and opposed by one elected member, while the largest bloc of elected members, the pro-democracy United Democrats of Hong Kong, abstained. Ironically, this is diametrically opposite to the positions of the various blocs on Patten's other proposal, the one on constitutional reforms.

The harshest and most categorical attack on the budget came from the North. Intermittently since October, the New China News Agency and the Hong Kong and Macau Office of the State Council have been accusing Patten of currying favour with the people of Hong Kong by mortgaging the future of the post-1997 government, of Western-style pork barrel politics, and of spending Hong Kong money to benefit Britain. The latest attack came in the form of a seminar paper by two senior policy analysts in the State Council in Beijing. Delivered at a conference on the Hong Kong-Macau economy held in early April, the paper accuses Patten and Macleod of fiscal irresponsibility and inducing inflation.

The budget is a strictly domestic matter and does not straddle 1997. However much Chinese leaders in Beijing may dislike it, they could not stop the popular measures from being adopted in Hong Kong. Thus, Patten has been able to live up to this promise without too much difficulty, but not so with the constitutional proposals.

Political Reforms

Beijing's heavy handed and vociferous opposition to Patten's proposals for limited increases to popular representation in the Hong Kong legislature has made headlines around the world several times during the past five months. It is well covered elsewhere in this issue of the *Update* (see pp. 4-7) and need not be detailed here. However, it may be useful to explain some of the jargon, mostly coined in the PRC, which has been used quite extensively in the debate.

Since the earliest stages of the Sino-British negotiations in 1982, Beijing has consistently rejected the "three-legged stool," i.e., talks between three parties: China, Britain, and Hong Kong. They have insisted that any negotiations must be between the two sovereign powers only and that Hong Kong people must not be allowed a voice at the table or a say after the deal is struck. That position has been maintained even after legislative polls have produced popularly elected representatives of the people of Hong Kong. Indeed, it has been reinforced, not least because most of the elected legislators have condemned the Tiananmen massacre. Hence, Beijing's refusal to recognize the Legislative Council (Legco), to allow ethnic Chinese officials of the Hong Kong government to participate in formal negotiations, or permit Legco to have a real vote after any Sino-British negotiation on Patten's proposals. Such refusals have stalled the suggested talks.

After the Sino-British Joint Declaration on the future of Hong Kong was concluded in 1985 and when the transition period for the handing over of sovereign authority from Britain to China began, it became apparent to all concerned parties that in the interest of continuity and stability, it would be beneficial for the legislature, if not the executive, of Hong Kong to straddle 1997. This is the idea of the "through train," which would allow legislators elected in 1995 to continue to serve until 1999, albeit in an assembly under a different constitution (i.e., the Basic Law). The "through train" would be acceptable to PRC authorities, so long as elected legislators that they disliked could not remain aboard. Indeed, if the British authorities would only cooperate in the name of continuity to disqualify certain types of persons from running for the Legislative Council in 1995, the issue could be used to install a legislature entirely to Beijing's liking, two years before the transfer of sovereignty.

Continuity and stability are favoured by community consensus, across political lines, but not at any cost. Where the British were concerned, many senior officials had been prepared to comply with Beijing's wishes to the extent of restricting democratic development in Hong Kong. However, they were not ready to go further and dismantle the rule of law by, say, disbanding legally incorporated pro-democracy groups. They were also wary of the political risk of disenfranchising popular groups and leaders that enjoyed broad, if loosely organized, support in the community.

So the issue of the "through train" remained fuzzy. Beijing was hopeful, before Patten appeared on the scene, that certain British officials would work to gerrymander the 1995 elections to get rid of pro-democracy groups like the United Democrats of Hong Kong. That was part of the reason why electoral provisions for 1995-97 were left vague in the Basic Law and subsequent Sino-British discussions on the "through train."

What Chris Patten has done is to propose to fill in that grey area in a way that is contrary to Beijing's expectation of complete control. Under the Basic Law, the post-1997 chief executive, as well as substantial portions of the legislature, would be appointed, directly or indirectly, by Beijing. Even if all of Patten's proposals were realized, there would only be a viable opposition in the legislature, never a popularly elected government.

However, experience since the first legislative elections has shown, as in the case of the government budget, that even a democratic minority bloc in the legislature, with no prospect of gaining power, could open up the political process very considerably to public scrutiny and influences of the popular will. This, Beijing and its ultra-conservative allies in Hong Kong clearly do not want.

If there is to be no "through train," Beijing would set up a "second stove" (distinct from the "British stove") to cook the feast of the transfer of sovereignty. This again is an idea that has been discussed for years. It means for a preparatory committee to be set up one or two years before 1997, to hold consultations and elections that would produce the office holders of the post-1997 government. The committee would likely consist of a few hundred members appointed by Beijing, some from Hong Kong and some from the PRC, and would meet and operate in China.

During the current squabble, the "second stove" was first brought up as a possible last resort by Beijing officials in October. However, they have remained non-committal, at least in public. In recent months, the most vocal proponents for an immediate set up of a "second stove" have been pro-Beijing elements in Hong Kong who, in spite of high personal profiles, would enjoy little access to power in a "through train" arrangement. Most other politically active persons in Hong Kong or in the PRC, of whatever political stripe, remain cautious about the idea.

During the last week of March, the National People's Congress, then in session in Beijing, adopted a resolution to set up the mechanism to

appoint a committee to prepare for the transfer of sovereignty over Hong Kong. However, the resolution was couched in very vague and general terms, and the details were left to be decided by the Standing Committee of the Congress (i.e., the parliament of the PRC). While this might mean that the first step has been taken towards a "second stove," it could also be no more than a gesture to keep alive the threat of such a move. It is a far cry from any "shadow government."

Meanwhile, the New China News Agency and the Hong Kong and Macau Office, two PRC authorities that do not always see eye to eye, jointly appointed a second group of Hong Kong Affairs Advisers, and promised that there would be more appointments to come. (The first group were appointed last year.) The two groups total nearly a hundred prominent individuals from different walks of life in Hong Kong. Some one-third of them are big business, and none has spoken out in support of greater democracy in Hong Kong. The appointments are part of the united front strategy of the Chinese Communist Party and have been criticized in the community as grossly unrepresentative. It is unclear on what the Advisers are supposed to advise, or how their opinions would be channelled or received. However, if there is to be a "second stove," the Advisers could well form the more open and public part of it.

In spite of the political fireworks, life goes on. The stock market continues to trade in

healthy volumes day after day, and the Hang Seng Index has regained all the lost ground since its precipitous fall in the early winter. The quality of life for many people would improve somewhat under the new budget. For all the flak from the North, Patten's constitutional proposals still have more supporters than opponents in the community, including business people. For instance, one of the most respected figures in the business community, Mr. Lam Hing-chi, editor of the Chinese-language daily newspaper, *The Hong Kong Economic Journal* (the *Shun Po Daily News*), in an intermittent series of leading articles since October, has been very consistent in expressing his support for the proposals. He sees these changes as the last chance to maintain Hong Kong's institutional viability and to realize the "one country, two systems" formula.

While some pro-Beijing elements have been advocating radical moves like mass demonstrations in Hong Kong against Patten, such suggestions have not been endorsed by the PRC authorities or by the most prominent pro-Beijing Hong Kong politicians. The latter do not want to take any de-stabilizing actions and also might not be very sure of their own mass support. On the other side of the spectrum, pro-democracy groups also refrain from demonstrations for fear of provoking Beijing or of being disrupted by agents provocateurs. So the dispute remains a verbal one.

By early April, the UK, US, and Canadian governments had all reiterated their support for Patten's constitutional proposals. Patten himself, was in Europe and Britain for discussions and spelled out three conditions for talks with the PRC: 1) that Beijing must not just attack his proposals but must make counter-proposals; 2) that the arrangements for the 1995 elections must be fair; and 3) that any "through train" arrangement must not eject any of its passengers.

The consensus of the community is clearly in favour of renewed negotiations between China and Britain to resolve the differences, although most Hong Kong people would find it difficult to stomach another secret deal about their future in which they would have no say. It remains to be seen whether the constitutional proposals, gazetted in March despite PRC objections, will be tabled in the Legislative Council in late April or early May.

At press time, the UK and PRC governments announced they will begin negotiations, starting April 22, on arrangements for Hong Kong's 1994 and 1995 elections.

Political Row Over Patten's Reforms

by Shum Kwok-cheung
Hong Kong

Since Governor Chris Patten advanced his political reforms package in his policy speech 7 October 1992, China launched a series of attacks that recently have become even more vituperative. By threatening to refuse to honour contracts after 1997 that were not made with PRC approval, China has also carried its political dispute with Britain into the economic arena. Beijing's strategy towards these constitutional reforms appears to place political concerns at the top of its agenda, even though these threats may harm the confidence and economic development of Hong Kong.

On 27 November 1992, the Chinese senior representative on the Joint Liaison Group (JLG), Gou Fengmin, delivered a stern warning that China might not honour the contract for developing Container Terminal Nine (CT9) after 1997 because it had not been put

to the JLG for discussion. Three days later the Chinese State Council's Hong Kong and Macau Affairs Office raised the Sino-British dispute to a new intensity by issuing a headline statement that the validity of all contracts, leases, and agreements signed or ratified by the British Hong Kong administration without China's approval would not be honoured after 30 June 1997. This stern warning was China's attempt to transform the continuing war of words into action.

On December 18 the New China News Agency in Beijing publicly accused the Jardine Group of unscrupulously making money in Hong Kong and China and using methods to pursue secret political ends by disturbing prosperity and stability in Hong Kong during the transitional period. This move was seen by the Hong Kong press as

China's warning to those British firms which supported Patten's political reform package. During an interview with a Hong Kong television station on 3 January 1993, Lu Ping, director of the Hong Kong and Macau Affairs Office, threatened to set up a consultative committee to advise Beijing on transitional matters. Such a body was regarded as a "shadow government," and it would hamper the authority of the Hong Kong government.

However, there has been considerable criticism of China's headline position by Hong Kong's legal professionals. Prof. Raymond Wacks, head of Hong Kong University's Faculty of Law, pointed out that China's threat to invalidate contracts and agreements after 1997 would probably violate Article 160 of the Basic Law. It stipulates that, "Documents, certificates, contracts, and rights and

obligations valid under the laws previously in force in Hong Kong shall continue to be valid and recognized and protected by the Hong Kong Special Administrative Region, provided they do not contravene this Law" [*South China Morning Post (SCMP)*, 1 December 1992]. Moreover, the influential Hong Kong Bar Association issued a comment refuting the PRC statement on the validity of contracts and agreements spanning 1997, including CT9 (Container Terminal). The Association argued that since the land required for CT9 construction was already approved and granted by the Sino-British Land Commission, China's threats amounted to an abuse of the concept of sovereignty and a contradiction of the letter and spirit of the Joint Declaration [*SCMP*, 23 December 1992].

Nevertheless, Beijing's continued attacks against Patten's proposals have sapped Hong Kong's economy and confidence. For example, on 4 December, in response to the confused political situation, the Hang Seng index dropped to 4,978, down 433 points. This was the most serious fall in its three-week collapse from 12 November 1992 when the index reached a high of 6,447. During that period, the panic "crash" of the stock market wiped more than HK\$300 billion off share prices.

Opinion surveys in late December also showed that the confidence of Hong Kong people had deteriorated largely because of Sino-British political tensions. An annual outlook survey for *Hong Kong Standard* indicated that confidence in the future of Hong Kong reached its lowest since 1989. Only 15% of 545 respondents expected to be better off in 1993, significantly lower than the 20% at the end of 1989, six months after the June 4 Tiananmen crackdown. These results compared with 28% in 1991, 22% in 1990, and 31% in 1988.

Another poll was conducted by Survey Research Hong Kong for the *South China Morning Post* and *Ming Pao*. This tri-monthly survey, conducted since 1984, indicated the economic and political confidence index had plummeted to its lowest point in a year. The number of people expressing confidence in the territory's future declined to 67% from 76% in the previous survey, three months earlier. There was a split of opinion over people's preferences for more democracy at the expense of the territory's stability and prosperity.

As public opinion on Patten's constitutional proposals fluctuated, there was also some controversy about the results of various polls. In general, due to Beijing's vociferous opposition, public support of Patten declined during November and December, from a high point after his policy speech on October 7. From January to February, the decline stabilized and public support for Patten's proposals began to increase. [See Table 1 and 3.]

Table 1: Should political reforms go ahead even if there is no through train?

Date	Oct. 8	Nov.20	Dec.23
Yes	56%	34%	34%
No	19%	48%	49%
Unsure	25%	18%	17%

Source: HK Polling and Business Research for SCMP

Table 2: Satisfaction with Governor's Policy Speech

Date	7-8	10-11	15-16	19-20	1-2
	Oct.	Nov.	Dec.	Jan.	Feb.
Satisfied	33.5%	39.8%	30.5%	29.9%	31.1%
Neutral	6.2%	6.0%	9.6%	9.6%	10.0%
Dissatisfied	3.9%	8.8%	20.8%	15.1%	13.1%
Don't Know	56.4%	45.5%	39.1%	45.5%	45.9%

Source: Social Research Centre, Univ. of Hong Kong

Table 3. Popularity of Patten Rating

Date	7-8	10-11	15-16	19-20	1-2
	Oct.	Nov.	Dec.	Jan.	Feb.
Rating	65.5%	64.1%	53.3%	56.9%	58.4%

Source: Social Research Centre, Univ. of Hong Kong

However, despite pressure from China and fluctuating public opinion, Patten retained the support of the Legislative Council (Legco). On November 11 Legco voted 32 to 21 in favour of a motion to support Patten's political package. The Finance Committee of Legco voted 27-25 on November 27 to permit the Government's \$9 billion airport site preparation contract to go forward, despite China's threat not to honour the contract before an agreement on the overall financing of the airport plan was secured. On 13 January 1993, Legco voted 35 to 2, with 15 abstentions, against the motion by pro-China legislator, Philip Wong Yu-hong, urging the Government not to introduce Patten's constitutional package.

Some political observers in Hong Kong attribute China's obstinate attitude towards Patten's relatively mild reforms to Beijing's "conspiracy theory." PRC leaders regard Patten's democratization proposals as a carefully planned strategy devised by Western

capitalist societies – the so-called "anti-China chorus" – to exert pressure on China, using Hong Kong as a potential bridgehead.

In this vein, Lu Ping argued that there had been lengthy consultations with Britain before an agreement was reached and the Basic Law approved by China's National People's Congress. The sudden change in British policy was nothing more than "setting a trap" for China. Thus, Mr. Lu stressed, "The crux of the matter was not whether one wanted democracy or not but whether one needed to keep one's word" [*SCMP*, 23 December 1992, p. 1]. Chinese leaders reiterated that the only solution to this dispute is for Hong Kong and British authorities to return to the track of agreements already reached by China and the U.K.

Although China's position is understandable, Beijing has neglected the fact that Hong Kong people are eager to gain more democracy and feel that the Basic Law is too conservative. There is the possibility that China's hard stance may defeat Patten's proposals. Even though Hong Kong people may eventually accept this reality, in the long run the relationship between China and Hong Kong will deteriorate. In fact, allowing some democratic reforms in the territory would enhance the confidence of Hong Kong's residents and improve the relationship between China and the territory.

The political tension surrounding Patten's political reform package became even more complicated and sensitive in February and March. February, in particular, was a critical period for the Sino-British dispute since Governor Patten had made a pledge to draft legislation and publish his proposals for public consideration by the end of the month. However, while the Executive Council (Exco) had approved Patten's reform proposals on February 9, there was growing speculation that talks would resume between China and Britain.

Amid growing calls to delay the legislature's debate over the political reform bill, Exco decided to postpone its publication. This move was seen as a concession to China in hopes that Sino-British talks might soon resume and help break the impasse. On March 11, Britain and China came to a final showdown since Patten indicated it was impossible to delay further the gazetting of the bill for his political package. It had already been deferred four times from his

pledged date of publication in order to facilitate the resumption of discussions. However, since neither side could reach a compromise, hopes of immediate talks were shattered. On the following day, March 12, Patten decided to gazette his constitutional reform bill without China's blessing.

Beijing's response was immediate and furious. At the opening of the National People's Congress, Chinese Premier Li Peng severely attacked Patten's decision to publish the bill. This was the first time a Chinese premier had publicly criticized the British Government in his work report. At a press conference, Lu Ping declared that Patten would be condemned in Hong Kong's history as "a man of guilt," and he announced Beijing would have to make its own arrangement for the post-1997 government and legislature, the so-called "second stove." The British Government reiterated its support of Governor Patten and complained that China's stance was "too tough."

Public opinion in Hong Kong was further divided in March over the failure of the resumption of Sino-British talks. Recent surveys demonstrate the increasing prevalence of mixed feelings and even cynicism among Hong Kong people. According to a poll commissioned by the *South China Morning Post*, 35.3% of respondents supported Patten's

decision to publish his electoral reform bill, while 32.8% opposed and 31.8% were undecided [*SCMP*, 20 March 1993]. When asked which side should make the first concession, 27.4% opted for Governor Patten, 21.9% for China, and 29.9% for both sides. However, it was clear that Hong Kong people did not want secret talks – with 68.15% against and only 15.7% in favour.

By the end of March the gap between opinions pro and con Patten's reforms was significantly closer. A survey, conducted by the Social Sciences Research Centre of Hong Kong University, indicated that only 26.8% of respondents supported Patten's proposals while 18.6% were opposed. His margin of support had been reduced to 8.2%, the narrowest ever reported since December of last year (see Table 4).

Both China and Britain accused each other of insincerity. Neither side appeared able to offer concessions that would allow talks to proceed. This situation reflected fundamental cleavages between China and Britain which made any concessions difficult. For Beijing, a prerequisite for resuming talks was Patten's suspension of publication of the bill and the withdrawal of his political reforms.

On his part, Governor Patten appeared to have no choice because to have delayed the bill further without any clear commitment from China on resuming negotiations would have undermined his credibility and authority to govern Hong Kong for the rest of his tenure. Therefore, the British Government insisted that there should be no prerequisite for the resumption of talks.

The role of Legco in preparing the 1994-95 electoral plans also emerged as a stumbling block to Sino-British negotiations. China outright rejected the "three-legged stool" arrangement – that the Hong Kong legislature be allowed a say on matters in conjunction with the two sovereign powers. Beijing maintained that only China and Britain and no other third party should decide on the political reforms. Britain insisted that to prohibit Legco participation was unpalatable as any matters involving the legislative process would require the approval of the Hong Kong Legislative Council.

China also strongly opposed any Hong Kong officials, especially Patten, as formal team members. However, for the British, by-passing the Hong Kong government would violate conventional arrangements since the Joint Declaration – that any talks involving the territory's affairs would include Hong Kong officials. China's reluctance to allow Hong Kong representation on the British negotiating team was the immediate reason for the failure to resume discussions.

Although Britain maintains that the "door is still open," the government is not optimistic that talks will soon resume because of these fundamental differences. Nevertheless, the post-transition period will be very difficult for Hong Kong without Sino-British cooperation.

Table 4: Support for Reform Package (%)

Date	8-10 Dec.	28-30 Dec.	11-12 Jan.	27-28 Jan.	8-10 Feb.	8 Mar.	24-25 Mar.
Support	35.9	36.0	29.4	38.5	33.2	37.8	26.8
Oppose	20.9	20.0	17.9	14.4	15.6	14.9	18.6
Margin*	15	16	11.5	24.1	17.6	22.9	8.2

*Bet. Support-Oppose

Source: Compiled from information supplied by Public Opinion Programme (POP), Social Sciences Research Centre, University of Hong Kong

Joe Clark Addresses Canadian Chamber of Commerce in Hong Kong

On March 30, Constitutional Affairs Minister and former Prime Minister, the Rt. Hon. Joe Clark addressed the Canadian Chamber of Commerce in Hong Kong on the topic, "Canada, China, and Hong Kong." In his luncheon address, Clark stressed that support for Governor Chris Patten's constitutional reform proposals "is the key to prosperity" in Hong Kong. He maintained that Canada wants the territory to remain an "open society after its return to Chinese sovereignty in 1997" [*Toronto Star*, 31 March 1993, p. 16].

His speech outlined Canada's political and economic interests in China and Hong Kong. With regard to the Sino-British dispute over democratic reforms, he stressed, "We are...interested in Hong Kong, China and Britain working out among themselves an agreed arrangement for a smooth transition in 1997, one that keeps Hong Kong's prosperity and identity and stability."

Clark visited Hong Kong after a week's stay in China where he met with leaders in Beijing, including Prime Minister Li Peng. Clark is the most senior Canadian government

official to visit China since the June 4th Tianamen massacre. He also attended the Williamsburg Conference, sponsored by the Asia Society, in the southern Chinese city of Zhongshan. Mr. Clark met with Governor Patten in Hong Kong and discussed Canada's views on the future of the territory and his recent talks with PRC leaders.

Apart from Mr. Clark, Minister of External Affairs Barbara McDougal also had planned a visit to Hong Kong in early March. However, the trip was cancelled after Prime Minister Brian Mulroney announced his resignation.

Beijing Update

by Christina Mungan
Beijing

As evinced in the official Chinese press (the *China Daily* and *People's Daily*), relations between the Chinese and Hong Kong governments remained frosty this winter, with few signs of a "thaw" this spring. From November through March, press coverage of the constitutional proposals of Governor Chris Patten was very hostile. The proposals to develop Hong Kong's representative institutions were portrayed in the Chinese media as a wanton rejection of the Basic Law and a scheme to build up Patten's personal reputation at the expense of the economic stability, unity, and lasting happiness of Hong Kong.

However, the seeming intransigence with which officials at every level of the Chinese government announced that they would not discuss the matter until Patten renounced his "antagonistic attitude" [*China Daily*, Dec. 12] covered real shifts in approach. A low was reached in early December when Beijing threatened to repudiate after 1997 not only any changes to the Basic Law but also any debts or business contracts undertaken by the Hong Kong Government, without China's approval. The latter was in response to the "unilateral" award in November of contracts related to Hong Kong's new airport construction.

The day after condemning the awards, both the *People's Daily* and *China Daily* warned on December 1 that "Britain's administrative power over Hong Kong will terminate on June 30, 1997." Lest readers miss the point, the articles continued: "contracts, leases and agreements signed and ratified by the Hong Kong British Government that are not approved by the Chinese side will be invalid after June 30, 1997."

While the press invective over airport contracts subsided, less than two weeks later *China Daily* – though not the *People's Daily* – suggested that the Basic Law, like the airport and container port-related contracts, might simply be repudiated after 1997. On its front page, 11 December 1992, *China*

Daily warned, "If the British Government is bent on its own way by refusing to return to consultation and co-operation as stipulated in the Joint Declaration, then China will have no alternative but start (sic) all over again after 1997." In an otherwise identical article, this line did not appear in the *People's Daily*.

At the same time, what the Chinese media did not report revealed almost as much about the government's attitude. In fact, Chinese readers, relying solely on the official press, would have had no idea what points of the Basic Law Patten proposed to clarify by his democratic reforms.

After early December however, the Chinese Government adopted a different tactic, and the carrot replaced the stick in Beijing's press campaign against the proposals. A succession of articles emphasized Hong Kong's narrow escape from a worldwide recession thanks to its "gradual economic integration with the Chinese mainland" [*China Daily*, Jan. 6 & Feb. 12]. The head of the New China News Agency in Hong Kong and Singapore leader Lee Kuan Yew were quoted as saying that a stable business climate would benefit Hong Kongers more than the illusory promises held out by Patten with his "ulterior motives."

By the end of February, China had also adopted a more conciliatory approach on other matters. The Government compromised on a sore point with Hong Kong travellers and eliminated its new random AIDS testing at the border. On March 5, Beijing even seemed to back down from the earlier demand that Patten drop his political proposals before talks could resume.

In a front page story in the *People's Daily*, Li Peng told representatives of Hong Kong's General Chamber of Commerce,

"Even though the Hong Kong governor's political reform plan brought about difficulties for Sino-British co-operation ... the Chinese side holds that the two sides should 'sit down and talk.'" In another article the same day in *China Daily*, a Foreign Ministry spokesman "declined to comment on speculations that China is negotiating with Britain" over Patten's package but added that "China always calls for consultation and co-operation between the two sides."

The next day, along with other cheery news for the Olympic Inquiry Committee due to arrive in Beijing, a small article on the front page of *China Daily* quoted Patten informing Legco that "exchanges" in Beijing had already resolved most points of dispute in preparation for formal Sino-British talks. The *People's Daily* never confirmed that any exchanges had occurred, which might have been enough in itself to warn of a chill blast to come.

Two days later China's major newspapers renewed attack on Hong Kong's airport project. On March 14 and 15, the *People's Daily* and *China Daily*, respectively, devoted nearly a full page – out of only eight pages available – to lambasting Patten for demanding the inclusion of Hong Kong officials in any Sino-British talks.

In one memorable phrasing, when Patten decided to publish his reform package over Chinese protest, the *China Daily* [March 16] denounced the move as indicating "that the British side is without sincerity in approaching the talks on the issue, prompting people to question its credibility [sic] in its honouring of international commitments." Ironically, three days later it was the Chinese who warned that Sino-British trade links might be imperiled by the dispute. As March drew to a close, the National People's Congress made a point of reiterating opposition to Patten's proposals on a daily basis, and improved relations with Britain seemed a more distant prospect than ever.

Regional Variations in Hong Kong Immigration

by Diana Lary
UBC, Vancouver

When potential immigrants apply to come to Canada, they state their intended destination in Canada. Immigrants who are accepted are not required to stay in the stated destination after they arrive, unless their application is conditional on doing so, as with certain categories of employment. This lack of a firm requirement means that the statement of intended destination is not an absolutely accurate indication of actual settlement. However, as the only indication immigrants give of where they may settle, it is the best available figure for the distribution of immigrants within Canada.

Over the past four years, the largest proportion of immigrants from Hong Kong has been destined for Ontario, with the second place consistently held by British Columbia:

Major provincial destinations, immigrants CLPR Hong Kong

	Ontario	B.C.	Alberta	Quebec
1988	58%	22%	10%	6%
1989	54%	24%	8%	10%
1990	55%	26%	9%	7%
1991	51%	28%	8%	10%
1992	47%	25%	8%	15%

There has been a relative decline in the proportion of people intending to go to Ontario and a rise in the proportion going to Quebec, while the proportions going to British Columbia and Alberta have been quite stable.

Immigrants admitted from Hong Kong, by province¹

	1988	1989	1990	1991	1992
Alberta	2257	1623	2535	1830	2960
B. C.	5188	4849	7660	6309	9162
Manitoba	409	267	340	314	405
New Brunswick	33	41	39	52	70
Newfoundland	30	28	17	14	43
NWT	7	9	17	18	4
Nova Scotia	63	71	95	77	142
Ontario	13527	10812	16032	11222	16967
PEI	5	3	12	4	13
Quebec	1380	1912	1939	2310	5532
Saskatchewan	390	319	342	207	492
Yukon	4	0	1	0	7
Total	23293	19934	29029	22357	35797

The actual numbers involved tell a slightly different story. While the numbers for Alberta, Manitoba, and Saskatchewan have stayed in roughly the same range over the past five years, those for Ontario and British Columbia have swung quite dramatically. The latter have been influenced by the overall size of the migration in any particular year. The only province with consistent growth in the numbers involved is Quebec.

Within each province, movement of immigrants is overwhelmingly to the major cities. In 1988, Toronto accounted for 87% of Hong Kong immigrants to Ontario, in 1989 and 1990 for 86%. In 1991, 8,197 of the immigrants who landed in Ontario settled in Toronto, or 73%. In 1992 the parallel figures were: Toronto, 11,442, or 68% of all Hong Kong

immigration to Ontario. The slight decline in the proportion going to Toronto is probably explained by a trend towards settlement in places immediately adjacent to Metro Toronto.

There is an even more pronounced pattern of urban concentration in British Columbia. In 1988, 4,965 of 5,188 landings in British Columbia were in Vancouver (95%); in 1989, 4,661 of 4,849 (96%); and in 1990, 7,471 of 7,660 (97.5%). In 1991 the figures for Vancouver were 6,054 (96%), and in 1992, 8,664, or 95%.

Permanent residents admitted from Hong Kong, by urban area

	1988	1989	1990	1991	1992
Calgary	1078	7411	302	780	1424
Edmonton	1055	791	2960	904	1274
Halifax	52	63	77	62	123
Montreal	1347	1837	1881	2224	5416
Ottawa	339	228	325	310	453
Quebec	2	15	18	15	14
Regina	188	140	161	89	263
Saskatoon	91	54	115	80	98
Toronto	11780	9329	13806	8197	11442
Vancouver	4965	4661	7471	6054	8664
Winnipeg	386	225	311	302	383
Other	2010	1850	2448	6224	11752

Patterns of immigration across the country vary quite strongly by class of immigration. There are marked concentrations of certain classes of immigrants in different parts of the country. In 1991, Ontario was the destination of 50% of all immigrants, but of 61% of independent immigrants, 63% of family class immigrants, and 63% of assisted relatives. In 1992 the province received 47% of all immigrants, but 53% of independents, 64% of all family class, and 63% of assisted relatives. In 1991 Quebec attracted 10% of all immigrants and 25% of all business class immigrants (entrepreneur, self-employed, and investor classes). In 1992 the figures were 15% of all immigration and 30% of the business class. British Columbia attracted a disproportionately large number of retirees: in 1991, 48% (as opposed to 28% of all immigration) and in 1992, 45% (as opposed to 25% of total immigration).²

In terms of the composition of the immigrant body within a single province, there are also major variations between provinces. In 1991, 47% of Ontario's Hong Kong immigrants were in the family class, and another 13% were assisted relatives, while only 16% were in the business and 17% independents. In 1992 the parallel figures were 49% and 14%, with 17% in the business classes and 10% independents. In 1991, 69% of all Hong Kong immigrants to Quebec were in the business classes and in 1992, 78%. British Columbia has a more even distribution. For 1991 the proportions were family class 29%, assisted relatives 8%, business classes 39%, and independent 7%. For 1992 the figures were 31% family class, 8% assisted relatives, 39% business classes, and 5% independent.

The continuing decline of the independent class is a cause for concern, since it is in this class above all that Canada hopes to find the talent for the future.

¹ These statistics are supplied by the Immigration Statistics Division, Employment and Immigration Canada. Slight variations in some of the statistics published in earlier *Updates* reflect minor corrections.

² The retiree class has already been eliminated. People arriving in Canada in this class made their applications some time ago.

Immigration class by province, 1991

	Family Class	Conven Ref.	Design. Class	Assist. Rel.	Entrepreneur	Self-Employ.	Invest.	Retired	Other Indep.	TOTAL
Newfoundland	2	0	0	4	0	0	3	0	5	14
PEI	1	0	0	1	0	0	2	0	0	4
Nova Scotia	21	0	0	9	37	0	5	0	5	77
New Brunswick	13	0	1	3	12	0	0	16	7	52
Quebec	243	5	4	61	1049	50	502	82	314	2310
Ontario	5246	7	21	1471	900	174	686	846	1871	11222
Manitoba	109	1	2	29	46	0	43	23	61	314
Saskatchewan	65	0	0	18	48	4	25	16	31	207
Alberta	805	1	10	247	223	8	103	150	283	1830
Northwest Terr.	7	0	0	1	5	0	0	0	5	18
B.C.	1828	3	5	477	1288	68	1105	1064	471	6309
Yukon	0	0	0	0	0	0	0	0	0	0
Prov. Not Stated	0	0	0	0	0	0	0	0	0	0
TOTAL	8340	17	43	2321	3608	304	2474	2197	3053	22357

Immigration class by province, 1992

	Family Class	Conven Ref.	Design. Class	Assist. Rel.	Entrepreneur	Self-Employ	Invest.	Retired	Other Indep	TOTAL
Newfoundland	24	0	0	0	0	0	9	0	10	43
PEI	5	0	0	0	4	0	1	0	3	13
Nova Scotia	37	0	0	10	40	9	35	3	8	142
New Brunswick	21	0	0	14	22	0	0	4	9	70
Quebec	302	1	1	79	2990	223	1119	174	643	5532
Ontario	8351	11	9	2311	1713	264	1208	1381	1719	16967
Manitoba	158	1	0	36	93	1	30	43	43	405
Saskatchewan	109	1	0	45	211	2	52	27	45	492
Alberta	1278	1	3	415	546	16	169	279	253	2960
Northwest Terr.	1	0	0	2	0	0	0	0	1	4
B.C.	2808	2	0	734	1981	108	1487	1557	485	9162
Yukon	3	0	0	0	4	0	0	0	0	7
Prov. Not Stated	0	0	0	0	0	0	0	0	0	0
TOTAL	13097	17	13	3646	7604	623	4110	3468	3219	35797

Moratorium on Immigrant Investor Program in Manitoba

On 4 January the Manitoba government placed a moratorium on provincial acceptance or processing of any offerings under the federal Immigrant Investor Program (IIP). Manitoba Industry, Trade and Tourism Minister Eric Stefanson announced that this action was taken following receipt of an independent auditor's report calling for a clearer definition of the roles and responsibilities of the federal and provincial governments with respect to the review, compliance, and monitoring of the program. The overall objective of the provincial government's position is to conduct a comprehensive review of the investment offerings developed under the program to ensure compliance and to determine the economic benefits accruing to the Province.

Investment proposed by previously approved syndicated funds which have met their minimum capital requirements will still be allowed. However, prior to an investment being made, those proposals will be subject to an independent evaluation retained by the province at the expense of the proponent. Upon resolution of the issues raised in the auditor's report, the province will require a similar independent evaluation from project specific business venture proposals.

The province, in conducting its review of economic merit, will also increase the emphasis on the financial analysis as well as assessing the impact of the specific project proposal on the respective industry sector. The firm of Deloitte and Touche was hired to undertake the program audit. Stefanson also stated that Manitoba will begin discussions with the federal government aimed at resolving the following issues, raised by the auditor's report:

- 1) requiring offerings of immigrant investor funds to come under the control of a federal regulatory authority;
- 2) placing responsibility for monitoring and reviewing the promoters' reporting obligations with a federal regulatory authority;
- 3) expanding the program regulations and guidelines to include the ability to apply penalties directly against the promoters for failure to comply with the guidelines;
- 4) extending the investor holding period for syndicated funds from 5 years to 7-10 years or terminate the acceptance of syndicated funds;
- 5) establishing program guidelines which will require immigrant investor funds to be maintained as trust funds throughout the development of the project and the investment period for a syndicated fund;

- 6) requiring full disclosure and capping of financial benefits accruing to promoters and developers in the offering memorandum;
- 7) requiring promoters to provide an independent verification by an auditor certifying that the actual cost, promoters' and developers' fees and any other related costs incurred are in accordance with the offering memorandum; and
- 8) requiring a minimum of 50% of individual subscriptions to be sold before an offering can proceed, with at least a 10% cash deposit with the escrow agent and the remainder supported by an irrevocable bank letter of credit issued by an internationally recognized financial institution.

The IIP was introduced by Employment and Immigration Canada (EIC) in January 1986 to attract successful and skilled business persons who wish to immigrate to Canada and invest their capital in Canadian business ventures. The program was specifically designed to be a new source of capital for Canadian business ventures to benefit economic development in Canada. Under the program, immigrants are provided an opportunity to either invest in a specific business venture or in a syndicate which, in turn, invests in eligible businesses.

Political Participation of Chinese-Canadians in Toronto

by Somy Lo
Toronto

Toronto's Chinese-Canadians have participated in politics by organizing pressure groups, contacting government officials, and voting or running in local elections. One such active pressure group in Toronto is the Chinese Canadian National Council for Equality [see *Update*, Spring 1991, 4:13], which articulates the interests of segments of the Chinese community.

For example, the CCNC often demands that the federal government redress the issue of the head tax, which was imposed on every Chinese immigrant from the 19th to mid-20th century [Sing Tao, 19 January 1993, p. 7]. Recently, the Council lobbied Employment and Immigration Canada and urged the federal government to consult the opinions of ethnic groups before the implementation of changes in policy proposals. One such change generating Council concern was the proposal that immigrant spouses who marry Canadian citizens or landed immigrants return to their country of origin in order to apply for landed status.

Contacting government officials at the municipal level is another important form of Chinese political participation. A good example of this municipal involvement was the recent February meeting between city officials and shopkeepers from the Spadina/Dundas Chinatown area. To alleviate refuse problems, Chinese store owners urged government officials to consider collecting garbage from Chinatown three days rather than only two days per week.

Many Chinese-Canadians have also actively participated in Toronto's elections at the federal, provincial, municipal, and school board levels. As the Chinese population in Metro has grown considerably since the late 1980s, these new eligible voters have become the lobbying target of Chinese-Canadian candidates in the forthcoming federal elections.

To date, three candidates of Chinese background have been nominated to run in the next federal elections. With the retirement of MP Dan Heap from political life, his assistant Winnie Ng was nominated as the New Democratic Party (NDP) candidate in the Trinity-Spadina constituency, a stronghold of the NDP in past federal elections. Since the party nomination, Winnie

Ng has been very active in campaigning for support in the Chinese community.

Another Chinese-Canadian, Ben Eng, recently received (March 23) the nomination of the Progressive Conservative Party (PC) in Scarborough-Agincourt riding. He is a 42-year old former sergeant in the metropolitan police force for eleven years. Since his decision to participate in the forthcoming elections, many leaders in the Chinese community have expressed their support. However, Eng's affiliation with the PC may be a liability as the Tory party is unpopular among many electorates. It also remains to be seen if Eng will be able to mobilize the ethnic support of Scarborough's Chinese community, whose political awareness and orientations have not been hitherto studied by researchers.

The third ethnic Chinese candidate is David Lu, who was nominated February 11 by the NDP in the Don Valley North riding. Lu immigrated to Canada as a refugee from Vietnam in 1979 and is presently an advisor in the municipal government's Labour Consultation and Action Centre [Sing Tao, 12 February 1993, p. 2].

According to Lu, in September 1992 NDP headquarters encouraged members of ethnic minorities to participate in future federal elections. As a result, he wrote an open letter to 200 NDP members in Don Valley North, expressing his intention to seek the party's nomination. In subsequent letters to these party members, he outlined his political platform, which includes opposition to the Free Trade Agreement between Canada, the U.S., and Mexico; a demand for the federal government to provide more jobs for Canadians; and an increase in taxes on large business enterprises.

Like the other two candidates, Lu has appealed for support from the Chinese community. As an executive member of the Vietnamese-Cambodia-Laos-Chinese Services Organization of Ontario since 1983, Lu will secure the support of the association's members in Toronto. The main question is whether he can defeat his opponents by securing enough votes across ethnic lines in Don Valley North.

It is a significant phenomenon that more Canadian Chinese in Toronto are actively

participating in the forthcoming federal elections and that three candidates have received their party nominations. Regardless of their success in election to the House of Commons, their participation has already not only symbolized the integration of Chinese-Canadians into mainstream political life, but also marked an important chapter in the political history of the Chinese community in Toronto.

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Several of the newly nominated Chinese-Canadian candidates for federal elections have connections with Hong Kong, so we have featured interviews with some of them: Ben Eng and Winnie Ng of the Metro Toronto area and Raymond Chan of Vancouver. Tommy Tao, who also came from Hong Kong, is the NDP nominee from Vancouver Quadra and will be interviewed for the next issue.



Ben Eng

Ben Eng: PC Nominee for Scarborough-Agincourt

by Janet A. Rubinoff
Toronto

Ben Eng, a 42-year old former police sergeant, was nominated March 23 as the Tory candidate for the Scarborough-Agincourt riding. Composed of diverse ethnic groups, this suburban riding includes approximately 100,000 residents, about 20% of whom are ethnic Chinese, 25% Anglo-Canadian, and 55% other groups including Greek, Afro-Canadian, and South Asian. Many of the Chinese residents are recent immigrants from Hong Kong.

Ben Eng is a well-known figure in Toronto. As a member of the Metro Toronto Police Force and Officer of the Year in 1989, he served with the Asian Crime Squad and in the Public Affairs Department. Two years ago, he made headlines over differences with Susan Eng, Chair of the Police Services Board, about the release of crime statistics by ethnic background. He now heads a consulting business, Falcon Filmworks and Multi Eyes Student Services, which provides a crisis intervention service for visa and immigrant students and their parents, many of whom are from Hong Kong or Taiwan.

On March 26, Bernard Luk and I interviewed Mr. Eng to discuss his background, his position on various issues, and plans for his upcoming election campaign and for his riding. Asked about his platform, Ben stressed his main concerns are the economy and, what he terms, "social law and order." By the latter, he means not only safety of the community but concern with abuse of social assistance programs, strengthening of the refugee process, tightening criminal procedures, and a focus on the responsibilities and contributions of Canadian citizens to their country. His perspective and experience as a police officer has obviously influenced his political positions.

In his nomination acceptance speech, Ben emphasized that it is time for a "new style of politics" and a new attitude by ordinary Canadians. "We Canadians have to stop this attitude of take, take take, and not putting anything back in. This 'new attitude' must not only reflect appreciating what we have but also how we as individuals can contribute to ensure that Canada remains ranked by the United Nations as the best place in the world."

In his campaign, he hopes to transfer his integrity as a police officer to the political

arena and win back the trust of ordinary citizens for their elected representatives.

Asked about his campaign strategies, Mr. Eng stressed the importance of mobilization of support and voter outreach. While there are many recent immigrants in his riding, most of these are already citizens but many are not registered to vote. He sees a major challenge in reaching these new citizens and encouraging their involvement in the local political process. Asked about plans for his constituency, Ben indicated that he favoured more participatory democracy at the local level and greater involvement of citizens. He plans to set up a "constituency parliament," to provide a forum for the discussion of local and national issues.

In response to our question about his nomination by the Progressive Conservatives, he mentioned that he had been approached by several parties, including the Liberals and the Reform Party. His father, Hughes Eng, is an active member of the provincial Liberal Party. As Ben admits, it would have been an easy route for him to run as a Liberal since there was already an established Chinese group, headed by former Ontario Minister of Energy Bob Wong, within the party. However, he felt his philosophical leanings and political thinking were closer to the conservatives. He thus accepted the offer to run as a PC candidate in Scarborough-Agincourt.

Asked about the issue of "tokenism" as an ethnic Chinese candidate, he indicated that he felt this was not a problem, though he had been approached to oppose Winnie Ng in the Trinity-Spadina riding. He prefers not to be labelled an "ethnic candidate" and identifies himself first and foremost as a Canadian. However, he is aware of his Chinese roots and feels that over the years he has forged an identity based on "bi-culturalism," like many other immigrants. He speaks Cantonese and Toishanese (Pearl River Delta dialect) and has also made the effort to learn Mandarin.

In response to a question on the possibility of his "entrapment" by special political interest groups within the Chinese community, such as Taiwan or PRC proponents, he also did not feel that would be a problem for his candidacy. Regarding specific questions about his position on issues related to the Chinese community like the head tax, he stressed that he did not support redress of the

head tax on an individual basis but did advocate negotiations with the federal government and the establishment of an endowment fund. Concerning the issue of human rights in China, he looks forward to hearing the position of his Chinese constituency. In general, he said that "we can't forget the lives at Tiananmen," but at some point, "Canada also had to increase its interaction with China."

Ben Eng feels that the number of Chinese-Canadian candidates now running is an indication of the "political maturing of the Chinese community," which has taken its place in mainstream political life. It has been twenty years since anyone of Chinese descent served at the federal level. The newer wave of Chinese and Hong Kong immigrants have established themselves in Canada, and the older Chinese community now has many connections and is more centralized in its identity. Ben feels that people like himself, Bob Wong, and Citizenship Judge, Gordon Chong – who are of Chinese descent but grew up in Canada, articulate a "westernized way," and are integrated in mainstream Canadian life – have a unique role to play as a bridge between the older and newer Chinese-Canadian communities.

Ben sees himself more in this role as a bridge between cultures rather than an ethnic Chinese candidate. As a Canadian-raised and trained police officer for many years, he is well known by the immigrant Chinese community.

In answer to a question about the possibility of an Anglo "backlash" against ethnic candidates, Ben replied that it was more likely to be a political, rather than ethnic, reaction by voters against unpopular incumbents and their policies. He felt the fact that both he as a Tory and Winnie Ng (NDP) were running on opposite sides would defuse the "Chineseness" of any issue. Most Canadians are very familiar with the Chinese community, and people are basically comfortable with the success of the Chinese. He concluded that how much each candidate used or flouted his "Chineseness" or focused on singularly Chinese concerns, like redress of the head tax, was up to him/her. For his part, Ben intends to keep his campaign centred on Canadian issues, such as the economy and law and order.

Winnie Ng: NDP Candidate for Trinity-Spadina

Ms. Ng, well-known in the community for her work in the labour and anti-racism movements, has been nominated to run as the federal NDP candidate in the Trinity-Spadina riding of Toronto. She replaces Dan Heap, M.P. (NDP) who retires this year. Encompassing the University of Toronto to working class neighbourhoods, this downtown riding is one of the most linguistically and culturally diverse in the city, including Chinese, Italian, Vietnamese and Portuguese groups. Bernard Luk and I interviewed Winnie Ng for this article on March 30.

Though she was born and grew up in Hong Kong, Ms. Ng is of Hokkien background. Her parents were originally from Fujian province in China. She is fluent in Cantonese, Mandarin and Hokkien, as well as English and some French.

She first came to Canada in 1968 as a high school visa student and spent two years in Victoria, B.C. Graduating with a B.A. in Sociology from McGill, she married and came to Toronto in 1975. She landed her first job in 1975 at University Settlement House where she worked for two years and helped establish the first English classes for immigrant workers. She later became the first Chinese-Canadian union organizer with the International Ladies Garment Workers Union.

As early as 1976, she and her husband helped in the election campaigns of Dan Heap, and she has been involved in local NDP politics ever since.

In response to our question, "Do people try to identify you as 'the Chinese candidate'," Winnie conceded that some do. However, she emphasized that her support also included the women's and labour movements, in addition to her support from the Chinese community. She mentioned the need to make a broader appeal than Chinese votes since her riding is so diverse.

Even the local Chinese community in her riding is not homogeneous and includes both old established residents and new immigrants. Many of the latter are not yet citizens;



Winnie Ng

the majority are from the PRC, rather than Hong Kong, or ethnic Chinese from Vietnam. Of the approximately 97,000 residents in the riding, only about 20% of them are of Chinese background.

As a member of the New Democratic Party, Ng's political stance as a workers' advocate is well known. She is also familiar to the residents of the riding, from all ethnic groups, since she has lived and worked in the community for over 18 years.

We talked about the prospect of the provincial NDP government being a liability to her federal election campaign. Her response was that her campaign emphasized federal rather than provincial issues – particularly, economic issues like opposition to the North American Free Trade Agreement (NAFTA) and its effect on Canadian jobs. Her campaign motto is "jobs and justice."

She admitted the election could be very close and would basically be a two-way race between Liberal and NDP candidates. Trinity-Spadina was traditionally a Liberal riding until Dan Heap won by a narrow margin in 1981. Since then the elections for MP have always been close.

Questioned about how conservative-liberal splits within the Chinese community might

affect her campaign, Ms. Ng hopes to reconcile some of these differences by staying above local disputes within the community. Regarding the head tax issue, she supports government redress to the individual victims of this tax, in addition to the establishment of an endowment fund for the community as a whole. She feels it is important for the government to negotiate with the victims as a gesture of good will.

As a Canadian candidate, Ms. Ng does not see herself becoming embroiled in Taiwan-PRC political issues. She strongly supports a development model which respects human rights and democracy – not just for Taiwan or China but for all areas of the world. An admirable part of Canadian identity is the country's current position on human rights. She feels Canada's emphasis on basic human rights should be extended not only externally to include its relations with the Third World but also internally to improve conditions for Native Canadians.

From the issue of human rights, we asked about how she would chart the course of racism in Canada, its rise and decline. Winnie answered that there had been some definite progress against more blatant forms of discrimination, especially since the 1940s when Chinese-Canadians could not vote. However, today there are more subtle forms of racism which must be challenged: "we can never be complaisant about this progress." She supports more anti-racism programs that emphasize equality, respect and understanding between different peoples. She also favours legislation to break down systemic barriers to equality in Canadian society.

She envisions "prospects for more fundamental change" in the future and a broader national commitment to multiculturalism, what she terms "the celebration of Canada's multi-heritage." In particular, "the House of Commons should reflect the gender balance and the cultural diversity of Canada." This is the vision she feels Canadians must work towards.

Raymond Chan: Liberal Party Candidate in B.C.

by Hugh X. Tan
Vancouver

On 29 November 1992, Raymond Chan won the federal Liberal Party nomination for Richmond, B.C. In a close vote, Chan defeated (by only 250 votes) the second-ranked candidate, Herb Dhaliwal, an Indo-Canadian businessman and vice-chair of B.C. Hydro. At the time there was considerable controversy over the issue of allowing non-residents of Richmond riding to vote – a practice permitted under Liberal Party rules, although an attempt was made to change it in mid-stream.

Mr. Chan, who emigrated from Hong Kong in 1969 and became a Canadian citizen in 1974, is an engineer at the TRIUMF Centre and former chairman of the Vancouver Society in Support of Democratic Movement (VSSDM) [see *Update*, 5: 15]. Having completed grade 12 at Vancouver Technical Secondary School, he received a Bachelor of Applied Science in Engineering Physics from the University of British Columbia and has worked at TRIUMF for the past 14 years.

Raymond Chan first entered local politics in 1989 when he organized and was founding chairman of the VSSDM. During his three year term, he made many contacts with officials at three levels of government, and he became aware of the lack of representation by Asian Canadians. For example in the parliament, there were no M.P.s from the over 800,000 Chinese-Canadian population. He felt that as a result, mainstream Canadian society had little knowledge of Asian countries or of the Asian communities in Canada.

In order to change this situation, Mr. Chan decided to run for the federal Liberal Party nomination in Richmond, where Asian-Canadian communities have expanded rapidly in the past few years. He has been a long-time supporter of the Liberal Party and particularly values its policies on free enterprise and multiculturalism.

At present, Raymond Chan is actively preparing for the federal election by holding fund raising events and advertising his political platform to the 120,000 Richmond residents.

Hong Kong and the US-China Most Favoured Nation Issue

With the approach of June and the beginning of summer, we can expect to see representatives and senators in the US Congress raising the issue of China's Most Favoured Nation (MFN) status with the United States. Hong Kong has been caught in a recurring debate between the US and China on this issue since 1989. The territory's vulnerability in this perennial dispute reflects the importance to Hong Kong not only of its international trade position, but also of its trade and investment relationship with China and the growing fusion of the South China and Hong Kong economies. To a certain extent, Canadian exports to China could also be caught in the crossfire between the US and Beijing.

MFN status is a fundamental element of the trading relationship between the two countries. Since it was granted to China in 1980, it has given the PRC the lowest available tariffs on its exports to the United States. China's MFN status must be renewed by Presidential waiver annually, and this must be approved by Congress.

Until 1989 and the killings and repression of Tiananmen, this was a formality. Since then, however, this issue has been linked to human rights issues in China, and representatives in the United States Congress pressured former President George Bush to abrogate this arrangement. Presidential veto of Congressional legislation has been used to continue China's MFN status.

For the United States Congress, the issue is more than a political statement about human rights issues in China. China's burgeoning trade surplus with the United States, estimated to be at least \$12 billion this year, has also created resentment within the US. Lobbyists from various American industrial and labour groups have applied considerable pressure on Congressional and executive branches. On their side, Chinese leaders have also been sending a steady stream of high-level delegations to the United States to promote China's case for continued MFN status.

The issue has important implications for Hong Kong. First of all, China's exports to the United States through Hong Kong are more than double direct exports to the United

States. Two 1990 US government studies estimated that loss of MFN status would result in significant tariff increases on 90% of Chinese exports to the US and a loss of about \$3 billion in Chinese exports.

This would have a profound impact on the Hong Kong shipping and handling industries, as well as other services and commercial infrastructure. More significant would be the impact on Hong Kong companies which have moved to or established manufacturing facilities in South China. These manufacturers would suddenly lose their competitive position in the United States market.

MFN status is reciprocal, which means that non-renewal of this status would also have an impact on US exports, as they would be subject to a 20% tariff. While the US is an important source of technology for China, the bulk of China's imports from the United States still consists of grain, semi-manufactured goods, and some equipment which could be imported from other sources, including Canada.

The importance of this issue to Hong Kong is something which unites the leading elements in Hong Kong politics. When the issue first arose in 1990, the governor of Hong Kong at the time, Sir David Wilson, wrote to the United States Congress urging them to approve renewal of China's MFN status. Leading Hong Kong politicians, industrialists, and economists warned of the impact of loss of MFN status on the territory's economy. They predicted a massive flow of investment out of Hong Kong to Southeast Asia, especially Singapore. Even former US Ambassador Winston Lord added his voice to this chorus.

A new President and a new Congress will be addressing this issue in June. It may be that, despite the rhetoric and hyperbole, MFN status will be renewed for another year. In the meantime, China will attempt to reduce the irritant of its large trade surplus by giving more favourable consideration to United States exports to China for products and commodities which Canada is also attempting to export. So while the implications for Hong Kong are important, Canada may also be affected by this ongoing trade dispute.

Canada and Hong Kong Sign Environment Agreement

On 8 September 1992, Canada and Hong Kong signed a four year environmental cooperation agreement to increase the exchange of information and technology. The accord was signed in Hong Kong by Canada's Minister of State for the Environment, Pauline Browes, and Hong Kong's Secretary for Planning, Environment and Lands Branch, Tony Eason.

The agreement calls for the two countries to develop a program in the areas of environmental impact assessment, public awareness and education, waste management, application of clean technology, and atmospheric pollution, including acid rain and climate change.

At the signing ceremony, Minister Browes stated, "Canada is committed to maintaining the momentum of the recent U.N. Conference on Environment and Development. One of the requirements for success on a global scale is partnerships. The agreement signed today exemplifies the teamwork that we must con-

tinue to build between nations and within nations." Secretary Eason declared, "The Hong Kong Government welcomes the opportunity to participate with the Government of Canada in the bilateral Memorandum of Understanding on environmental cooperation. We also look forward to sharing information with Canada on its very comprehensive Green Plan and our own White Paper on the Environment."

Canada's Green Plan, a six-year, CDN \$3 billion strategy for introducing sustainable development in Canada, commits the federal government to strengthen bilateral environmental cooperation. Through the exchange of knowledge and creation of commercial opportunities, this environmental agreement signed between Canada and Hong Kong is a step towards global environmental protection. In addition, such partnerships stimulate trade in environmental products and services.



During her visit to Hong Kong to sign the Environmental Agreement, the Hon. Pauline Browes, Minister of State for Environment, visited the Canadian International School, September 1992.

The Fall of Hong Kong

Memories of the fall of Hong Kong and the capture of Canadian troops there have been revived over the past while. Claims in the recently released report of Major-General Maltby, the British commander in Hong Kong at the time of the Japanese invasion in December 1941, that Canadian soldiers were drunk and cowardly and that they failed to put up a strong resistance to the Japanese, have been soundly rejected in Canada. The allegations have been seen as the attempt of a defeated commander, who suffered the humiliation of surrendering to the Japanese on Christmas Day, to shift blame for the defeat onto other shoulders — in this case onto the shoulders of non-British troops. The report, which has just become available in London under the fifty year rule, followed the same lines as a recently released report on the fall of Singapore, in which the British commander blamed the col-

lapse in Singapore on the cowardice of Australian troops. There were loud protests and counter-claims in Australia. In Canada, Defense Minister Kim Campbell came strongly to the support of the Canadian troops and stated that there was no historical basis for the report.

The existing accounts of the fall of Hong Kong and the subsequent imprisonment of eight hundred Canadian troops have never made any mention of cowardice. Instead, they describe the impossible task the soldiers were given. The troops, from the Winnipeg Grenadiers and the Royal Rifles, arrived in Hong Kong only a few weeks before it came under Japanese attack. Hong Kong was almost impossible to defend because of a land border with occupied China and a long and exposed sea coast. It was also extremely isolated, far away from the nearest Allied forces. Previous accounts of the fall of Hong Kong castigated

the British authorities for sending the Canadian battalions to Hong Kong when they already knew that this "outpost of Empire" (in the words of Winston Churchill) could not be defended. The Canadian troops were, in effect, condemned to death or imprisonment.

The repetition of criticisms of Canadian troops touched a raw nerve, coming as it did so shortly after other perceived attacks on the Canadian forces during World War II, in the CBC television series *The Valour and the Horror*. The Hong Kong story found surviving Canadian veterans in fighting spirit to defend their honour and that of their dead comrades. Sources on the Canadian troops during World War II include:

Philip Bruce, *Second to None*, Oxford, 1991.

Kenneth Cambon, *Guest of Hirohito*,

Vancouver, 1990.

Carl Vincent, *No Reason Why*, Stittsville, 1991.

CCCHK Selects New Executive Director

Ms Leslie Henderson has been appointed the new executive director of the Canadian Chamber of Commerce in Hong Kong. On March 1 she replaced Heather Allan, who worked for the Chamber for 3 years.

Ms Henderson is a long-term resident of Hong Kong although she spent the last two years in Vancouver as conference coordinator with the UBC Conference Centre. She is

also a qualified secondary school teacher and taught English at the British Council in Hong Kong. She explained that she looks forward to the "challenge of making events flow smoothly and helping people make connections through the Chamber."

The Canadian Chamber of Commerce in Hong Kong is a non-profit organization with approximately 900 members and five full-

time staff. There are fifteen committees which range from China Trade to Human Resources to the Entrepreneurs Committee. The Chamber holds approximately 80 events each year, making it one of the most active Chambers in Hong Kong. It is the largest Canadian Chamber outside of Canada.

The Right Connection: Government of Ontario Office in Hong Kong

by Anh Truong
International Trade Coordinator
Ontario Office, Hong Kong

For many Canadian businesses, Hong Kong is considered to be the gateway to both China and Asia. There are more Canadians living in Hong Kong and more Canadian businesses located in the territory than in any other Asian country. With increasing business opportunities in China and Southeast Asia, the Government of Ontario Trade Office is continually assisting Ontario companies in taking advantage of trade and investment in some of the world's fastest growing economies.

In Hong Kong, doing business not only means being familiar with the environment, but it is also vital to develop proper contacts. This is where the Ontario Government office can make a difference to individuals who venture to do business in this region. According to Andrew Szende, Senior Agent for Asia, "Hong Kong practices business with an old-fashioned sentiment: one has to build a trusting friendship before engaging in any business. This is why contacts are so important."

Most of the business contacts made in Hong Kong occur outside of the office, at business and social functions, either formal or informal. Government representatives offer a high degree of credibility which enables them to interact with high-profile government officials and senior business executives in both countries. The Government of Ontario can capitalize on these contacts by linking up companies or business people.

With a mandate to promote and strengthen trade, investment, and cultural ties between Ontario and Asia, the Government of Ontario first opened an office in Hong Kong in 1980. Initially, the office began with one trade representative and two locally-engaged staff. Today there is a team of nine Canadian and locally-hired staff, all working to serve the needs of businesses and interested parties.

For Ontario firms, the staff can help identify trade and investment opportunities; provide advice about local business practices;

source equity partners, agents, and distributors; and assist in arranging appointments and itineraries. Hong Kong companies interested in investing in Ontario can equally look for the same services provided by the Government of Ontario.

While the Ontario office mainly focuses its efforts on trade and related business, the staff often handles educational and cultural enquiries from the Hong Kong public. Representatives can also counsel local students and parents about education in Ontario. Thus, all individuals who are planning to study or immigrate to Ontario are encouraged to contact this office. For further information, please contact:

The Government of Ontario, Canada
908 Hutchison House
10 Harcourt Road
Central, Hong Kong
Tel: (852) 845-3388
Fax: (852) 845-5166

Canadian Business Award Launched by CCCHK

The Canadian Chamber of Commerce in Hong Kong (CCCHK) recently announced the launch of the Voyageur Award, which is designed to acknowledge the achievements and contributions of successful Canadian businesses in Hong Kong. Over 35,000 Canadians reside in the territory, trading in over CDN\$1.7 billion, and this award was created to recognize the increasing importance of these ties between Canada and Hong Kong. In addition to the CCCHK, the award

is also sponsored by the *Hongkong Standard*, Hongkong Telecom, the Chinese-Canadian Association, the Canadian Universities Association, and the Canadian Club.

The objective of this new annual award is to honour successful Canadian business in Hong Kong. It is hoped that by offering such recognition to effective business people, the Voyageur award will serve to encourage and cultivate the entrepreneurial spirit for which Hong Kong is famous. A total of 22 nomina-

tions were received by the closing date March 5. The winner will be announced at the CCCHK annual Ball on May 29.

The significance of the name "voyageur" is derived from Canadian history. "Voyageurs" were people who explored the vast territory of Canada, setting up trading posts in remote areas. Since then, the term has become a metaphor for the exploration of new grounds – a very appropriate name for Canadians forging ahead in Hong Kong.

Publishing in Cantonese: A Clue to Hong Kong Identity?

by Don Snow
Hong Kong

Since 1949 the cultures of Hong Kong and China have taken very different paths. Some differences, such as those in lifestyle and standard of living, are obvious even to the casual observer. However, some subtle differences exist as well. One of the most important of these is a growing sense among people in Hong Kong that they are first and foremost just that – Hong Kong people – and only sec-

ondarily Chinese. As a number of Hong Kong researchers have discovered, many in the territory, particularly younger and better educated people, have an increasingly strong tendency to identify primarily with Hong Kong and its culture rather than with the culture of China.

One interesting aspect of this increasing cultural gap between China and Hong Kong

lies in the written Chinese language. In general, people in China and Hong Kong read and write the same form of Chinese, but over the past few decades more and more articles and books in Hong Kong have been written in Cantonese rather than in Mandarin (Putonghua).

Cantonese and Mandarin are both dialects of Chinese, so their grammar is very similar

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and there is also much shared vocabulary. However, the vocabulary differences between the two are quite significant, particularly in the colloquial registers. It is primarily this lexical difference which distinguishes written Cantonese from written Mandarin.

Virtually all Hong Kong newspapers have at least one or two articles daily in Cantonese, and Hong Kong's best-selling newspapers – the *Oriental Daily*, *Sing Pao* and *Tin Tin Daily News* – have considerably more. Cantonese articles are also found in many Hong Kong magazines, and Cantonese is often used in popular paperbacks, such as the *Siu Nam Yan Chou Gei* (Diary of a Little Man) series of the late 1980s.

The significance of this development lies in the importance of the written Chinese language as a symbol of a unified Chinese culture. While China has always had a variety of mutually unintelligible regional dialects, the use of a unified standard written language – in the past, classical Chinese and now written

Mandarin – has facilitated communication and provided a common cultural core.

People in different parts of China may speak differently, but they have traditionally learned to read and write the same language in school and have read the same books, newspapers, and magazines. Of course, dialects have historically made an impact on literature in many parts of China, particularly in the Wu dialect region around Suzhou and Shanghai. However, such "dialect literature" has been written primarily in standard written Chinese, with only a small admixture of dialect vocabulary.

In contrast, since 1949 much Cantonese literature in Hong Kong has come to use so much uniquely Cantonese vocabulary that it is not intelligible to someone who does not speak Cantonese. Like Hong Kong television programs and films, Cantonese literature has also come to draw heavily on modern Hong Kong life for its subject matter. Writers often assume that readers will have intimate knowledge of the territory's current events, places,

media stars, and even popular brand names. In short, Cantonese dialect literature in Hong Kong is unique in the extent to which it has become an in-group conversation, markedly local in both its language and content.

The significance of Cantonese literature in Hong Kong should not be over-estimated. Schools in the territory only teach standard written Chinese, and Hong Kong publications are still dominated by the standard written language. Many people in Hong Kong also look down on written Cantonese as an inferior language, arguing, at least publicly, that its use should be discouraged. There is, therefore, little likelihood that written Cantonese will soon – or ever – replace standard Chinese as Hong Kong's written language. However, given the importance of written Chinese as a symbol of China's culture, the growth of an exclusive regional Chinese written language and literature is an interesting indicator of the degree to which the culture of Hong Kong has developed an identity and life of its own.

Comparisons Between Hong Kong and Canadian University Women

by May Partridge
Victoria, BC

My recent research on university-educated women in Hong Kong and Canada compares their educational, family, and work strategies. The study of such strategies has revealed differences in the two societies which affect women's decisions concerning their education, choice of occupation, and career patterns. As part of my Ph.D. research, I have examined case studies of women educated at the University of Hong Kong and Simon Fraser University in British Columbia. An understanding of the differences in these employment strategies, particularly among Hong Kong women, may indicate some of the reasons why this group experiences particular kinds of frustration when emigrating to Canada.

In general, the strategies of work and family I found among Canadian students and graduates may be described as "exploratory." By contrast, the strategies shown by Hong Kong female students and graduates may be called "committed."

I have used the term "exploratory" to characterize the strategies of Canadian women because their career decisions appear more tentative and there is a tendency to keep their options open. They indicate more anticipation of and action in the following:

- 1) investigation in more than one field of occupation;
- 2) more frequent change of jobs; and
- 3) more "stop-outs" from employment for children, travel, further education, relocation of self or of spouse, and from swings in the economy. Perhaps most critically, they view the purpose of work in their lives as a way to find themselves, to realize their talents.

I have designated Hong Kong university-educated women's strategies as "committed" because they appear to take career decisions with a definite "game plan" in mind. This game plan has three steps: first, getting the good job, with good pay and good prospects; second, in two to three years, making the good marriage; and then, finally, having children – but only one or two, or perhaps none. Children are optional, while marriage generally is not. The obverse appears to be true for Canadian women. A number have doubts about marriage but do retain the option that if they are growing older and still wish to have a child, they may become single parents, even if by adoption.

Hong Kong women do anticipate changing jobs, but they see such changes as necessary for better opportunities and in order to progress in their field. They generally do not anticipate

changing fields once an occupational niche is established. They foresee only short interruptions in full-time employment. Overall, their orientation is to career development rather than to career change. For them, the purpose of work is to make a contribution to one's family and to society.

There appear to be four factors which contribute to these more "committed" strategies. The first is the domestic socialization of many Hong Kong women where the chief task of growing up is seen as becoming able to make a financial contribution to the family. This attitude is rooted in immigrant family experiences of the struggle to establish a secure footing in a rapidly industrializing society. This struggle led to what Janet Salaff [*Working Daughters of Hong Kong*, Cambridge University Press, 1981] and other scholars have called the household economy – an arrangement where everyone in the household who could work, did so, parents as well as older children. All contributions were necessary and, therefore, in some sense acknowledged as valuable. Many of my study's Hong Kong participants grew up in such households.

Moreover, many of the young women I interviewed experienced a gain in personal status as it became clear that they would attend

university. They received more attention from their fathers; they were discussed in glowing terms in family gatherings, as those who would have the kinds of jobs that would provide for their families well.

For these young women, obligations to their natal family do not end with their marriage. Hong Kong does not have the kind of social security network taken for granted by Canadians, and pensions are few and far between. Therefore, most of the university graduates, especially from working class backgrounds, expect to support or help support their aging parents.

Hong Kong women also seek to maintain their status within their marriage through their continued economic contribution to the household. Their incomes can make a certain kind of lifestyle possible, and they want to be part of the decision-making about large purchases and major investments. In particular, middle-class housing is expensive, and their incomes are crucial to acquiring and keeping such accommodation.

In addition to learning the rewards of making a contribution to the family, Hong Kong university graduates also understand the rewards which come to a winner in the system and how to capitalize on them – that if one tops the group in a particular skill or body of knowledge, one is entitled to expect other rewards, such as promotion and a raise in pay. This attitude is developed in response to a single-sex, highly competitive educational system.

This system was nurtured in the network of convent and mission schools initially provided for girls in Hong Kong, and it still owes much to these institutions. Although it has its negative attributes, it encourages young women to compete strongly for what places are available at university. It also stresses early concentration on those academic subjects likely to provide entrance to good occupational prospects. Streaming grows tighter and tighter as one proceeds through the system, each set of examinations narrowing the field of choice. Exams determine access to good English language schools in preparation for university, and they determine acceptance to the arts or science streams, each branch of which opens only to certain degree programs and, hence, occupations. Therefore, those who succeed in this system become very focused on particular goals.

Always the competition in English remains paramount. It is the language of instruction at the University of Hong Kong, and, thus, the need for its mastery determines the outcome of many young women's lives. It is little wonder

that Hong Kong University graduates coming to Canada find it frustrating to encounter certain attitudes about their English when they have been clear winners in the language throughout a schooling system whose rewards are still heavily dependent on its mastery.

The third factor contributing to Hong Kong women's committed employment strategies is the continued experience of expanding opportunities. The roots of this tremendous growth lie in the shift of Hong Kong's economy from rapid industrialization to a mature service phase. In particular, the expansion of government during the 1970s meant a vast wealth of new jobs in education, health care, social work, and public administration. These fields continue to grow. In addition, the financial growth of Hong Kong during the 1980s (the capitalization of Southeast Asia and Guangdong province) has meant an increase of positions in banking and business administration. Women are finding good jobs in all levels of the new and expanding financial institutions, ranging from accountancy to senior management.

The fourth factor, and an especially important one, is the ability to arrange childcare and household help and to feel comfortable with the arrangements. In the first place, there is the accessibility of one's extended family. The tight geography of Hong Kong means that one may have parents or in-laws living close at hand to give childcare and to provide the evening meal.

If this is not an option, then there is the geographic accessibility of the Philippines, with its surplus of relatively well-educated female labour. Migrant domestic labour is politically acceptable in Hong Kong, and a household with two professional incomes can hire a domestic helper relatively inexpensively.

Both options are acceptable to the Hong Kong social construction of mothering. Childcare in the early years is seen as the maintenance of physical security and warmth and as the promotion of acceptable behaviour in social situations. These concerns are thought to require the mother's close monitoring and attention to children still at home, but not her continual physical attendance.

Because of these four factors – the valuing of all economic contribution to the family, the educational pressure to succeed in a particular discipline, the knowledge that a good job is there to develop into a career, and the availability of and comfort with household help – Hong Kong women university graduates are committed to career development. However, if they immigrate to Canada, they may find themselves caught up in one of two possible outcomes.

These outcomes also proceed from their initial strategies.

First of all, changes in Hong Kong female graduates' strategies are occurring. I did interview some women who were considering stopouts from employment, either because of changes in the social construction of motherhood due to Western influences or because of reappraisal of earlier commitments to a line of work. Hong Kong women meet the glass ceiling too, and at that point they must decide whether to go to a firm which appreciates their talents or start their own business. Or they come to know themselves better after they have accomplished the "good job, good marriage, nice kids" goal and look back to the other ambitions they laid aside to succeed in an ever-narrowing channel of educational and occupational opportunity. Some return to school. Thus, Hong Kong women who are at this stage in their lives may be prepared to shift gears when they come to Canada. They may launch their own explorations and eventually find a second career.

However, the chances appear greater that the female Hong Kong university graduate who comes to Canada will experience frustration in continuing her career development. She will find the job market much slower as Canada is experiencing a severe recession in business and government cutbacks in spending have meant fewer and fewer jobs in education, health care, and social services. Competition for publicly-advertised jobs is very intense. The frustration of a tight job market is compounded by the apparent discrimination on the basis of English usage that a number of Hong Kong immigrant women have experienced. These are often women who have completed university degrees on the strength of their use of English in highly abstract subjects, and to find themselves being eliminated from consideration for a position on the basis of an accent or a particular style of usage seems very unfair.

Moreover, married women with young children find themselves facing the exact same bind as do their Canadian sisters – an inadequate range of childcare services and live-in household help very difficult to find or afford. These women face, as do Canadian-educated ones, either the loss of key productive years and the chance to better their family's economic standing or massive anxiety about their children. These are frustrating circumstances, indeed.

Perhaps one way Hong Kong women may gain a sense of place in Canada is to recognize the difficulties they have now come to share with their new sisters and to work with them for the kinds of family support systems we all need.

Vancouver Hong Kong Forum Society

The Hong Kong Forum Society, based in Vancouver, is an organization which is just entering its third year of activities. Most of its members are people who have immigrated to Vancouver from Hong Kong and want to retain a serious interest in the territory. The stated purposes of the Society are to enhance economic, social, and cultural exchanges between Canada and Hong Kong, to promote international concern over the territory, and to sponsor open discussion on Hong Kong and its relationship with Canada.

In its first year of operation the Society organized a campaign, called "Remember our Hong Kong Roots," in conjunction with the 1991 Legco elections in Hong Kong. Last year the Forum held a seminar on the potential of British Columbia for business immigrants, a public session on Bill C-86, the new immigration legislation, and in July hosted students and teachers from Hong Kong Baptist College, who visited Vancouver as part of their Character Development Program.

In October 1992, it also co-sponsored the Vancouver Conference on Hong Kong, one of the major events of Festival Hong Kong 92. At the Society's annual dinner, held during the

Festival, the featured speakers were Hon. Emily Lau, Legco member, and Dr. Wai Ting, from Hong Kong Baptist College, Dept. of Communication. In December a seminar was held on the dispute over political reforms in Hong Kong [see below]. Among its current activities is the organization of a City Circle for City Plan, a program launched by the Vancouver Municipal Government. A new chapter of the Society is now being set up in Hong Kong by one of the former Vancouver directors, Alex Chan.

The Society has recently set up an electronic bulletin board to discuss Hong Kong issues, the **On-Line Hong Kong Forum**. Contributing members of the system include the United Chinese Community Enrichment Services Society (SUCCESS), Adia Education Centre, Hong Kong Link (UK), Alliance of Hong Kong Chinese in the U.S., Hong Kong Economic and Trade Office in Toronto, and Jack Yan, an individual in Los Angeles who wants to set up a similar bulletin board there. Members responsible for management of this project are Eleanor Ng, President, Peter Wilkins, Director, Patrick Tsang of SUCCESS, and Joanne Poon of UBC.

For further information on this on-line system and the Society's activities, contact the President, Eleanor Ng, c/o Alpha Computer, Lower Mall, Harbour Centre, 555 W. Hastings, Vancouver, BC, Canada V6B 4N4 (Tel: 604-684-8146; Fax: 604-684-8128)

Hong Kong Employment News

A new employment and business news service for Hong Kong was recently started in the U.S. by Business Research Institute (BRI). The first issue of *Hong Kong Employment News* was issued in February. This bi-weekly publication contains placement news, job openings, and advertisements for Hong Kong and the surrounding regions.

BRI also has a daily fax newsletter service, the *Hong Kong Business Letter*, which provides a concise, up-to-the-minute report on commercial and financial news from the Far East. For further information on subscribing to these services, contact: **Charles Mok, Business Research International, P.O. Box 3721, Santa Clara, CA, USA 95055; fax: (510) 752-2579; Internet e-mail at bri@netcom.com**

Seminar on Political Reform in Hong Kong

by Hugh X. Tan
Vancouver

Governor Patten's constitutional reforms have attracted much attention from Hong Kong immigrants in Vancouver. On December 12 the Vancouver Hong Kong Forum [see above] held a seminar to discuss recent economic and political developments in Hong Kong. Invited speakers, representing different points of view, included Selina Chow Liang Shuk-ye, Hong Kong Legco parliamentarian and member of the Hong Kong Cooperative Resources Centre (CRC), and Thomas In-sing Leung, Director of Chinese Studies at Regent College (UBC) in Vancouver. The meeting, attended by over 100 people, was chaired by Eleanor Ng, president of the Hong Kong Forum.

In her more conservative speech, Mrs. Chow indicated that the CRC hoped that both China and Britain would return to the negotiations. She emphasized the need for a "convergence," or smooth transition for Hong Kong from British rule to Special

Administrative Region under China's Central Government, and declared the CRC would not support any reform proposal which is not in favour of convergence. She further reiterated that people should not lose confidence in Hong Kong because of the recent political disputes and that patience was needed to monitor the developments. Finally, she emphasized that support from overseas Chinese communities was very important for Hong Kong.

In contrast, Professor Leung, who originally came from Hong Kong, stressed that overseas Chinese should support the democratic movement in Hong Kong since they, in particular, were free from political pressure. He also commented that the CRC, while emphasizing a smooth transition towards 1997, seemed to overlook the opinions of grassroots communities in the territory. Representing the Forum's position, Eleanor Ng, strongly supported the proposals for political reform in Hong Kong. Arguing that

support of the proposals did not necessarily mean support of Governor Patten, she indicated that if Deng Xiaoping raised similar proposals, the Hong Kong Forum would also welcome that.

Speakers from the audience predominantly supported the proposed reforms for Hong Kong; however, one person took the opposite position that as China is the "landlord" of Hong Kong and Britain, the tenant, "a tenant should follow the rules set up by a landlord."

In January and February of this year, the Hong Kong Forum recently conducted a telephone opinion survey in Vancouver's Chinese community, focusing on the debate over constitutional reforms in Hong Kong. The results revealed that the majority of those who knew about the reforms supported them. However, surprisingly, over 36% of those Chinese-Canadians surveyed, even those who recently immigrated from Hong Kong, were uninformed about the dispute and had no opinion.

“Passages to Canada”

by Janet A. Rubinoff

On March 4, the Hong Fook Mental Health Association of Toronto presented a programme, “Passage to Canada,” which featured the stories of Chinese Canadians, representing three different waves of migration – in the 1920s, 1970s and 1980s. The program concluded with a panel discussion on the implications for emigration of the return of Hong Kong to Chinese sovereignty and the future of the territory towards 1997.

Three speakers related their personal experiences of immigrating to Canada – Cecil Ing, Eric Yu, and Peter Bok. One arrived 70 years ago as a poor, uneducated labourer; one came as a student almost 20 years ago and slowly established his career here; and the last speaker only immigrated four years ago and has just recently found a job in his field. Two of the speakers were from Hong Kong while Mr. Ing came originally from southern China. Each related a “story” of different challenges, including racial discrimination, status dislocation and language difficulties, as well as new experiences and opportunities.

Representing the earlier wave of Chinese immigration at the beginning of the century, 85-year old Cecil Ing explained that he came to Canada in 1923 and had to pay a \$500 head tax. He arrived among the last two shipments before passage of the Chinese Immigration Act of 1923, which essentially excluded further Chinese immigration for over two decades, even for family reunification.

Asked why he had left China, Mr Ing replied, “to make a better living” and that North America and Canada represented a “golden mountain.” During his years in Toronto, he worked as a dishwasher in the 1920s for \$12 per week, 15 hours per day and seven days per week. During the height of the Depression, he worked as a waiter for only \$6 per week. It was not until 1938 that he found a better job as a waiter though “things did not get much better until after the war.” When the

exclusion act was repealed in 1947, he worked hard to bring over his family from China, but it was not until 1968 that his wife and three daughters finally joined him. He now lives with his wife in an apartment for senior citizens.

While Mr. Ing spoke in English, it was clear that he lacked fluency in the language even though he had lived in Canada for nearly seventy years. Some of the questions he was later asked by the audience also had to be translated for him into Chinese. His lack of facility with English reflects a time earlier in the century when there were few opportunities for Asian immigrants to improve their education and language skills or to integrate within the mainstream of Canadian life. As he himself explained there were no ESL classes or social service organizations in the Chinese community to help him adjust to life in Canada.

As a young officer with the Royal Hong Kong Police Force, Eric Yu explained that he came to Toronto in the mid-1970s to study civil engineering. Though he felt that he had made considerable sacrifices and has had to work extremely hard to get ahead, he stressed that he is “still falling in love with this country.” and that Canada has much to offer.

On arriving in Toronto, he explained that his biggest problem was communication in English. To overcome his language difficulties, he watched “a lot of T.V. and read local English newspapers.” He also met many Canadian friends in high school and later in university who helped him integrate more successfully into Canadian society. His message to the new immigrants from Hong Kong and China is “to learn English and to communicate with the mainstream.”

Peter Bok, who is a social worker and a graduate of the University of Hong Kong, was the most recent immigrant of the three speakers. He came to Toronto in 1988 and spoke of his difficulties in finding a job and re-establishing his career in Canada.

Experiencing the problem of status dislocation for many recent immigrants, he had left a good job in his field in Hong Kong to find himself first working for \$6 per hour in the warehouse of a tuxedo rental company, in order to feed his family. He lacked “Canadian experience,” and after much frustration finally landed a job as a data entry clerk on the night shift in a warehouse on Airport Road. He worked with several other “ladies whose typing skills were far better than my own.” At the time, he mentioned that his moral esteem had “reached a low point.” To make ends meet, he also took a second job on the weekends, first as a bus boy and then as a waiter at the Prince Hotel. For three years, he worked seven days per week.

Ironically, in Hong Kong part of his social work job was counselling prospective emigrants who were leaving the territory. Asked why he had decided to immigrate himself along with his wife and two children, he declared that he was an “opportunist.” With no friends or relatives in Toronto, he arrived with few contacts and not a great deal of money. Finally, a good opportunity arose and he was hired as an employment counsellor at Settlement House. Thus, it was not until recently that he “could resume his career.”

The dinner meeting at a downtown vegetarian Chinese restaurant was concluded with a talk by Peter Chen on the future trends of immigration from Hong Kong and a discussion with all the speakers. Mr. Chen predicted that first of all many of the present astronauts in Hong Kong will return to Canada after 1997. Then immigration patterns to Canada may change somewhat as Mainland Chinese, perhaps with less professional skills and different social backgrounds from present immigrants, come to Canada via Hong Kong. Mr. Chen felt that Canada and Hong Kong would continue to be major trading partners after 1997 and that immigration levels would remain high.

Briefing on Hong Kong Budget 1993

On March 3, Hong Kong's Financial Secretary, Hamish Macleod, tabled the government budget for 1993-94 in the Legislative Council. On the same day, the Hong Kong Economic and Trade Office in Toronto held a luncheon briefing on the budget at the Royal York Hotel.

Stephen Lam, director of the Office, and his colleagues Susan Luke and George Yuen presented an overview of the Hong Kong

economy, business prospects, and programme of infrastructural developments.

The briefing was attended by some one hundred prominent guests from government, business, professional, media, and academic circles of eastern Canada, as well as members of the Hong Kong-Canadian community. A lively period of questions and answers followed the presentation, and the discussions continued over lunch.

The guests were impressed with the economic progress that Hong Kong has been achieving and with the scale of infrastructural and social spending. They also felt encouraged about the prospects for Canadian participation in Hong Kong's development projects. Many useful contacts were made at the meeting, and the Hong Kong budget was very well received in the Toronto press.

Cantonese Telephone Info Service in Toronto

A Cantonese-speaking telephone information service went into operation recently in Toronto. By dialing a given number on a touch-tone phone, one gains access to a wide range of taped information.

One can choose to listen to local Toronto news, world news, or Hong Kong news; Canadian financial bulletins or the latest about the Hong Kong stock market; local weather forecasts; Canadian government information; advice about nutrition, health, or recreation; short stories for adults or children; or a diverse selection of consumer information.

The service was probably inspired by a similar service in English offered by the *Toronto Star* newspaper, and appears to be unique among ethnic communities in the city. It is free to the consumer and is financed by advertising. It is supported by a monthly magazine which is distributed free in the many Hong Kong-style shopping malls of Metro Toronto. Some 2,000 advertisers were listed in the latest issue of the magazine.

HK Christian Leader Visits Toronto

Kwok Nai-wang, director of the Hong Kong Christian Institute, visited Toronto in mid-March as part of a North American tour. He was invited by the Canada China Programme of the Canadian Council of Churches to speak on "Hong Kong 1997: a Christian Perspective."

Rev. Kwok is an ordained minister of the Church of Christ in China and has been active for many years in ecumenical and social justice work in Hong Kong. He is one of the best respected community leaders in the territory.

In 1988 he resigned from his position as general secretary of the Hong Kong Christian Council, after the executive committee of the Council had consistently tried to acquiesce to the restrictive demands from the PRC on representative government, labour rights, and nuclear power in Hong Kong. Subsequently, he established the Hong Kong Christian Institute to promote education for justice, peace, and human rights.

Last autumn, an ecumenical theological fellowship was formed in Hong Kong, in association with the Institute, to encourage theological, religious, and philosophical reflections and discussions on questions related to cultural heritage, faith, and democracy. The fellowship includes many members of Hong Kong's intellectual elite who happen to be Christians.

DEATH OF SILVIA LEUNG

Silvia Leung, a 22 year old student at the British Columbia Institute of Technology, was murdered on January 24 at the Burnaby campus of the college. She was struck in the shoulder by a projectile and died of blood loss. Silvia was the daughter of Lawrence Leung, director of the Hong Kong Immigration Department.

The family moved to Vancouver in 1989. Since August last year the family has been plagued by acts of vandalism, which included the setting of two fires at their home and the burning of a family car. Vancouver police have stated that there is no connection between Mr. Leung's position in Hong Kong and the murder.

The police also denied reports in Hong Kong that police had not taken action over the earlier attacks on the Leungs because they were Chinese immigrants. This denial was supported by spokesmen for both the Chinese Benevolent Association and the Vancouver Association of Chinese Canadians.

No one has yet been arrested in the case. Silvia Leung had been about to embark on a singing career in Hong Kong when she was killed.

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Hong Kong Capital Flows Into Canada

by Susan Henders and Don Pittis • Oxford, U.K.

According to the most cynical analysis, political uncertainty in Hong Kong is only good for the Canadian economy. The more troubled the investment climate in southern China, the more likely it is that money, sometimes attached to its owner, will migrate to the safety of Canada, stimulating this country's economic growth.

Without doubt the numbers, in absolute terms, are substantial. By one official estimate from the Canadian Commission in Hong Kong, as much as CDN\$5 billion in Hong Kong capital from all sources flowed into Canada in 1991 alone. What is harder to calculate is how much benefit Canada actually sees from that considerable amount of Hong Kong money. By 1992, 69% of the money invested in Canada under the controversial federal Immigrant Investor Program was real estate-based, capital that some critics argue creates few permanent jobs.

Moreover, calculating how much Hong Kong money actually arrives and stays in Canada is not easy. The uncertainties stem in part from the way in which the government gathers statistics and, in part, from the complexity of the investment pattern – something Henry Yau of Investment Canada readily

admitted. As he stated, "There is really no way to estimate it because Canada does not require people to report what they are doing with their money."

Government statistic-gathering methods may disguise the origin of an investment. Money brought by immigrants is one of the most important sources of Hong Kong capital entering Canada. However, because this money is brought in by someone now 'resident' in Canada, the government considers it domestic rather than foreign capital. If the capita'l comes from a company or person resident in Hong Kong – from the Cheong Kong empire of Li Ka-shing, for example – it shows up as 'foreign' investment on the government's records.

Even so, portions of both 'foreign' and 'domestic' Hong Kong investment can be estimated with some certainty, revealing that Hong Kong capital has become an important contributor in the Canadian real estate, energy, services, and manufacturing sectors. Although the economic development impact of this investment remains controversial, the federal government has estimated that immigrant investors – the largest number of whom came from Hong Kong – contributed about half of the CDN\$3.3

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Patten's Constitutional Proposals and Sino-Hong Kong Relations

by Bernard Luk
York University, Toronto

Just as the *Update* was going to press last April, it was announced that the PRC and UK governments would hold talks on the electoral arrangements for Hong Kong towards 1997. Beijing's willingness to engage in diplomacy, rather than strident attacks on the British side, broke the impasse which had developed over Governor Chris Patten's proposal last October to give Hong Kong increased, but still very limited, democracy before the transfer of sovereignty.

The PRC authorities insisted that any constitutional development in Hong Kong must be congruent with three previous sets of documents produced by the two sovereign powers: the Sino-British Joint Declaration on the Future of Hong Kong ratified in 1985; the Basic Law of the Special Administrative Region of Hong Kong, promulgated by the Chinese government in 1990; and exchange of secret

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billion in new venture capital available to Canada in 1989.

Hong Kong investment has received more than its share of publicity because of its links with the hand-over of Hong Kong to China in 1997 and with the migration of many of the territory's skilled and wealthy citizens to Canada. However, its overall contribution is overshadowed by the largest players. The United States, Europe, and Japan are Canada's major sources of foreign capital. Still, Hong Kong capital is second only to that of Japan as a proportion of growing Asian investment in Canada. According to one estimate, East Asia has accounted for about one-fifth of Canada's capital requirements since the mid-1980s.

Although the exact overall size of Hong Kong capital flows into Canada remains elusive, various federal government sources reveal the outline of its components.

Hong Kong Foreign Investment

This category includes both direct and indirect investment made in Canada by Hong Kong residents. **Direct investments** (see Table 1) are those which give Hong Kong residents influence in the management of an enterprise, usually based on ownership of at least 10% of the company's equity. At CDN\$1.37 billion from all world sources in 1991, direct investment is

second only to bonds as the largest form of foreign investment in Canada. [All subsequent figures are in Canadian dollars.]

Hong Kong's direct investment in Canada grew from \$8 million in 1961 to \$19 million in 1971, \$87 million in 1981, and \$2,306 billion in 1991. As these figures exclude capital from other foreign or domestic sources used to leverage the investment, they do not reflect the total book value of Hong Kong-controlled assets in Canada, which would likely be several times greater. For example, in 1987, the last year Statistics Canada kept track of such figures, Hong Kong direct investment in Canada was recorded as \$619 million. [This figure has since been revised. Thus, the total is different from the total for 1987 which appears in Table 1.] The total assets of Hong Kong-controlled direct investments in Canada was much higher, estimated at \$2,314 billion.

At the end of 1991, the Pacific Rim accounted for \$9,217 billion in direct investment in Canada, nearly 7% of the total from all countries and more than double its share of the total in the mid-1980s. Japan and Hong Kong were Canada's largest direct investors from the region, investing \$5,345 billion and \$2,306 billion, respectively, at 1991 year end. Hong Kong's total accounted for nearly 2% of all foreign direct investment in Canada, up from a

Proposals, cont'd from page 1

diplomatic notes during 1988-90 between the two governments. Beijing was insistent that Patten's proposals infringed on these documents but refused to be specific about where the infringements were.

The UK government was equally insistent that the proposals did not infringe on any previous agreement or promulgation, but only filled in the gaps in accordance with the spirit of the Joint Declaration. Governor Patten indicated from the beginning that he was prepared to negotiate on specific provisions, but that the outcome of any negotiation must provide for fair elections and be acceptable to the people of Hong Kong.

Sino-British Talks

The talks have been held in Beijing between the Chinese vice-foreign minister, Mr Jiang Enzhu, and the British ambassador, Sir Robin MacLaren. Beijing would not recognize ethnic Chinese officials of the Hong Kong government as members of the British delegation, so formally each side is represented only by its leading member, while other

officials on either side are technically specialists/advisers.

Beijing did not want the press to cover the negotiations but relented after protests from the Hong Kong media. Nevertheless, there was confusion at the opening of the first round in April, when reporters were denied the customary photo opportunity in the meeting room and were not permitted to observe the seating arrangements on the two sides of the table. Afterwards, the restrictions were relaxed a little, and reporters have been allowed a few minutes in the meeting room at the beginning of each session. (Team leaders and their specialists/advisers sit together at the table.)

It was agreed by the two sides before the talks that there would not be any press communications after each round. Indeed, neither side would divulge what had been discussed, except for platitudes like "some progress has been made." The Hong Kong community (including its Legislative Council), not for the first time, has been kept in the dark by its sovereign masters about what is being

mere 0.2% in the mid-1980s. Its share was still only a drop compared to the \$83.8 billion (61%) held by US investors and \$36.5 billion (nearly 27%) held by European investors in 1991. Hong Kong direct investment is especially strong in real estate, particularly the hotel industry, oil and gas, and manufacturing, where important investments have been made in textiles and electronics, according to government sources.

Direct investment includes contributions by Hong Kong residents to incorporated real estate, such as hotels or larger commercial property. It does not include **foreign investments in unincorporated or privately held real estate**, where Hong Kong-resident investors also played a significant role. At the end of 1991, foreign investors had contributed \$4.3 billion to privately held real estate in Canada. Approximately \$2.6 billion, or nearly 61% of the total, came from Hong Kong-resident investors, according to Frank Chow of Statistics Canada. Bank financing and other leveraging would reveal the total book value of Hong Kong contributions in unincorporated real estate as several times higher. Real estate investments by Hong Kong immigrants would push the total higher still.

Table 1: Hong Kong Direct Investment In Canada (in millions of dollars)

Year	Total	Year	Total
1960	—	1976	41
1961	8	1977	54
1962	8	1978	64
1963	8	1979	49
1964	9	1980	51
1965	10	1981	87
1966	9	1982	117
1967	10	1983	137
1968	15	1984	168
1969	18	1985	170
1970	20	1986	426
1971	19	1987	631
1972	26	1988	1007
1973	25	1989	1100
1974	18	1990	1309
1975	34	1991	2306

Source: Statistics Canada

Portfolio investments — those which do not give the buyer a management role in the company — make up a second major category of foreign Hong Kong capital in Canada. Known as **indirect investments**, the category includes purchases of equities below the 10% threshold and investments, such as public and private sector bonds, debentures, long-term notes, and

such money market instruments as Government of Canada treasury bills and Canada bills.

Exact figures for Hong Kong indirect investments are unavailable because of Statistics Canada reporting methods and because Canadian issuers are sometimes unable to identify the ultimate foreign owners. As Frank Chow indicated, Hong Kong-resident investors are relatively small players in a field overwhelmingly dominated by investors who reside in the US, Japan, the United Kingdom, and other European Community countries. Only about \$15.2 billion (6%) of all foreign non-direct purchases of stocks and bonds are held by investors outside these regions. Hong Kong holdings are a part of this total, but no one knows how much.

Excluding these indirect investments, the government estimates that Hong Kong-resident investors accounted for \$4.9 billion in direct investment and unincorporated real estate holdings in Canada at the end of 1991.

Hong Kong Immigrant-Source Capital

'Domestic' Hong Kong investment is made up of the capital Hong Kong immigrants — whom Statistics Canada categorizes as Canadian residents — bring with them when they come to Canada and invest in that country.

Capital cont'd page 4

planned for it. Nevertheless, the community as a whole is relieved at the suspension of the fireworks from PRC officials which predominated during the winter and early spring.

Effects on Hang Seng Index

Meanwhile, the stock market took heart from the fact that the two sovereign powers are at least talking to each other, and the Hang Seng Index resumed its interrupted climb. It had stood at about 4800 at the beginning of 1992. It rose steadily through the year and continued to climb last October after Patten first made his constitutional proposals, reaching a peak of nearly 6500. When Beijing began its diatribes and indicated it might not honour contracts awarded by the Hong Kong government, the index dropped below 5000 in December. The rise resumed after the new year and was at about 6800 when the talks began in April, reaching a new peak of above 7500 towards the end of May.

By any standards the rise of the Hang Seng Index during the past one and half years, despite the temporary setbacks, has

been spectacular. It was helped, inter alia, by US President Clinton's decision in late May to renew the Most Favoured Nation treatment for the PRC, unconditionally for another year. (Governor Patten, on his visit to the White House and Congress in May, pleaded with American politicians not to impose trade restrictions on China.) The exuberant business atmosphere contrasts sharply with the social and political sense of helplessness and gloom.

Other Sino-British Contacts

The constitutional negotiators met in Beijing for seven rounds between April and June, and could not come to any conclusions. However, those meetings made it possible for other Sino-British talks to take place.

The joint committee on the new airport scheme resumed its work after a break of half a year and reached agreement in late June on one of the major projects of the scheme, the **Western Harbour Crossing**. The rail and road tunnel is estimated to cost HK\$7.6 billion (CDN\$1.3 billion). The committee awarded the building contract, with a thirty-

year monopoly, to a consortium made up of PRC state-owned enterprises (about 60%) and Hong Kong capitalists. The proposed contract contains some unusual features. For instance, the permitted rate of return (18.5%) of the Western Crossing will be much higher than with the existing tunnels and other utilities. It will also have the unprecedented right to raise its tolls automatically once its profits fall below a certain percentage.

The **Joint Liaison Group**, which is the ambassadorial committee stipulated in the Joint Declaration to work on the diplomatic details necessitated by the 1997 transfer, also met again in June after a hiatus of several months. However, the atmosphere was strained throughout its three-day meeting, and the two sides could not agree on any major issue, such as the conversion to civilian use of certain lands in Hong Kong now occupied by the British military and the award of the contract for Container Terminal No. 9 (the dispute over which brought a sharp fall of the Hang Seng Index last winter).

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as part of immigration requirements.

The bulk of the money comes from business immigrants, who include: 1) entrepreneurs, or people with business expertise and capital who buy or establish a business which they must manage and which must create at least one job for Canadians; 2) investors, who are admitted under the Immigrant Investor Program, must have a personal net worth of \$500,000-700,000 and, invest for five years, \$250,000-350,000 in an approved business syndicate or a private or provincial government-administered venture capital fund; 3) and self-employed individuals, who must establish or buy a business in Canada which creates employment for themselves and contributes to Canada's economic, cultural, or artistic life.

Money invested to fulfil the immigration visa requirements under the **Immigrant Investor Program (IIP)** is the only portion of this immigrant capital which can be quantified with any certainty. Unlike other investments, those made under the IIP are locked in for five years.

Since the program's inception in 1986, Hong Kong immigrants have contributed approximately 40% of the nearly \$2 billion

subscribed under the IIP by the end of last year, according to Guy Pilote of the Business Immigration Branch, now part of the new Ministry of Public Security. Southeast Asia is Canada's major source of immigrant investors, with Hong Kong accounting for 45.2% and Taiwan for 42.3% of all IIP participants in 1992. The government estimates that the program had created direct employment in excess of 10,000 jobs by mid-1991.

Despite the accomplishments of this 'cash-for-visa' program, the IIP has recently come under attack from Canadian critics and some immigrant investors, who accuse the government of lax management and some private fund promoters of misrepresentation and even fraud. The Manitoba government has withdrawn from the program and turned the allegations over to its Crown prosecutors. Other provincial governments have said they are reviewing their role. Critics note that jobs created under the IIP have largely been in construction and the low-wage service sector, raising questions about the long-term benefits for the Canadian economy.

The federal government, which recently initiated regulatory reforms to tighten up the program, has also admitted the IIP is in trouble. In

1992, a report from the federal Ministerial Task Force on the Immigrant Investor Program was leaked to the media and stated that Canada would lose billions of dollars and its reputation as a good place to invest if the program were not significantly reformed. The report concluded that "[A] good number of [IIP] investments are of questionable value," and far too many were in real estate. "[R]eal estate investments do not normally create a substantial number of permanent jobs," and "most real estate projects can be financed through conventional sources." Therefore, more effort should be made "to ensure that funds are better targeted to job creating sectors of our economy."

The Task Force report also accused the program of neglecting the human capital side of economic development, paying too much attention to applicants' money and not enough to their business acumen, skills, and experience. It warned, "Although important, financial considerations alone should not form the basis for selection of an investor applicant. Without the business expertise factor, it is quite probable that one would see the advent of revolving funds aimed solely at equipping unqualified

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It could only concur on relatively minor issues, such as **bilateral investment protection agreements** between Hong Kong and Australia and Sweden. Many urgent problems remain outstanding. These include some one hundred multilateral agreements to which Hong Kong has adhered as a British Dependent Territory and which would require Sino-British concurrence for Hong Kong to participate beyond 1997 on its own. There are also many bilateral agreements between Hong Kong and other countries which require the blessing of the two sovereign powers. The Joint Liaison Group adjourned without fixing a date for its next round, and the two sides accused each other of insincerity and delaying tactics.

HK-PRC Economic Links

In the mean time, the economic connections between Hong Kong and the PRC continued to multiply, and the erratic behaviour of the Mainland economy has become the focus of concern. For the past few years, Communist Party cadre-capitalists have been investing heavily in the Hong Kong stock and housing markets and have been encouraging Hong Kong capital to invest on the Mainland.

Some observers have expressed the concern about these two-way investments involving PRC officials or their family members.

Last winter, there were allegations that the Hong Kong and Macau Office of the State Council (the PRC cabinet-level agency in charge of Hong Kong affairs) was engaged in joint ventures with capitalists who were privileged with insider information about the timing of Beijing's diatribes against Patten, and were enabled to play the stock market with advantage. Such allegations were promptly denied by Lu Ping, director of the Office.

More to the point is the **monetary crisis** in China. The rapid economic expansion there during the past few years has generated intense inflationary pressures. The lack of healthy financial structures and the ability of cadre-capitalists to use political/administrative maneuvers to bypass many government regulations, resulted in loss of control over the currency, the renminbi. The **renminbi depreciated** against the US dollar by some 20% within ten days. Part and parcel of the problem was that the renminbi, not a hard currency, has several different exchange rates: an official rate, different rates at each of several official currency clearinghouses (swap

markets) in various parts of the country, and black market rates as well.

The sharp downturn of the renminbi has been watched with grave concern in Hong Kong. In addition to trade between the two territories in goods and services, some of which is denominated in renminbi, there are other financial dealings which could be affected. In the Hong Kong stock market, the share prices of many of the so-called China-concept companies and of empty-shell Hong Kong registered companies bought by Mainland firms for trading in Hong Kong, fell sharply. PRC state-owned enterprises, such as Tsingtao Beer and Shanghai Petrochemicals, which became listed in the Hong Kong Stock Exchange after many months of preparation, did not do as well there as expected, even though their shares were still oversubscribed. Visits by Mainland tourists to Hong Kong, which numbered over a million in 1992, are projected not to increase quite as rapidly as before the depreciation.

By early July, the PRC authorities were taking steps to halt the depreciation. The governor of the People's Bank was dismissed, replaced by Deputy Premier Zhu Rongji (who

just returned from a tour of Canada, where he was very well received by the Toronto and Vancouver business community). Government intervention, with a combination of monetary and administrative measures, brought up the exchange rate sharply. In Hong Kong, the sense of uncertainty has not been dispelled. While there is a consensus that a proper re-structuring of the financial system in the PRC would be good in the long term for both China and Hong Kong, there are no clear signals that this is taking place, or how far the retrenchment would go. In the short run, the fairly violent downs and ups of the renminbi have the immediate effect of withdrawing, for political/administrative reasons, a good deal of cadre-capitalist money from the Hong Kong market.

In addition to the economic uncertainty, there have been reports of a number of small scale protests or rampages by **hard pressed peasants** in different parts of China. These were forcefully suppressed by the authorities. The peasants had been paid promissory notes rather than cash by government purchasing agents and could not make ends meet. By early July, peasant rioting had been reported in eleven provinces in China. The widening gap between the haves and the have-nots in China is common knowledge in Hong Kong and could not but give rise to a sense of foreboding. The euphoria about the China market has been dampened, and the Index has been fluctuating between 6700 and 7000 in recent weeks. It also remains very sensitive to news about the various Sino-British negotiations over Hong Kong's economic, political, and legal development.

Sino-British Trade Expansion

In spite of all the diplomatic difficulties between Beijing and London, trade between the two sovereign powers continued to grow, expanding by some 70% during the year since Patten became governor. In June, top officials of the Jardine Group visited China and returned with optimistic news. The largest British commercial firm based in Hong Kong (now with its legal headquarters in Bermuda), Jardines had come under vehement attack from the PRC last winter for supporting Patten's constitutional proposals.

Lack of Progress in Talks

Meanwhile, the government and public in Hong Kong have become increasingly impatient with the lack of progress in the Beijing constitutional talks. As the legislative year draws to a close and time is running short to

prepare for the Legislative Council and local elections in 1994 and 1995, decisions will have to be made very soon about Patten's proposals on expanding the franchise and constituencies of those elections. In the latter part of June, it was learned that one of the main impediments in the talks has been the idea of the "through train"—the desire in Hong Kong that legislators elected in 1995 would be allowed to straddle the transfer of sovereignty and serve till 1999—and the wish in Beijing not to have certain pro-democracy leaders sit in the Hong Kong legislature after 1997. It seemed that the two sides had spent seven rounds debating generalities, and the PRC team would not make counter-proposals to Patten's plan.

At the end of June, Governor Patten flew to London with Hong Kong officials who have attended the Beijing talks, for consultations with the British cabinet. After the meetings, the British government re-affirmed its support for Patten's proposals and for the strategy of the British side in the Beijing negotiations. However, it was later announced, on very short notice, that Foreign Secretary Douglas Hurd would go to Beijing after the G7 summit in Tokyo, to meet with his Chinese counterpart, Qian Qichen, in the hope of facilitating the talks. Opinion was divided in Hong Kong on whether Hurd was going to make major concessions. So far, this has not turned out to be the case. The two foreign ministers apparently have agreed to focus future constitutional talks on the issues of the "through train," the functional constituencies, and the electoral committee. This, together with the reported willingness of the PRC delegation finally to make concrete counter-proposals, gave rise to some optimism about the talks.

However, the eighth round, held in July, still produced no concrete results, and hopes are now pinned on the ninth round. Patten had more consultations with Hurd and indicated that, even if the negotiators in Beijing should still fail to come to any conclusions, he would have to make decisions about the 1994 and 1995 elections when he delivers his second annual policy address in the autumn.

Role of HK Pro-Democracy Groups

Throughout the past three months since publication of the last *Update*, pro-democracy groups in Hong Kong, especially the **United Democrats of Hong Kong** (UDHK), have generally kept a low profile in facing attacks from the PRC. A few junior members of the UDHK have defected to other pro-democracy

groups which have been less ostracized by Beijing. Some leaders of these other groups are wooed by PRC officials as possible counterweights to the UDHK. The UDHK as a whole has held firm and has retained its position as the most popular Hong Kong political party in a number of opinion polls conducted by the mass media. Interestingly, in another poll of secondary school pupils in a working class district, Patten was rated the most popular political figure, followed by pro-democracy legislators, Emily Lau and Martin Lee. The teenagers rated PRC official Lu Ping the most unpopular, followed by Maria Tam (a former member of the Executive and Legislative Councils under Governor Wilson, who left the Councils after a conflict of interests scandal). Patten was also given third place!

The Legislative Council is now debating the terms of the Western Harbour Crossing contract. Councillors across the political spectrum are unhappy about what they consider to be too favourable terms for the investors at the expense of the public. On its part, the consortium awarded the proposed contract would not accept any change in the terms already agreed to by the two sovereign powers. In Beijing, the Committee established by the PRC government to prepare for the Organizing Committee [see B. Luk, "Update on Governor Patten's Policy Address," *Canada and Hong Kong Update*, no. 9, Spring 1993, p.3.] met for the first time under the chairmanship of Foreign Minister Qian Qichen. Mainland and Hong Kong members were all appointed by the PRC government. A member of the committee promptly began to attack Martin Lee and other pro-democracy legislators as unpatriotic and unfit for the "through train."

At the same time, Hong Kong's Financial Secretary announced in Legco that the Exchange Fund of Hong Kong now stood at HK\$287 billion (CDN\$48 billion), taking the territory from twelfth to tenth place in the world. Simultaneously, the Independent Commission Against Corruption reported on widespread anxiety in the community about an increase of corruption in public and private concerns towards 1997 and beyond.

As the *Update* goes to press, a new round of talks on electoral arrangements is being held in mid-August, amidst threats from certain PRC officials to take over Hong Kong before 1997. The stock market apparently disregarded the threats.

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applicants with the capital necessary to pass themselves off as qualified business persons."

Despite these problems, investment capital entering Canada through the program has been especially important in poorer provinces, where it is the largest pool of venture capital available. The overwhelming majority of immigrant investors – 92% – still choose to live in British Columbia, Ontario, and Quebec when they land in Canada. However, the Atlantic provinces, Saskatchewan, and Alberta were able to attract just less than half of the nearly \$2 billion in subscriptions made under the program between 1986 and March 1993 (see Table 2).

Table 2: Distribution of Funds Subscribed Under the Immigrant Investor Program, Jan. 1, 1986 to March 31, 1993

Province	Total (%)
Quebec	28.0
Saskatchewan	19.6
British Columbia	13.1
Manitoba	9.5
Nova Scotia	7.9
Prince Edward Island	6.0
Ontario	5.5
New Brunswick	3.9
Alberta	3.6
Newfoundland	2.4
Northwest Territories	0.2
Yukon	0.0

Source: Employment and Immigration Canada

The Task Force report noted that the IIP had been less successful in getting investor funds into the more remote and poorest regions of both poor and rich provinces. Instead, most of the funds went to provincial capitals and urban centres. Nevertheless, without the IIP, very little of the money Hong Kong immigrants bring with them would be invested outside Quebec,

British Columbia, Ontario, or Alberta. For example, among other non-investor business immigrants, approximately 95% of entrepreneurs and 93% of self-employed immigrants settle in these four provinces, indicating the majority of their business investments were likely made in these same provinces.

The benefits Canada is gaining from other types of capital brought in by Hong Kong immigrants is much more difficult to quantify than the IIP funds. Hong Kong immigrants undoubtedly bring other money with them, some of which they invest in such things as homes, cars, stocks, and businesses. For instance, some of the biggest money comes from business immigrants in the investor and entrepreneur categories. They bring an average of \$1 million each, according to John Martin of the Business Immigration Program.

The government keeps two kinds of statistics on these immigrant transfers of money to Canada, neither of which gives a reliable indication of how much immigration-related capital ends up invested in Canada. Before departing for Canada, immigrants issued visas or permits must make a declaration of their "total money" i.e., how much money they have already transferred, will transfer, or will have in their possession upon their arrival. The government estimates that all Hong Kong immigrants granted visas or permits between January 1988 and December 1992 declared \$18.1 billion in total money, an average of nearly \$500,000 each (see Table 3 below). Although the figure theoretically represents the immigrants' total net worth, Guy Pilote of the Business Immigration Branch said it probably *underestimates* their assets and does not necessarily indicate how much money they eventually transfer to Canada.

"We don't ask them to empty their pockets and show us what they have," he said. "No one walks on the street with a tag saying they are worth so many dollars."

The federal government also keeps records of the funds immigrants declare they are bringing with them when they arrive at a Canadian port of entry. For example, the government estimates that the 3,157 Hong Kong business immigrants who landed at Canadian ports of entry in 1992 declared about \$120,000 each, or a total of \$379,368 (see Table 4). Details of funds declared by Hong Kong business immigrants over the last several years were not available at press time, but figures for business immigrants from all countries hint at the sums involved. The government estimates that the 27,220 business immigrants who entered Canada between 1987 and 1992 from all countries – roughly half of whom came from Hong Kong – declared a total of \$2.8 billion at ports of entry, an average of \$102,216 each.

These figures do not indicate the individual's net worth, as few immigrants bring all of their assets to Canada. However as Pilote concluded, the figures understate the money immigrants transfer as they exclude immigrant investor capital in IIP funds and syndicates and probably underestimate the total pool of capital entrepreneur immigrants eventually invest in Canada.

Table 4: Hong Kong Business Immigrants, Total Funds in Possession at Ports of Entry, Jan.-Dec. 1992* (Principal Applicants Only)

	Total \$ (\$'000's)	Aver/ person (\$'000's)	Total # of Immi- grants
Entrepreneurs	237,598	121	1,962
Self-Employed	22,637	112	202
Investors	119,133	120	993
Total Business Immigrants	379,368	120	3,157

*Preliminary figures only.

Source: Employment and Immigration Canada

Table 3: Total Money* for Immigrants Granted Visas or Permits, CLPR Hong Kong

Year	Total Visas, All Classes	Sum of Total Money, All Immigrants (\$ '000's)	Average Total Money by Selected Classes (\$ '000's)					Aver. Total Money All Classes ('000's)		
			Retired	Independ.	Assist. Rel.	Family	Investors		Entrepren.	Self- Employ.
1992	11,731	5,323,090	1102.99	173.08	255.29	9.05	1580.04	824.04	526.44	453.76
1991	9,900	4,192,662	976.02	161.94	221.01	28.68	1521.29	1038.70	550.28	423.50
1990	8,742	3,690,536	1358.67	179.22	172.03	64.54	1655.99	983.55	550.39	422.16
1989	9,494	2,563,509	854.49	163.19	136.64	52.31	1543.00	831.05	387.83	270.01
1988	9,391	2,329,062	830.38	95.95	66.37	60.87	1579.28	840.64	359.49	248.01

*Total money means money already transferred, to be transferred, and in possession on arrival.

Source: Employment and Immigration Canada

A Matter of Passports

by Bernard Luk
York University, Toronto

In the run-up to 1997, millions of Hong Kong people will be entitled to hold two "British" passports issued by the Hong Kong government at the same time. Both are distinct from the British passports of United Kingdom citizens, which indicate full British citizenship and right of abode in the United Kingdom. At British border control points, holders of UK and European Community (EC) passports wait in one line, while holders of Hong Kong "British" and other passports wait in another line.

Under the British Nationality Act adopted by the Westminster Parliament in 1981, citizens of Hong Kong are entitled to "British" passports, which describe them as **British Dependent Territories Citizens (BDTC)**. They enjoy the right of abode in Hong Kong but may be required to apply for an entry permit before travelling to the United Kingdom. The Hong Kong BDTC passport is a widely recognized travel document, and its holder could travel to many countries, including Canada and most of the European Community, as a tourist without a visa.

When Hong Kong ceases to be a "British Dependent Territory" on 1 July 1997, the Hong Kong BDTC passport will automatically lose its validity. An exchange of memoranda, appended to the Sino-British Joint Declaration on the Future of Hong Kong, made special provisions for passports. It stipulated that the UK government would issue British passports which would remain valid after the transfer of sovereignty, to persons born before that date, on account of their connection with Hong Kong. The PRC government would permit Hong Kong people to hold that travel document but would not recognize it as a passport implying British nationality. Subsequently, the British government adopted measures for a new class of passports, known as the **British National Overseas (BNO) passport**, for this purpose.

The Hong Kong government has been issuing BNO passports since the late 1980s. Passport applicants could choose freely between the BDTC and the BNO. The overwhelming majority have chosen the BDTC because it is believed, with some justification, that a number of third countries do not recog-

nize the BNO on par with the BDTC, making it necessary for BNO-holders to apply for visas. The case is often cited of a Hong Kong family, travelling from Germany to Canada a few months ago, that was refused boarding by the airline because members of the family held different versions of British passports.

As 1997 approaches, the Hong Kong government is faced with the administrative nightmare of having to issue more than two million BNO passports during the last few months before the transfer, to people who wanted to hold on to their BDTC passports until the last minute. Earlier this year, the Executive Council decided to require BDTC passport holders to trade in their passports for the BNO between 1993 and 1997, according to a schedule based on one's year of birth. This decision met with a storm of protests from the community and the Legislative Council. The government's logistical difficulties were appreciated, but the enforced change was also seen as depriving Hong Kong people of their citizenship rights ahead of time.

After meeting with a Legco delegation representing different ends of the political spectrum, and probably with intervention from Governor Chris Patten, the British Home Secretary decided in June that the BNO passports would still be issued only according to the year-of-birth schedule. However, applicants for the new passport would also be allowed to retain their BDTC passports until 1997. In other words, one could hold both "British" passports at the same time. It was anticipated that some confusion may result where border control officers in different parts of the world may not be aware of the unusual circumstances, and the Hong Kong government has advised its people not to use both passports for the same country.

Where Hong Kong's own border control is concerned, there should not be any problem because Hong Kong people leave and re-enter the territory with the computerized **Hong Kong Permanent Resident Identity Card**, which will remain valid beyond 1997, rather than with any passport.

In addition to the "British" passports, the Hong Kong government also issues the

Certificate of Identity (CI) to permanent residents (formerly known as "Hong Kong Belongers") who were not born in Hong Kong, were not BDTC by any other means, but have resided legally in the territory for more than seven years and do not hold any national passport. Permanent residents enjoy right of abode and other civil and political rights of citizenship within the territory of Hong Kong. There are more than a million CI holders, mostly ethnic Chinese residents of Hong Kong who prefer not to travel with passports issued by the Mainland or Taiwan authorities. In international law, the CI is considered a "statelessness" document; but in fact it is widely recognized around the world as something like the American "green card" from Hong Kong, although visas are required for travel to most countries.

Again, there is a **Document of Identity (DI)**, issued by the Hong Kong government, usually to immigrants from the PRC who needed to travel overseas before they had attained the status of permanent residents of the territory. Holders of the CI and DI are not affected by the policy on BNO passports.

According to the Joint Declaration, after 1997 Hong Kong people could travel with passports issued by the PRC authorities or by the Hong Kong Special Administrative Region authorities. However, no details of proposed arrangements have been published so far.

Meanwhile, ethnic Chinese from Hong Kong can apply for passports for international travel from either the **Mainland or Taiwan authorities** (or both), and some people have done so. Taiwan recognizes dual nationality, while the PRC does not. The legal issues could be tricky, and most people prefer not to involve themselves. In any case, the PRC considers all Hong Kong people always to have been its citizens and does not recognize the BDTC. On both sides of the Taiwan Straits, the authorities issue passport-like identity documents for multiple entry, that permit Hong Kong people to "return to the Fatherland" under their respective control.

All this multiplicity of passports and certificates underline the complexity and pathos of the political situation in which Hong Kong people find themselves.

1992 Hong Kong Immigrants Landed in Canada: Demographics

by Diana Lary
UBC, Vancouver

The 1992 numbers for immigrants from Hong Kong landed in Canada showed a major jump from the figures the year before. The 1992 figure of 38,841 represented an increase of 74% over the 1991 figure of 22,329, and a 34% increase over the 28,949 figure for 1990. [The present figures date from June 1993. Figures published in the last *Update* were run in February 1993. The increase between February and June comes about because figures are still being collected at the beginning of the year.]

The changes in demographic characteristics are less dramatic than the change in overall numbers. The male:female ratio has hardly changed over the past five years, nor has the marital status of immigrants. The gradual rise in age of the immigrant group has continued. The downward trend in knowledge of official languages has continued, as has the decline in levels of educational achievement. Levels of language and educational attainment vary considerably by class of immigrant, with the highest levels associated with the independent class. Low levels are associated with the business classes (investor, entrepreneur and self-employed). These are also the classes in which the ratio of workers to non-workers is highest, i.e. the principal immigrants are accompanied by the largest number of non-working dependents.

Male/Female ratio

The male/female ratio in 1992 continued to favour women. It declined slightly from the 1991 ratio of 53:47 (women:men), to 52:48, still higher than the 1990 ratio of 51:49.

	Male	Female	Total
1988	11,142	12,139	23,281
1989	9,396	10,465	19,861
1990	14,159	14,790	28,949
1991	10,505	11,824	22,329
1992	18,785	20,056	38,841

Marital status

The proportion of married people in the Hong Kong immigrant group landed in 1992 declined very slightly to 47% of the group, from 49% the year before.

	1988	1989	1990	1991	1992
Single	10914	9603	14269	10227	18511
Married	11645	9656	13837	10745	18387
Widowed	503	437	613	1154	1629
Divorced	168	118	177	140	231
Separated	51	47	53	63	83
Total	23281	19861	28949	22329	38841

Ages

The trend towards older immigrants from Hong Kong has continued. In 1988, only 15% of new immigrants were over 45; by 1992 this proportion had more than doubled, to 32%. The age range of immigrants landed in 1992 showed a continued decline in the proportion of people in the optimum ages for entering the labour market, that is from 25 to 44. The proportion fell again to 41% from 44% in 1991; in 1988 the proportion was 50%, in 1989 48%, and in 1990 49%. The propor-

tion of children (0-14) showed a small decline in 1992, at 13.8% as opposed to 14.4% in 1991. These are sharp declines from the 22% in 1988, 20% in 1989, and 22% in 1990.

The proportion of young people (15-24) has remained stable; in 1992 it grew slightly, at 14%, as against 13% in 1991, 12% in 1990, 14% in 1989 and 12% in 1988. The number of middle-aged people (45-64) continued to rise; at 21% the figure was an increase over the 19% figure for 1991, which in turn was well above those of 13% for the 1988 intake, 14% for 1989, and 12% for 1990. The increase in the proportion of people over 65 continued; 10% of those landed in 1992 were in this category, as opposed to 3% in 1988 and 1989, to 4% in 1990, and to 10% in 1991. The retired category no longer exists, so that the only people now coming in under this category are those who applied before it was abolished.

Year	0-14	15-24	25-44	45-64	65+	Total
1988	5126	2825	11686	2911	733	23281
1989	4132	2769	9532	2723	705	19861
1990	6478	3432	14303	3565	1171	28949
1991	3225	2891	9789	4242	2182	22329
1992	5378	5525	15880	8171	3842	38841

Language abilities

Over half of Hong Kong immigrants who landed in 1988 and 1989 spoke English; in 1990 the figure dipped slightly, to 49%, and in 1991 continued to drop, to 48%. It declined again in 1992 to 45%. The decline in French speakers (unilingual or bilingual) has been checked. The 1992 figure, at 0.38%, is an improvement on the 0.27% figure for 1991, though it is still below earlier figures: 0.63% in 1988 and 0.51% in 1989.

Lang.	English	French	Bilingual	Mother tongue
1988	13076 56%	56 0.24%	91 0.39%	10058 43%
1989	10233 52%	26 0.13%	75 0.38%	9527 48%
1990	14297 49%	8 0.03%	98 0.34%	14543 50%
1991	10675 48%	16 0.07%	46 0.20%	11591 52%
1992	17561 45%	35 0.09%	115 0.29%	21115 54%

Levels of official language knowledge vary considerably from class to class, with the lowest level associated with two of the three business classes.

	Official language	Mother tongue only
Independent	2411 66%	1268 34%
Assisted relatives	2413 60%	1603 40%
Retired	2188 59%	1499 41%
Self-employed	371 53%	322 47%
Family	6331 45%	7891 55%
Investors	1524 34%	2899 66%
Entrepreneurs	2461 30%	5604 70%
Refugees	12 29%	29 71%

Educational levels

The educational qualifications of immigrants from Hong Kong have been declining steadily over the past five years. In 1988 59% of immigrants had secondary school graduation or less, in 1989 64%, in 1990 66%, and in 1991 69%. In 1992 the comparable figure was 73%. Since this decline has occurred in parallel with a decline in the number of children (see above), these figures cannot be explained by pointing to children who are not old enough to have received much in the way of education, but must indicate declines in the educational level of adults. At the highest levels of education, a steady decline in proportion (though not in absolute numbers) is also apparent. The number of university graduates was 3597 (15%) in 1988, 2340 (12%) in 1989, 3358 (12%) in 1990, 2492 (11%) in 1991, and 3697 (10%) in 1992.

	1988	1989	1990	1991	1992
None	2660 (11%)	2031 (10%)	3423 (12%)	2430 (11%)	3778 (10%)
Secondary or less	11063 (48%)	10672 (54%)	15723 (54%)	12902 (58%)	24355 (63%)
Trade certificate	3282 (14%)	2527 (13%)	3311 (11%)	1809 (8%)	2612 (7%)
Non-university	1974 (9%)	1458 (7%)	1897 (6%)	1351 (6%)	2162 (6%)
Univ. non-degree	703 (4%)	822 (4%)	986 (3%)	1049 (5%)	1792 (5%)
B.A.	2665 (12%)	1740 (9%)	2540 (9%)	1943 (9%)	2901 (8%)
Some post-graduate	192 (0.8%)	123 (0.6%)	168 (0.6%)	75 (0.3%)	154 (0.4%)
M.A.	702 (3%)	445 (2%)	610 (2%)	431 (2%)	567 (1.5%)
Ph.D.	38 (0.16%)	32 (0.16%)	40 (0.14%)	43 (0.19%)	75 (0.19%)
Not stated	2	1	224	296	445
Total	23281	19861	28922	22392	38841

When the figures are broken down by immigration class, it becomes apparent that there is a considerable range in educational levels. While 16% of retired people are university graduates, only 3% of entrepreneurs are.

Education by Immigration Class	Secondary or less	University graduates	Total
Retired	2094 (57%)	601 (16%)	3687
Independent	2202 (60%)	636 (17%)	3683
Assisted rel.	2748 (68%)	476 (12%)	4018
Family	10233 (72%)	1372 (10%)	14223
Self-employed	520 (75%)	46 (7%)	695
Investors	3482 (79%)	321 (7%)	4425
Refugees	33 (80%)	2 (5%)	41
Entrepreneurs	6841 (85%)	248 (3%)	8069

Occupation

In 1990, about half of all immigrants from Hong Kong were destined for the work force. In 1991 that figure went down to 46% and in 1992 to 45%. Of those entering Canada in 1992, 55% were classified as non-workers, that is they were not expecting to look for work in

Canada. Of those who were going into the workforce, 59% were not classified for a specific job, as opposed to 55% in 1991 and 39% in 1990.

Occupation	1988	1989	1990	1991	1992
Entrepreneur	1087	1276	1030	907	2033
Investors			533	582	1030
Managerial	2876	1696	2189	705	1014
Sci., engineering	1170	493	613	358	479
Soc. Science	283	131	213	65	87
Religion	19	22	19	24	35
Teaching	148	95	95	52	43
Medicine & health	335	215	294	178	247
Arts	275	242	269	132	130
Sports & recreation	4	2	4	2	3
Clerical	2604	1872	1280	520	667
Sales	912	632	895	352	361
Service	325	344	379	329	409
Farming	8	4	7	4	4
Fishing, hunting	7	0	0	0	0
Forestry	1	0	0	0	0
Mining	0	0	1	0	1
Processing	20	21	29	5	41
Machining	27	23	55	25	58
Fabricating	361	250	493	190	213
Construction	49	58	166	63	48
Transport	31	18	19	13	15
Material handling	23	11	3	4	3
Other crafts	53	55	170	69	56
New workers	1013	1994			
Not classified			5742	5636	10309
Not stated			32	1	24
Total workers			14540	10230	17331
Non-workers			14409	12099	21510
Other	11650	10407			
Total	23281	19861	28949	22329	38841

The rate of anticipated work force participation varied considerably according to immigrant class. With the exception of the retired and investor classes, non-workers are likely to be the direct dependents of the principal immigrant:

Workers and non-workers

	Worker	Non-worker	Total
Independent	2142 58%	1541 42%	3683
Assisted rel.	2135 53%	1883 47%	4018
Family	6907 49%	7316 51%	14223
Refugees	20 49%	21 51%	41
Self-employed	308 44%	387 56%	695
Entrepreneur	3163 39%	4906 61%	8069
Investor	1621 37%	2804 63%	4425
Retired	1035 28%	2652 72%	3687
Total	17331	21510	38841

We should like to thank Employment and Immigration Canada, for making these statistics available to us.

Hong Kong in the Chinese Press

by Christina Mungan
Beijing

A spring flood of articles about "the Hong Kong question" in China's newspapers dried to a trickle by early June for a number of reasons. Once talks between the British and Chinese governments resumed in Beijing on April 22, generally the *People's Daily* and the *China Daily* toned down their scathing attacks on Hong Kong Governor, Chris Patten, and instead simply reported the date each round of talks began. In early June, the *China Daily* approvingly quoted Elsie Tu, deputy president of Hong Kong's Legislative Council (Legco), as calling for "a time of silence" and "an end to megaphone diplomacy" during the Sino-British talks.

As if following Tu's advice, the Chinese papers gave no information at all about any progress made during the talks, probably partly because little progress seemed to be made. A prominent front-page article, noting the start of round six [*China Daily*, 17 June 1993, p.1], quoted major Hong Kong newspapers as expecting "an early agreement" but noticeably failed to quote any Chinese source in support of that hope. The silence extended to Sino-British talks on the Hong Kong airport financing plan. Talks were scheduled to resume June 4, but by the middle of the month no further information had been published.

Even actions that could have been expected to raise tensions failed to dominate the news in China. Patten's publication of draft plans for the 1994-95 legislative election drew a pro-forma blast from Chinese officials, but garnered nothing like the flurry of attacks the mere suggestion that he might publish had brought down two months earlier. When Legco later endorsed the boundary and election commission bill in late May, a Chinese Foreign Ministry spokesman professed himself "surprised" but otherwise made little comment publicly. When the National People's Congress closed in March, it set up a committee "to start preparations for 1997," its vague mandate lead-

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An Anglo-Chinese Confusion

The present dispute between China and Britain is not the first occasion that Britain and China have had deep and bitter divisions over policy towards Hong Kong. In the late 1850s, after a fairly calm period of adjustment following the end of the Opium War in 1842, a serious conflict erupted, which eventually escalated into war. The war came to be known as the Arrow War because it started with a dispute over a *lorca* (a small boat) named the Arrow, a Chinese owned and operated vessel trading between Hong Kong and Canton, with a certificate of registration in Hong Kong. When the boat was boarded by Chinese maritime authorities, the British leapt to its defense, even though its certificate of registration had expired, because there was a feeling that the local authorities needed to be "taught a lesson."

The protagonists were the British consul in Canton, Harry Parkes, then twenty-nine years old but with fourteen years experience in China; the radical governor of Hong Kong, Sir John Bowring¹; and the viceroy of Guangdong and Guangxi, Ye Mingzhen (Yeh Ming-chen). The British demands for "satisfaction" from the Chinese authorities precipitated a crisis. As the affair escalated, the tiny British community in Hong Kong was spooked by the poisoned bread affair of January 1857, in which much of the community suffered ill effects from bread laced (not accidentally) with arsenic.

When the news of the crisis reached London, there was a furious debate in Parliament, which ended with the fall of

Palmerston's government, defeated by a coalition which claimed that Bowring had caused great and deliberate offense to the Chinese. In the election of 1857 Palmerston's government was re-elected but took its initial defeat seriously enough to send out to China a special envoy, Lord Elgin, to supersede Bowring. Elgin was the son of Elgin of the Elgin Marbles, the man who acquired for the British Museum one of its most spectacular foreign "acquisitions." Elgin was only in his mid-40s, but had already served as governor-general of Canada. His time in Canada is remembered less for any particular achievements than for the street, county, and hotel named after him.

Lord Elgin's mandate was to settle outstanding issues with the Chinese, which he did with apparent success in 1858 with the agreement for a new treaty, the Treaty of Tientsin. Two years later, however, Elgin was back in China, with a large joint British/French expeditionary force. The attempt in 1859 by the first British ambassador, Elgin's brother, Frederick Bruce, to bludgeon Peking into allowing him to take up residence in Peking, had ended with the armed repulsion of Bruce and his party. The 1860 expeditionary force was mounted to impress the Chinese authorities with the seriousness the two countries attached to having representation in Peking. The British and French troops were staged near Hong Kong, on the peninsula of Kowloon, rented from the local Chinese authorities for the sum of £160 per annum.²

In the summer of 1860, the expeditionary force reached the outskirts of Peking, forcing the emperor to flee into the interior. The glittering summer palace, the Yuan Ming Yuan, was looted and then, on Elgin's specific instructions, burned as a punishment to the emperor. A great area of palaces and temples was reduced to complete ruins, an act of vandalism which put Elgin in the same class as his father.

The Treaty of Tientsin was ratified soon afterwards, with an additional clause which ceded the Kowloon Peninsula to Britain. Elgin returned to England in 1860 still carrying a personal letter from Queen Victoria to the emperor; he had had no chance to deliver it. This letter joined a letter written by the Queen in 1857, also undelivered, in Elgin's personal papers.

The best account of the war is by Douglas Hurd. *The Arrow War*, subtitled with some understatement, "an Anglo-Chinese Confusion 1856-60," was published shortly after Mr. Hurd left the Foreign Office in 1965 to work in the Conservative Central Office, a move which led eventually to his becoming a member of parliament. As Foreign Secretary in the present round of discussions with China, Mr. Hurd may have pause to remember his earlier writings.

1 Bowring was a close follower of Jeremy Bentham and a great believer in reform. "He firmly shared the Benthamite belief that the problems of any society could be solved if the clutter of tradition and prejudice were cleared away and its institutions reformed on logical and utilitarian lines." (Douglas Hurd, *The Arrow War*, (London: Collins, 1967), p.22.) Bowring was also an accomplished linguist; he claimed to know fifteen languages, including Chinese.

2 *Ibid.*, p.207.

ing some Hong Kongers to call it a potential "shadow government." However, the new group has maintained a very low profile in the news during this spring and summer.

Indeed, relations looked positively cordial as seen in the press by early June. Readers were told that work on the Beijing-Kowloon railway line was being speeded up, that the Shenzhen stock exchange looked forward to expanding in a business boom after 1997, that now more and more Hong Kongers were learning Mandarin instead of English, and that Chinese audiences had enthusiastically cheered a number of Hong Kong rock stars on recent tours, while Hong Kong residents welcomed new PRC films.

There were some jitters over Patten's visit to the United States in May, and his plea to President Clinton to renew China's Most Favoured Nation (MFN) status was virtually ignored in the Mainland papers. Conversely, the Macau government was pointedly hailed as a model of cooperation with China over the 1999 handover.

Still, the PRC government remained unusually upbeat over Hong Kong. President Jiang Zemin was quoted on May 18 as saying that the current Sino-British talks "could produce positive results so long as both sides abide by the Joint Declaration, the Hong Kong Basic Law and also agreements and understandings

reached earlier between the two sides." A Foreign Ministry spokesman reiterated the hopeful message three days later and emphasized China's sincerity without, for once, attacking Britain's supposed lack of sincerity.

Even as Sino-British hostilities lessened, the number of articles on Hong Kong in the *People's Daily* and *China Daily* also fell, partly because Chinese officials have been distracted by a number of other pressing foreign relations problems. Stories about Hong Kong were replaced by articles on China's various bids to join GATT, win the year 2000 Olympics, and retain MFN status with the US, while the government struggled to put forward its own interpretation on troubles in Tibet, China's position at the U.N. World Conference on Human Rights, and Premier Li Peng's mysteriously long disappearance from public view.

However, if political relations with Hong Kong have been glossed over lately, economic relations with Hong Kong businesses have received more emphasis. Hong Kong is China's major trading partner and vice versa, but April saw few of the usual articles about Hong Kong investments in China – as if Beijing's warnings that the political dispute could damage business relations had found concrete illustration in the volume of news coverage.

By June though, the Chinese press was once again heralding such coups as an agreement with three Hong Kong firms to build a power plant in Guangdong, plans for China's biggest arms manufacturer to build luxury cars with Hong Kong cooperatively, a Hong Kong company's gift of US\$125,000 to a PRC charity, and the purchase by two major Chinese state corporations of a 30% stake in Hong Kong's First Pacific Bank.

In a still more striking change, the Chinese government positively began to woo Hong Kong business people. PRC President Jiang Zemin made an important speech urging acceleration of China's economic reforms and growth, and the speech was published in a Chinese-owned Hong Kong magazine (*Baohua*) before publication in the Mainland. A front page article in the *China Daily* on May 29 urged Hong Kongers to "swarm to inland regions," including areas as remote and lacking in infrastructure as Xinjiang and Ningxia provinces. Such a move would certainly solve another problem causing Beijing headaches, namely the increasing inequities between coastal and inland areas. In short, Hong Kong-Mainland relations by mid-summer had resumed a businesslike tone.

Good and Bad Triads: Notes from the Hong Kong Press

The problem of terminology is a recurrent one between Chinese and English and between Hong Kong and China. In April this year, the meaning of the word 'triad' came under scrutiny. There was an agitated reprise of a terminological confusion which first cropped up in April 1992. The PRC Minister of Public Security, Tao Siju, announced, as he had the year before, that Beijing would be happy to work with 'triads,' so long as they were patriotic and had renounced crime. This statement, coupled with stories that leaders of the Sun Yee On Triad had visited Beijing in March and met with Mr. Tao just before he made his remarks about patriotic triads, led to a great deal of nervousness in Hong Kong [*South China Morning Post*, 17 April 1993, p. 1].

However, according to an official spokesman for the Ministry of Public Security quoted in the *South China Morning Post*, Mr. Tao's remarks were being misinterpreted. By 'triads' he meant "societies spontaneously formed by people from the same birthplace or in the same trade, in a bid to protect their interest in an organized way" [*SCMP*, 24 April 1993, p. 4]. This is seldom the interpretation of 'triads' in Hong Kong, where they are assumed to be organizations principally devoted to crime.

The Beijing explanation was especially difficult to accept this year because it was an almost identical repeat of last year's statements. In April 1992, Mr. Tao announced that the key factor in assessing people was their patriotism.

Tao said that 'triad members are not all cut out of the same cloth. Some are patriotic to China and Hong Kong.' He added that while triad societies are not to be allowed to develop in China, Hongkong gang members were allowed to visit and even to establish businesses on the mainland [*Far Eastern Economic Review*, 16 April 1992, p. 16]. Speculation as to the reason for the April triad 'trial balloons' ranged from a regular warning by the PRC to Hong Kong not to oppose Peking's wishes (given that the PRC government was friendly with the triads), to a veiled threat to Hong Kong authorities not to crack down on the triads.

Hong Kong Pop Singers' Charity Concerts in China

by Bernard Luk
York University, Toronto

Hong Kong has a sizeable and lively pop music industry, with dozens of well known artists working in a unique blend of Chinese, Western, Japanese and other traditions. They produce hundreds of new albums every year. Their work, mostly in Cantonese, is avidly followed in Hong Kong and in the Cantonese-speaking overseas Chinese communities of North America.

Some of the stars have been touring Canada for both commercial and charitable performances. For instance, Anita Mui, one of the most popular singers, will be performing in Toronto this October to raise funds for the University of Toronto and other non-profit organizations. Another well known singer is Canadian Sally Yeh, who grew up in Vancouver and has many fans in Hong Kong and Canada.

Hong Kong pop stars also enjoy wide followings in Taiwan and Mainland China.

Indeed, many Hong Kong singers are youth idols in Hong Kong as well as household names in the People's Republic, where thousands of young people in Beijing, Shanghai, and other cities learn to speak Cantonese, not only for its economic value in the Open Door reforms but also for its musical value.

During the late 1980s, some Hong Kong singers began to make popular and lucrative concert tours in China. Their performances were frowned upon by the authorities there as examples of Westernized decadence, but were tolerated as concomitant with the Open Door policy. This year, however, a formula has been found to bring together Hong Kong pop stars, their fans in China, and the interests of the state. That formula is a series of fund raising concerts to help the poor and needy in the People's Republic.

Charity concerts have a long and venerable tradition in Hong Kong. Throughout the 1950s and '60s, all-night concerts, given by Cantonese opera artists and broadcast over the radio a few times every winter in aid of disaster victims, philanthropic hospitals, orphanages, or scholarship funds, were highlights on the cultural calendar that helped to forge a sense of community among two million dispirited refugees. In recent decades, the tradition has continued with numerous fund raising shows on television every year. Hong Kong probably enjoys and supports more

such performances each year – usually successful ones – on its electronic media than any other society.

The tradition took a political turn in May 1989 when the artists and pro-democracy activists organized a pop music marathon in the Happy Valley Race Course in support of the students and citizens of Beijing, then under siege by martial law. Attended by half a million people and broadcast live over television, the concert raised HK\$13 million (CDNS2 million) in one day. Among other things, the concert provided funds for the tents on Tiananmen Square, which two weeks later were crushed by the tanks. After the massacre, most Hong Kong singers decided not to perform in China again. However, authorized or pirated copies of their albums continued to do well in the Mainland market, and their popularity with PRC fans continued to grow.

During the summer of 1991, when parts of central China were devastated by floods, the Chinese government appealed for relief from overseas. Pro-democracy activists in Hong Kong were the first to respond and organized a large fund raising concert featuring many stars. The money they realized was accepted by the PRC authorities although the organizers were not permitted to visit the disaster areas.

Meanwhile, there were reports that a number of actors and singers had been coerced by violence or threats of violence to make commercial films against their will. The perpetrators were reputed to be newly emerging underworld organizations from the Mainland. The popular culture community was greatly shocked by several shooting incidents during 1992, and some famous performers were put under police protection.

Last winter, when the PRC authorities were focusing their wrath on Governor Patten and pro-democracy groups in Hong Kong, several popular Hong Kong singers were invited to Beijing to participate in a New Year concert which was broadcast over China Central Television. A number of Hong Kong singers also took advantage of the more relaxed economic climate on the Mainland to do lucrative concert tours there. However, many famous performers still would not visit China for commercial gain.

In February 1993, it was announced that Hong Kong Television Broadcast Company and China Central Television would co-sponsor a Campaign for the Poor in China. The Campaign would be organized with the assistance of the PRC Ministry of Civil Affairs. It would open in April with a concert featuring most of Hong Kong's top stars in the Great Hall of the People in Beijing, followed by a series of concerts in various cities in China lasting till October. The Great Hall is normally reserved for formal state functions; this was probably the first time that it provided the venue for rock and roll.

Some of the stars who had not performed in China since 1989 took part in the grand opening of the Campaign on April 18, although not all of them attended the official receptions or met with government leaders. The grand opening was broadcast live in Hong Kong and China. Attendance at the Great Hall was limited to 8,000 invited guests only, and no tickets were offered for public sale. Plans to hold a Hong Kong-style run-athon with Hong Kong stars and PRC citizens on the streets of Beijing were vetoed by the security-conscious city authorities.

Around the time of the opening concert, there was a great deal of media coverage on the miserable conditions of the poor in China. Many of those conditions were well known in Hong Kong; but this marked the first time that they were openly acknowledged in connection with a media event which was officially backed by the PRC government. During the concert itself, there was a great deal of emphasis on sympathy for the poor in China, on "blood is thicker than water," and on the duty of Chinese people in Hong Kong, Taiwan, and overseas to help. The concert may well mark a new relationship between the PRC authorities and popular culture in Hong Kong.

The videotape of the open concert has been released commercially and broadcast on Chinese-speaking television stations in Canada.

Is Canada Losing Hong Kong Investment?

by Susan Henders and Don Pittis
Oxford, U.K.

Ever since it became clear that China would take control of Hong Kong, nervous money has been flowing out of the British colony and into Canada. Now, some analysts argue the trend is reversing. Pushed by Canada's low economic growth rates and high unemployment and pulled by the booming economy in South China, some Hong Kong money is returning home.

According to Andrew Ma, spokesperson for Hong Kong's Trade Development Council, "Ten years ago, there was a steady flow of money out of Hong Kong [to Canada]." That has changed: "The money is now seeing its way back to Hong Kong, and a lot of investments we see in China, in fact, flow from Hong Kong, from Canada."

Given the relatively high rates of return in South China and other factors, Ma's analysis makes some sense. However, the trend does not worry Joe Clark. During a March 1993 visit to Hong Kong, the then Constitutional Affairs Minister said he was not concerned about the evidence that investment, including Chinese Canadian capital, is moving into Hong Kong and South China from Canada.

"There are so many Canadian entrepreneurs who have direct contacts with Hong Kong and with Southern China," Clark reasoned. "It is a constructive factor in two-way investment and we've got no concerns about two-way investment. We welcome it."

The same methods of government statistics gathering and complex investment patterns that obscure the size and nature of Hong Kong capital in Canada [see **Hong Kong Capital Flows Into Canada**, p. 1ff.] also prevent us from knowing how much Hong Kong money is leaving the country. Despite these problems, some analysts conclude that the recession and other changes in the Canada-Hong Kong investment environment have hurt some types of investment more than others.

For instance, we do know that direct investment in Canada by Hong Kong residents was still increasing at the end of 1991, the last date for which figures are available. From CDN\$1.3 billion at the end of 1990, it climbed to \$2.3 billion a year later, an increase of 76% during some of the worst months of Canada's economic downturn.

According to Henry Yau of Investment Canada, this was because "Asian investors

take a long term point of view" and are unlikely to pull their money out because of a temporary economic decline. "Unless they are very strapped for cash, they will stay in," he said.

Moreover, government officials say direct investments by Hong Kong residents are likely to continue to increase in the long term due to such factors as the North American Free Trade Agreement, Canada-Hong Kong family and business linkages, and East Asia's expanding pool of capital. Nonetheless, Yau predicted that growth in direct investment could slow in the short term because the majority of the big money anxious to get out before 1997 has already diversified out of Hong Kong. While existing direct investors are not pulling their stock of investment out of Canada in significant numbers, they could well be investing their profits in South China and other areas where returns are better. "I don't believe there is any flowing back of money, but the amount of money flowing in will be relatively flat," Yau concluded.

Indirect portfolio investment is a different matter. Although exact figures do not exist, government and private-sector analysts say there have been declines in "speculative" purchases of such things as stocks and bonds, as money from both Hong Kong residents and Hong Kong immigrants in Canada gravitates to the relative windfalls in East Asia. No one knows how big the outflow is, in part because Statistics Canada does not keep tabs on Hong Kong's share of foreign indirect holdings of portfolio investment.

On the other side, barring another major political crisis in Hong Kong, investment related to immigration from the British territory may already have peaked. Wayne Lorch, whose P.W. Lorch & Associates Ltd. manages immigrant investor syndicates, said the recession probably only heightened a trend already evident before the Canadian economy soured. Rich Hong Kong business immigrants tend to keep most of their investment capital in Asia, where their returns are largely tax free, Lorch indicated.

"They may have substantial additional capital," he said. "But I don't think Canadians should hold their breath about them transferring all their money, other than what is required under the [Immigrant Investor]

Program, enough to buy a monster house in British Columbia and a bank account to keep themselves."

Another route for the return of money to Hong Kong is with immigrants who have obtained passports and have returned to the territory to find higher paying jobs. The Hong Kong Institute of Personnel Management estimates the number of Hong Kong returnees from all countries at nearly 15%. However, the precise size of the flow back is difficult to calculate with any certainty because Hong Kong returnees may enter and leave the British territory using their Hong Kong travel documents, leaving their adopted country of origin unrecorded. Also, Canadians of Hong Kong origin now living in Hong Kong are not required to register their presence with Canadian authorities or to inform Canadian officials upon their departure from Canada.

Yau from Investment Canada maintains that many of those returning are professionals whose dependents remain behind in the Canadian family home. There are no estimates of how much capital such itinerant workers might take with them. Furthermore, because many Chinese businesses in both Canada and Hong Kong are family-owned and, thus, not subject to the public disclosure rules that apply to publicly traded companies, it is more difficult to know how much capital they might be transferring out of Canada.

On the inflow side, the average amount of money that business immigrants from all countries declared they were bringing into Canada at ports of entry reached a five-year low in 1992 of \$87,257 for each principal applicant. The average was \$120,000 for those from Hong Kong. However, government figures indicate a fluctuating pattern, rather than a steady drop in the funds declared by business immigrants as the recession took hold. Moreover, government officials said that the numbers probably underestimate the actual capital brought into Canada by immigrants, although they stress that authorities neither check to ensure that immigrants actually transfer the funds nor investigate whether such capital remains in Canada afterward.

A general decline in immigration applications from Hong Kong residents, particularly those applying in business categories, points to declining capital inflows from Hong Kong immigrants in the coming years. According to figures from the Canadian Commission in Hong Kong, in 1991 the number of immigration visa applications for all categories fell by nearly half from the year before. During the same period, business immigration applications plunged 69%, while those from skilled workers dropped 67%. The decline suggests some business immigration applicants will barely meet the acceptability criteria and that most of the best applicants have already left the territory.

The fall is significant because, although relatively few in numbers, business immigrants – especially those in the investor category – are the source of most of the immigration-related investment capital brought into the country. According to economist Roslyn Kunin, in a report prepared for Employment and Immigration Canada, the 20,000 business immigrants who landed in Canada between 1986 and 1990 poured an estimated \$3 billion into the economy.

The recession is partly to blame for the decline. However, other factors – increasing competition from other countries seeking rich immigrants, slow application processing times, and concerns about abuses under the immigrant Investor Program (IIP) – may have deterred applicants. Changes to the IIP regulations at the end of 1992, which increased the minimum amount of investment required to \$250,000 from \$150,000 and locked it in for five years instead of three, also decreased applications. “Anyone who really wanted to come to Canada tried to get in under the old regulations,” John Martin of the Business Immigration Program declared. In addition, application rates are no longer skewed by the abnormally high number of immigration applications sparked by the Chinese government’s suppression of the pro-democracy movement in 1989.

As the pool of moneyed immigrants from Hong Kong dries up and more of the territory’s migrants are approved under non-business classes, officials are looking to other parts of the world for new sources of business immigrants.

The 1992 federal government Ministerial Task Force on the Immigrant Investor Program stated: “[IIP] Fund promoters and sales agents have concentrated their marketing efforts in Hong Kong over the past several years, exploiting the uncertainties surrounding the proposed changeover in governments in 1997.... although Canada’s focus on Hong Kong has paid dividends, that market now shows signs of returning stability. However, other markets such as Taiwan, the Middle East, Latin and South America are showing signs of potential growth.”

Some analysts suggest the richest business immigrant applicants now come from Taiwan, not Hong Kong. Taiwan’s share of Canadian business immigration is growing, jumping from 591, or 12.9% of principal applicants, in 1990 to 1,335, or 19.6%, in 1992 – a level second only to Hong Kong.

“It’s safe to say that other parts of the world are going to play a bigger part [in the IIP],” Martin concluded.

We thank Employment and Immigration Canada and Investment Canada for making these statistics available to us.

Hong Kong and the Closure of Provincial Offices Abroad

The closure this year of all Ontario’s seventeen overseas offices was the most dramatic step in what has been a steady provincial retreat from independent overseas representation. In the case of Hong Kong, it reduced to four the number of provinces with representatives operating in the territory – a far cry from the early 1990s when New Brunswick was the only province not to have a provincial agent there.

For the most part, overseas provincial offices were intended to raise the profile of provinces on the international scene, ensuring that their interests, particularly commercial interests, were well represented. Ontario, Québec, Alberta, and British Columbia tended to have the most offices abroad, although a number of Maritime provinces have had representation in Europe and in the eastern United States.

Most offices focused on the promotion of investment in their provinces and the facilitation of the business immigration program, along with some trade development and cultural affairs publicity as well. They were intended to operate in concert with the federal

government, coordinating events and strategies with the local embassy, consulate, or other federal office. In this sense, they were important players in sharing the workload of overseas promotional work, particularly in their investment development focus. Moreover, Québec, with its constitutional powers with respect to immigration, continues to operate a substantial immigration program in concert with federal immigration officers.

However, the presence of some of the offices inevitably led to confusion among several host countries, particularly those which did not have a federal system and which were unsure of the respective duties and powers of the federal and provincial offices. This was not a problem unique to Canada, as it was often the case with overseas offices operated by American states. The most common concern was that competition between provinces, however low key, for commercial or investment benefits led to a diluting of Canada’s overall image abroad. Even with concerted efforts on the part of the provinces to present themselves as part of

Canada, this competition made it more difficult at times to present a cohesive Canadian presence.

However valid these concerns might have been, the sheer cost of office space and the pressure to reduce apparent duplication of effort between federal and provincial governments led to new federal-provincial overseas arrangements. Increasingly, provincial government representatives began locating within federal embassies and consulates. They continued to represent the interests of their provincial governments and, particularly, key industry sectors important to their provinces, such as oil and gas in Alberta. They also shared the consular and administrative responsibilities of all officers operating at Canadian posts abroad.

The closure of many overseas provincial offices may mean increased pressure to expand the number of these shared arrangements with the federal government. Although with federal cost-recovery schemes, such arrangements also represent an expense to the provincial governments. At present, Québec continues its immigration activities, important

to its domestic cultural and linguistic policy – but sometimes under similar space-sharing arrangements with the federal government.

Increasingly, tight provincial budgets and the concern to reduce waste and apparent duplication at all levels of government will continue this trend to reduce separate overseas representation and to share arrangements with the federal government. At the same time, Ottawa has also increased its commitment to involve provincial governments in the setting

of federal trade development priorities, in an attempt to offset concerns that provincial interests will suffer with the closure of their overseas offices. However, fiscal pressure has also meant the closure of embassies and consulates, so it will not always be easy for the Canadian offices to assume the tasks of the provincial representatives.

With record governmental debt and deficits, it will be a long time, if ever, before provincial representation in Hong Kong again

reaches the level of the 1980s. However, the growth of overseas offices did send a message to the federal government of the importance attached to international activities by the provinces. Moreover, the fact that most of Atlantic Canada at one time was represented in Hong Kong underscores the growing awareness of the importance of this region to all of Canada.

The Multinational Entrepreneur in Shenzhen SEZ

by Paul Levine
City Polytechnic of Hong Kong

Path to Success: Doing Business in China

Alcan's strategy during the late 1970s and early 1980s was not to go directly into China with its own joint-venture operation as many companies did, which often led to unhappy results. Rather, it put up small investments in related businesses in the PRC, in order to gain experience that would enhance Alcan's ability to make the right decisions when it did finally choose to enter into larger scale production operations.

Alcan's early moves had a double-sided benefit. First, they formed the basis for the company's Chinese partners to start a relationship that would last, especially when larger-scale operations were planned. Second, Alcan gained exposure that gave it credibility in the eyes of its Chinese counterparts, that it would keep its word and that it was not just in for a short-term "quick profit and quick exit." Starting in 1978, Alcan, along with a Japanese partner, built a turn-key aluminium ingot smelter that was handed over to China in 1982. Next, in 1985, it built an aerosol can manufacturing facility whose production was aimed for the domestic Chinese market.

According to Roger Hum, the chief executive officer of Alcan Nikkei (China) Limited, the Hong Kong-based headquarters of Alcan China, the next step was to head toward Shenzhen, the burgeoning Special Economic Zone. "When we decided to go to the Shenzhen SEZ, we did it because it was on the front line, not a backwater." With its proximity to Hong Kong, container links, and access to the China market, Shenzhen was a logical entry-point for China-based operations.

In 1986, Alcan set up a joint venture aluminium extrusion (producing aluminium

logs) plant in Nantou near She Kou, just outside of Shenzhen. Its PRC partner was the China National Nonferrous Metals Corporation (CNNC) in Beijing, which controls the Chinese aluminium industry. The choice of CNNC turned out to be strategically advantageous because as the project proceeded, local Guangdong officials tried to insert themselves between Alcan and CNNC. Each time this happened, Alcan was able to use its influence in Beijing to overrule provincial authorities. An example, and one that was to play a key role in the success of the project, was the struggle over the recruitment of workers.

Recruitment and Training of Young Workers

As Roger Hum tells it, this was a crucial issue. In the late 1980s most foreign joint ventures with Chinese partners were limited in their recruitment to workers from state-owned firms, who were used to an 'iron rice-bowl' system with lifetime employment, regardless of efficiency. This resulted in a low average output and non-competitive rates of efficiency, with the consequence that many joint ventures quickly disappeared from the Chinese scene.

In order to circumvent this situation, Alcan decided to recruit workers directly, without going through provincially controlled recruitment offices and by advertising for 'young' workers with no previous experience. They had the advantage of being trained by foreign managers. More importantly, they could be motivated to increase output through material incentives, such as output-related bonuses for increases above production targets and scarce consumer goods like nylons.

The pitfalls of setting up business in the People's Republic of China are legion. Many firms, including multi-nationals have found China a difficult place in which to do business, especially because of widely varying local conditions. One Canadian firm that has renewed its China ties and set up successful on-going operations, in this case in the Shenzhen Special Economic Zone (SEZ), is Alcan.

Alcan has extensive dealings both in Guangdong and Hong Kong through its Asian subsidiary, Nikkei Alcan Ltd. The centre of its Asian operations is located in Hong Kong, and the firm is committed to the continuation of its half-century trade in south-eastern China. Its office in Hong Kong has been in place for more than twenty years with a full complement of staff that serves as the nerve-centre for Alcan's PRC operations and its China-centred decision making.

Together with its Japanese subsidiary, Nippon Light Metal Ltd., Alcan's Hong Kong office has directed various projects, first in the Hong Kong market, from which it gained valuable expertise, and now in China. Alcan's experience in Hong Kong and the Mainland is illustrative of a story with a positive ending – that with creative management, even what seems at first like insurmountable obstacles can be overcome.

The story of Alcan in China began in 1928, when Alcan established its first sales office and eventually set up an aluminium foil rolling operation along with Swiss and British companies. It owned 51% of that operation which was seized by the Japanese during the war. After World War II, Alcan had no further production in China until 1979, with the coming of the new open-door policy. Between those years, it simply was an exporter of aluminium ingots to China.

At first, the process of obtaining young workers, who were usually thrust down on the last rung of the production ladder and paid the lowest wages by the seniority-centred Chinese industrial system, was quite difficult. However, once Alcan's joint venture partner intervened, direct recruitment and in-factory training began to pay off. The result was that young workers, who were considered the 'low-castes' on the ladder, became the most sought-after workers for Alcan and other employers.

The plant opened in 1990 and hired to capacity, with over 300 workers. Within five months, it was operating in the black and, despite the 1989 downturn in the Chinese economy, it has been profitable since 1991.

To summarize, its Chinese experience has taught Alcan the importance of the following: 1) patient negotiations with a powerful local partner, who could intervene and overcome local road-blocks; 2) long-range planning with a firm commitment that would not change even when confronted by short-term economic goals and policy obstacles; 3) creative on-site management and recruitment policies to utilize advantageous conditions; and 4) good infrastructure, such as provided in Shenzhen.

Finally, as Roger Hum said, "There are always going to be policy changes in Beijing and this will affect business aims." The radical shift since Alcan's first success can be seen in greater powers given to localities as the Chinese economy has rapidly decentralized, doing away with many of the advantages Alcan enjoyed through its contacts with a powerful Beijing partner. Today local authorities are likely to have final, overall decision making powers. However, Alcan's long-term planning and on-the-spot creative management should help it through many future ups and downs.

Seminar on Canadian Trade in Southern China and Hong Kong

by *Sonny Lo*

Hong Kong University of Science and Technology

On 20 April 1993, a conference exploring the opportunities for Canadian trade and investment in Southern China and the role of Hong Kong as intermediary was held in the Mandarin Club, Toronto. The seminar was sponsored by the Asia Pacific Foundation of Canada, the Canadian Chamber of Commerce in Hong Kong, the Hong Kong-Canada Business Association (Toronto section), the Asian Business Studies Program of the Joint Centre for Asia Pacific Studies, and the Pacific Basin Economic Council (Canadian Committee).

Speakers at the conference included Stephen Lam, director of the Hong Kong Economic and Trade Office in Toronto; Peter Wong, president of Hong Kong Ferry (Holdings) Co. Ltd.; Ted Lipman, deputy director of the East Asia Trade Development Division, External Affairs and International Trade Canada; James Keenan, director of special projects, Asia Pacific Foundation; John Lam, vice president of Asian Banking, Hongkong Bank of Canada; Tang Fuquan, PRC Consul-General in Toronto; and Frank Chau, president of Canadian Goldyear Realty Inc.

Many of the speakers stressed the importance of Hong Kong's role in the development of and investment in Southern China and the significance of Canada-Hong Kong business ties. Stephen Lam discussed recent growth trends and the economic interdependence between Hong Kong and South China.

He pointed out that there were numerous opportunities for Canadian trade and investment in Southern China, where a cooperative network had already been formed by combining Hong Kong's capital and managerial knowledge with China's low production costs and huge consumer market.

Peter Wong emphasized that South China offered numerous investment and manufacturing opportunities for Canadian business people. He maintained that China had made many improvements in its infrastructure, electricity supply, and legal and accountancy systems. As a member of Guangdong's People's Consultative Conference since 1989, Wong also suggested that small and medium-sized foreign companies should establish their communication networks in Hong Kong as a first step to expanding their business into China.

Ted Lipman also maintained that Hong Kong represents a stepping stone for Canadian trade with the PRC. He advised Canadian companies to form "partnerships" with Hong Kong counterparts and Mainland enterprises in order to reduce the risks of investing in China. Southern China is "a springboard to China's hinterland," and "China is a potential market for every Canadian export."

John Lam made some financial recommendations to Canadian businessmen regarding their entry into the South China market

through Hong Kong. He stressed that doing business in China needed time and patience and that it would be wise for Canadian buyers to use middlemen to solve payment problems.

The Chinese Consul-General, Tang Fuquan, emphasized that China provided "tremendous opportunities" for Canadian trade and investment. He objected to Mr. Lipman's remarks that Southern China practised "capitalism with a Chinese face" and insisted, rather, that China followed "socialism with Chinese characteristics."

Insights on the selection and management of Hong Kong distributors for China's market were presented by James Keenan of APF. He advised that Canadian companies should use their sales representatives to explore the market in the PRC instead of relying on the reports conducted by consultancy firms. Strategies of distribution are crucial for Canadian companies to trade with China. He suggested that training should be regarded as "an on-going process that must be shared with distributors."

Finally, Frank Chau gave an overview of the legal procedures for doing business in Southern China. He pointed out that drawing up a business contract required the approval of various local authorities and departments and also stressed that patience was crucial for foreign business people investing in the PRC.

Metro-Toronto Week in Hong Kong

The Municipality of Metropolitan Toronto is organizing a Metro-Toronto Week in Hong Kong for the end of November 1993. The program is expected to feature an investment seminar, business delegations, a gala dinner, cultural activities, and events involving all three levels of education. A side-trip to south China is also planned for the business delegation.

Metro-Toronto Week will be the third Canada-Hong Kong celebration in as many years. In June 1991 the Canadian government held a Canada Festival in Hong Kong, which was presided over by Prime Minister Brian Mulroney [see *Canada and Hong Kong Update*, no. 5, Fall 1991, pp. 1-4]. In the autumn of 1992, the Hong Kong government reciprocated with a Hong Kong

Festival held in major cities across Canada, from Montreal to Vancouver [see *Update*, no. 8, Fall 1992, pp.5-7]. Senior Executive Councillor Baroness Lydia Dunn and Governor Christopher Patten officiated at the opening and closing ceremonies, respectively. Business, cultural, and academic activities and people-to-people exchanges were prominent in both years. The festivals were considered very successful in fostering goodwill and mutual understanding between the two societies, as well as in establishing more substantive economic, social, and cultural ties across the Pacific.

Metro-Toronto Week is intended to build upon and further develop the fruitful contacts that were made in the two earlier festivals. It will be smaller in scale, engaging

Canadian participants only from the greater Toronto area, and will not involve the more senior levels of government. The organizers, based in the Economic Development Division of Metro Hall, hope to promote partnership between Hong Kong and Toronto in many fields of endeavour.

The Canada and Hong Kong Project played an active role in the two previous festivals, holding academic workshops on legal, political, social, and educational issues on developments in Hong Kong and Canada-Hong Kong relations.* It intends to continue with this involvement during Metro-Toronto Week.

**[A number of the papers presented at these workshops have been published or are being prepared for publication.]*

Maintain or Reform: Dispute Within Vancouver CCC

by Hugh X. Tan
Vancouver

On Sunday 25 April 1993, Vancouver's Chinatown witnessed an historical event when some 4,300 people went to the Chinese Cultural Centre (CCC) to vote for a 31-seat Board of Directors, from a total of 73 candidates. As this election would determine whether the "Committee to Maintain the Community's Participation in the CCC" (Maintain Committee) or the "CCC Renewal Committee" (Renewal or Reform Committee) would control the Board from 1993-1995, it attracted much attention from the Chinese community and was taken very seriously by all parties involved. Along the streets leading to the Centre, candidates from the rival committees, as well as some independent contestants, set up display tables, making a last minute effort to attract more votes. Policemen and private security guards, placed at the entrance to the voting room, checked ID's and membership cards of the voters. Observation rooms were set up above the voting area to monitor the scene, and the accounting firm Price Waterhouse was hired to count votes.

Founding and Activities of CCC

To understand the emergence of competing factions in the CCC and the importance of this election, we need to look at the history of



the Centre. The CCC of Vancouver was founded in 1973, after a proposal by the Wong's Benevolent Association, a clan-charity organization in Vancouver's Chinatown. Representatives from 21 community organizations then formed the Centre, with the goal to promote Chinese culture in the Canadian setting and to develop friendship with other communities. After twenty years of operation, the Centre has grown considerably and become very influential in community affairs.

It now has a new branch office in Richmond, B.C., where many Asian, especially Hong Kong and Taiwan, immigrants have settled.

The Centre is well known for its cultural activities, which include organization of the annual Spring Festival celebrations, sponsorship of art exhibitions, and the invitation of well known artists and performers from the PRC and Hong Kong to Canada. The CCC is often visited by government delegations from the PRC. Its regular training courses include Chinese calligraphy, painting, Tai Chi, dancing, and Chinese languages. Its Board of Directors, all of whom are volunteers, is re-elected every two years. Funding is partly from government sources and partly from private donations.

Background on Dispute

The dispute between the "Maintain" and the "Renewal" committees can be traced back four years ago, to the aftermath of the 4 June 1989 Tiananmen massacre. At that time, a newly-formed organization, the Vancouver Society in Support of Democratic Movement (VSSDM), proposed a replica of the Goddess of Democracy be built in the Dr. Sun Yat-Sen Garden in Chinatown, but the proposal was rejected. In April 1990, the Society applied to

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Vancouver's Parks Board to place a Tiananmen memorial plaque in the city-run Sun Yat-Sen Park, adjacent to the Garden.

This idea provoked strong opposition from the Chinese Benevolent Association (CBA), an umbrella organization consisting of some fifty community groups. Heated debates occurred between the two sides, which finally led to the City's refusal of the application [see *Update*, no. 1, Spring 1990, p. 9]. Three years later, some VSSDM supporters became members of the CCC "Renewal Committee," while some Chinese community leaders were the backbone of the "Maintainers group" within the CCC.

The second encounter between the two groups took place before the 1992 annual general meeting of the Chinese Cultural Centre. The CCC Constitution Committee, headed by William (Bill) Yee (also Chair of the CBA), proposed to amend four areas in the existing constitution: 1) to change the name of the Centre to the Chinese Cultural Centre of Greater Vancouver; 2) to set aside 11 of the 31 seats in the Board of Directors for community organizations; 3) to pre-screen applicants for CCC membership by the Board of Directors; and 4) to require candidates running for the Board to be CCC members six months prior to the election (past requirement was one month).

Except for the name change, these amendments aroused strong reaction from the community. A public statement, signed by a number of former directors, present directors, and long-time supporters of the CCC, denounced the amendments as detrimental to the Chinese Cultural Centre. Such changes would make "it more restrictive to become a member or to serve as a Board member" and thus enable "a small group of insiders to maintain control of the Centre without going through a truly democratic election process." On April 26, over 500 members attended the annual meeting to vote for the amendments. About a dozen people spoke, most of whom were against the proposals, and organizers maintained order with difficulty. After heated debates, a motion was passed to defeat the amendments.

Criticism of CCC

With the rejection of these proposals, the dispute in the community remained dormant for several months. However, it resurfaced a few months later in the factions, the "Reformers" and the "Maintainers," contesting the 1993 Board elections. In January of this year, Mr. Xu Xing, a former Hong Kong journalist and an outspoken critic of the above-

mentioned amendments, published articles in the *Sing Tao Daily* [11 January and 30 January 1993], a widely read Chinese language newspaper in Vancouver.

The first article, entitled "The CCC Must be Reformed," criticized the Centre for promoting Chinese culture in a selective and restricted way. Specifically, he maintained that 1) the Centre promoted "Embassy culture," as only PRC newspapers and magazines were in the reading room, while Hong Kong and Taiwan publications were excluded; and 2) the Centre mostly publicized popular Chinese culture, such as boat racing and lion dancing, and largely ignored classical or "high level" Chinese culture, such as education in religion, philosophy, classical poetry, calligraphy and traditional painting.

Mr. Xu appealed to the Centre to abandon its "cultural restrictionism" and open its doors to all segments of Chinese culture: including Hong Kong, Taiwan, the PRC, and overseas Chinese communities, especially those in North America. He also worked out a general framework for reforming the CCC. Mr. Xu's arguments, not surprisingly, became a very controversial subject in the community. During the months that followed, comments, criticism and counter-criticism on this subject filled the Chinese language press in Vancouver. Discussions were also aired by Chinese language radio programmes.

Contesting 1993 Board Elections

In mid-January, the Renewal or Reform. (using the same Chinese character Ge Xin) Committee put forward a list of 25 candidates to run for the next Board of Directors of the CCC. Most of these candidates were middle-aged professionals: lawyers, accountants, physicians, university professors. About one third of them were relatively new immigrants who had lived in Canada for less than six years. Ten were born in Hong Kong, while three were Canadian-born. Two were running for re-election to the Board. The goal of the Reform Committee was to change the Centre into a more "active, accessible, and accountable" organization.

Facing the challenges of the reformers, those who felt more comfortable with the status quo formed the Maintain Committee to support their candidates for the election. This committee included representatives from 12 major community organizations and 19 individual candidates who supported community organizations. Eight of them were present directors of the CCC, including Chairman

Fred Mah and Vice Chairman Bill Yee. These people covered a wider range of occupations: lawyers, managers, high school teacher, journalist, businesspersons, and civil servants. They were generally considered to be more established in the Chinatown area, as well as in Canada. Most of the community organizations they represented or supported had a long history in Canada. The slogan for this group was to keep "community participation in the CCC, for peace, harmony and prosperity in Chinatown."

Three major conflicting views toward the CCC and its present Board of Directors were outlined in a report based on separate interviews with Patrick Chen, spokesman for the Renewal Committee, and Vice-Chairman Bill Yee. First, Chen criticized the Board's stagnation and lack of creativity. He saw the same programs running over and over again without new ideas coming from the directors. He also claimed meetings began hours late due to a lack of a quorum. Although Bill Yee admitted there was room for improvement, the vice-chairman countered with the fact that the Board did have new ideas, but the introduction of new programs depended on the resources of the Centre.

Secondly, the Board of Directors was criticized for devoting too much energy to maintaining power and not to developing programs, and Chen cited the example of the defeated constitutional amendments. Yee maintained that, on the contrary, the Board usually had to beg people to serve because it was a "thankless job" - "no pay, no glory, but only work." He welcomed the Reformers to work for the Centre, but felt they should not have split the community or been so critical of the people who had served in the past.

Thirdly, the two factions accused each other of having hidden political agendas and fighting for control over the Centre. Chen maintained that the Board of the CCC was dominated by earlier immigrants and some local-born Chinese who were resentful of the newer immigrants. Chen also claimed that the Renewal Committee was more representative of the whole community and was committed to a non-political agenda for the Centre, neither for nor against PRC policies. Yee countered by saying that many Renewal members were involved in the pro-democracy movement which was unpopular in the larger Chinese community. He claimed these members intended to use the CCC's resources to reach people [*Chinatown News*, Vancouver, Vol.40, No. 11, p.17].

In addition to the above criticisms, some Renewal members also accused the CCC of misusing government funds and, because of its mis-management, causing a sharp decrease in private donations. The CCC Board of Directors stated these allegations were groundless and demanded an apology.

While these two groups were engaged in a war of words, 17 **independent candidates** also signed up to run for the next Board, bringing the total number contesting to a record high of 73. Many of these independents were activists in community affairs who wanted to work for the Centre but did not want to take sides in the dispute. However, five of them joined the Reformers group just before the election.

As candidates competed to recruit supporters for the election, the **number of CCC members soared** in February and March. By March 26, the last day to become eligible members to vote in the election, the CCC had about 7,000 people registered – four to five times the regular number. The importance of the election and its significance within the

local Chinese community was noted by the mainstream press in Vancouver. The *Vancouver Sun* published three articles on the election, describing the event as a battle between “yuppies” and the “old guards” in the ethnic community.

Election Results

On April 25 a record number of over 4,000 people voted in the Board elections which lasted from 8am to 8pm. A sample survey, taken during the voting, showed that the Maintain group kept a steady lead by a ratio of six to four. When the results were released a week later, the **Maintain group had won all 31 Board seats**, a major victory over the Reformers. First in the poll was Victor Lee, a mechanical engineer at UBC, who garnered the most votes – 2,522. Pius Wong, a restaurant businessman and a real estate developer, captured the 31st seat with 2,362 votes. The most popular Renewal candidate, Dr. Thomas In-sing Leung, director of the Chinese Studies Program at Regent College, collected only 1,620 votes, while the top independent

candidate obtained less than 1,000 votes.

Implication of Elections

Now that the battle over the CCC directorship has been settled for the next two years, both sides have begun to mend their fences. One of the new Board members has suggested that people from the Renewal group form an **advisory board** so that their concerns can be taken into account. Some Renewal members have also expressed their willingness to work with the new Board.

While all election campaigns produce winners and losers, what is most important in these CCC elections, in the writer's opinion, is that the whole community has demonstrated the exercise of individual rights in a democratic election system. Moreover, this election aroused people's enthusiasm in **participating in politics** – which is often lacking in overseas Chinese communities, especially in the new immigrant groups. Thus, the larger significance of this election in participatory democracy is far-reaching.

Tommy Tao: NDP Candidate for Vancouver Quadra

*by Hugh X. Tan
Vancouver*

Tommy Tao, a forty-five year old Chinatown lawyer, was nominated as New Democratic Party (NDP) candidate for Vancouver Quadra in June 1992, thus becoming the first Chinese-Canadian nominee in the Greater Vancouver area for the upcoming federal election. His riding, located quite centrally in the city of Vancouver, stretches from the University of British Columbia in the west to Nanaimo Street in the east. The 1986 census figures show that 102,000 people lived in this multi-ethnic area, including the following groups: Sino-Canadian (19%), Indo-Canadian (3.5%), German (3.4%), Jewish (2.1%), and Italian (2%).

In recent years many new immigrants from Hong Kong, Taiwan, and the PRC have settled here. It is estimated at present that about 25% of the residents are ethnic Chinese, while 60% are Anglo-Canadians. The remainder include South Asians, Vietnamese, Filipinos, and Greeks. This area is not only diversified in ethnic background but also in socio-economic status. Near UBC and in the adjacent area, middle class professionals and technical personnel form the largest group, while in Shaughnessy, one of



the most prestigious residential areas in Vancouver, upper-middle and upper class families predominate. Further to the east, the area between Main to Nanaimo Street is largely a working class neighbourhood.

The present MP of the riding is Liberal John Turner, who is retiring this year. Edward (Ted) McWhinney, a retired political science professor from Simon Fraser University, has been nominated as the Liberal candidate.

Tommy Tao came from Hong Kong in 1968 after the riots there. His initial experience in Canada was not without anxiety and frustration. He first went to study at the University of Toronto, but later changed to an electrical technology school from which he graduated in 1972. He landed his first job in Vancouver as an electrical technician. He later attended night school and also studied at UBC.

It was his experience at UBC, he feels, where he began to become more a part of the Canadian way of life and accepted Canadian social values. He made friends with Canadians and got involved in student activities. After graduating from UBC with degrees in psychology and law in 1982, he worked in a downtown law firm for several years and eventually started his own firm in Chinatown in 1987. Mr. Tao is married to Marian Leung, who is a payroll consultant. She has been an active supporter of his federal campaign as well as in community affairs.

Mr. Tao has been a social activist ever since the mid-1970s when he was still attending UBC. He has served on several boards and committees in Chinese community organizations, as well as in other public groups.

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June 4th Commemorated

The massacres in Beijing and elsewhere in China on 4 June 1989 were commemorated in Hong Kong and other Chinese communities around the world.

The candle-light vigil at Victoria Park in Hong Kong, held during a rainstorm, was attended by a crowd estimated at 40,000 by the organizers, at 12,000 by the police, and at 25,000 by the press. The size of the attendance was rather smaller than the 100,000-plus in 1990, the 80,000 in 1991, and the 50,000 in 1992. Nevertheless, given the passage of time since the tragic events, the poor weather conditions, and the vehement attacks by the PRC authorities and local ultra-conservatives on pro-democracy activities and sentiments in Hong Kong, it was considered by observers to be still a very strong show of support.

There were commemorative marches and candle-light vigils in Toronto and Vancouver, each attended by hundreds of ethnic Chinese and other Canadians. Ministers of the Ontario government participated in the vigil held at the bronze sculpture memorial which was installed last June 4th on the campus of the University of Toronto.

Memoirs of Xu Jiatur

Since May 4, the *World Journal* (*Shih-chieh Jih-pao*), which is widely circulated in Canada, has been publishing instalments of the memoirs of Xu Jiatur, former head of the Xinhua Branch in Hong Kong, 1983-1989, and de facto representative of Peking in Hong Kong. Xu left China for California in 1990, shortly after the end of his term in Hong Kong. He has subsequently been expelled from the Communist Party of China and denounced as a traitor by the Peking authorities. Xu claims in the first instalment of his memoir that he still regards himself as a socialist and a communist, though now outside the Party.

Asian Business Certificate Program

During May and June, the Asian Business Studies Program of the Joint Centre for Asia Pacific Studies offered a highly successful Asian Business Certificate Course. The eight, full-day sessions included overviews of the Asia Pacific region and international marketing and a focus on the business environment in specific countries – Japan, Taiwan, Korea, the People's Republic of China, Hong Kong, Thailand and Vietnam. The last two sessions focused on the area of cross-cultural effectiveness and negotiations simulation.

Speakers included specialists from the academic and business environment as well as government. For example, at the session on the "Markets of Greater China: Hong Kong and the PRC," Mr. Peter Chen (formerly a professor of Management at Chinese University of Hong Kong and now a private business consultant in Canada) gave a background briefing on Hong Kong. Both he and Mr. Meng Deyi, the Commercial Consul of the Consulate General of the PRC, spoke on the business environment of China. Marketing in Hong Kong was addressed by Mr. Henry Ng, director of the Hong Kong Trade Development Council in Toronto. The session concluded with a fascinating discussion by Mr. Tom Yu of UNIFIN International, a Canadian company which exports heat transfer systems for heavy industry, on the challenges faced by his firm in the process of negotiating and "doing business" in China.

Newspaper for "Greater China"

A new daily newspaper with a unique concept was launched in Hong Kong towards the end of April. The *Huanan Jingji Xinwen*, or *South China Economic Journal*, is a Hong Kong-based Chinese language newspaper which focuses on economic and financial news of the increasingly integrating region of Hong Kong, Macau, Taiwan, and the PRC provinces of Guangdong, Guangxi, Hainan, and Fujian. It promises to be a major vehicle for information and analyses on this vast area with a combined population of 170 million and one of the highest economic growth rates in the world today.

The *South China Economic Journal* is the brainchild of its chief editor, Chan Kai-cheung, Mr. Chan, a media wizard with degrees from Hong Kong and Oxford in engineering, information science, and sociology, has wide experience as a journalist in North America and television executive in Hong Kong. The paper is published by the Jademan Group, the largest shareholder of which is the Sing Tao Group which also publishes the *Sing Tao* daily newspapers in Toronto and Vancouver.

Toronto Chinese TV Licence Before CRTC

The Canadian Radio and Television Commission (CRTC) is considering renewal of the licence of Chinavision, the Chinese language cable television station in Toronto. The station, first founded in the mid-1980s, has been plagued by financial difficulties under its original owners during the last few years. The owners also came under criticism for business dealings with the PRC authorities that resulted in news reporting allegedly biased in favour of those authorities during the Tiananmen movement of 1989.

A consortium, which includes a Netherlands-based subsidiary of Hong Kong Television Broadcast Company Ltd. (HK-TVB), is seeking CRTC permission to buy the station. The participation of HK-TVB is welcomed by many subscribers as likely to improve the standards of programming. However, very serious concern also has been voiced about the possibility of interference after 1997 by the PRC authorities, via the Hong Kong company, in news and current affairs programs of a Canadian television station.

Golden Palm Award at Cannes Film Festival

The Palme d'or for the best film in 1993 was won by the Chinese film, *Farewell to My Concubine*. It was shared with a New Zealand film. *Farewell* was made in Beijing by a Mainland director, Chen Kaige, a Taiwanese producer, Hsu Feng, and a cast from Hong Kong and the Mainland, including Hong Kong singer-turned actor Leslie Cheung. It was financed from Hong Kong.

This was the first such major collaboration in film-making by the three Chinese communities and the first time that the award has been won by a Chinese-language film. It enjoyed a successful run in Hong Kong but has been banned in both the PRC and Taiwan, mainly for political reasons.

Vancouver Policeman Studies in Hong Kong

John Cameron, a Vancouver police constable stationed in Chinatown, went to Hong Kong in April to learn more Cantonese and policing skills at the Royal Hong Kong Police cadet school. He is the first North American policeman to be sent to study in Hong Kong. His air fare was provided by the Vancouver Chinatown Business Association.

New President of CCCHK

Eliza C.H. Chan was appointed the new president of the Canadian Chamber of Commerce in Hong Kong on May 29, at the Chamber's annual general meeting.

Ms. Chan, a partner at the Hong Kong-based law firm Jewkes & Partners, is a barrister and solicitor qualified to practise law in Hong Kong, England, Wales, and Canada (British Columbia). She has a diploma in People's Republic of China law and acts as a consultant on PRC law. She is also a consultant to Osler Renault Ladner, Canada's largest law firm.

Canadian Students Winners of CCCHK Trade Competition

Ngai Au and Michael Chan, MBA students at McGill University in Montréal, are winners of the 1992-93 Canada-Hong Kong Trade Competition sponsored by the Canadian Chamber of Commerce in Hong Kong. Their business plan investigates the possibility of setting up a state-of-the-art public information and commercial advertising system in Hong Kong's Mass Transit Railway. Their submission won in a field of 29 entries from 81 graduate-level students across Canada.

Their plan involves the use of Visual Communication Network, a Canadian product which features flicker-free animation sequences along with a mixture of text and graphics. With VCN installed on the MTR people would be able to see the latest news, financial information, and weather reports. VCN would also assist hearing and visually impaired people in station identification. Even emergency message announcements could be made.

This competition, now in its 7th year, entails the submission of a business plan which sets up a Canadian product in Hong Kong. Judging is based on understanding of the business environment, innovation, viability, depth of research, clarity, and presentation.

Thorssen Wins CCCHK's Voyageur Award

Bob Thorssen, managing director of SMED Asia Ltd., is the winner of the Canadian Chamber's first Voyageur Award [see *Update*, no.9, p.15]. It was presented at the Chamber's Spring Ball on May 29 at the Island Shangri-La Hotel.

This new award recognizes successful Canadian entrepreneurs in Hong Kong. The name comes from some of Canada's earliest entrepreneurs, the voyageurs, who travelled through the country's lakes and rivers by canoe to set up trading posts.

"Thorssen truly embodies the spirit behind the award," says Harold Mandel, chairman of the Forum Committee which initiated the Voyageur Award. "He took a calculated risk and has now established a very successful business. He has created a niche for himself in a very competitive market by selling unique Canadian products to the Hong Kong market."

Thorssen owns 100% of SMED Asia Ltd., which buys from several Canadian office furniture manufacturers and imports to Hong Kong, Macau and China. He sells to the end user through his local partner Logic Office Supplies Ltd. His plans for 1993 and 1994 include joint venture factories in China and opening showrooms in Beijing, Shanghai and Xiamen. A native of Calgary, Alberta, Thorssen started SMED Asia in 1989.

More than 25 nominations for the award were received, and the criteria for judging was detailed. Nominee questions included specifics, such as the percentage of revenue derived from sales of Canadian products and/or services, their particular niche in the market, and their contribution toward the exchange between Canada and Hong Kong business.

Canadian Immigration Responsibilities Shifted to Department of Public Security

On 25 June, Canada's new Prime Minister, Kim Campbell, announced cabinet changes and reorganization of some federal departments, including Employment and Immigration Canada (EIC). Immigration responsibilities will be divided between two federal departments, Public Security and Human Resources and Labour. Most immigration functions, including policy, selection, and enforcement, will now fall under the jurisdiction of a new super ministry, the Department of Public Security, headed by Solicitor-General Doug Lewis. Included in this transfer are also divisions in charge of immigration operations and regional offices, international service, and the Business Immigration Program. Responsibility for settlement and levels of immigration will remain in the new Department of Human Resources and Labour, under Minister Bernard Valcourt.

Reaction by refugee and immigration groups has been strongly negative. The changes were denounced as an implication by the Tories that "refugees and immigrants are all a danger to this country." An editorial in the *Toronto Star* [14 July 1993, p.A18] reiterated that the new Prime Minister "thinks immigrants are in the same league as convicted criminals and potential troublemakers from whom the nation needs protection." It asked the question: "Why must we have an Orwellian agency treating immigration as a police or security matter?"

His positions include former director of the Chinese Cultural Centre and the Chinese Benevolent Society, and past Chair of the Special Advisory Committee on Race Relations to the City of Vancouver. Still a member of the latter, he also serves as a trustee of the Vancouver Art Gallery and a member of the Provincial Committee for Police – Visible Minority Relations.

A dedicated member of the New Democratic Party, Tommy Tao worked from 1981 to 1987 as a part-time Constituency Assistant to Margaret Mitchell, MP (NDP), Vancouver East. At present, he is a NDP Provincial Council Delegate for Vancouver Kensington. Given his intensive party commitments, it was not surprising that he accepted the invitation to run for the federal nomination, although not without some hesitation at first.

In June last year, he defeated another party candidate, Liz Carr-Harris, and became the NDP nominee for Vancouver Quadra. Due to his long-term involvement with the party, he was able to persuade NDP members, regardless of their racial background, to support him, rather than depending on recruitment of new supporters from outside. His logic is that if he cannot successfully convince party members to support him, how can he convince people in his riding to vote for him in the next federal election?

Tommy Tao sees himself first and foremost as a Canadian candidate, rather than a "Chinese-Canadian" one. In his nomination acceptance speech, he identified his major concerns: protection of the environment, economic development, national unity, and equality for women, visible minorities, homosexuals, and the disabled. He also addressed the unemployment issue and reform of the Canadian tax system.

A strong opponent of the North American Free Trade Agreement (NAFTA), Mr. Tao thinks it would only harm Canada's sovereignty and weaken the country's ability to compete in the world economy. He thinks NAFTA is nothing but a "me-too" response to U.S. trade policy, which cannot solve our economic problems. His solution to the economy is to break our habitual dependence on the U.S. market and develop closer trading relations with Asia Pacific and European countries. One way to develop these relations is to use the connections of new immigrants [*Sing Tao Daily*, 26 May 1993, p.1]. He also appeals to Canadians to stop their reckless exploitation and destruction of the earth's resources.

Tommy's focus on national issues does not mean he neglects the concerns of Chinese-Canadians. He has worked hard to clarify some misunderstandings toward the NDP in the ethnic-Chinese community. To

this end, he wrote an article, "The Terrible NDP," for *Sing Tao Daily*, which outlined the differences between the Communist Party in East Asian countries and the Canadian NDP.

Regarding the head-tax issue, Mr. Tao supports individual monetary compensation, although he feels the amount is negotiable. He has spoken and written on this topic on many occasions and helped MP Margaret Mitchell to prepare materials for presentation in Parliament. Tommy is also a supporter of the recent Renewal Committee of the Chinese Cultural Centre [see "*Maintain or Reform*," p. 17ff].

In his federal election campaign, Tommy Tao is running on a motto that stresses "honesty": "to make an honest effort, to give an honest answer, and to be honest to the voice of the people as well as to the voice of my conscience." Realizing the importance of keeping in close touch with his constituency, Tommy has made a concerted effort to personally visit many residents in his riding – over 1,500 households by now. Accompanied by one of his assistants, he has enjoyed many in-depth conversations with residents and has valued their opinions, especially criticism toward NDP policies.

Seminar on HONG KONG and CHINA Held at UBC

A two day seminar on Hong Kong and China was held at the University of British Columbia from April 23-24. It was jointly sponsored by the Canada and Hong Kong Project, the Faculty of Law at UBC, and the Institute of International Relations, UBC. The programme consisted of the following topics:

April 23, AM

"Elections in Hong Kong and the Future Relationship with the People's Republic of China"

Speaker: *Bernard Luk*, York University

April 23, PM

"Hong Kong's Pro-China Groups"

Speaker: *Willy Wo-lap Lam*, South China Morning Post

April 24, AM

"The Hong Kong Dimension of Canada's Foreign Policy"

Speaker: *Kim Nossal*, McMaster University

About forty people from government, the academic world, and the private sector attended the seminar.

A second seminar on Hong Kong and China will be held at UBC in February 1994.

“City”

by *Louise S.W. Ho*
Chinese University of Hong Kong

No fingers claw at the bronze gauze
Of a Hong Kong December dusk,
Only a maze of criss-crossing feet
That enmeshes the city
In a merciless grid.

Between many lanes
Of traffic, the street-sleeper
Carves out his island home.
Or under the thundering fly-over,
Another makes his peace of mind.

Under the staircase,
By the public lavatory,
A man entirely unto himself
Lifts his hand
And opens his palm.
His digits
Do not rend the air,
They merely touch
As pain does, effortlessly.



On 3 June, Louise S.W. Ho gave a poetry reading and talk at York University in Toronto. Her presentation was jointly sponsored by the Canada and Hong Kong Project and the English Department at York.

Ms. Ho, a lecturer in the English Department at the Chinese University of Hong Kong, teaches Shakespeare and 17th and 18th century poetry. She is one of few – perhaps, the only – Hong Kong Chinese poet writing in English. Many of her poems and other recent writings are concerned with the cultural identity of language as well as Hong Kong peoples’ perception of their identity as “Chinese.” Speaking about the predicament of a Chinese poet writing in English instead of in Cantonese or Mandarin, she felt that living across languages and cultures enhanced creativity: “Inspiration is found at the interface between the two.”

Basic Reference Works on Hong Kong

There is a large and rapidly growing body of serious literature in English on the economics, politics, and history of Hong Kong. Many of these books are of a high quality. They also tend to be rather specialized in approach.

For the general reader whose work is related in one way or another to the evolving situation in Hong Kong, reliable and up-to-date reference tools, which provide quick references and overviews before one approaches the more specialized books, are clearly a necessity. The following are some reference works which should be of value to those with a more than casual interest in Hong Kong.

Historical Dictionary of Hong Kong and Macau.

Elfred Vaughan Roberts, Sum Ngai Ling, and Peter Bradshaw, eds.

Asian Historical Dictionaries series, no. 10.

Metuchen, NJ and London: The Scarecrow Press, 1992.

xlvii, 357 pages

ISBN: 0-8108-2574-0

In spite of its title, the emphasis of this book is on the post-World War II period, and especially the past two decades. Four-fifths of the book is devoted to Hong Kong; the remainder covers Macau.

A lengthy introduction gives a comprehensive, if not altogether satisfactory, synopsis of Hong Kong history. A carefully selected bibliography guides the reader through books and articles on the history, politics and administration, economy, society, crime, religion, law, biographies, company histories, newspapers and periodicals, bibliographies, and statistics. There are also a brief chronology and a few statistical tables.

The most useful part is the dictionary itself, which forms the bulk of the book. It is made up of more than 200 pages of entries, in alphabetical order, on names and terms in the history and recent developments of Hong Kong. The entries are strongest on political and constitutional matters, adequate on the economy, and rather thin on society, culture, and personalities. Nevertheless, they provide clear, readable, and usually accurate explanations of many aspects of Hong Kong. The period of coverage extends from the Neolithic to the Joint Declaration and the Basic Law. The inclusion of many intricate and intriguing terms related to those two documents of the 1997 transition should make this book of particular interest to the readers of the *Canada and Hong Kong Update*.

Hong Kong (World Bibliographical Series, vol. 115).

Ian Scott, comp.

Oxford: Clio Press, 1990.

xxiii, 248 pages.

ISBN: 1-85109-089-4

This bibliography, compiled by the Canadian head of the Political Science Department of Hong Kong University, is the most up-to-date and comprehensive, one-volume guide to the literature in English on Hong Kong. By its nature it cannot be as rich or as full in coverage as the more specialized bibliographies, nor does it contain references to works in Chinese or other languages. Nevertheless, with more than eight hundred annotated entries in thirty different areas, it should prove to be very helpful for studying Hong Kong.

The books, articles, and periodicals cited are divided into the following areas: the territory and its people, geography, flora and fauna, archaeology and prehistory, history, population, urban society and social problems, religion, law, administration, politics, the economy, transport, social services, health and medical services, housing, the environment, education, science and technology, language, literature, the arts, architecture, libraries, museums and archives, sports and recreation, mass media, directories, bibliographies, and statistics. The annotations after each entry are often quite detailed and informative. There are also indices of authors, titles, and subjects to facilitate the use of the bibliography.

Hong Kong 1993: a Review of 1992.

Hong Kong: Government Printer, 1993.
479 pages (English ed.)

ISBN: 962-02-0125-6

This is the latest annual volume of the Hong Kong Government yearbooks which, in the present series, go back twenty years. Rich in facts and figures and beautifully illustrated, it is the best one volume guide to the organization, programs, and activities of the government and of the government's view of major events during the past year. Over the decades, the series of yearbooks (and their predecessors, the *Annual Reports*) are useful for providing a great deal of information and insights on long term trends of administrative, economic, social, and cultural development in Hong Kong.

The yearbook is organized in chapters which correspond more or less to the administrative departments of the government. There are numerous appendices covering the Executive and Legislative Councils, Hong Kong's overseas representation, and statistics on many subjects.

The Other Hong Kong Report.

(Four volume set)

Hong Kong: The Chinese University Press, 1989-92.

Includes:

The Other Hong Kong Report. [1989]

T.L. Tsim & B.H.K. Luk, eds.

xxxv, 395 pages.

ISBN: 962-201-430-5

The Other Hong Kong Report 1990.

Richard Y.C. Wong & Joseph Y.S. Cheng,

eds.; xxviii, 579 pages.

ISBN: 962-201-494-1

The Other Hong Kong Report 1991.

Sung Yun-wing & Lee Ming-kwan, eds.

xxvii, 541 pages.

ISBN: 962-201-538-7

The Other Hong Kong Report 1992.

Joseph Y.S. Cheng & Paul C.K. Kwong,

eds.; 462 pages.

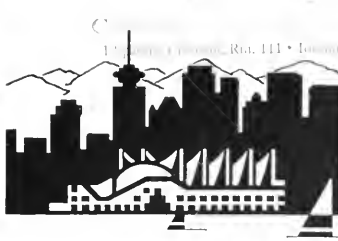
ISBN: 962-201-563-8

The first of these reports was published in the aftermath of the Tiananmen massacre in Beijing and the consequent crisis of confidence in Hong Kong. It was intended to provide an alternative, critical, and more readable survey of Hong Kong society and government policies during the late 1980s. It followed the basic organization of the government yearbook. Each chapter was written by an expert, usually from the local universities, on the social sector or government department concerned.

The series which developed out of that first effort has established itself as a standard reference. Valued for its annually updated facts and figures, as well as for its usually thoughtful and cogent analyses of issues and trends, each volume has found its place on the non-fiction bestseller lists in Hong Kong.

The later volumes no longer follow the basic organization of the government yearbook but are structured around social sectors and topical themes. There is relatively little repetition from year to year since often different authors were called upon to write on the same topic from one volume to the next. Taken together, the four volumes contain some one-hundred independently written essays which describe and dissect Hong Kong society and government from the mid-1980s to the early 1990s.

A fifth volume covering 1993, edited by Dora P.K. Choi, et al. is under preparation and should appear later in the year.



CANADA AND HONG KONG UPDATE

Number 11

加 港 研 究 通 訊

WINTER 1994

Raymond Chan Elected to Parliament Appointed Secretary of State

In the Canadian federal election last October, Liberal Party candidate Raymond Cheuk-yu Chan was elected Member of Parliament for Richmond, B.C., a suburb of Vancouver [see *Update*, no.9, Spring 1993, p. 13]. He polled over 21,000 votes – almost 4,000 more than the Reform Party candidate and 10,000 more than the incumbent MP, Tom Siddon (Progressive Conservative). Mr.

Chan is the third Chinese-Canadian elected to Parliament and the first born in Hong Kong. He was elected on his forty-second birthday, twenty-four years after he arrived in Canada. Before his election Mr. Chan was an engineer at TRIUMF, the scientific research facility housed at the University of British Columbia.

Raymond Chan's political life began when he became a leader in the overseas pro-

Unfolding Drama of Hong Kong-PRC Political Relations

by Bernard Luk
York University

When Governor Chris Patten delivered his first policy address in the Legislative Council (Legco) in October 1992, he proposed limited democratization of Hong Kong's political system. Patten's constitutional package enjoyed the support of a large majority of public opinion in Hong Kong. However, the proposals and Patten personally were vehemently attacked by the officials of the People's Republic of China (PRC) in charge of Hong Kong affairs. The attacks led to a violent down swing in the Hong Kong stock market and a sense of political as well as economic uncertainty by the end of the year. [See *Update*, no.9, Spring 1993, pp. 1-4.]

The attacks continued during the first months of 1993. By April, Patten indicated that since no counterproposals were forthcoming from the PRC, he was ready to table his package in Legco. Shortly afterwards, it was announced that PRC and UK diplomats would meet in Beijing to discuss



Raymond Chan addressing a Liberal rally with Aline and Jean Chrétien (Aberdeen Centre, Richmond, B.C.)

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Unfolding, cont'd on page 2

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Please call or write to us for past or future issues.

Chan, cont'd from page 1

democracy movement for China, after the Peking Massacre in 1989. He organized and was elected chairman of the Vancouver Society in Support of Democratic Movement [see *Update*, no.5, Fall 1991, p.15]. In January 1991 he led an international human rights delegation to Beijing to help focus attention on the secret trials of pro-democracy activists, Wang Juntao and Chen Ziming. He was expelled from China at that time. In 1992 he headed a campaign that helped dissidents Liu Yijun and Lin Lin obtain refugee status in Canada.

After his election, Mr. Chan was appointed Secretary of State for Asia and the Pacific, a new junior ministerial position within the Department of Foreign Affairs and International Trade (formerly External Affairs and International Trade Canada). Chan's experience in Asia and his knowledge of Mandarin and Cantonese combine to give him a special interest in dealing with Asia and the Pacific and to give Canada a new kind of visibility in the region.

Unfolding, cont'd from page 1

issues related to elections in Hong Kong during the remaining years of British sovereignty. The talks were to remain secret, and Hong Kong would not be represented by its own delegation. [See *Update*, no.10, Summer 1993, pp. 1-5]

Results of Sino-British Negotiations

From April to November, the constitutional talks between the two sovereign powers went on diligently for seventeen rounds and brought forth nothing. If it had been the intention of PRC officials to kill the Patten proposals by stalling them, as some commentators suggested, they succeeded in eroding away one of the four years in which relatively democratic processes could have taken root.

The fact that Beijing was prepared to talk, rather than to allow Patten's reforms to materialize and then to abolish them in 1997 as it has often threatened to do, lends credence to the suggestion that it does not dare to risk the psychological and economic trauma of turning back the political clock.

Amidst signs of increasing frustration on both sides of the negotiating table, the foreign ministers of the two sovereign powers met during the summer and agreed to speed up the discussions. The approach adopted was to tackle the easier questions first in order to

Mr. Chan's election received a very positive response from the local Chinese-Canadian community in Vancouver, including a dinner for 300 guests held in his honour by the *Sing Tao* newspaper. Community leaders expressed the opinion that Mr. Chan was an "ideal person" to be put in charge of Asia-Pacific affairs and that his election was an important step for Chinese-Canadians to participate in the decision making at the federal level.

In November he accompanied Prime Minister Jean Chrétien to the APEC conference in Seattle, USA. At a briefing to the Chinese language media in Vancouver, he indicated that he had met with officials from the PRC, Taiwan, and Hong Kong to discuss future economic cooperation.

In January 1994, Mr. Chan visited Hong Kong where he met many local leaders, including the governor, Chris Patten. He paid a private visit to his ancestral place in Guangdong. His mission to Asia, designed to promote trade and establish high-level contacts for the new government, also included official visits to Japan and Thailand. ♦

achieve some agreements, leaving the thornier issues for later. By late October, it was reported that the two sides were close to a compromise that would be a considerably diluted version of the original package.

However, no such compromise was reached; and after the seventeenth round in late November, the two sides did not even agree on a date for the next meeting. According to reports, one of the seemingly easy questions on which the talks floundered was the issue of "how many seats to each riding" in direct elections to Legco.

It was reported that the UK delegation had proposed a "single seat, single vote" arrangement; that is, each riding would have one seat in the legislature, and each voter could cast one vote. The candidate that wins the largest number of the votes cast would win the seat. Such an arrangement is widely adopted in democratic systems around the world and enjoys consensual support in Hong Kong, where it is considered as an improvement on the "two seats, two votes" plan used in the first (and so far only) Legco election in 1991.

What PRC officials are said to prefer is a "multi-seat, single vote" arrangement. Each riding would have, for example, three seats.

Unfolding, cont'd on page 3

but each voter would be allowed only one vote. The candidates who win the first, second, and third largest number of votes would win the seats.

Such an arrangement, no doubt, would allow more voters to have their candidates of choice sent to the legislature. However, within the chamber itself, the member who enjoys, say, 60% support in the riding would have only half the combined weight of the other two members who together have only, say, 30% support in the same riding. Such an arrangement is defended in Hong Kong mainly by the Democratic Alliance for the Betterment of Hong Kong (DAB), the party of pro-Communist teachers and unionists.

"Multi-seat, single vote" is a design to frustrate the expression of the popular will. To insist on such an arrangement is consistent with the PRC tactic since the mid-1980s to obfuscate public opinion in Hong Kong about democracy and representative institutions.

Reforms Tabled in Legco

In early December, Governor Patten announced to Legco that he would soon table part of the constitutional package in the Council, while hoping that Beijing would agree to negotiate the remainder. PRC officials accused Patten of scuttling the talks and threatened to publish records of the negotiations which, they said, would show Hongkongans the hypocrisy of the British. Patten's press secretary retorted with the challenge to publish the full minutes of all the rounds. As the *Update* goes to press, no document has been published by either side, nor is there any sign that the talks would resume.

As the first batch of proposals went through first and second readings in Legco in mid December, Hong Kong officials indicated that if talks were not resumed, the remaining proposals would most likely be tabled in the spring, so that they could be made law in time for the local elections in 1994 and the Legco elections in 1995.

Popular Support for Proposals

During the fifteen months since Patten first put forward his package, public opinion polls have consistently shown that about one-third of Hongkongans support greater democratization no matter what Beijing says, while another third prefer to have more democracy if it could be enjoyed without a confrontation with PRC authorities. Only about one-tenth to one-fifth are opposed to democracy.

As the talks between the PRC and the UK dragged on month after month without any visible results, the Hong Kong public became more and more disillusioned with the prospects. However, with the breakdown of the talks and Patten's subsequent tabling of part of the proposals, his personal ratings in the polls have shown an upward trend. There is widespread support in Legco as well as in the community for some kind of democratic reform to proceed, even at the risk of their being dismantled after 1997. Patten himself came close to what might be calling Beijing's bluff, when he said he did not believe Beijing would find it wise to disband a popularly elected Legco the moment it assumes sovereign authority over Hong Kong.

Stock Market Reaction

Meanwhile, the stock market reacted to the breakdown of the talks as if that did not matter. Throughout 1993, the market boomed on the strength of the expanding economies of both Hong Kong and China. By mid-December, the Hang Seng Index stood at twice the value that it had a year before, when PRC officials launched the most heated attacks on Patten. In fact, it is often said that investors have become so accustomed to fire-works between the two sovereign powers that they simply discount such political factors in their assessment of the market. Furthermore, it is generally believed in the market and in the community that PRC agencies, officials, and their relatives and friends are so heavily involved in the Hong Kong stock market that they would be wary about the financial repercussions of diplomatic rows.

Impact on Economy

PRC officials at various levels have publicly stated that they would not allow the constitutional disagreements to affect the economy, and there are good reasons to believe them. At the same time, both the Sino-British Joint Liaison Group (JLG) and the meetings on the Port and Airport Development Scheme have been making excruciatingly slow progress, with significant implications for Hong Kong's long-term economic development.

The JLG is the ambassadorial-level working party responsible for negotiating the details of the transfer of sovereignty from the UK to the PRC, as well as the future of Hong Kong's external relations. At present, a significant proportion of Hong Kong's statute law, including much of the law for the eco-

nomie structure, consists of an extension of British legislation which would automatically lose authority with the change of sovereignty. The territory would face a legal vacuum if those acts of Parliament are not made into ordinances by Legco before 1997.

Similarly, Hong Kong has established many links with foreign countries and international bodies as a British dependent territory. Many of these links which are vital to the territory's economy would be lost in 1997 if they are not replaced by agreements made in Hong Kong's own name or made by the PRC on behalf of Hong Kong. Both kinds of discussions have been very bogged down in the JLG.

Where the **new airport** is concerned, the Hong Kong government has been proceeding with such engineering works as are within its own means. Site formation at Chek Lap Kok, as well as roads and bridges linking the site to the rest of Hong Kong, have progressed with typical Hong Kong speed. However, the works will soon reach a stage when it becomes necessary to secure Beijing's blessing, in order for financing to be arranged with the private sector. That blessing has been withheld, for one reason or another, despite the Memorandum of Understanding reached between the prime ministers of the PRC and the UK in 1991. There is concern that the airport project will be held hostage to the constitutional reforms. Since the breakdown of the talks, some members of the public have called for the Hong Kong government to consider completing the project from its own financial reserves.

PRC Preparatory Work Committee

If PRC officials have been slow in cooperation over matters relating to Hong Kong's long-term economic development, they have been quick in making political moves to counter the proposed reforms for more democracy. A preparatory work committee was appointed by Beijing during the summer [see *Update*, no.10, Summer 1993, p. 5] to study the specific steps to be adopted by the PRC for the takeover in 1997 (or before 1997, as some officials threaten). It was anticipated that some members of the committee may be named to the new government after the transfer of sovereignty. The committee was instructed to speed up its work after the breakdown of the talks.

However, the committee, consisting of PRC officials, pro-Communist elements from Hong Kong, and former British-appointed

Unfolding, cont'd from page 3

political figures who are opposed to democratization, does not enjoy much credibility in Hong Kong. Within the committee itself, one pro-Communist member has outspokenly regretted having to rub shoulders with knighted minions of British imperialism! If the committee is to gain more credibility by broadening its membership, it runs the risk of greater cleavages within its own ranks. This is a problem inherent in the PRC strategy towards Hong Kong of building a united front made up of conservative business elements and long-time Party loyalists.

In other areas, the united front strategists have set up an **all-Hong Kong women's group**, under the leadership of women who

had never worked for, or had been opposed to, women's rights. A major plank in the platform of the group is to uphold the Basic Law, which is a code word for opposing democratic reforms. And the **DAB, the pro-Communist Hong Kong party**, is planning to establish youth wings on university campuses.

Hong Kong Media

In the area of press freedom, two significant developments this past fall were found inauspicious by many Hongkongans. Mr. Xi Yang, a reporter for the prestigious Hong Kong Chinese-language newspaper, *Ming Pao*, was arrested on the Mainland by State Security for allegedly divulging state secrets in his story on retrenchment of PRC banking.

He has been held incommunicado and without trial since then, in spite of repeated appeals by his employers and by a number of leading figures of international journalism.

At about the same time, it was announced that the Murdoch group had decided to sell its stake in the *South China Morning Post* to the Kuok family. The *Post* is one of the most influential newspapers in Hong Kong and perhaps the most important English-language newspaper in eastern Asia. It had been unflinching in its reporting on developments in Hong Kong and the PRC. Its new owners, the Kuok family, are Malaysian Chinese billionaires with close ties to top-level leaders in Beijing and no previous interests in newspapers. ♦

1992 and 1993 – Applications and Visas, HKCLPR

by Diana Lary
UBC, Vancouver

Applications

The decline in the number of applications for landed immigrant status in Canada from people whose country of last permanent residence was Hong Kong (HKCLPR) has not been reversed. While over 46,000 applied in 1991, only 26,678 applied in 1992. Figures for 1993 are still incomplete, but look similar to 1992's.

More striking than the overall decline is the change in the places where applications are made. Until 1991 the great majority of applicants applied in Hong Kong. That proportion declined to a little over two-thirds in both 1992 and 1993. The most common reasons for making applications away from Hong Kong are convenience (an applicant is living away from Hong Kong already) and speed of processing (the processing time is often shorter at posts other than Hong Kong). The majority of applications not filed in Hong Kong were made in the USA, often in places close to the Canadian border. The number of applications made at other posts in Asia is quite low, as is the number made in Australia.

	1991	1992	1993*
Hong Kong	39712 (86%)	18458 (69%)	18123 (69%)
Seattle	681	521	669
New York	379	478	540
Buffalo	1091	1384	2476
Chicago	211	375	189
Atlanta	291	1167	695
Detroit	302	385	299
Singapore	338	294	147
Boston	278	279	131
Los Angeles	495	520	428
Dallas	376	222	168
Tokyo	52	22	11
Minneapolis	90	74	10
London	541	752	938
Rome	539	480	23
Sydney	127	36	9
Bangkok	100	43	89
Bogota	40	76	162
Mexico City	244	373	546
Other	327	709	626
Total (Non Hong Kong)	6502 (14%)	8220 (31%)	8176 (31%)
Total	46214	26678	26299

* to November, 1993

These figures represent the number of individuals involved and are roughly three times the number of cases involved. The total number of cases for 1991 was 14,500, for 1992 9,496, and for 1993 9,829.

Applications by class

The composition of the applicant group is changing. The proportion of people applying as independent immigrants went up substantially in 1993, indicating a large increase in the number of people who feel qualified to apply under the points system.

	1992	1993*
Family Class	9214 (35%)	1916 (7%)
Refugees	10	2
Assisted relatives	4695 (18%)	11526 (44%)
Business	6254 (23%)	4009 (15%)
Retired	75	183
Independent	3430 (13%)	8663 (33%)
Total	26678	26299

* to November 1993

Visas issued, Hong Kong CLPR

While the number of applications has declined, the number of visas issued continues to rise. Visas issued are the product of applications made some time before, in some cases as much as two years. Here too, the proportion of visas issued to people from Hong Kong at posts other than Hong Kong continues to rise. Again the bulk of visas not issued in Hong Kong were issued at posts in the USA.

Visas Issued: HKCLPR

	1991	1992	1993*
Hong Kong	25977 (88%)	29836 (82%)	27430 (78%)
Seattle	508	458	655
New York	346	522	411
Buffalo	707	1391	1755
Chicago	48	177	418
Atlanta	106	421	729
Detroit	247	328	292
Singapore	169	440	410
Boston	222	248	233
Los Angeles	132	326	366
Dallas	274	282	332
Tokyo	16	13	50
Minneapolis	90	77	57
London	206	395	751
Rome	20	447	304
Sydney	24	46	31
Bangkok	12	36	70
Bogota	0	36	72
Mexico City	174	292	321
Other	440	514	1543
Total (Non Hong Kong)	3643 (12%)	6449 (18%)	7803 (22%)
Total**	29620	36285	35233

* to November 1993

** These figures do not include landings from applications made in Canada, which would be quite small in number.

Source: Employment and Immigration Canada. ◆

Image of the Queen Phased Out of Coinage

During the summer of 1993, new coins were issued in Hong Kong on which the image of the Queen was replaced by the bauhinia, the city flower of Hong Kong. The new design was approved by the Sino-British Joint Liaison Group (JLG) on the transfer of sovereignty. It is expected that the old design will be phased out over the next few years.

Earlier, the word "colony" had been removed from the designs of banknotes. In Hong Kong, there is no central bank. Notes are issued by two private banks, Hong Kong Bank and The Chartered Bank, under regulations instituted by the Hong Kong Government. The two banks will soon be joined by The Bank of China, the state-operated foreign exchange bank of the People's Republic. ◆



Illustration by Derek A. Rubnoff

NAFTA, APEC, and GATT

The news of the final adoption of the North American Free Trade Agreement (NAFTA) by the U.S. and Canadian governments in November was received in Hong Kong with cautious optimism. While it was expected that NAFTA would help the economic recovery of both the United States and Canada – important trading partners of Hong Kong – there was also the concern that the agreement might lead in the longer term towards a "Fortress North America" with protectionist policies against the western shores of the Pacific Ocean. At the same time, there was a certain amount of discussion about increasing Hong Kong's investments in all three NAFTA countries to take advantage of the enlarged market.

The Asia Pacific Economic Conference (APEC) summit that took place in Seattle in late November almost saw Hong Kong left out of its proceedings.

APEC was first convened in 1989 as an inter-governmental meeting of the "economies," rather than the "states," of the Pacific Rim. As an autonomous and active

economy, Hong Kong has always taken part in the deliberations of the Conference. In fact, Hong Kong, the People's Republic of China (PRC), and Taiwan simultaneously became members of the Conference in 1991, the first time all three major Chinese communities were admitted to any international forum together as separate and equal members.

However, when the United States issued invitations for a summit meeting of APEC last summer, the PRC objected to the participation of Hong Kong and Taiwan, since in its view these two are not sovereign states and have no place in a meeting of heads of governments. This was consistent with PRC policy to exclude Hong Kong and Taiwan as much as possible from international governmental organizations, while not objecting to their participation in strictly functional activities. In the end, Hong Kong and Taiwan were represented at the ministerial level, while other members sent their heads of government.

Canada was represented by Prime Minister Jean Chrétien and Secretary of State (Asia

Pacific Affairs) Raymond Chan – the first exercise in high diplomacy since the new Liberal government came into office.

Commenting on Canada's role in APEC, the chairman of the Hong Kong Trade Development Council who was a participant invited by the Conference, said that Canada was fortunate in being uniquely endowed with a large pool of citizens of Asian origin who could contribute their expertise, experience, and connections.

The successful conclusion of the Uruguay Round of the General Agreement of Tariffs and Trade (GATT) in December was widely celebrated in both Canada and Hong Kong. Hong Kong has played an active and constructive part in GATT since first becoming a contracting party in its own right in 1986. As the tenth largest trading entity in the world in terms of the value of its merchandise trade and as an open and externally-oriented economy, Hong Kong stands to gain much from the further opening of global trade. ◆

Recent Developments in the Hong Kong Stock Market

by Pauline Shum

Department of Economics, York University, Toronto

The Hong Kong stock market is undoubtedly one of the hottest stock markets in the world right now. The blue-chip Hang Seng index soared 3,539.83 points (or 50.36%) in four and a half months, from 7,029.03 in the beginning of August, to a record high of 10,568.86 on 17 December, 1993. Summary statistics for the daily index for each month (August to December, 1993) as well as the entire period are reported in Table 1.

The boost in August came mainly from encouraging corporate interim reports and the expectation that there would be progress in talks between China and Britain on the long-stalled new airport project. In September, the market was quiet, especially compared with the record surge in October during which the Hang Seng index gained 24.34%. Also, on October 18, the Hang Seng index broke the 9,000 level for the first time.

Profit-taking halted the upward trend in November. The market bounced back quickly in December, reaching another all-time high and breaking through the once formidable 10,000 level on 10 December 1993. A record \$11.94 billion H.K. (\$1.53 billion U.S.) changed hands on the same day.

What differentiates the recent bull run from previous ones is the extent of foreign

influence. Particularly in the U.S. and Japan, sluggish economic growth, low interest rates, and high price-earning ratios have forced investors to seek opportunities abroad in search of better returns. Consequently, an unprecedented amount of overseas money has been poured into the Hong Kong stock market.

Asian Pacific mutual funds with a substantial share in Hong Kong stocks have become the hottest item for both American and Canadian investors. In fact, the record

warned investors that it was time to lighten up on Hong Kong stocks. The next day the Hang Seng index fell 1.8%.

This sudden change of heart after only seven weeks led to accusations by international clients, who argued that Mr. Biggs and other global investors should be more long-term in their perspectives. Nonetheless, investors did not seem to be put off for long. The Hang Seng index staged a major comeback back in December, reaching 10,568.86 on 17 December 1993, the highest level ever.

Foreign investment remains a major factor. This time around, the Japanese and Europeans led the pack and bought prominently.

It is hard to say when the current stock market boom will end, as foreign investors continue to shrug off worries over China's overheated economy and the political uncertainty in Hong Kong after seventeen rounds of fruitless Sino-British

negotiations on electoral reforms. Therefore, the only real concern particularly for local investors is: when will these aggressive foreign fund managers decide to pull out? ♦

Editor's Note: At the time we went to press, the stock market peaked at a record 12,201.09 points on January 4 and fell sharply two days later. The market continues to fluctuate between 10,000 - 11,000 points.

Table 1
Summary Statistics Daily Hang Seng Index
2 August 1993 to 17 December 1993

Period	Mean	Std. Dev.	Minimum	Maximum	% Change ¹
August	7,383.30	138.79	7,029.03	7,605.26	7.30
September	7,518.05	67.08	7,390.60	7,676.22	2.68
October	8,542.01	452.29	7,744.32	9,329.09	24.34
November	9,339.12	243.21	8,996.93	9,733.34	-3.90
December ²	9,863.49	431.37	9,238.20	10,568.86	14.21
Full sample	8,416.71	987.31	7,029.03	10,568.86	50.36

¹ Month-to-month percentage change.

² Ends on 17 December 1993.

surge in October was considered by many analysts to have been sparked by Morgan Stanley emerging-markets strategist Barton Biggs, who declared himself "maximum bullish" on China at the end of September. Mr. Biggs's ringing endorsement of China-related Hong Kong stocks helped ignite the big rally. However, on November 17, Mr. Biggs unexpectedly changed his tune and

given up hope of becoming Canadian.

Mui's life as a pop star in Hong Kong has made it difficult for her to fulfill Canadian residency requirements, which require immigrants to spend the bulk of their time in Canada.

Mui rose to success from a poor background. Her great achievement has not made her recent life easy. In 1992 she went through a difficult period after the murder of film maker Wong Long Kai, in an incident which appeared to involve organized crime. She then spent six

months away from Hong Kong, before returning with considerable publicity to resume her career there [*South China Morning Post*, 14 November 1992].

Other Hong Kong celebrities have settled in Canada, among them Leslie Cheung, who spent several years in Canada after leaving his life as a Hong Kong pop idol. He has now re-emerged as an actor and was most recently seen in Chen Kaige's much praised film *Farewell My Concubine* [see *Update*, no. 10, Summer 1993, p. 20]. ♦

Anita Mui

When she arrived in Toronto in November 1993 to give a charity concert [*Update*, no.10, Summer 1993, p. 12], Hong Kong pop star Anita Mui was told by local immigration officials that her frequent absences from Canada had invalidated her landed immigrant status, and that she was no longer entitled to residence in Canada. She was told that if she wanted to renew her landed immigrant status, she would have to start the process of immigration from the beginning. Her subsequent appeal failed, and she has now

Metro-Toronto Week in Hong Kong

In response to Festival Hong Kong '92, sponsored by the Hong Kong Government across Canada last year (Sept.-Oct. 1992), the Council of the Municipality of Metropolitan Toronto organized a Metro-Toronto Week in Hong Kong during 28 November to 4 December 1993. The Torontonians delegations totalled more than two hundred members, and were led by Mr Alan Tonks, Chairman of Metro Council. The activities in Hong Kong were coordinated by Mr Andrew Szende, former Ontario Agent there [see *Update*, no. 9, Spring 1993, p. 15].

Most of the members of the delegation were from the business sector and included representatives from architectural, electronics, environmental technologies and building materials companies. Emphasizing the promotion of Metro Toronto as a major investment and trade centre, the week-long activities included trade displays, education and investment seminars, and cultural exchange programs. These meetings were useful in promoting and maintaining contacts between Metro and Hong Kong business people. The business delegation also hosted a gala black-tie dinner for Hong Kong's business community.

There were a number of delegates from Metro's education sector, representing the Toronto Board of Education, all four community colleges, and Ryerson Polytechnical Institute. A video and pamphlet, entitled

"Education in Metro Toronto," were prepared and displayed at a reception hosted by Metro delegates. Two educational seminars were held, one at the Canadian Commission and the other at the Hong Kong Education Department's Study Abroad Unit. Questions raised included: the necessity for Ontario academic credits (OAC) for the entry of Hong Kong graduates into Ontario universities, the problem of obtaining information on Metro schools, and the safety of the school environment for Hong Kong students.

Ms Tam Goossen, a trustee of the Toronto Board of Education, was also invited to speak at The Chinese University of Hong Kong on "Multiculturalism and Education in Toronto" and on "Chinese Canadian Participation in the 1993 Federal Election".

The academic delegations from the University of Toronto and York University were charged with exploring areas for collaboration or exchange in research. The University of Toronto was represented by Acting Vice President-Research and International Relations Derek Corneil, Professors David Blostein (English), Marion Bogo (Dean, Faculty of Social Work), Robert Sharpe (Dean, Faculty of Law), Paul Thompson (Principal, Scarborough College and Environmental Studies), and Mr. Thomas Wu (senior advisor, Institute of International Programs).

York University was represented by Professors Jamie Cameron (law), Bryan Massam and Alex Murray (both from environmental studies and urban studies), and Peter Mitchell and Bernard Luk (both from history and humanities.) Vice-President Ian Lithgow also took part in some of the activities.

The academic delegates met with their counterparts in workshops at Hong Kong University and The Chinese University of Hong Kong, and had some very stimulating and fruitful discussions, especially on environmental and urban research, on legal connections or comparisons between Canada and Hong Kong, and on gerontology. Ways to promote Canadian studies in Hong Kong and Hong Kong studies in Canada were discussed. The delegates also visited The Hong Kong University of Science and Technology, The City Polytechnic of Hong Kong, and other institutions. It is anticipated that a number of concrete projects will be developed out of these contacts.

The Hong Kong chapters of the alumni associations of the University of Toronto and York University hosted receptions for their respective delegations. These groups are among the largest and most active chapters of their respective alumni associations, outside Metro-Toronto.

Martin Lee Visits Toronto

by Janet A. Rubinoff
Toronto

In late November, Martin Chu-ming Lee, member of the Hong Kong Legislative Council and leader of the United Democrats of Hong Kong, came to Canada on a private visit. When in Toronto, he was hosted Monday, November 29, by the Joint Centre for Asia Pacific Studies, the Canada and Hong Kong Project, and the Institute for International Programmes (U. of T.). In the afternoon Mr. Lee gave a seminar for York students and faculty on "Issues Related to Constitutional Development in Hong Kong." In the evening, he addressed a public seminar

at U. of T. on "Hong Kong at the Crossroads." It was well attended by an audience of Canadian and Hong Kong academics and students.

During the two seminars, Mr. Lee made a strong plea, in a calm but passionate manner, for the establishment of democratic institutions in Hong Kong before 1997 in order to maintain its present way of life and safeguard the "rule of law" when the territory becomes a Special Administrative Region of the PRC. Mr. Lee's message conveyed a pessimistic picture of the prospect for democracy in

Hong Kong, given China's hostile position on Governor Patten's modest proposals for constitutional reform [see *Update*, nos. 9 & 10, p.1 ff.], the breakdown of Sino-British negotiations in mid-November, and the projected tabling in Legco of the less controversial democratic proposals.

Mr. Lee was particularly concerned about the concessions Britain had made to China in a modified proposal last August – lowering the voting eligibility in the functional constituency seats to only one-third of the workers and the division of the Election Comm-

Lee, cont'd on page 8



Mary Boyd (Foreign Affairs), Dr. Paul Evans (Director, JCAPS), Martin Lee, and Stephen Lam (Director, Hong Kong Economic & Trade Office).

tee into four sectors – which meant after 1997 China would control not only the executive but also the legislature and the Election Committee. With the 17th round of talks over, he commented that not even a preliminary agreement was reached between Britain and China on the less controversial matters like the lowering of the voting age in Hong Kong to 18 (as in the PRC). When asked why Britain had “watered down” the proposals last summer, Mr. Lee felt that both the U.K. Foreign Office and British businessmen had put a lot of pressure on the government and Governor Patten. He found this very ominous [see B. Luk, “Unfolding Drama”, pp. 1–4].

He felt that the Hong Kong judiciary also could do little on its own after 1997 to maintain the present “rule of law” and human rights in Hong Kong. The judiciary is ultimately bound to uphold the laws passed by the legislature, and a pro-Beijing Legco after 1997 could negate past legislation, including the 1991 Bill of Rights. Such a Legislative Council would be a useful tool to sidetrack the judiciary. He concluded that Hong Kong would become more like the present political system in Singapore.

Lee was also very critical of Patten’s amended proposals which were to be tabled in Legco by mid-December. He felt China would increase the pressure on conservative Legco members, and the proposals submitted were

bound to be “watered down.” Then Britain could say in the end that it had presented democratic reforms to the legislature and they had been rejected by the people of Hong Kong. However, since the majority of Legco is appointed (less than one-third of the members are directly elected), the councillors are not really representative of the popular will of Hong Kong.

Therefore, Mr. Lee strongly advocated that the Government of Hong Kong hold a referendum for Hong Kong voters on the constitutional reforms as originally proposed by Governor Patten in October 1992. In other words, if Britain is serious about establishing more democratic institutions in Hong Kong, they should “go to the people.” When asked why Hong Kong needed democracy now since it had functioned well without such representative institutions in the past, Mr. Lee replied that ultimately the colonial government in Hong Kong had to answer to an elected British parliament, which had guaranteed a rule of law. He asked a simple and poignant question: “How can the rule of law exist without democracy? Where does Hong Kong look for protection after 1997?”

The afternoon talk was followed by a dinner at the University of Toronto in honour of Mr. Lee with invited guests from the faculties of both universities and a representative of

the Department of Foreign Affairs and International Trade. The dinner was hosted by Prof. Harry Arthurs, President Emeritus of York University, and Prof. Adel Sedra, Vice President and Provost of the University of Toronto.

Other events during Martin Lee’s visit to Toronto included a dinner on Sunday, November 28 with the Toronto Association for Democracy in China, hosted by its president, Dick Chan. The Hong Kong Economic and Trade Office also sponsored a meeting and luncheon with the local media on Monday, the 29th. On Tuesday, November 30, the Asia Pacific Foundation of Canada, the Hong Kong-Canada Business Association (Toronto Section), and the Hong Kong Economic and Trade Office sponsored a lunch at the Mandarin Club where Mr. Lee was the featured speaker. The luncheon was mainly attended by members of the local business community.

During this speech, Mr. Lee warned business people against looking only to short term economic gain and ignoring political issues. He felt, in particular that business men and women should actively support the establishment of democratic institutions, the Bill of Rights, and the rule of law in the territory – measures that would insure the economic as well as political future of Hong Kong after 1997. ♦

Chinese Christian Churches in Metro Toronto

by Fatima Lee
University of Toronto

Throughout Metro Toronto, especially in northern Scarborough and Willowdale, one can easily spot brand new churches, which at first glance resemble any other Christian churches on Toronto streets. However, a sign on the front wall or lawn in Chinese characters reveals a special quality – it is, in fact, a Chinese Christian church. Many such churches are flourishing in these neighbourhoods, as well as in the suburbs of Markham and Thornhill. At a time when low church attendance rates in mainstream Canadian society are causing concern, the phenomenal growth of Chinese Christian churches is intriguing.

Retention of an ethnic religion is often used as an indicator of non-assimilation. For the Chinese, the assumption is that the ethnic religion would be Buddhism, Taoism, and/or Confucianism. It follows that conversion to Catholicism or Protestantism for the Chinese would be an indicator of assimilation. Here, in cities like Toronto, record numbers of Chinese immigrants are converting to one of the "mainstream faiths," but in all other aspects – in terms of social organization and social support – are retaining the characteristics of an ethnic church. This phenomenon – the retention of ethnicity despite conversion to a "mainstream," western religion – is a challenge to the traditional concept of assimilation. Hence, whether in magnitude or content, Chinese Christian churches in Toronto are worth examining.

Christian Churches: Protestant and Catholic

Because of their distinctive social organization, Catholic and Protestant churches must be treated separately. In Roman Catholicism, all local churches – whether in Asia, Africa, North or South America – are in communion with the Church in Rome. Catholics worship and participate in the life of the local church, but they are at the same time a member of the universal church and are subject to the authority of the same hierarchy. Protestant churches, however, stress more the autonomy of each faith community. Such communities can be created or disbanded as need arises. For this reason, the growth of Chinese Protestant and Catholic faith communities take different directions.

Chinese Protestant Churches

Chadwin Mak, executive director of the Chinese Coordination Centre of World Evangelism-Canada, has charted the growth of Chinese Protestant churches in Canada. Since the establishment of the first church in 1879 in Victoria, B.C., Chinese Christian churches have witnessed a significant increase. According to a study conducted by Mak in 1986, for which questionnaires were sent to 43 Chinese Protestant churches in the Toronto area, the number of churches increased tenfold during the years 1962 to 1985. The peak period of growth came between 1976-1980. Membership in these churches also increased substantially. When first founded, these churches averaged 24 members, but in 1986, the average was 248. Recently updating his data (summer 1993), Mak indicated there are now 97 of these churches with a total membership of 18,985 (see table 1 below). The last five years have seen a significant surge in numbers.

Predictably, the peaks of growth in Chinese Protestant churches have coincided with the two waves of Hong Kong immigration to Canada, in the late 1960s to early 1970s and in the past several years. According to Mak, new immigrants, as well as post-secondary graduates who opted to

stay in Canada after their studies in the late 1960s, formed the backbone of these churches. The average size of these congregations is now about 200, but some are as small as 30 while others are over 1,000.

The Chinese Protestant churches were either founded by missionary concerns of local mainstream churches – which tended to be the case before the 1950s – or grew spontaneously out of self-initiated Bible study groups. Others were nurtured and formed by missionaries from Hong Kong or established by ministers who were themselves immigrants or, on rare occasions, created by missionary branches from a church in Hong Kong.

Recently, however, the most common model seems to be that of "church planting" – a conscious and concerted effort of local Chinese Protestant churches to build more institutions in newly developed, ethnically concentrated areas. Mak indicated that there are now twenty-five Baptist churches and eleven Methodist churches in the Metro Toronto area, while most other Protestant denominations have from two to five churches.

Another interesting development should be noted. While there are certainly new converts to each of these churches, there are also many "transfers" between denominations. For example, Christians who were originally

Table 1:
Protestant Churches in Greater Toronto

Area	Chinese Pop.	Churches	Membership
Oakville-Mississauga	30000	10	1485
Brampton	5000	1	220
Thornhill-Markham	35000	13	2545
Oshawa	2000	1	40
Pickering	1500	1	40
Metro Toronto			
Downtown	65000	17	3095
East Toronto	60000	15	1950
Etobicoke, Downsview	10000	2	230
North York	40000	12	2940
Scarborough	100000	25	6440
TOTAL	348500*	97	18985

Average membership per church = 196

Source: Chadwin Mak, *The Path of Growth for Chinese Christian Churches in Canada*, (forthcoming).

* Other estimates differ.

Churches, cont'd on page 10

Churches, cont'd from page 9

from another denomination in Hong Kong – say, Lutheran or Pentecostal – could be participating in Baptist or Methodist church services here in Toronto. However, participation in the formal ministries of the churches requires admission to the denomination.

According to Mak, Protestant churches here are much more willing to stress their commonalities than their differences. A sense of cooperation and coordination prevails. Their joint effort in the media ministry is a good example. The *Herald Monthly*, with a circulation of 70,000, and a weekly programme on Cable Television CFMT-Toronto, as well as various radio broadcasts, are all products of denominational collaboration.

Chinese Catholic Churches

The Chinese Catholic churches have taken a very different form of development. As mentioned above, because of the “universal” character of the Church, some Chinese immigrants worship in their local “mainstream” parishes. However, similar to what happened with the Protestant churches, the two waves of Hong Kong immigration also had their impact on the establishment and expansion of three Chinese Catholic parishes.

The oldest parish was established in the Dundas-Spadina Chinatown area in 1967, in a former Jewish synagogue on Cecil Street. Three years later, it moved into another church in the neighbourhood vacated by the Portuguese immigrant community. Currently, about a thousand people regularly attend masses at the parish.

With the influx of the second wave of Hong Kong immigrants to Scarborough and environs, another Chinese Catholic parish was founded in October 1987, located in northeast Scarborough. At that time, 98 families were registered, totalling about 300 persons. By 1992, 1,141 families had joined, for a total membership of 3,350. Each year since 1989,

400 to 500 new converts have been added to the parish – a phenomenon not matched by any Catholic parish, either in Hong Kong or in Toronto. At the time of writing, this parish is still using two high school halls for Sunday masses. A massive fund raising project is now underway to raise CDN\$2.5 million to build a new church in the Markham area, with a seating capacity of 900.

Since 1992, the Archdiocese of Toronto has given permission to establish a third Chinese Catholic parish in Richmond Hill, due to an increasing number of Hong Kong immigrants in that area.

a natural increase in the number of Christians with every incoming group of immigrants. However, the number of new converts is phenomenal.

The process of immigration for most people approximates a real life crisis event. The feeling of insecurity in moving to a new country, the lack of a familiar social support network, the anxiety in searching for jobs – all contribute to the individual immigrant's search for a deeper meaning in life. For many immigrants, it is during these moments that religion becomes most attractive. It not only provides meaning but social support as well.

Protestant churches, in particular, are very strong in mobilizing social support – fellowships, home visits, meetings for new immigrants, and services for the elderly. Sometimes new immigrants themselves are organized to provide services for others which, in turn, eases their own adjustment to their new lives.

The interest of many parents in giving their children a Catholic education, which was inspired by their past experience of the high expectations of academic performance and moral education in missionary schools in Hong Kong, has been identified by some observers as one of the causes for the dramatic surge in the number of converts to Catholicism. Many parents apparently are attracted to the faith by way of the schooling.

While the Chinese Christian churches are serving very particular functions in providing meaning and social support,

they must also brace for new adaptations. Will they be able to continue to serve the needs of the next generation – children who immigrated at an early age or are locally born of Chinese immigrants? Or will their role diminish with the gradual integration of the new immigrants and their children into mainstream society? The answers to such questions will only gradually unfold. ♦



Toronto Chinese United Church

Reasons for the Growth

Why is there such a spectacular growth in the number of churches and converts in the Chinese community? In general, among both Protestant churches and Catholic parishes, the increase is related to incoming waves of immigrants. Since about 8% of the population of Hong Kong is Christian, one would expect

Zoning Controversies in Vancouver

by Katharyne Mitchell
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For three months in the autumn of 1992, a series of public hearings were held in Shaughnessy, Vancouver, regarding a proposed neighbourhood zoning amendment. (The Shaughnessy area, on the west side of Vancouver and near the University of British Columbia, is one of the wealthiest districts of the city.) Despite what seemed like an early consensus favouring tighter zoning and architectural design controls, the hearings quickly became controversial. As the weekly meetings dragged on, divisions were apparent between long-standing residents, who favoured the downzoning amendment, and more recent residents, many from Hong Kong, who opposed it.

From the perspective of many long-term Shaughnessy home owners, the 1992 downzoning amendment was a measure that was already too little and too late. Demolitions and the construction of so-called 'monster' houses (large, boxy dwellings that extend to the outermost edges of the lots) have occurred with great frequency in many west-side Vancouver neighbourhoods since the early 1980s. In the space of one decade, the annual current value of building permits for residential construction in Vancouver jumped from approximately CDN\$230 million in 1981 to just under CDN\$700 million by 1991. Much of this building has occurred in west-side neighbourhoods, such as Shaughnessy and Kerrisdale.

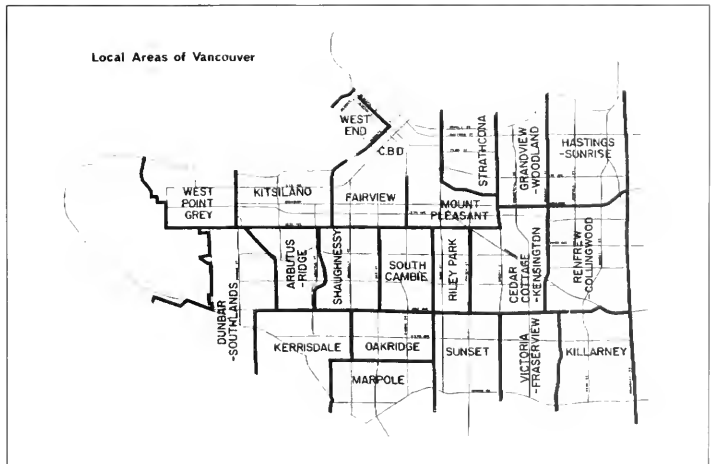
House prices have behaved in a similarly volatile manner, with the overall median sales price for single-family dwellings and condos in the west-side rising from CDN\$150,000 in 1983 to well over CDN\$500,000 by 1992. Several houses in the area doubled or tripled in value within the space of a single year, as 'flipping' – buying and selling houses for speculative purposes – became increasingly common in the late 1980s [see *Vancouver Trends*, City of Vancouver Planning Department, 1992; *The Vancouver Monitoring Program*, August 1992, p. H2; and S. Hamilton, "Residential market behaviour: turnover rates and holding periods," *The Laurier Institute*, 18 April 1990].

For many long-term residents, neighbourhoods like Shaughnessy symbolize security, tradition, and heritage. Much of the residential architecture reflects the English cottage style, and the gardens are planned in an eighteenth

century British landscape tradition, connoting an easy and natural pastoral life. The demolition of smaller, English-style buildings and the construction of much larger houses with minimal lawns threaten these 'natural' associations, and have provoked great unease among older residents. As a result, several urban social movements got started in the late 1980s with the express purpose of curbing the new 'monster' homes through zoning for lower floor space ratios and stricter design controls.

Taken at face value, the new zoning amendments represent anxiety over rapid urban change and a desire to secure the meanings and associations of an imagined British past. However, newer Hong Kong immigrants to these neighbourhoods worry that the zoning contains underlying assumptions having to do

been dictated by exclusive marketing and private zoning covenants since its inception. For example, in 1914 the Shaughnessy Settlement Act "recognized and sanctioned the undertakings of the Canadian Pacific Railroad to ensure Shaughnessy's status in the city." This 'status' was defined by social prestige, which in turn was defined largely by both 'race' and class. The *Building Restriction Act* in 1922 was similarly used to exclude undesirable social elements from the neighbourhood; these 'undesirables' included the working classes and Chinese immigrants. Following the Second World War, west-side neighbourhoods opened marginally, but Shaughnessy Heights remained overwhelmingly Anglo-Protestant through the end of the 1970s [see *Vancouver Local Areas 1986*, City of



with questions of ethnicity as well as those of landscape and house design. Is the appropriate community 'character' of Shaughnessy one that is predicated on notions of Anglo-Canadian identity? Are the zoning amendments directed at excluding large houses or at excluding the people arriving from Hong Kong?

Some recent Chinese immigrants in Shaughnessy buttress their arguments against the new amendments by pointing to the pernicious history of zoning in the area. The shape and character of Shaughnessy Heights have

Vancouver Planning Department, June 1989).

Given the history of the area, it is not surprising that a number of recent immigrants from Hong Kong oppose the zoning amendment of 1992. Nevertheless, many long-term residents argue that their concern is not about exclusion but about an unwanted change in their environment and lifestyle that is rapidly spiralling out of control. For these reasons, the controversy offers no easy solutions, and planners and politicians in Vancouver have despaired of finding an acceptable compromise. ♦

Eleanor Ng: Marketing Chinese Software

by Diana Lary
UBC, Vancouver

In the past, writing in Chinese usually meant writing by hand. Chinese typewriters are too cumbersome for widespread use. Chinese characters cannot be transmitted directly by telegraph or telex. Characters have to be numerically encoded and the numbers transmitted, to be de-coded at the destination. Now, limitations to the modern use of Chinese have been overcome. The fax machine has made it possible to transmit Chinese characters, while breakthroughs in computer software have opened up word processing and telecommunication.

Eleanor Ng gave up a secure, professional job in Hong Kong to migrate to Canada. Ms Ng was the librarian at Lingnan College in Hong Kong. When she emigrated to Canada in 1988, she realized that it would be impossible to get a comparable job here, so she set up her own business, marketing computer hardware and software. Her timing was good – on the software side. The opening of her store coincided with the beginning of a period of quantum growth in the word processing possibilities for Chinese and other Asian languages. Ng developed an expertise in Asian language software – first in Mandarin Chinese, then in Japanese, Vietnamese, Korean, and Punjabi, serving a growing number of Asian language users.

Who are the users? They fall into several different categories. In education, high schools and universities use special teaching programmes to help their students learn. In the business world, trading companies, lawyers, and real estate agents use Asian languages to communicate with their clients, both here and in Asia. In the public sector, government agencies use various languages to communicate with multilingual clients. Finally, private individuals, whether of Asian origin or not, use Asian languages for their personal word processing and buy programmes to help their children acquire or retain the knowledge of Asian languages.

Japanese language software was initially ahead of Chinese, but Chinese is now catching up. Programming work is done in Taiwan, the PRC, Hong Kong, and increasingly North America. One of the earliest programmes, **Tianma**, was designed in Canada and has recently been upgraded. There is now a great range of programmes designed for specialized users.

There are many different systems for entering Chinese into a computer, for almost any type of need and knowledge. Chinese programming has also been extended to include dialects. It is now possible to enter characters from Cantonese pronunciation and also to write characters which are only used in Cantonese. It is even possible to enter Chinese characters in English, a rudimentary form of translation.

There are now more than a hundred and thirty Chinese language programmes available in the North American market, and many more are in the design stage. Research activity is so intense in China, Taiwan, Hong Kong, and North America that the life time of a programme is quite short. Within a year and a half a programme is outdated, unless it has been substantially upgraded. With this range of software, buyers need advice and an assessment of the capacities of different software; they need to be matched with a programme which meets their needs. This is the market niche which Eleanor Ng has developed.

Chinese language software has made huge advances possible in the use of Chinese and enabled people to write rapidly and fluently, but it is not miraculous. It is impossible to use the software unless the user already has a substantial knowledge of Chinese. The only exception is software specifically designed for teaching. Translation from one language to another requires a bilingual user; the software is never more than 80% accurate, so that a good command of the language is essential to make corrections.

The field is expanding rapidly. New programmes can be expected to come on the market at short intervals, especially in the area of machine translation. The programmes will have faster operating speeds and be more user-friendly. Multilingual software, using several languages on one programme, will be available quite soon. There will also be greater compatibility between PC and MAC systems, and the interface between Mainland and Taiwan systems will improve. Chinese language e-mail can also be expected soon.

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John Cameron: Police Officer with 3000 Cantonese Words

by Hugh X. Tan
Vancouver

John Cameron, a Vancouver police officer, returned last summer from studying Cantonese and policing skills at the Hong Kong Police Training School [see Update, no. 10, Summer 1993, p. 21]. In November, Hugh Tan, a research assistant for the Canada and Hong Kong Project, interviewed Constable Cameron about his experiences in Hong Kong, his study of Cantonese, and police work in the Vancouver Chinese community.

Our conversation began with my question about his interest in learning Cantonese. John told me that he grew up in the west-side of Vancouver, and encountered other cultures for the first time when he attended Churchill Secondary school in the Oakridge area where a good portion of the students were of Chinese origin.

When John was 19, he became a reserve officer in the municipal police force. Three years later, he was hired as a full time police officer. His duties included patrolling in the downtown area and working in a jail adjacent to Chinatown. While working at the jail, he noticed that some people could not speak or understand English, which made it difficult for them to communicate with the police. He decided to learn a second language to improve the service and chose Cantonese, as it is an important minority language in the city.

He began taking evening courses in Cantonese at Language Village, a private educational institute in Vancouver. His instructor taught him spoken Cantonese, using the Yale-System Romanization. This system consists of three elements: consonants, vowels and tones. The combination of a consonant and a vowel produces a sound, which is further divided into six tones. Different tones indicate different Cantonese words, distinct in meaning. While John found the sounds relatively easy to pronounce, the tones were difficult to master. He and his instructor had a lot of laughs as John practised his tones, often saying something completely different from what he had intended.

Cameron, cont'd on page 13

After finishing beginning level Cantonese, John accepted a position in Chinatown as one of two patrol officers and was able to put his Cantonese to good use. In January 1992, he was awarded a plaque by the Chinatown Merchants' Association, and he gave a short speech in Cantonese which impressed local store owners. John felt that trust began to develop in the community when there was less of a language barrier.

In March 1992, the Chinatown Police Community Services Centre was officially opened. This Centre was funded by the province and the city to strengthen links between the police and the Chinese community. At the opening ceremony, John gave another speech in quite fluent Cantonese. In November 1992, he also addressed a community forum in Cantonese, speaking about the Police Centre, its functions and future.

Towards the end of 1992, in an effort to improve his language ability, John applied for admission to the Hong Kong Police Training School, which offers Cantonese classes for non-Cantonese speaking police staff. However, he was informed that the school was only for training police staff in Hong Kong, not for those from other countries. In fact, nobody from overseas had ever applied for these courses.

Deciding that he wanted to study intermediate level Cantonese, John contacted the school again and was informed that he should phone the head of the Training Department of the Hong Kong Government. He did so and talked to the officer in Cantonese. By February 1993, he received an official acceptance letter from the Hong Kong Police School for the intermediate class, in which he would learn Cantonese with thirteen other police officers, who were from England but had worked in Hong Kong for many years. He was the first Canadian to be accepted.

John's efforts to learn Cantonese were supported by his associates and colleagues as well as the Vancouver municipal police department,



John Cameron giving a speech in Cantonese

which paid his salary while he studied in Hong Kong. The Chinatown Merchants' Association provided his air ticket, and John paid the school's tuition fee of CDNS4,000. Before leaving, he held a press conference in Vancouver. Upon his arrival in Hong Kong he was also interviewed by the local press.

On April 13, John began his intensive, 3-months' language training at the Hong Kong Police School at Wong Chuk Hang. The course was from 8:30am to 3:30pm, Monday to Friday. Upon completion of the entire program, each student took two exams – one given by the police school and the other by the Hong Kong Government Civil Service Testing Branch. After taking the latter, John received the highest grade ("great credit") – one of only three people in the whole class to receive this rank.

During his stay, John not only learned Cantonese but also a great deal about police work and the culture of Hong Kong. He attended a seminar on triads, which was helpful for his policing in Vancouver. He particularly enjoyed practising with a shooting assimilator, a machine with a big screen showing some situations in which one is required to use a real gun to shoot at criminals. This machine is not yet available in Vancouver.

John also valued the relationships he developed with his classmates. He lived at the police academy while studying there, and he and other trainees exchanged much information about police work and issues in Vancouver and Hong Kong. After he returned home last summer, John and his police colleagues in Vancouver were invited to attend a two-week training program in Hong Kong this past October. This program focused on police matters rather than language.

As a result of his intensive training last spring,

John has become very fluent in Cantonese. He estimates that he knows about three thousand Cantonese words and does not have much difficulty in understanding daily spoken Cantonese. However, he is continuing his efforts to improve his language and is now taking private lessons in advanced Cantonese. One successful method he uses to learn the language is to record an English sentence and its Cantonese equivalent on tape and then listen to it when he drives home from work. He finds it easier to pick up the correct pronunciation when he is relaxed. He finds the mastery of Cantonese very helpful to his present job and anticipated future police work.

In particular, John feels that his language ability has given him more rapport with local shopkeepers on his patrol in Chinatown, and he and his colleague have developed a good relationship with the community. Consequently, they are better informed and more effective in their job of catching local criminals, like pickpockets. Finally, John commented that Vancouver's Chinatown used to be considered an unsafe and even dangerous place for police to patrol. Shop owners were also considered to be indifferent and uncooperative with the police. Now he feels that this is an unfair stereotype that must be corrected. With cooperation between the police and the community, he finds the Chinatown area safer and more peaceful than many other parts of Vancouver. ♦

Hong Kong Visitors to Vancouver

by Joanne Poon
University of British Columbia

Several distinguished visitors from Hong Kong have been in Vancouver recently. Last September at a meeting sponsored by the Vancouver-Hong Kong Forum Society, the Hong Kong Economic and Trade Office in Canada, and the Canadian Chinese Radio, **Dr. Chen-ya Huang**, Legislative Councillor and member of the United Democrats of Hong Kong, declared that Hong Kong people should not rely on the British and the Chinese governments but should fight for reforms on their own account. His speech focused on the latest developments in Governor Patten's constitutional reforms. He predicted that the most likely outcome would be that no agreement would be reached, and the British government would unilaterally pass the reform proposals to Legco for scrutiny. Legco members will probably divide into two groups. The liberals will support the reforms while others will try to revise the proposals. The British government will be able to claim that it is not Britain's intention to deny Hong

Kong people democracy, but that Hong Kong people are afraid to stand up to the Chinese government.

In November, **Brian Tak-hay Chau**, Secretary for Trade and Industry, was in Vancouver on his way to the APEC Summit in Seattle, where he represented the Hong Kong Government. He spoke forcefully and with great enthusiasm about Hong Kong's present and future role as the premier business hub of Asia and a bastion of capitalism. He was confident that Hong Kong would always maintain its pre-eminent position as a trading centre, even if other centres, particularly Shanghai, emerged strongly.

At the end of November, **Martin Chunging Lee**, leader of the United Democrats, passed through Vancouver on his way to a family wedding in Toronto, and also for visits with two old friends, Secretary of State Raymond Chan in Ottawa and Undersecretary of State Winston Lord in Washington, D.C. Mr. Lee was widely inter-

viewed in the media and gave two talks – one to students at the University of British Columbia and the second to members of the Hong Kong Forum Society.

He spoke with some pessimism about the state of PRC/UK negotiations (then still underway). He felt that the concessions already made to the PRC side had undermined the possibility of an independent legislature after 1997, without in any way satisfying Beijing. Without an independent legislature, the continuation of the present rule of law in Hong Kong cannot be guaranteed. This is why the electoral process is so important. Fair and credible elections are essential if Hong Kong is to remain the thriving hub of Asian trade. In the short run, he was not deeply concerned about PRC threats to set up a 'second stove' if Patten were to force through Legco his original proposals for the 1994 and 1995 elections. He saw it as just that – a threat, which if carried out, would make the PRC a laughing stock. ♦

Hong Kong Economic & Trade Office in Toronto Moves Into New Headquarters

On 1 September 1993, the Hong Kong Economic and Trade Office in Toronto moved its offices to a recently renovated historic mansion on St. George Street. A ribbon cutting ceremony and official reception were held on 12 November, presided over by Secretary for Trade and Industry, Brian T.H. Chau and Art Eggleton, federal minister and former mayor of Toronto. The event was attended by over 100 Canadian and international dignitaries. The new address and phone numbers are:

174 St. George Street
Toronto, Ontario
CANADA M5R 2M7
Tel: 416-924-5544
Fax: 416-924-3599

Contacts:
Director: *Stephen Lam*
Deputy Director: *Gracie Foo*
Chief Information Officer: *Alex Choi*
Exec. Officer: *C.P. Chan* ♦



Hong Kong
Economic & Trade
Office

Ming Pao Daily Newspapers

The *Ming Pao*, the 4th largest circulating Chinese language daily newspaper in Hong Kong, with an upmarket readership there of nearly half a million, launched its Toronto and Vancouver editions, respectively, in spring and autumn 1993. Each daily newspaper of the Canadian editions consists of several pages of Canadian political, economic, social, and cultural news edited locally, as well as Hong Kong, China, and world news and other copy produced in Hong Kong and transmitted electronically to the Canadian offices.

The *Ming Pao* joins the *Sing Tao*, another Hong Kong-based daily newspaper which has been serving the Chinese-reading public in Canada for twenty years. The *Sing Tao* is probably the most multinational newspaper in any language in the world, with some fifteen separate daily editions published in Asia, North America, Australasia, and Europe.

A number of other Hong Kong-based newspapers are also easily available in Toronto and Vancouver. The Chinese-language *Hong Kong Economic Journal* transmits its Hong Kong edition by satellite to Canada where it is printed for local circulation on the same day, while the English-language *South China Morning Post* produces a weekly international edition in Hong Kong which is air freighted to Canada. Several other Chinese-language newspapers are edited in Hong Kong, printed in San Francisco, and distributed throughout North America.

The *Ming Pao*, which describes itself as "the Canadian newspaper that speaks Chinese," has been well received by the Chinese-reading public and by local advertisers since its launching in Toronto. Its chief editor, Mr. Richard Yao, who has had many years of journalistic experience in Canada, was recently elected to the mainstream Ontario Press Council. ♦

"Red Capitalism": CBC-TV Documentary Special on Shenzhen

CBC-TV aired a one-hour documentary special on Sunday, January 16 at 8:00pm. The programme, entitled "Red Capitalism," focused on the city of Shenzhen, a boom town – "rich, boisterous and capitalist" – in China's prosperous Guangdong province. Just across the border from Hong Kong, Shenzhen exemplifies the recent economic revolution in China, including all the corruption and contradictions that boom brings. In little more than a decade, the city has grown in population from 20,000 to 3 million.

Filed last summer, the documentary tells the stories of some of the individuals drawn to this booming city: the ambitious young man who abandons his respectable state-assigned job-for-life to come to Shenzhen under false pretences, hoping for work; the American golf course designer who, along with thousands of other foreign businessmen, dreams of China's market of 1.2 billion consumers, now finally within reach. There is the salesman of custom doors and windows who thinks nothing of throwing a \$3,000 banquet, so important are the business relationships in Shenzhen. There are also the farmers who have nothing to do, now that their land has been appropriated for factories.

"Red Capitalism" was written and produced by Mark Starowicz of CBC-TV's Documentary Unit, in association with BBC Television. For further information, contact: Lynn Gough, CBC-TV Current Affairs, Toronto; phone: 416-205-6637. ♦

Hong Kong Vicar General Visits Scarboro Foreign Missions

Scarboro Foreign Missions, the Catholic congregation of missionary priests of Anglophone Canada, celebrates its 75th anniversary in 1993. The congregation was founded to send missionaries to China and other parts of the world.

Rev. John Tong, vicar general of the Catholic diocese of Hong Kong, was invited to visit Scarborough in November to give the keynote address at the celebration. Fr Tong is also director of the Holy Spirit Study Centre, the Catholic think tank on religious issues in the People's Republic of China. He spoke on the situation of the church in China today.

While visiting Metro-Toronto, Fr Tong also took the opportunity to meet with Catholics from Hong Kong, of whom there are several thousands. ♦

New Project Publication

The third book in the Canada and Hong Kong Papers series has been published this January 1994. Based on a project workshop held 11-12 June 1992, the book is entitled *Hong Kong and China in Transition* and contains three revised papers and an introduction by convenor of the seminar, Prof. Victor C. Falkenheim, Department of Political Science, University of Toronto.

John P. Burns, Department of Politics and Public Administration, University of Hong

Kong, wrote the lead article, which is entitled "The Role of the New China News Agency and China's Policy Towards Hong Kong." The volume also includes two shorter policy papers, one by Prof. Falkenheim on "China's Evolving Region-Centre Relations: Implications for Hong Kong." The other policy paper is by David Michael Lampton, President of the National Committee on US-China Relations, on "Hong Kong and the Rise of 'Greater China': Policy Issues for the

United States." The first two articles focus on the political integration of Hong Kong with China while the last highlights the growing economic relationship between China and Hong Kong and the implications for U.S. policy of the economic integration within the Greater China region.

The book can be purchased directly from the Canada and Hong Kong Project (see below). ♦

PROJECT PUBLICATIONS

Canada and Hong Kong Papers:

No. 1: Politics and Society in Hong Kong towards 1997, Charles Burton, ed., 1992.	\$12
No. 2: Canada-Hong Kong: Some Legal Considerations, William Angus, ed., 1992	\$12
No. 3: Hong Kong and China in Transition, by J. Burns, V. Falkenheim, & D.M.Lampton, 1994.	\$12

Research Papers:

No. 1: Economic Integration of Hong Kong with China in the 1990s, Yun-Wing Sung, 1992	\$7
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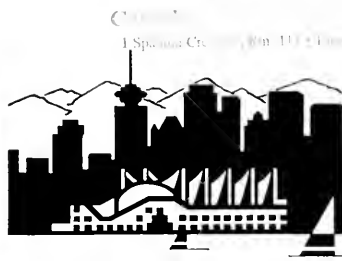
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CANADA AND HONG KONG UPDATE

Number 12

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SPRING 1994

Hongkong Bank of Canada Donates \$1 Million to University of Toronto

The Hongkong Bank of Canada will be donating one million dollars over the next five years to the University of Toronto, in support of two major projects. One is a series of books on Asian business to be edited by the Faculty of Management of the University. The other is a Resource Centre to be established under the Canada and Hong Kong Project. (See accompanying story, p.3)

The Canada and Hong Kong Project, as part of the Joint Centre for Asia Pacific Studies of the University of Toronto and York University, will be the beneficiary of about half of the donation. The Resource Centre will be established in the Joint Centre premises on the campus of the University of Toronto. This generous support from the Bank will ensure the continua-



William Dalton, president of the Hongkong Bank of Canada, and Rob Prichard, president of the University of Toronto.

both spoke about the growing ties between Canada and Hong Kong and the importance of strengthening the connections between their respective institutions and the Hong Kong immigrant communities in Canada. The Resource Centre to be established with the grant was seen as a significant partnership between the institutions and the communities.

tion of the Canada and Hong Kong Project beyond the Donner Foundation grant.

The donation was announced in a grand ceremony and reception held at the Governing Council Chamber of the University of Toronto. President Rob Prichard of the University and President William Dalton of the Bank

\$1 million, cont'd on page 3

Deteriorating Prospects for Smooth Political Transition

by Bernard Luk
York University, Toronto

The Sino-British Joint Declaration on the Future of Hong Kong provided for a government of the Special Administrative Region (HKSAR) that would be made up of Hong Kong people and would be autonomous, except in foreign affairs and defence. Beijing would not impose on Hong Kong changes in the social system and way of life.

The process of drafting the Basic Law of the future SAR by a Beijing-appointed committee, during 1986-90, eroded many of the democratic and autonomous features of the Joint Declaration [see *Update*, No.9, Spring 1993, p.1 ff.]. When Beijing promulgated the Basic Law in 1990, several months after the Tiananmen massacre, Hong Kong people reacted with alienation. In 1991 they gave a resounding victory to pro-democracy parties in the first ever direct elections to the Legislative Council (Legco).

A new British policy, adopted during 1992, aimed at restoring some of the democratic and

Deteriorating, cont'd on page 2

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This publication is free.
Please call or write to us for past or future issues.

Deteriorating, cont'd from page 1

autonomous features of the Joint Declaration. Constitutional reforms, introduced by the new governor, Chris Patten, exploited grey areas in the Basic Law to expand the franchise for legislative elections. If these reforms could be instituted and survive beyond 1997, there would be a democratically elected element in Legco to provide checks and balances and to help safeguard the autonomy of Hong Kong's legal, administrative, and anti-corruption institutions.

PRC officials have attacked the proposals fiercely but did agree to discuss with British diplomats the "electoral arrangements" for the remaining years of UK sovereignty. Seventeen rounds of talks were held between April and November 1993 without result.

While Patten's package goes by stages to Legco for debate and enactment, the PRC officials have organized a united front to support their policy against more democracy for Hong Kong. A number of Hong Kong celebrities have been appointed Hong Kong Affairs Advisers to Beijing, mostly prominent businessmen or persons with long-time connections to the Chinese Communist Party, but also a number of professionals and academics [see *Update*, No. 11, Winter 1994, p. 3].

The Advisers do not meet very often. Instead, they submit whatever opinions they have to PRC officials in private. There is little faith in the community that they would offer the officials unwelcome advice.

Another group of Beijing appointees is expected to get down to business. This is the Preliminary Working Committee, made up of members from the PRC and Hong Kong. It was set up in 1993 expressly to counter the Patten constitutional reforms. Lu Ping, director of the Hong Kong and Macau Office of the State Council of the PRC, is Secretary-General of this Committee. Senior PRC officials involved in the drafting of the Basic Law head the sub-committees. The members from Hong Kong include senior businessmen and activists connected with the Chinese Communist Party, as well as politicians who had served on Hong Kong's Councils through appointment by the British. The Committee does have considerable collective experience in Hong Kong public affairs, but it enjoys no popular mandate and it remains unclear whose viewpoints are best articulated in its meetings.

The Preliminary Working Committee and its sub-committees, which cover almost all major areas of public policy, have been meeting frequently. The meetings are held in private, and the records are never released. However, PRC offi-

cial and members talk to reporters for a few moments before and after each session. The ideas that have been put forward - whether as hints of official thinking in Beijing, private thoughts of individuals, trial balloons, or someone's attempts to curry favour here and there - have had an unsettling effect on the Hong Kong community.

It had been generally assumed that Hong Kong's public administration would not be changed significantly as a result of 1997, except for the ethnic composition at the top of the bureaucracy. Uncertainty was associated with what political processes to adopt for the governorship and the legislature, not with the administrative processes of the municipal councils, the district boards, and the civil service.

To soothe that uncertainty, the PRC and Britain negotiated on a "through train" for the legislature as a bulwark for political stability; i.e. legislators elected in 1995 could serve their 4-year terms beyond 1997 [see *Update*, No. 9, Spring 1993, p. 3]. With the breakdown of the constitutional talks, PRC officials are spreading the word that there will be no "through train" for the Legislative Council. Furthermore, they suggest that the entire governmental system will need a thorough overhaul by the Preliminary Working Committee, that the municipal councils and district boards may also need to be disbanded and elected anew, and that the civil service may have to give a more than symbolic pledge of new allegiance. There is a rumour that for chief executive, Beijing may appoint a prestigious local person as a figurehead and install an *eminece grise* from the Mainland.

This vague talk has given rise to the spectre of an intrusive takeover. PRC officials put the blame for the failure of the constitutional talks on the UK side.

The united front built in Hong Kong by the PRC since the mid-1980s has been directed primarily to recruit support from conservative elements of business. The leaders of the pro-Communist labour and teachers' unions have formed their own party, the Democratic Alliance for Betterment of Hong Kong (DAB).

The united front has not made significant gains with the middle and working classes who form the mainstream of Hong Kong society. Polls have shown consistently that about one-third of Hong Kong people want more democracy for their city even if Beijing objected, while another third would prefer more democracy if that could be instituted without provoking Beijing. No more than a quarter ever shared the Party line on limiting democracy in Hong Kong [see *Update*, No. 11, Winter 1994, p. 1 ff.].

The ceremony was followed by a formal dinner at the official residence of the university president. It was attended by Ontario Premier Bob Rae and other dignitaries. The need to strengthen ties across the Pacific and between Hong Kong immigrants and mainstream society was reiterated by academic, business, and political leaders.

The Hongkong Bank of Canada is the seventh largest bank in Canada. Since being chartered in the



Premier Bob Rae with Bill Dalton and Rob Prichard at University of Toronto Reception.

1980s, it has built a large network of branches in British Columbia, Ontario, and other parts of Canada, with headquarters in Vancouver. It is a subsidiary of the Hongkong and Shanghai Banking Corporation, which was first established in Hong Kong in the 19th century and is now one of the largest multinational banks in the world. This donation marks the Bank's first major academic partnership in Ontario. ♦

▼ Resource Centre for Hong Kong Studies

The Canada and Hong Kong Project is establishing a Resource Centre that will be a permanent collection of research materials on developments in Hong Kong, Canada-Hong Kong relations, and the immigrant communities from Hong Kong in Canada. The Resource Centre is made possible by a generous donation from the Hongkong Bank of Canada to the University of Toronto for this purpose. (See accompanying story, p. 1.)

The Project has been collecting reference materials on these issues since its inception in 1990. The materials have formed the database of the Project to support the editing of the *Canada and Hong Kong Update* and the reference service made available to the public. They include books, magazines, government documents, research papers, articles in learned journals, and newspaper clippings, totalling some 5,000 items. (This database will be the core

around which the Resource Centre will build its collection.) The Project is also in the process of acquiring a complete set (since 1980) of the valuable *Hong Kong Newspaper Clippings* of the Hong Kong Catholic Social Communications Office.

The Project began planning for such a resource centre in 1992 when it commissioned a study by Peter Yeung, former curator of the Hong Kong Collection of the Hong Kong University Library, to survey existing holdings in major Toronto libraries on Hong Kong, relations between Canada and the territory, and the immigrant communities from Hong Kong. The survey found only a limited number of publications, with very significant gaps, in the university and public library collections. These collections were quite inadequate for serious research or for public information on these areas which are of concern to Canadian society today.

A proposal to establish the Resource Centre was prepared by Diana Lary, Bernard Luk, and Janet Rubinoff during the summer of 1993, which eventually received the support of the Hongkong Bank of Canada. It is expected that the Resource Centre will begin operations this summer.

It will function under the co-directors of the Project and will be coordinated by a research officer who has extensive knowledge of Chinese and English materials on Hong Kong is bilingual in English and Cantonese. This officer will be responsible for collecting printed and electronic publications, ephemera, manuscripts, and other materials through purchase, deposit or exchange agreements, and for community liaison, as well as for organizing the collection for use by researchers and serious readers from universities and the general public. ♦

Deteriorating, cont'd from page 2

The united front strategists have been concerned about their isolation from the Hong Kong mainstream. They have made some efforts to include a handful of pro-democracy personalities among the Hong Kong Affairs Advisers, the Preliminary Working Committee, or the lower-level District Affairs Advisers. A few district board members and leaders of the smaller pro-democracy parties were appointed to one or more of these bodies, but soon became disillusioned about being able to build bridges.

The most dramatic example took place when Dr. Cheung Ping-leung was appointed Hong Kong Affairs Adviser. Cheung is an academic who also heads the second largest pro-democracy party, Meeting Point, which has consistently advocated "democratic retrocession" of Hong Kong to China. His appointment could have signified Beijing's success in isolating the United Democrats of Hong Kong, which holds the largest number of directly elected seats in Legco. Soon after he was appointed, however, Cheung announced in a

joint press conference with Martin Lee, leader of the United Democrats, that they had agreed to merge their two organizations to form a new Hong Kong Democratic Party. Cheung expressed the hope that as an Adviser to Beijing, he would be able to reconcile PRC officials and pro-democracy groups in Hong Kong. The officials quickly denounced him for consorting with subversives and withdrew his appointment.

Deteriorating, cont'd on page 4

Other recent events have contributed to increased anxiety. Xi Yang, a reporter for the Hong Kong newspaper *Ming Pao*, was arrested in the PRC last September for allegedly divulging state economic secrets in articles he wrote on the macro-economic efforts to cool the overheated Mainland economy. In April, it was learned that he had been *tried in camera* and sentenced to 12 years in prison.

The arrest and the secretiveness of procedures were seen as a threat to press freedom. Hong Kong journalists demanded explanations from the New China News Agency (which represents the PRC government in Hong Kong). There were petitions, meetings, demonstrations, hunger strikes, and mass signature campaigns for the release of Xi.

PRC officials continued to insist that Xi had broken the law in China and deserved his sentence. The officials reiterated that Hong Kong reporters covering PRC news should observe the restrictions on the Mainland, but refused to be specific about what those restrictions were, saying that the reporters "ought to know."

The Xi Affair has left doubts in Hong Kong about freedom of thought and expression after 1997. As the two economic systems become more and more integrated, giving rise to an increasing need for cross-border flow of information, press freedom could no longer be a merely domestic issue for Hong Kong. Freedom with regard to reporting of Mainland news and then any other news that may be of special interest to PRC officials would be threatened.

The issue of self-censorship is an element of press freedom. A dispute within Asia Television Ltd. (ATV), one of Hong Kong's commercial broadcasters, arose between the news department and the management of the company. The news department's special programme to mark the 5th anniversary of the Tiananmen massacre included footage shot by a Spanish television crew on the square during the June 4 crackdown. The management attempted to remove the Spanish film to another programme. When the two sides could not come to an agreement, the six most senior members of the news department resigned from the company to protest against management interference.

Hong Kong has long enjoyed a free press, one of the freest in Asia. However, self-censorship by press organizations with regard to the PRC has been a growing concern among journalists and in the community for several years [see *Update*, No. 3, Winter 1991, pp. 8-9]. Recently, Governor Patten reflected public con-

cern when he said that the Hong Kong government would study ways to amend the television licensing rules to protect the independence of news departments from station owners.

These recent events have pitted the Hong Kong public and PRC officials against each other. Against this background, other more positive developments remain muted. The Joint Liaison Group, the ambassador-level working party of the two sovereign powers to handle the details of the transfer, whose proceedings had been interrupted by the constitutional disagreements, resumed its work during the spring in areas of land sales, military lands, future passports, and the new airport. Both sides declared their intentions to cooperate on economic matters even though they had failed to agree on political matters. The atmosphere of the meetings seems to have been constructive. While no dramatic breakthroughs have been achieved by early June, the community remains hopeful that an agreement on financing the new airport is within reach. The economic prospects have been far rosier than the political.

In this contradictory climate, Lu Ping, the Beijing minister in charge of Hong Kong affairs, visited the territory in May. The major address that he made in English to the business community highlights this contradiction. He stressed that Hong Kong's value to the PRC is an economic one and that Hong Kong should remain an "economic city" and not become a "political city"; otherwise, it would become detrimental to the interests of the PRC, with disastrous results. Hong Kong should focus on making money and not think about changing China.

While Lu refused to meet with Patten during his week-long stay in Hong Kong, since he considered Patten's constitutional proposals as a veiled attempt to prolong British colonialism, some commentators, in turn, see Lu's speech as the most open admission of PRC intentions in Hong Kong after 1997.

That a large number of Hong Kong people disagree with Lu was demonstrated vividly a few weeks later. More than 45,000 people took part in the candlelight vigil at Victoria Park, commemorating the fifth anniversary of the Tiananmen massacre – a larger attendance than for the last two anniversaries. These annual observations are organized by the Hong Kong Alliance in Support of the Democracy Movement in China, which has overlapping membership with the United Democrats and other pro-democracy parties of Hong Kong.

A Hong Kong University telephone survey of 500 adults, conducted shortly before the anniversary, found that the Alliance still enjoyed

54% support among the respondents. Half of the respondents believed that the Alliance should not be disbanded after 1997, while only 12% believed that it should be. Some three-quarters of the respondents believed that Hongkongans had the responsibility to contribute towards democratization in China.

It was a strong showing of popular convictions and aspirations that have to be a factor in Hong Kong's political development. Their denial could not be the premise for the future stability of the Special Administrative Region. Lu and the other PRC officials are not prepared to allow Hong Kong people to govern Hong Kong with even limited democratization under the "one country, two systems" formula.

When the Joint Declaration was concluded, it was anticipated in Hong Kong that PRC authorities would have the time and opportunity to learn, during the twelve-year transition period, what made Hong Kong work. It was hoped they would come to appreciate the need to run the Hong Kong goose on a long leash, while retaining for the PRC power over defence and foreign relations and a share of the golden eggs. They were not expected to do anything which might frighten the goose and stop it from laying eggs. However, with every expression of the popular will in Hong Kong, the PRC authorities have tightened the leash.

While Hong Kong people are to be deprived of the constitutional means to defend their home and hearth in a "political city," it is by no means clear that a Beijing-appointed government would be able to protect Hong Kong against competing claims from Mainland interests – such as rival ministries, provinces, municipalities, firms, or powerful personalities – some of which Beijing itself might consider less than legitimate. It is even doubtful that Beijing can safeguard its own interests in Hong Kong from such intrusion. When that happens, would the goose still be able to lay golden eggs? And if Hong Kong, the "economic city," falters, what will happen to its social and political stability? ♦

After a marathon debate lasting from 9 am on 29 June till 5 o'clock the following morning, the Legislative Council adopted by 32 to 24 votes, Governor Patten's constitutional package to broaden the franchise.

A number of more conservative or more democratic amendments to the package had been narrowly defeated before the final vote.

Transfer of Heads of Government Missions

Both **Mr. John Higginbotham**, head of the Canadian Commission in Hong Kong, and **Mr. Stephen Lam**, director of the Hong Kong Economic and Trade Office in Toronto, are completing the respective terms in their present postings this summer, and will be transferred to other prominent positions by their governments.

Mr. Higginbotham is one of the leading experts on Chinese affairs in the Canadian Ministry of Foreign Affairs and International Trade. After a long and distinguished career in Ottawa and Beijing, he was posted to Hong Kong during the stormy days of 1989. He has played a very significant role in formulating and implementing the policy to help Hong Kong maintain its confidence and institutional stability towards 1997 and beyond. As Commissioner for Canada in Hong Kong, he has presided over the building of many substantial linkages between the two societies, especially in terms of intergovernmental cooperation, bilateral and triangular (with PRC) trade connections, as well as demographic, educational, cultural, and academic ties. He has also been a member of the Board of Advisors of the Canada and Hong Kong Project since its inception.

Mr. Lam is the founding director of the



Director Stephen Lam and Commissioner John Higginbotham at a reception at the Hong Kong Economic Trade Office in Toronto.

Hong Kong Economic and Trade Office (HKETO) in Canada. The HKETOs represent the Hong Kong government overseas. They are established under the terms of the Sino-British Joint Declaration on the Future of Hong Kong, to provide a representation distinct from that of the UK before 1997 and of the PRC after 1997. Since Hong Kong is not a sovereign power, the HKETO enjoys not diplomatic, but "senior official" status. The Toronto office, covering all of

Canada, has a staff of ten, which makes it one of the larger foreign missions in town.

Mr. Lam came to Toronto in 1991 after serving in other Hong Kong government offices overseas and in the Chief Secretary's Office in Hong Kong. Before the Toronto office was set up, Hong Kong's relations with Canada were handled from the offices in the United States. Within a few years, Mr. Lam has built very significant linkages in several Canadian cities with government, business, community, and academic circles and established a real presence for the Hong Kong Government in Canada. His colleagues and successor will be able to build upon a very firm foundation.

Mr. Lam's next posting will be as a Deputy Secretary in the Hong Kong Government Secretariat. His successor in Toronto will be Mr. Chin-Man Leung, currently Deputy Secretary for Constitutional Affairs in Hong Kong. To date a number of farewell receptions have been held in Stephen Lam's honour, including one on 28 June, hosted by Metropolitan Toronto Chairman Alan Tonks at Metro Hall. ♦

[See "Lambert Appointed Canadian Commissioner to Hong Kong", on page 15].

Regional Variations in Settlement of Hong Kong Immigrants

*by Diana Lary
UBC, Vancouver*

The patterns of regional distribution of Hong Kong immigrants across the provinces of Canada have shifted noticeably over the past few years. While the numbers and proportions of people going to the Maritimes and the Prairie Provinces have not altered appreciably, the proportions of people going to Ontario, British Columbia, and Quebec have changed significantly.

Proportional Distribution

Ontario continues to receive the largest proportion of immigrants from Hong Kong, though this share has been declining steadily since 1990. British Columbia has always held second place, but the gap between Ontario and B.C. has narrowed from year to year, from thirty-six percentage points in 1988 to twelve in 1993.

Major provincial destinations, immigrants CLPR Hong Kong

	Ontario	B.C.	Alberta	Quebec
1988	58%	22%	10%	6%
1989	54%	24%	8%	10%
1990	55%	26%	9%	7%
1991	51%	28%	8%	10%
1992	47%	25%	8%	15%
1993	43%	31%	9%	13%

Alberta has been the destination of a very stable proportion of the immigrant body, varying between eight and ten per cent of the whole body, while Quebec's proportion has fluctuated between six and fifteen per cent.

Numbers of Immigrants

The changing proportions of people intended for particular provinces does not always affect the actual numbers involved. Ontario's proportion may be declining, but the number is not significantly less for 1993 than it was for 1992. The numbers for the Maritimes, Manitoba, and Saskatchewan have stayed low, in spite of major efforts by some of these provinces to attract immigrants. One trend over the past three years is a marked increase in the number of people destined for British Columbia and a rise followed by a decline in the number going to Quebec. It should be noted that not all the people who say they are going to a particular province will necessarily settle there. Once immigrants are landed in Canada, they can move freely, with a very limited number of exceptions in the business classes.

Variations, cont'd on page 6

Immigrants admitted from Hong Kong, by province

	1988	1989	1990	1991	1992	1993
Alberta	2257	1623	2535	1830	2960	3198
B. C.	5188	4849	7660	6309	9162	11302
Manitoba	409	267	340	314	405	352
NB	33	41	39	52	70	51
Nfld	30	28	17	14	43	34
NWT	7	9	17	18	4	4
Nova Scotia	63	71	95	77	142	193
Ontario	13527	10812	16032	11222	16967	15642
PEI	5	3	12	4	13	29
Quebec	1380	1912	1939	2310	5532	4809
Sask	390	319	342	207	492	460
Yukon	4	0	1	0	7	3
Total	23293	19934	29029	22357	35797	36077

Urban Areas

Within each province, the pattern of settlement continues to be overwhelmingly in the major cities. Toronto took 87% of Hong Kong immigrants to Ontario in 1988, 86% in 1989 and 1990, 73% in 1991, 66% in 1992 and 71% in 1993. These proportions do not take into account settlement in places immediately adjacent to Metro Toronto.

The pattern of urban concentration shows up even more clearly in British Columbia. There the proportions of Hong Kong immigrants settling in Vancouver were: 1988, 95%; 1989 96%; 1990 97.5%; 1991 96%; 1992 95%; and 1993 90%.

Immigrants from Hong Kong, by urban area

	1988	1989	1990	1991	1992	1993
Calgary	1078	7411	302	780	1424	1671
Edmonton	1055	791	2960	904	1274	1364
Halifax	52	63	77	62	123	177
Montreal	1347	1837	1881	2224	5416	4695
Ottawa	339	228	325	310	453	333
Quebec	2	15	18	15	14	13
Regina	188	140	161	89	263	251
Saskatoon	91	54	115	80	98	112
Toronto	11780	9329	13806	8197	11442	11106
Vancouver	4965	4661	7471	6054	8664	10614
Winnipeg	386	225	311	302	383	321
Other	2010	1850	2448	6224	6044	5420

Immigration Class and Regional Distribution

The variations across the country by class of immigrant noted in previous *Updates* continue to show quite clearly. Of the three major provinces, Ontario's immigration is concentrated in the family classes, Quebec's in the business classes, and British Columbia in the business class and retired class. The retired class is now being phased out, and immigrants coming in this class are ones who applied some time ago. The 'other' category consists mainly of **live-in care givers**, a new class in 1993.

Permanent residents from Hong Kong, by class, 1993

	Family	Asst.Rel	Business*	Retired	Ind	Other**
NFL	12	6	8	6	2	0
PEI	3	0	22	0	4	0
NS	11	4	161	5	11	0
NB	15	11	8	2	5	0
QU	242	77	3550	266	669	5
ONT	5517	2145	4076	2251	1568	85
MAN	112	14	125	63	37	1
SAS	96	19	274	40	31	0
ALB	863	379	1099	649	204	4
BC	2433	890	4477	2474	1026	2
Total	9304	3545	13800	5756	3557	97

* Includes entrepreneur, self-employed and investor classes

** Consists largely of **live-in care givers**, a new class in 1993

In 1993, 49% of all immigrants to Ontario were in the family classes, and only 10% in the independent class. However, this small proportion within Ontario's cohort represented 44% of all independent immigrants coming to Canada in 1993. This was down from 61% of all independents in 1991 and 53% in 1992. In 1991, Ontario was the destination of 50% of all immigrants and of 63% of family class immigrants. In 1992 the province received 47% of all immigrants, but 64% of all family class. In 1993 Ontario took 43% of all immigrants, but still received 59% of family class immigrants.

In 1991 Quebec attracted 10% of all immigrants and 25% of all business class immigrants (entrepreneur, self-employed and investor classes). In 1992 the figures were 15% of all immigration and 30% of the business class. In 1993 the figures were 13% of all immigration and 26% of all business immigration. In 1993 business immigrants to Quebec made up 74% of all immigrants destined for Quebec.

The proportion of independents to all other immigrants is now under ten per cent (9.9%). Though this figure might be interpreted to mean that the proportion of highly qualified immigrants within the group is falling, it could also mean that potential immigrants prefer to apply as relatives or in the business classes because of the shorter processing time involved. ♦

These statistics are supplied by the Immigration Statistics Division, *Employment and Immigration Canada*. Slight variations in some of the statistics published in earlier *Updates* reflect minor corrections.

✓ Vancouver Forum Holds Seminars on Hong Kong Immigrant Issues

by Hugh X. Tan
Vancouver

In order to provide a forum for discussion of immigration issues, the Vancouver Hong Kong Forum Society (VHKFS) recently held two seminars – one in April to discuss the phenomenon of the **Hong Kong returnees and the “brain drain in reverse”** and the second, May 12, on **immigrant participation in Canadian society**. Issues raised at the first seminar led to the holding of the second.

The five speakers at the April seminar on “returnees” included social workers Susan French and K.C. Kwok, *Ming Pao* newspaper editor Clement So, and lawyers Kathy Armstrong and Mimi Luk. Over 60 people attended the seminar which was also covered by the major Chinese language newspapers and TV media.

Hong Kong returnees are immigrants who have gone back to work in their native city after, or even before, obtaining Canadian citizenship. According to members of the VHKFS, the basis of recent criticism by the Vancouver media of these returnees is that such people have used Canada for their own economic advantage and as a convenient shelter “while they wait out the political rainstorm preceding Hong Kong’s return to [PRC] rule.”

VHKFS Director Eleanor Yuen explained that a recent series (March 1994) in the *Vancouver Sun* on Hong Kong’s booming economy and Canadians working there has perpetuated such a negative image. Hong Kong “returnees” were depicted as irresponsible, rootless persons who wanted to earn big money and to avoid Canadian taxes. There was concern in the Chinese Canadian community that if the situation were not clarified, it could result in a backlash of hard feelings against Hong Kong immigrants [*Ming Pao*, 17 March 1994, p. 8].

At the Forum seminar, Susan French, Executive Director of the Burnaby Multicultural Society, analyzed the phenomenon of the “returnees” and recent criticism. The return of immigrants to their home countries is “no more a recent phenomenon than the quest for economic advantage,” she explained. According to Ms French, many of the criticisms levelled against newcomers who move back to Hong Kong stem from a feeling of insecurity as more Canadians worry about their own and their children’s future. As most Canadians consider their country to be one of the best places to live in the world, the return of immigrants to Hong Kong undermines the self-esteem and assumptions of

many Canadians. “There is [some] anger that immigrants cannot be happy here in the West.” She felt that many Canadians needed to adjust their attitude to the new phenomenon of immigration in the 1990s.

While economic factors and better job opportunities continue to be the main reasons for returning to Hong Kong, there are other forces driving these new immigrants back to their country of origin. According to Clement So, editor of the *Ming Pao*, “it is both a pull and push factor.” On the one hand, Hong Kong offered not only better economic rewards but also better opportunities for people to put their talents to use. On the other hand, a common complaint among Hong Kong immigrants is dissatisfaction with Canada’s educational and social systems. Recent improvements by the Hong Kong Government in the availability of tertiary education in the territory have also influenced the decisions of “returnees.” Finally, as Ms French concluded, the decision of immigrants to go back to Hong Kong was “partly due to Canadian society not having fully accepted them. Canadians must ask themselves *why* these immigrants are not sinking roots in Canada.”

While maintaining that the decision to return to Hong Kong was a private, individual question, social worker K.C. Kwok addressed the disadvantages and high costs of this return migration. Among the 92 families that he has worked with, only 4-5% have actually returned to Hong Kong. This rate was much lower than that reported by Charlotte Parsons in the *South China Morning Post*, 10 April 1994, which put the figure at one-sixth.

Panellist and lawyer Kathy Armstrong and Susan French both reiterated that those considering returning or Canadians contemplating moving to Hong Kong should weigh long-term versus short-term goals, as going overseas does not necessarily enhance one’s ability to secure a better future in Canada.

Discussion at this meeting was intense, in particular the question of how Hong Kong immigrants should better integrate into Canadian society if they chose not to return. It was this issue which became the topic of another Forum seminar in May, which took the form of group discussion. Eleanor Yuen, director of the Forum Society, and Peter Chan acted as facilitators and talked of their experiences living in Canada.

Peter Chan came to Vancouver in 1987 and first worked with the provincial homemaking services. The following year he joined Richmond Hospital as a social worker and is now manager of the Geriatric Services Department there. His advice for recent immigrants was to attain a good understanding of Canadian history and Canada’s social and political systems. Canadians, he maintained, tend to be less aggressive than Americans, which may not be good for doing business but was good for developing a social welfare system which has achieved greater social equality. He felt Hong Kong newcomers needed to understand these differences to participate better in Canadian society. He reiterated that new immigrants should make efforts to leave their own cultural “comfort zone” to take part in more social activities with mainstream Canadians.

Comments from participants included the inability of one couple to find suitable jobs a year after immigrating to Canada: the investment and loss by one immigrant of a large sum of money with no return; and the questioning of the need for integrating into English mainstream society if one could live comfortably in the “Hong Kong environment” of Richmond, BC.

Eleanor Yuen responded that although no one would force newcomers to integrate into Canadian society, they should not treat Canada as just a temporary place of sojourn. Immigrants, she felt, who come to enjoy the natural resources and social wealth of Canada should also contribute their talents to build the country as a better place to live.

Forum Society seminars are scheduled every two months on the second Thursday. Some of the past programs have included speeches from Hong Kong Legco members Salina Chow (Liberal Party of Hong Kong) and Martin Lee (United Democrats of Hong Kong), as well as student debates on Hong Kong’s political and cultural issues. For more information on the Society and its activities, contact:

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Recent Developments in the Hong Kong Stock Market

by Pauline Shum
York University, Toronto

After an extraordinary year in which the Hang Seng index soared 115.6%, the Hong Kong stock market has fallen from the top in the world to one of the worst performers so far this year. Summary statistics for the first five months of 1994 are reported in Table 1.

The market initially welcomed the new year on a positive note. The Hang Seng index broke the much anticipated 12,000 level on the first day of trading in

January. However, on January 6, the Hong Kong Stock Exchange suffered its worst loss since the Black Monday of 1987. The Hang Seng index plunged 793.43 points (6.52%). No apparent cause prompted the sharp decline on that particular day, although there had been a widespread belief that a correction was overdue. Foreign portfolio managers, who were extremely enthusiastic in the previous months and had made handsome profits (with the exception of some latecomers from Japan), were now backing off en masse. The aggressive sell-off was most prominent in the futures market. Once again, it reminded local investors of the extent of foreign control in their stock market.

The Hang Seng index hovered around the low 11,000s for the rest of January, as the long-standing dispute between China and the Hong Kong government over the funding of the ambitious airport project continued. The less-than-impressive visit by the U.S. Secretary of State Warren Christopher to the PRC, regarding China's MFN (Most Favoured Nation) status, also added to the uncertainty.

The day after breaking through the 12,000

TABLE 1
Summary Statistics
Daily Hang Seng Index Closing Values
4 January to 27 May 1994

Period	Mean	Std. Dev.	Minimum	Maximum	% Change ¹
January	11,274.79	465.88	10,176.51	12,201.09	-2.80
February	11,059.88	598.08	10,100.25	12,157.57	-14.19
March	9,617.56	452.55	8,667.03	10,294.58	-9.01
April	9,353.09	223.21	8,966.07	9,753.76	-4.71
May ²	9,053.87	440.72	8,369.44	9,631.63	7.62
Full sample	10,052.63	1,012.65	8,369.44	12,201.09	-22.17

¹ Month-to-month percentage change.

² Ends on May 27, 1994.

level for the second time, the Hang Seng index took another nose dive. On February 7, it tumbled 700 points (6.11%) in response to the announced increase of U.S. interest rates.

When the stock market re-opened after the Lunar New Year on February 14, the Hang Seng index fell another 515 points (4.5%). Typically, the Chinese New Year is synonymous with a stock market rally, fuelled by bonuses that local employees receive at this time. Thus, the decline took some analysts by surprise. The majority of the selling again came from overseas portfolios. Apparently, foreign investment houses were re-considering the problems with the over-heated PRC economy, which they had shrugged off during the bull run last year.

On March 2, the Hang Seng index closed below the 10,000 level for the first time in 1994. Despite encouraging local corporate reports, the Hong Kong market was inevitably affected by the worldwide decline in stock prices. Moreover, the unexpectedly quick and severe response by the PRC government in denouncing Governor Chris Patten's reform

plans triggered another alarm. Some funds were also shifted out of Hong Kong and into Japan.

Bargain hunting by European and local investors helped pushed the stock market up a few hundred points in the first half of April. However, another downward trend was imminent by late April. Since the territory's currency is pegged to the U.S. dollar, local interest rates must eventually rise with U.S. interest rates

to maintain an effective fixed exchange rate system. By May 4, the Hang Seng index was at 8,369.44, the lowest level this year. Property stocks were the most adversely affected. In addition to rising interest rates, selling pressure also stemmed from concerns over Hong Kong Government plans to curb speculative buying. The Hang Seng index stayed under 9,000 until May 13.

In the second half of May, the stock market re-gained some ground. Well aware of its influence, Morgan Stanley once again recommended that its clients increase their exposure to Hong Kong stocks. This, together with the revival of the Sino-British talks on the territory's airport, helped pushed the Hang Seng index up 276.65 points (2.96%) on May 20. In the last week of May, U.S. President Clinton announced his decision to renew the PRC's MFN status. However, this did not touch off a significant rebound, partly because the renewal was expected and partly because of disappointing government land auction results. ♦

Hong Kong Economy Continues to Boom

Despite fluctuations in the stock market, the Hong Kong economy continues to do well. On the basis of the trade statistics of 1993, Hong Kong ranks 8th among the world's

exporters and 7th among the importers, up from 10th place in 1992.

The Exchange Fund also experienced impressive growth. It rose 21% during fiscal

year 1993-94. With assets worth HK\$335 billion (CDN\$57 billion) in the Fund, Hong Kong's foreign currency reserves rank 6th in the world (2nd on a per capita basis). ♦

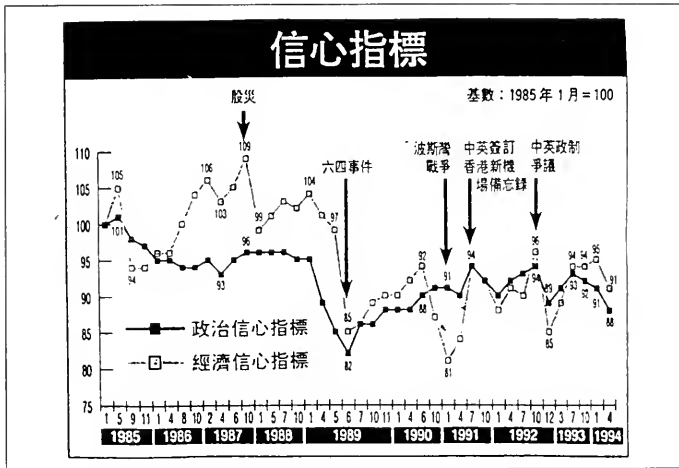
Ming Pao Indices of Political and Economic Confidence

The *Ming Pao* newspaper has been commissioning opinion surveys in Hong Kong since 1985 to gauge the political and economic confidence of Hong Kong people about the future of their society. The polls are conducted by an independent survey research firm at roughly three-month intervals, except during 1989 when seven surveys were taken. Approximately 1,000 persons are interviewed for each survey. The responses are converted into the political and economic confidence indices for the quarter. These are accepted

by commentators as generally reliable indicators of the popular mood. So far, 41 surveys have been conducted, and they provide the longest series of measures of Hong Kong public opinion about future prospects during the transition period.

The indices are calculated with the feeling of confidence found in the first survey in January 1985 as the base figure of 100. An index higher than 100 would indicate greater optimism about the future than people felt in January 1985, and an index lower than 100 would signify more pessimism. An index of 99, therefore, does not indicate a near fullness of optimism but one which is slightly lower than that found in the first survey.

As may be expected, the political and economic confidence of Hong Kong people diverged rather significantly during the past ten years, with economic confidence being generally higher than political confidence. Furthermore, the indices are derived from surveys of all segments of society and are much more broadly based than, say, the Hang Seng Index of the stock market, which reflects the short-term confidence of the small minority of people within and without Hong Kong who invest or speculate in stocks and shares. In this regard, it is worthy of note that during the past few years the economic confidence index has fluctuated in the range of 86 to 96 points even though the stock market index metaphorically leapt through the roof.



The first survey was taken after the Sino-British Joint Declaration on the Future of Hong Kong was initialled and before it was ratified. In the second survey, **political confidence** rose slightly to 101 points, which was the highest level it ever attained. It remained around 95 points throughout 1986 to 1988, with strong opposition from the PRC to the development of representative government and British retreat from earlier promises of such improvement. It plummeted during the Tiananmen crisis in the spring of 1989, reaching the nadir of 82 points after the massacre in Beijing.

Subsequently, it rose slowly back to between 88 and 91 points and to a new peak of 94 points in July 1991, when the PRC and British prime ministers announced their Memorandum of Understanding on the building of the new airport. When the Memorandum proved not to have put an end to political difficulties beyond the reach of Hong Kong people, political confidence again fell below 90 points.

However, Governor Chris Patten's constitutional reform package, presented in October 1992, temporarily boosted political confidence to 94 points. The vehement attacks from PRC officials against Patten and his reforms dropped the index to 89 points in December 1992. The willingness of the PRC authorities to negotiate on electoral arrangements brought the index back up to 93 points in July 1993. After the breakdown of the talks and with increasingly aggressive stands taken by PRC

officials towards political developments in Hong Kong, the index stood at 88 points in April 1994, comparable to the level during late 1989 to early 1990. To summarize, events since the ratification of the Sino-British Joint Declaration have not filled Hong Kong people with optimism about the political future of their society.

The index of **economic confidence** followed a different path. For much of the late 1980s, it fluctuated above 100 points,

reaching a peak of 109 points on the eve of the stock market crash in October 1987. The crash brought it down to 99 points, but it soon rose beyond 100 again, long before confidence in the stock market itself had recovered.

However, the Tiananmen massacre sent it down to 85 points. Although it regained 94 points a year later, the Persian Gulf War dropped it to the nadir of 81 points. With the Memorandum of Understanding on the new airport, it again recovered to 94 points; but when difficulties about the airport remained unresolved, it hovered around 90 points and climbed to 96 points about the time Patten presented his reform package. Diatribes from PRC officials sent it down to 85 points. During 1993 it stayed at around 95 points, declining to 91 points in April 1994.

It can be seen that after the Beijing massacre, Hong Kong people never regained the confidence about their economic future that they felt at the time of the ratification, even with the supposedly buoyant economic mood of the past few years. The boom has come hand in hand with relatively high rates of inflation and with deeper and deeper PRC cadre-capitalist involvement in the Hong Kong economy — neither of which would give the ordinary person in the street a great sense of security or comfort. ♦

Tiananmen Massacre Commemorated in Canada

The fifth anniversary of the massacre of pro-democracy demonstrators by the PRC authorities was commemorated in Vancouver by a public ceremony on May 28. The ceremony was attended by Mr. Raymond Chan, Secretary of State for Asia Pacific Affairs. In 1989, Mr. Chan was an organizer of the Vancouver association supporting the democracy movement in China. The association also held a candlelight vigil the evening of June 4.

In Toronto, a demonstration and a candlelight vigil were organized on June 4. A commemorative plaque, accompanying a bronze relief that shows a bicycle and a pair of shoes crushed by a tank, was rededicated. The relief and the plaque were installed on the campus of the University of Toronto during the June 4 ceremony in 1992. The plaque has been stolen twice since then. The organizers are prepared to find it stolen a third time. In addition to the bronze relief and plaque, replicas of the Goddess of Democracy, the symbol of the Tiananmen Movement, stand on the campuses of the University of British Columbia and York University in Toronto.

Hundreds of participants attended each of the Vancouver and Toronto activities, many of whom were Canadians of Hong Kong origin. The massacre was also remembered in a debate on trade and human rights issues in the Canadian Parliament and in the editorials of the *Globe and Mail* and the *Toronto Star*. These editorials lament, in the words of the *Star*, the recent "unfortunate departure from Canada's traditional foreign policy that blended morality with reality when dealing with China and other countries whose politics we reject." The *Star* also ran a perceptive feature article by its Hong Kong correspondent, Peter Goodspeed, on the vigil kept in Hong Kong.

Amnesty International Calls for Human Rights Commission in Hong Kong

In a report released in April on the human rights situation in Hong Kong, Amnesty International called for the immediate establishment of a Human Rights Commission in Hong Kong, to make the redress of rights abuses more accessible, affordable, speedy, and effective.

Hong Kong's Bill of Rights, drafted with Canadian expert advice and made into law in 1991, follows closely the United Nations documents which the British and PRC governments have promised would be honoured in Hong Kong beyond 1997. However, it has been opposed by the PRC authorities as infringing on the state power enshrined in the Beijing-promulgated Basic Law, the "mini-constitution" for Hong Kong after 1997.

Whether or not there should be a Human Rights Commission in Hong Kong has been a matter of debate there for the past few months, since it was first proposed by a member of the Legislative Council.

Cathay Pacific Inaugurates Direct Hong Kong-Toronto Flights

The Hong Kong airlines company, Cathay Pacific Airways, is inaugurating in June 1994 a thrice-weekly, same-plane service between Hong Kong and Toronto. Flights are every Tuesday, Thursday, and Sunday. This service features late night departure from Toronto and early morning arrival in Hong Kong, thereby enabling travellers to save one working day compared to existing schedules. It complements Cathay's direct flight between Hong Kong and Vancouver.

Other airlines linking Canada and Hong Kong include Air Canada, Canadian International, and a number of Asian and U.S. carriers. The routes are among the most lucrative in contemporary aviation.

Governor-General Visits Hong Kong

Governor-General Ray Hnatyshyn visited Hong Kong at the end of April, leading a large trade delegation to Asia. He met with Hong Kong's political and business leaders and reaffirmed Canada's interest in and support for the territory, to maintain its institutions and liberties.

During a luncheon address to members of the Legislative Council, he emphasized that "stability is inseparable from responsible government and the rule of law." He went on to say, "The rule of law, buttressed by fairly contested and free elections, constitutes means by which we maintain the stability of our political system and safeguard our democratic values."

Ontario Premier Visits Hong Kong

Ontario Premier Bob Rae visited Hong Kong at the end of last month as part of a trade mission to the Asia Pacific region, from 16-29 May. Its goal was to expand Ontario's established business base in the fast-growth economies of Malaysia, the PRC, and Hong Kong.

Representatives from key sectors of energy, aerospace, and telecommunications joined the Premier for a series of meetings in pursuit of additional contracts with governments and companies in the region. "No area in the world offers greater potential," the Premier said. "Enormous growth is forecast over the coming decades, and with our outstanding record in building infrastructure — from large power plants to sophisticated telecommunications networks — Ontario has an important stake in the Asia-Pacific."

In Malaysia and the PRC, Ontario Hydro signed memoranda of understanding for joint research and technical cooperation in the areas of power generation, transmission, distribution, energy conservation, and sustainable development. The Premier also visited Nanjing to revitalize the operation of the Jiangsu-Ontario Science and Technology Centre, opened in 1987 as a twinning project to promote exchanges and cooperation.

In Hong Kong on May 28, Premier Rae met with members of the Canadian business community at a breakfast meeting co-hosted by the Hongkong Bank and the Canadian Commission. He also attended a meeting with Acting Governor Anson Chan and a series of press interviews. In the evening, he attended the spring fund-raising ball sponsored by the Canadian Chamber of Commerce in Hong Kong.

Vancouver Councillor Visits Hong Kong and PRC

Maggie Ip, Vancouver City Councillor, visited Hong Kong and Guangzhou, PRC in May to promote trilateral relations between these cities. She also represented Vancouver Mayor, Philip Owen, at a conference on doing business with China. The conference, co-sponsored by the Hong Kong-Canada Business Association and the Bank of Montreal, began in Hong Kong on May 2 and continued in Guangzhou on May 3-4. Canadian Governor General Ray Hnatyshyn attended the opening ceremony.

During her stay in Hong Kong, Councillor Ip made extensive contacts with government offices and private organizations. She met with the head of the Hong Kong Museum of History and suggested an exchange program of exhibitions be arranged between that institution and the Museum of Vancouver in order to promote the mutual understanding of the history and developments in each respective city.

Pop Concert to Raise Funds for PRC

A pop concert by Hong Kong artists was held in Toronto in March to raise funds for "famine relief and poverty alleviation" in the People's Republic of China. It was part of a series of concerts organized by some Hong Kong performers in Hong Kong, various cities in the PRC, and overseas. The concerts in China have been co-sponsored by the PRC Ministry of Civil Affairs [see *Update*, no.10, Summer 1993, p. 12].

Although most of the best known singers whose names had appeared on the advanced publicity did not materialize, the Toronto concert was well attended. Well over CD\$100,000 was raised to the satisfaction of the organizers. Doubts were voiced, however, by prominent members of the Chinese Canadian community about why China should need to raise funds in such a way when it enjoys one of the fastest economic growth rates in the world, and about accountability when the proceeds are distributed inside the People's Republic.

Fund-Raising Ball for New Chinese Cultural Centre

Chinese-Canadian business and community leaders, who hope to build a Chinese Cultural Centre in the Toronto suburb of Scarborough, held a fund-raising ball in April. The ball was well supported by members of the Chinese-Canadian and mainstream communities. Mr. Alan Tonks, chairman of the Municipality of Metro Toronto, spoke enthusiastically about Chinese culture with the ringing words: "To know China is to love China!" Donations totalled over CD\$300,000 for the event.

Chinese Literary Contest in Toronto

The first Chinese literary contest for young people of the Greater Toronto Area took place during May and June. Competitions in calligraphy, story telling, literary recitation, public speaking, and English-to-Chinese translation drew more than 3,000 contestants from the immigrant and Canadian-born Chinese communities. The contest was organized by the Chinese Heritage Education Foundation Fund, set up by the Toronto Mandarin Lions Club. The membership of the club are mostly immigrants from Hong Kong and Taiwan.

Police Smash Credit Card Fraud Rings in Scarborough

The RCMP, with the assistance of Metro Toronto Police, smashed two high-tech crime rings in the Scarborough suburb of Toronto and arrested some eighteen suspects.

The suspects are alleged to have churned out one-fifth of the world's fake credit cards. They are believed to be members of or connected with the Big Circle Boys gang, the term used by the police and the media in Hong Kong to refer to underworld organizations made up of men from the People's Republic of China. The published names of those arrested were listed in the customary spellings of Hong Kong, the PRC, or Vietnam.

Hong Kong Sends Team to Commonwealth Games at Victoria, BC

The Hong Kong Olympic Committee will be sending a team of athletes to take part in the Commonwealth Games to be held at Victoria, BC, this summer. This is expected to be the last time that Hong Kong participates in the main sports event of the British Commonwealth. The authorities of the People's Republic of China have made it clear that Hong Kong will sever ties with the Commonwealth, including athletic ones, after 1997.

However, under the terms of the Sino-British Joint Declaration on the Future of Hong Kong and of the Beijing-promulgated Basic Law of the Special Administrative Region of Hong Kong, the territory will continue to enjoy the right to send its own teams to international sports events after the transfer of sovereignty.

Simulcasting of Hong Kong Horse Races in Canada

On May 6 for the first time, the Vancouver Hastings Park Race Course broadcast horse races live from the Hong Kong Shatin Race Track. Beginning at 10:30pm, the event attracted more than 10,000 people, most of whom were of Chinese origin.

The Vancouver track building was packed with people who watched the races from Hong Kong on TV monitors. Fans cheered loudly whenever their horse won as if they were present at the Shatin Race Track.

More than CD\$1.3 million was bet on local and Hong Kong horse races that evening, compared to an average betting of about \$800,000 on an ordinary day. The Hong Kong race alone attracted bets of \$367,974, and bets were called in from Victoria, B.C. as well. The broadcasting of the Hong Kong races not only stimulated the racing business in Vancouver but also enhanced Hong Kong's reputation in Canada as an international racing centre. Another simulcasting of Hong Kong races was held on June 4 in both Vancouver and Windsor, Ontario.

The Ontario Racing Commission intends to set up ten centres throughout Ontario, including several in Toronto, which would simulcast horse races from across Canada, the U.S. and Hong Kong, with provisions for off track betting.

Forum Asie Canada

Le Forum Asie-Canada, qui a débuté ses activités en octobre 1993, vise à créer un réseau de contacts et à stimuler les échanges d'idées en français sur les grandes questions d'actualité qui concernent l'Asie et qui sont d'intérêt pour la communauté de Colombie Britannique.

Le Forum a organisé un dîner-conférence le 8 juin 1994, avec mesdames Frances Bula, journaliste, *Vancouver Sun*, et Diana Lary, directrice du projet Hong Kong-Canada. Elles ont traité l'impact de la prise de contrôle de Hong Kong par la Chine en 1997. Une cinquantaine de Francophones qui s'intéressent à Hong Kong et son avenir ont pris part à la conférence.

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Hong Kong News Service

The Alliance of Hong Kong Chinese in the U.S. (AHKCUS) provides to subscribers a daily news service on e-mail, HKNEWS, which covers current events in Hong Kong, China, and other areas of Asia. The primary goal of this service is to improve the communication of news about Hong Kong in order to maintain and increase public awareness of the issues facing Hong Kong and the PRC.

AHKCUS was founded in 1990 by a group of Hong Kong Chinese in the United States who were concerned about democracy and human rights in the PRC after the June 4th Tiananmen Massacre. There are currently over 500 member organizations and individuals who subscribe to their news service. They also maintain a members list on e-mail for the communication of activities and discussion of issues and opinions relating to events in Hong Kong and the PRC. In addition, the organization issues a publication, the *AHKCUS Quarterly*, which includes articles in English and Chinese on issues concerning Hong Kong, the PRC, and the Chinese community in the U.S. For more information on the news service and other activities contact AHKCUS Chairman, **Kenny Kwong** at (212) 238-7322 or General Secretary, **Charles Mok** at (415) 336-3183; or write to the Alliance of Hong Kong Chinese in the U.S., P.O. Box 3768, Santa Clara, CA 95055, USA. AHKCUS can also be reached by e-mail at: request@ahkcus.org

Canadian-Chinese Newspapers Catch Attention of Toronto Star

The *Toronto Star* ran a feature story on the front page of its Business section on Sunday, May 22, entitled "Metro's Other Paper War."

The story focused on the three major Chinese language newspapers of Metro Toronto: the *World Journal Daily News*, the *Sing Tao Jih Pao*, and the *Ming Pao Daily News* [see *Update*, No. 11, Winter 1994, p.15]. It found that each paper sells more than 30,000 copies every day of editions ranging from 72 to 104 pages. The *Star* also reported that the Toronto Chinese newspapers attract a good deal of advertising – some 50% to 75% of each daily edition. So far, most of the advertisements have been placed by Chinese-Canadian businesses, but inroads are being made into the

mainstream advertising market. Major banks, airlines, insurance companies, and some consumer product lines have bought space in these newspapers in order to convey their messages to Hong Kong immigrant consumers.

Intersvarsity Chinese Language Publication Launched

Towards the end of the academic year, students from eight campuses in Ontario and Quebec launched what is probably the first intersvarsity Chinese language student publication in Canada.

The *Dragon Press* is published by an editorial committee representing Chinese students from Carleton, Concordia, McGill, Seneca College, University of Toronto, Waterloo, Western Ontario, and Windsor. Each of these campuses already has its own Chinese language student paper, published at irregular intervals, as copies and advertising support become available. Most of the editors and writers are immigrants or visa students from Hong Kong.

The first issue of *Dragon Press* has 32 tabloid-size pages, with a moderate amount of advertisements. It had a print run of 20,000 copies and is being distributed free of charge on campuses and in shopping malls.

Bank of China Issues Notes

The Bank of China, the state-owned foreign exchange bank of the People's Republic of China, became the third note-issuing bank in Hong Kong, along with the Hongkong and Shanghai Banking Corporation and the Standard Chartered Bank.

In Hong Kong, paper currency is issued by authorized commercial banks under the regulations of the Hong Kong Monetary Authority. The Bank of China issued currency with a face value of HK\$3 billion (CDN\$510 million) in May. This constituted four percent of the total in circulation and was expected to increase to a higher percentage in the future.

Apart from serving as legal tender within Hong Kong itself, the Hong Kong dollar circulates widely in the Pearl River delta and elsewhere in the PRC. It has been the favoured medium for foreign trade since the local currency, the renminbi, is not easily exchangeable. PRC authorities have been trying to curb the use of foreign currencies, such as Hong Kong or US dollars, within its borders.

Perspectives at UBC

by Joanne Poon
UBC, Vancouver

Perspectives is a Chinese-English, bilingual student newspaper at the University of British Columbia. It was started two years ago and is published six times a year. The paper's editorial board consists of about forty student volunteers, many of whom are from Hong Kong.

According to its Chief Editor, Wade Fung, *Perspectives* has two main goals – to provide a forum for Chinese students to express their opinions and to introduce Asian and Chinese cultures to non-Asian students. Rather than university politics, the paper covers issues related to the PRC, Hong Kong, Taiwan and Canada. A recent issue carried interviews with three students from Hong Kong, the Mainland, and Taiwan and their different perceptions of Hong Kong issues towards 1997. Regular columns include horoscopes, food reviews, movie critiques, poetry, and short stories. It also carries articles on Chinese history, culture, and festivals, like the Lunar New Year.

During its first year of operation, the editorial committee was challenged with a number of difficulties, which included inadequate financial and technical support, soliciting contributors, and canvassing for advertisements. One of the most time-consuming jobs was the translating and typesetting of articles in both Chinese and English. Now with financial support from advertising and the Publication Board of the Alma Mater Society at UBC, *Perspectives* is on a stronger footing. Typesetting of Chinese characters, which had been done by student volunteers, is now prepared by off-campus professionals. However, there is no full-time staff or regular office, only a mail box.

Perspectives has been well-received at UBC. Non-Asian students who are studying Chinese assert that the paper has provided an interesting and entertaining format for learning Chinese characters and culture. Future plans for the paper include widening its scope and cooperating with other Chinese and Asian student associations to introduce various Asian cultures in forthcoming issues. ♦

Chinese and Japanese Language Education in BC

by Hugh X. Tan
Vancouver

For the past three months, special efforts have been made by the Chinese Language Education Advancement Coalition of British Columbia to promote Chinese and Japanese language education in the province. These two languages were first introduced into the B.C. high school curriculum in 1987. At present, Japanese is taught in 29 school districts and Mandarin Chinese in 11. Over 10,000 secondary students, mostly in the Greater Vancouver area, are studying one of the two languages. Although there is a growing demand for instruction in Chinese and Japanese, they are not currently included in the Provincial Examination, while French, Spanish, Latin, and German are. Considering equity in its admission standards, the University of British Columbia announced earlier this year that, starting in May 1995, it would no longer grant GPA (Grade Point Average) admission credits for these two languages and other courses which are not provincially examined.

Reacting to the UBC decision, the Coalition was formed on 17 March. Membership includes 18 ethnic Chinese community organizations, such as the prominent United Chinese Community Enrichment Services Society (SUCCESS). The Coalition's main goal is to pressure the BC Ministry of Education to include Chinese and Japanese as approved subjects for the Provincial Examination and to have UBC accept the two languages as subjects in calculating GPA for admission purposes.

For this purpose, the Coalition has organized various activities. Letters have been sent to Premier Mike Harcourt, the Minister of Education Art Charbonneau, and other MLA's. The Coalition has also launched a petition campaign to demonstrate community support, not only in Vancouver but also in the adjacent Burnaby and Coquitlam municipalities. About 12,000 petition cards were signed and collected.

On 29 May, a public forum was held at the Chinese Cultural Centre in Vancouver's Chinatown, and over 300 people attended. Dr. William Saywell, president of the Asia Pacific Foundation of Canada, delivered the keynote address. All six speakers stressed the importance of the two Asian languages in developing social and economic relations between Canada and the Asia Pacific Rim countries. Representatives from three levels of government, including Secretary of State for Asia Pacific Affairs, Raymond Chan, also attended and made comments at the meeting.

On 3 June, Premier Harcourt visited the SUCCESS Chinatown office and met with 19 representatives of the Coalition. He promised to arrange a meeting between Coalition members and the BC Minister of Education, Art Charbonneau, who will make the final decision of this matter. He told reporters that he was disappointed with UBC's decision not to grant admission credits for Chinese and Japanese [*Sing Tao*, 4 June 1994, p. 4]. ♦

Seminar on Hong Kong and Canada Business Initiatives

by Janet A. Rubinoff
York University, Toronto

A seminar on "How to Profit in Hong Kong and Canada" was held on 21 June in Toronto. Its primary focus was on case studies of successful business initiatives in the two countries and included sessions on trade, banking and financial services, transport and communications, and infrastructure development, such as architecture and traffic engineering services. The seminar was sponsored by the Hong Kong Economic and Trade Office in association with the Hong Kong-Canada Business Association and the Hong Kong Trade Development Council. Over 100 people attended from the business community as well as academics, journalists, and other specialists. The program was also held in Ottawa on 23 June.

The session opened with remarks from Stephen Lam, Director of the Hong Kong Economic and Trade Office, and an introductory speech by the Hon. Richard Allen, Minister for International Trade for Ontario. Mr. Allen criticized Canada's lack of a global outlook in international trade (80% is with the

U.S.) and stressed that Ontario was poised to improve rapidly its Asia-Pacific trade, especially in infrastructural developments like telecommunications and power plants.

"Canada's trade with Hong Kong has increased by 40% since 1990 to over CDN\$4 billion," which he attributed, in part, to the growing influx, especially to Ontario, of Chinese immigrants from Hong Kong.

Tony Miller, Director-General of Trade of the **Hong Kong Government**, presented an overview of the Hong Kong economy. He stressed what Hong Kong had to offer in terms of 27 years of continued growth in GDP and trade. He also declared, "Now we are learning how to live with prosperity," including high inflation (8.5% in 1993-94) and the rising costs of doing business in the city.

Though there is considerable talk about emigration from Hong Kong towards 1997, Mr. Miller emphasized the number of people who are arriving in Hong Kong to work and live. This, he said, includes over 30,000

Americans, 18,000 Australians, 40,000 Canadians, and many other western expatriates. There are now 150 Canadian companies with offices in Hong Kong and over 450 which are represented by agents. Finally, Mr. Miller stressed the excellent business climate in Hong Kong with low taxation (only 16.5%), no tariffs on goods imported into Hong Kong, unobtrusive government, and maximum infrastructural support. The latter includes the new airport, expanded port facilities, environmental improvement projects, land reclamations, and excellent high speed transport service to the Pearl River Delta and other parts of Mainland China. Hong Kong is "the perfect place to do business with the PRC and the rest of Asia." Mr. Miller also delivered the keynote luncheon address on "GATT Uruguay Round, APEC and Hong Kong," in which he underscored the importance of free trade and the lowering of tariffs to Hong Kong's and the world's continued development.

Initiatives, cont'd on page 14

The remaining speakers presented case studies of the success and profitability of their businesses in Hong Kong. Victor Steel,

Chairman of **Consumers Distributing Inc.**, stressed his company's role as an importer of goods from Hong Kong and other Asian countries. In his address on "Trading with Hong Kong," Mr. Steel emphasized the increased globalization of Canadian retailing, the tremendous opportunity for Hong Kong and Asian companies to produce unique, quality goods for the Canadian market – especially house brands for retailers like Consumers Distributing, and the commitment of his company to "new style growth," including larger super stores and improved product quality.

Christopher Crook, Chief Operating Officer of the **Hongkong Bank of Canada**, spoke on the "Growth of the Hongkong Bank in Canada." Among the many factors for the success of the Hongkong Bank since it was first established in Vancouver in 1981, he listed: 1) its focus on small and intermediate businesses (88% of loans are for \$500,000 or less); 2) its service and customer-oriented approach and very dedicated staff; 3) the purchase of the Bank of British Columbia in 1986, which gave the Hongkong Bank a multi-branch retail network in BC and Alberta; 4) the influx of Hong Kong immigrants to Canada, who were establishing businesses here, and the growing trade between Canada and Asia (especially in BC which has been the province with the healthiest economy during the recession); 5) purchase of Lloyd's Bank of Canada in 1990 which gave the Hongkong Bank more representation in Quebec and Atlantic Canada; 6) the Bank's extensive experience in trade finance; and 7) the support of the huge Hongkong and Shanghai Banking Corporation (tenth largest in the world), in particular with the high costs of new technology. In conclusion, he stressed the role of the Bank in encouraging and facilitating the growth of Canada-Hong Kong and Asian trade.

In his talk on "Financing Chinese Assets through the Canadian Capital Market," Michael Edwards, President and CEO of **Richardson Greenshields of Canada Ltd.**, addressed the opportunity for Canadians of raising and investing domestic capital, especially for PRC development. One of the largest independent investment firms, Richardson Greenshields has maintained an office in Hong Kong for the past 25 years and is the only Canadian member of the Hong Kong stock

market and futures exchange. The firm was the first agency in Canada for investment in PRC stocks and shares.

Richard Chow, Deputy Managing Director of **INFA Telecom Asia Ltd.**, spoke on telecom market potentials in Asia and the role of his company in "Telecommunications in Hong Kong and China." Compared with the world growth rate of 2.2% over the past year, Asia represented unique market conditions with a growth rate of 8.7% overall and China alone experiencing 13%. The PRC plans to invest \$8 billion a year towards 2000 in telecommunications infrastructure, so there are unique opportunities for Canadian expertise and businesses in this explosive development. Mr. Chow emphasized the importance of *guanxi* or connections and the key role of Hong Kong firms in doing business in the PRC.

James Barrington, Vice President, Canada, of **Cathay Pacific Airways**, addressed the topic of "Air Services Between Hong Kong and Canada," including the issues of routes between Hong Kong and Canada, the merits of regulation and deregulation, and the PRC relationship with Hong Kong. Cathay Pacific and Canadian Airlines International are the companies authorized to operate flights between Hong Kong and Canada under a bilateral air services agreement between the two governments. Since 1983, Cathay Pacific has provided direct flights from Vancouver to Hong Kong. With a 60% growth rate in traffic between Canada and Hong Kong, the airline, since June, has expanded its services to three direct flights per week from Toronto to Hong Kong [see "News in Brief," p. 10].

He stressed the need for a stable aviation environment (regulation, rather than over- or deregulation) which guaranteed a certain level of profits, and discussed the implications to the airline industry of the transfer of sovereignty of Hong Kong to the PRC. With the development of a growing middle class in Mainland China, he predicted a major market for overseas tourism and airline expansion. Cathay Pacific will continue to invest in the PRC airline industry. The opening of the new airport in Hong Kong will also provide new growth opportunities. He felt that since the Joint Declaration provided that Hong Kong airlines may continue to operate as before, Cathay Pacific was optimistic about the transfer of sovereignty after 1997 and had ordered \$8 billion in new aircraft through the year 2000.

The final session on infrastructure developments focused on architecture and telecommu-

nications. William Nankivell, Director of Business Development for **Zeidler Roberts Partnership**, Canada's largest architectural firm, spoke on "Canadian Architecture Expertise for the Asian Market." He stressed the importance for his company – especially during the recent recession – of a balanced international client base and a diversity of projects. Because of the variety of local rules, by-laws, traditions, and construction materials in different regions and countries, his firm had found the export of *expertise* in designing complex building types more successful than of specific designs or materials. For the architect it is particularly important to understand the design needs of particular clients as well as the relationship between functional and emotional environments of another culture.

Zeidler Roberts maintains a permanent office in Hong Kong although its main projects are in the PRC. A major problem in dealing with in the PRC, Nankivell mentioned, has been the inconsistency of the planning and development processes and the need for more standardization of local building regulations.

The final speaker, Joseph Lam, Director and Senior Vice President, Systems Engineering of **Delcan Corporation**, outlined the success of his engineering consulting firm in "exporting" traffic management systems to Hong Kong and the PRC. His firm had developed an effective business strategy over the years in the Hong Kong market by concentrating on a "niche-focus" – i.e. traffic and systems engineering only – rather than a multi-disciplinary approach. The company, he said, has also focused on the "infrastructure food chain" of command in developing a market for its engineering projects.

In Hong Kong, Delcan designed and installed the traffic control system for the Tate Cairn Tunnel between Kowloon and Shatin. It recently landed a contract for the design of traffic control and monitoring systems for the Lantau Island Fixed Crossing of the new Hong Kong airport expressway. The technology that will be used in this project was first developed by Delcan Corporation and the Ontario Ministry of Transportation for Ontario's COMPASS freeway traffic management system. The Hong Kong project is expected to generate more than CDNS10 million of economic activity in Ontario as a good proportion of the computer and traffic control equipment for the project will be manufactured in Canada. ♦

Three U. of T. Professors Honoured

Tak Mak of the Departments of Medical Biophysics and Immunology was one of four University of Toronto professors elected this March as Fellows of the Royal Society of London. Prof. Mak is a senior staff scientist with the Ontario Cancer Institute of Princess Margaret Hospital and director of the Amgen Research Institute.

Prof. Mak, 47, immigrated originally from Hong Kong and completed his PhD in biochemistry at the University of Alberta in 1971. The focus of his work is understanding how the body recognizes diseases. He cloned the T-cell receptor gene, a major advance in understanding the body's immune system. Recently his research, involving the generation of mice lacking specific genes considered to play crucial roles in immune responses, has also led to significant insights in immunology.

The Royal Society of London for Improving Natural Knowledge, founded in 1662, is one of the oldest scientific societies in the world. Each year 40 new individuals who have made an original, significant contribution to science are elected as fellows to the Society, which sustains a membership of about 1,000. At present there are 45 in Canada, 12 of whom are from U. of T.

On May 12 two U. of T. academics, originally from Hong Kong, were also named University Professors, the highest rank the university confers on its faculty members. **Julia Ching** of the Department for the Study of Religion and **Lap-Chee Tsui** of the Department of Molecular and Medical Genetics were two of six scholars appointed this year. Prof. Ching, who also holds appointments in the Departments of East Asian Studies and Philosophy, is widely regarded as an expert on East Asian and Western religion and philosophy. She is the author of eight books, including her most recent publication on the Tiananmen massacre entitled, *Probing China's Soul: Religion, Politics and Protest in the People's Republic*.

Prof. Tsui is the premier human geneticist working in the area of cystic fibrosis. In 1989 he and two collaborators identified the gene that is defective in patients with the disease. This discovery has led to the start of clinical trials using gene replacement therapy. ♦

Workshop on Identity of Hong Kong

The Canada and Hong Kong Project co-sponsored, and the Faculty of Law and the Institute of International Relations of the University of British Columbia, an academic workshop on the "Identity of Hong Kong." Over thirty participants attended the seminar which was held at the Hotel Vancouver in downtown Vancouver on 29-30 April. It was organized by Professors Maurice Copithorne, Brian Job, and Diana Lary with the assistance of Shannon Selin and Joanne Poon, all of the University of British Columbia.

Scholars from several universities across Canada and from two universities in Hong Kong, prominent professionals from Hong Kong and Vancouver, and Canadian and Hong Kong officials in Canada, spent two days discussing the issues.

The workshop was organized around three areas of discussion: legal issues, internal issues, and Hong Kong in Asia. The seven presentations included:

"**The Significance of the Common Law in Defining Hong Kong's Identity**," by Robert Tang, Q.C., Hong Kong

"**Citizenship and Residence Issues after 1997**," by Maurice Copithorne, UBC

"**Hong Kong People's Perceptions of their Identity**," by Bernard Luk, York University

"**Hong Kong Senior Civil Servants' Perceptions of Political Development**," by Jane Lee, City Polytechnic of Hong Kong

"**Models of Retrocession**," by Diana Lary, UBC

"**Hong Kong as a Member of the Greater China Community**," by James Tang, Hong Kong University

"**Hong Kong as an East Asian/Southeast Asian Regional Player in ADB, PREC, PECC, APEC, ESCAP**," by Kim Nossal, McMaster University

Lively and in-depth discussion followed the presentations at each session, and a number of stimulating and insightful ideas were exchanged. Plans are under consideration to publish papers from the workshop. ♦

New Project Publications

The fourth book in the Canada and Hong Kong Papers series will be published this summer by the Canada Hong Kong Project. Based on papers delivered at the second Legal Workshop on 2 October 1992, the book is entitled *Canada-Hong Kong: Human Rights and Privacy Law Issues* and is edited by Johannes Chan, Faculty of Law at the University of Hong Kong, and William Angus, Osgoode Hall Law School of York University.

The book consists of an introductory article by Johannes Chan on "The Hong Kong Perspective", two papers on the Bill of Rights, and one on privacy law. The papers include, "**Bill of Rights: Canada Leads, Hong Kong Follows?**" by Richard Cullen, Department of Professional Legal Education, City Polytechnic of Hong Kong; "**Interpreting the Hong Kong Bill of Rights**" by Nihal Jayawickrama, Faculty of Law, University of Hong Kong; and "**The Right to Information in Hong Kong**" by Eva Lau, formerly of the Faculty of Law of the University of Hong Kong and now qualifying for the Ontario bar. This book can be purchased directly from the Canada and Hong Kong Project office for \$12 (see back cover).

Two other books are also planned for publication at the end of the summer. These include research papers on **Hong Kong Visa Students in Canada**, based on a Project seminar from October 1992, and papers from the recent Vancouver workshop on "**The Identity of Hong Kong**". (See the accompanying article) ♦

Lambert Appointed Canadian Commissioner to Hong Kong

The Department of Foreign Affairs and International Trade announced on July 12 the appointment of the new Canadian Commissioner to Hong Kong. **Garrett C.M. Lambert** will replace the outgoing Commissioner, John Higginbotham [see, "Transfer of Heads of Government Missions", p. 5]. Mr. Lambert is currently Assistant Deputy Minister, Corporate Management, of the Department of Foreign Affairs and International Trade.

PROJECT PUBLICATIONS

Canada and Hong Kong Papers:

- No. 1: **Politics and Society in Hong Kong towards 1997**, Charles Burton, ed., 1992. \$12
No. 2: **Canada-Hong Kong: Some Legal Considerations**, William Angus, ed., 1992. \$12
No. 3: **Hong Kong and China in Transition**, by J. Burns, V. Falkenheim, & D.M.Lampton, 1994. \$12
No. 4: **Canada-Hong Kong: Human Rights and Privacy Law Issues**,
Johannes Chan and William Angus, eds., 1994. \$12

Research Papers:

- No. 1: **Economic Integration of Hong Kong with China in the 1990s**, Yun-Wing Sung, 1992. \$7

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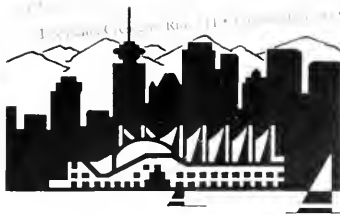
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CANADA AND HONG KONG UPDATE

Number 13

加港研究通訊

WINTER 1995

Rough Ride Towards 2000?

by Bernard H.K. Luk
York University, Toronto

Since the last *Update* was published seven months ago, a great deal has happened in the political relations between Hong Kong and the People's Republic of China (PRC), which brings much uncertainty to the territory in the short run but which might also create improvement in the longer term.

At the end of June, Governor Chris Patten's constitutional reform package [see *Updates* no. 8-12], which had attracted nearly two years of invective from PRC officials, passed the Legislative Council (Legco) after a 17-hour-long debate. For the Councillors and many Hong Kong citizens, it was a compromise solution between a proposal to have all 60 seats directly elected by universal suffrage and more conservative alternatives.

The government proceeded to implement the new electoral arrangements that will replace appointed seats on Legco, the municipal councils, and the district boards with a combination of members who will be directly elected, indirectly elected, or elected by functional constituencies. PRC officials reacted to this extension of democracy by declaring that there would be no "through train" [see *Update*, no. 9, Spring 1993, p.3.] for Hong Kong's three-tiered representative struc-

ture. The Standing Committee of the National People's Congress (the parliament of the PRC) resolved that the Legco, municipal councils, and district boards elected in 1994 and 1995 would all be disbanded when the PRC assumes sovereignty over the territory on 1 July 1997. However, what will take the place of these elected bodies remains unclarified.

The **Preliminary Working Committee** (PWC) (see *Update*, no.12, Spring 1994, p.2.), appointed by PRC officials as the "second stove" to oversee the political transition, met on numerous occasions throughout the year. Made up of PRC officials and their appointees from Hong Kong, the PWC and its subcommittees meet in private, and its decisions are seldom formally announced. However, there have been many leaks from individual PWC members. While it is never clear if any particular idea represents official thinking, consensus of the PWC, or just an individual opinion, these leaks often have been troubling to Hongkongans.

For example, in September, the suggestion was made that after 1997 all Commonwealth university degrees would be de-recognized, while PRC degrees would be given blanket recognition. If implemented, such a change would bring

Opening of Canada-Hong Kong Resource Centre

A reception and ceremony was held on 18 November 1994 to formally establish the new Canada-Hong Kong Resource Centre, housed at the Joint Centre for Asia Pacific Studies offices at the University of Toronto, 1 Spadina Crescent. Heather Munroe-Blum, Vice-President (Research and International Relations) of the University of Toronto, unveiled a plaque thanking the Hongkong Bank of Canada for its donation of \$500,000 for the Resource Centre. Michael Stevenson, Vice-President (Academic Affairs) of York University, presented the Centre with a collection of over 100 microfilms, containing a complete and fully indexed set of Hong Kong newspaper clippings from 1980-1994.

The donation of the Hongkong Bank of Canada, to be paid over five years, will support the collection of the Resource Centre, which has been developed from the Canada and Hong Kong Project's database, books, and research materials on Hong Kong. The Centre will serve as an archive for Hong Kong immigrant communities in Canada, as well as a comprehensive research collection on Canada-Hong Kong relations and developments in Hong Kong before and after 1997.

The present Resource collection consists of the Project's database of over 5,000 articles and newspaper clippings in English and Chinese, Chinese language newspapers from Toronto, the *South*

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CANADA AND HONG KONG UPDATE

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CANADA AND HONG KONG PROJECT

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We want to thank the Donner Canadian Foundation for its very generous support which has made this project possible. The Foundation's long-standing interest in Canada's international relations with Asia has enabled us to conduct research which we consider to be of great significance for the future of the country.

This publication is free. Please call or write to us for past or future issues.

Letter from the Co-Directors

This edition of the *Canada and Hong Kong Update* is the last to be produced under the grant from the Donner Canadian Foundation. We intend to continue publishing the *Update*, as the connections between Canada and Hong Kong become closer and the issues involving the two places are intensified as 1997 draws near. At the moment, however, funding is not in place for the continuation of the *Updates*. Though we are actively seeking new funds, it is possible that there will be a hiatus before the next issue comes out. In the meantime we would like to thank Janet Rubinoff, who has been responsible for bringing out most of the *Updates*, for all her hard work and dedication to the Project.

Diana Lary, University of British Columbia
Bernard Luk, York University

Letter from the Editor/Coordinator

As this issue of the *Update* will end my association with the Canada and Hong Kong Project,

I would like to take this opportunity to say good-bye and to thank the directors for their encouragement and support. In the past four years, I have learned a great deal about Hong Kong, the territory, and the Hong Kong immigrant community in Canada. I have met and worked with a number of interesting specialists, not only in the academic community but also in government, the press, business, and in the Chinese-Canadian community. It was a privilege to be associated with such an interesting and timely research project, and I am glad to have had the opportunity to contribute my skills as a social scientist and as an organizer, writer, and editor.

Janet A. Rubinoff, Ph.D.

Rough Ride, cont'd from page 1

have to the occupational structure and the economic and administrative functioning of the territory. It would also have serious implications for Canadian universities where thousands of Hong Kong students are enrolled.

In October, the proposal was made that an interim legislature for Hong Kong could be appointed by Beijing after it disbands Legco in 1997 and before it holds new elections. Many Hongkongans find it difficult to accept that the Legco elected in 1995 might be abolished in 1997. Even if this were done, it is not clear why new elections could not be held during the summer of 1997 for a new assembly to convene in October.

Another topic before the PWC is of special concern to Canada, namely, the **right of abode** in Hong Kong after 1997 for Hongkongans who have emigrated and naturalized in other countries. At present, both Canadian and Hong Kong law recognizes dual nationality, and Canadian citizens of Hong Kong origin experience no legal obstacle to return to Hong Kong to work. This "return flow" has proved beneficial for the economic, cultural, and social ties between the two societies and helpful to Canadian trade in the Asia Pacific region. PRC law, however, does not recognize dual nationality, so Chinese who have naturalized abroad are considered aliens in the PRC. So far, the right of abode (as distinct from citizenship) for "return flow" emigrants in Hong Kong (as distinct from the Chinese Mainland) remains unclear. The issue is said to have been brought up by Canadian officials in their contacts with PRC officials.

In addition to the promise to disband Legco and other representative bodies, PRC officials also threatened to disallow the continuity beyond 1997 of the **judicial and administrative organs**

of Hong Kong government. A Court of Final Appeal, to take the place of the British Privy Council, was to have been established in 1991. However, a PRC-UK secret agreement on its composition was rejected by Legco and by the legal professions in Hong Kong on the ground that it reneged on provisions for greater autonomy contained in the Sino-British Joint Declaration (1984). The matter was brought up again before Legco and the legal professions during 1994. However, Mr Lu Ping, the PRC minister in charge of Hong Kong affairs, declared that even if the Court were set up now in accordance with the 1991 agreement, that would not guarantee that the Court or the rest of the judiciary would survive the change of sovereignty. Hongkongans are greatly concerned about the agenda to be put before the proposed interim legislature.

Mr. Lu posed another ominous question in January when he demanded that the Hong Kong government hand over the personnel files of senior civil servants to PRC authorities. Governor Patten retorted that this was beyond anything ever demanded of the Hong Kong government by the UK authorities and that he was prepared only to hand over files to the future government of the post-1997 Special Administrative Region. Mr. Lu lost his temper in public. The acrimony continues. The public is left to wonder about how many files, what kinds, and how far down the civil service hierarchy may be demanded for transfer to Beijing.

The economy as a whole during 1994 was not as buoyant as in the previous one and a half years. The **Hang Seng Index** stood at about 12000 at the beginning of 1994 and at around 8000 in early February 1995. Housing prices also dropped by about 20% in the course of the year. The slowdown has been due to a combination of

factors: the overheating in the preceding period, attempts by the PRC as well as US authorities to cool down their respective economies (the two most important trading partners of Hong Kong), efforts by the Hong Kong government to make housing somewhat more affordable, and a general reduction in confidence in the future, both among Hongkongans and foreign investors. More recently, Hong Kong is caught in the middle of a looming trade war between the PRC and the US. Even a partial agreement between the PRC and the UK on financial arrangements for Hong Kong's new airport, reached in November after years of wrangling, did not boost the markets significantly. During the Christmas and Lunar New Year shopping season, retail trade was decidedly slower than for a number of years.

Nevertheless, the sense of caution and of pessimism has not paralysed Hong Kong. For most people, it is business as usual, as they go through their daily rounds. And political parties have thrown themselves into the local elections with gusto. Despite the threats and pronouncements from the north, all parties contested the district board elections in September, when for the first time all seats on the nineteen boards were open to direct election. There was a record turnout, and most parties made significant gains.

The Democratic Party, formed last August by the amalgamation of the United Democrats and Meeting Point, the two largest pro-democracy groups, won 75 seats. The Association for Democracy and People's Livelihood, another pro-democracy group, won 28. Taking part in electoral politics for the first time, the Democratic Alliance for Betterment of Hong Kong (DAB), which is the party of the pro-Communist labour unions, won

37. The Liberal Party, led by formerly British-appointed Legco members who now often support PRC positions, won 18. In addition, some candidates who ran as independents and won were supported by pro-Communist groups, but did not advertise their connections. All in all, it was a balanced outcome in an orderly functioning of democracy at the grassroots level that gave encouragement to all sides and confidence to the community in its ability to exercise its democratic rights.

Although the Democratic Party declared in its party constitution its adherence to the PRC Constitution and to the Basic Law, PRC officials continued to shun the party for its leaders' strong support of the Tiananmen movement in 1989. The PWC suggestion, made in October, for an interim legislature to be appointed after 1997 might have been intended to splash cold water on popular ardour after the September elections. Strong public sentiments, however, remained in favour of democracy, as attention in Hong Kong focused on the provincial and municipal elections in Taiwan throughout much of November and December. The massive turnout and generally peaceful balloting that resulted in a well balanced distribution of power among the three major Taiwan parties was hailed by many in Hong Kong as a major step forward for all Chinese. It was not lost on Hongkongans that the Taiwan elections were fought on the basis of which party could provide the most honest, efficient, and democratic government and the most effective resistance to absorption by the PRC.

The new year opens with Hong Kong parties preparing for the municipal elections in March. For the 59 seats to be contested, the Democrats have nominated 33 candidates and the DAB 15.

Again, some "independent" candidates have ties to pro-Communist groups. For the first time all the seats on the Urban Council and the Regional Council are to be directly elected by universal adult suffrage. Hence, the elections are taken very seriously both in themselves and as a warm up for the Legco elections later in the year.

Even the New China News Agency (the PRC government office in Hong Kong) is encouraging its supporters among the general public to vote, as a means to "develop future government personnel for Hong Kong," although Beijing vows to negate the results in 1997. NCNA officials also encouraged the formation in July 1994 of a new party, the Hong Kong Progressive Alliance of conservative business and professional personalities with little previous track record in public or community service. Presumably this was to broaden support for the NCNA, in addition to its backing from the DAB and the Liberal Party. When the Hong Kong government announced in January its intention to withdraw the proposed pension scheme for seniors in the face of PRC opposition, the DAB joined with the Democrats and other pro-democracy groups to press the government for some general retirement provisions. Only the Liberal Party abstained from this all-party collaboration.

The future certainly is in doubt, not only in Hong Kong but also in the PRC, where the politics of the post-Deng era will be played out in the next few years. While a giant clock installed by Mr. Lu Ping on Tiananmen Square counts down the seconds, minutes, hours, and days towards 1 July 1997, observers ponder how many of the major political players in Hong Kong or the PRC will still be on stage beyond that date. ♦

Opening, cont'd from page 1

China Morning Post, microfilms, and the recent shipment of over 3,000 volumes of books, government publications, and other research materials collected in Hong Kong by the coordinator of the Centre.

In July 1994, Peter Yeung was appointed coordinator of the Resource Centre. He is responsible to the co-directors of the Canada and Hong Kong Project for operation of the Centre, collection development, acquisition and cataloguing, referencing, and bibliographic control. Mr. Yeung, who immigrated to Toronto in 1991, worked for 25 years as a professional librarian in the library system of Hong Kong University. In 1973 he initiated a special collection at the library of documents, publications, manuscripts, and other material related to Hong Kong. This collection, under his direction, later became the Hung On-to Memorial Library, named in honour of



Opening ceremony of the Canada-Hong Kong Resource Centre. From left to right: Peter Yeung, Michael Stevenson, Paul Evans, John Lam, S.V.P. of Hongkong Bank of Canada, Heather Munro-Blum, C.M. Leung, Bernard Luk and Diana Lary.

the family trust that helped finance purchases. It is the most important resource for Hong Kong studies in the world. Mr. Yeung recently returned to Hong Kong to acquire books and other research materials for the Canada-Hong Kong Resource Centre. He has also requested members of the Hong Kong immigrant community to deposit their documents with the new Centre.

An advisory committee for the Resource Centre is being formed and will consist of scholars from York University and the University of Toronto, community leaders, and government officials. It will serve as a reservoir of expertise and experience for collection building and liaison. The Resource Centre will open to the public during the spring of 1995. Its collection will be non-circulating but will be made available for use on the premises by researchers. ♦

Democracy and Development: The Hong Kong Paradigm

by Rup Narayan Das

Jawaharlal Nehru University, New Delhi

The ongoing debate over the pace of democratization in Hong Kong has triggered a moot question: whether increased democratization, making the legislature more representative and broad-based, will promote or retard growth and development in Hong Kong. The causal connection between democracy and development is of crucial importance in the case of Hong Kong, which has a long-standing tradition of a *laissez-faire* market economy without a strong tradition of liberal, representative democracy. The controversy has assumed added significance in light of the Legislative Council's approval of Governor Chris Patten's electoral reforms, broadening Hong Kong's electoral base, and the subsequent unanimous vote by the Standing Committee of the National People's Congress of China to disband Hong Kong's Legco after 1 July 1997.

Given Hong Kong's role during the pro-democracy movement after 4 June 1989, the PRC's main concern is that Hong Kong will be used as a base for subversion of the Communist system and that Patten's democratic reforms will have a corrosive influence in Hong Kong and destabilize its economy and society.

The debate on whether democracy will promote or impede development in Hong Kong is best understood in the context of the political economy of the territory. From its inception as a British colony, Hong Kong has been known for its "rags to riches" stories, its dynamic entrepreneurs fuelled by productivity and profit. Initially serving as an entrepot, Hong Kong has emerged at the end of 20th century as the world's third largest financial centre, as well as a leading manufacturing and trading city. Many attribute Hong Kong's economic resilience to its freewheeling economy and the political insularity of its people.

This political apathy, characterized by political consensus and societal harmony, is clearly reflected in the system of government which has evolved in the territory over time. Hong Kong's political stability is attributed to the success of the colonial government in ensuring the cooperation of the Chinese elite. This phenomenon has been described by Ambrose Yeo-chi King as the "administrative absorption of politics," an arrangement whereby leaders among the Chinese populace are co-opted into the government administrative machinery. According to Lee Ming-kwan ["Politicians," in *The Other Hong Kong Report 1990*, p. 122], "This political support accorded to

the colonial government by this elite then produces legitimacy for a polity that works without the mandate of the people."

It is against this backdrop of the consensus politics which has given stability and prosperity to Hong Kong that some advocates make the plea not to disturb Hong Kong's "social harmony." Adherents of this viewpoint support an authoritarian capitalism which can be secured by either the rule of a dominant party or charismatic leadership. Such an approach is advanced by many high profile businessmen of Hong Kong, such as T.K. Ann, a leading industrialist; the late Sir Y.K. Pao, shipping tycoon; David Li of the Bank of East Asia; and Hari Hailala, the doyen of the Indian community in Hong Kong and also a leading businessman.

The plea in favour of right-wing capitalism is based on the argument that "...China is converting from a left-wing totalitarian dictatorship to a right-wing authoritarian government and that the Communist Party of China will soon be a Communist Party in name only. This line of thought holds that expansion of the market economy is eroding the economic justification of the Communist system" [George L. Hicks, "Hong Kong After the Sino-British Agreement," in Jürgen Domes & Yu-ming Shaw (eds.), *Hong Kong: A Chinese and International Concern*, p. 238].

The protagonists of this view tend to believe that if the open door policy and economic liberalization of China succeed, then by 1997 the PRC will be practising an authoritarian capitalism which can be imposed on Hong Kong. Some Hong Kong businessmen echo the sentiment expressed by Lee Kuan Yew, the conservative leader of Singapore, that the exuberance of democracy leads to indiscipline and disorderly conduct which is inimical to development.

Similarly, Phillip Tose, chairman of Peregrine Investments, a Hong Kong merchant bank, is of the view that Hong Kong needs *economic democracy*, not political democracy. He compares underdeveloped countries like India and the Philippines, which have rich natural resources, to the newly industrialized nations (NICs) of Asia, such as Singapore, Taiwan, South Korea, and Hong Kong. Tose opines that the high economic growth of the NICs is due to the authoritarian regimes that have created the right environment for business to thrive, whereas countries like India and the Philippines have not prospered economically because of their democratic polity.

While Tose and others plead for a more authoritarian capitalism, the late Lord Kadoorie, who was a leading Hong Kong businessman, advocated that the territory could best survive under a benevolent oligarchy. In many ways, such an oligarchy would be the continuation of Hong Kong's existing elitist and paternalistic system of government. A common theme running through all these alternative approaches to the question of democracy in Hong Kong is that British-style electoral politics will politicize the people of the territory, which will in turn unleash disruptive and destabilizing forces inimical to economic development.

However, the argument that only an authoritarian regime can ensure stability in Hong Kong is simplistic. No one disputes that political stability promotes the continuity of policies and programmes which could facilitate growth and development. But authoritarian regimes are not immune from instability, and the prosperity achieved by regulated regimes is as fragile as its stability is vulnerable. Singapore's phenomenal growth and prosperity are not due to its political stability alone. Among other factors, the city's economic success is related to the high quality of its leadership and the strong sense of discipline, dedication, and hard work of its people — qualities which are also common to Hong Kong.

As advocates of greater democratization maintain, Hong Kong's culture is not authoritarian. Although its people might have been indifferent to politics in the past, given its historical circumstances as a British colony, its culture and tradition of consensus are more attributes of democracy than of autocracy. Contrary to the conservative position of some business people, Hong Kong's stability and way of life — its spirit of entrepreneurship — would be better maintained through democratic institution-building than through autocratic rule.

In the words of Governor Patten when he first introduced his reform proposals to the Legislative Council in October 1992, "democracy is more than just a philosophical ideal...without the rule of law buttressed by democratic institutions, investors are left unprotected. Without an independent judiciary enforcing laws democratically enacted, business will be vulnerable to arbitrary political decisions taken on a whim — a sure recipe for a collapse in confidence and a powerful deterrent to investors from overseas." ♦

Prime Minister Chrétien's Visit to Hong Kong

Prime Minister Jean Chrétien and his "Team Canada" of federal ministers and provincial premiers visited Hong Kong in November after their trade promotion tour of the PRC. In his speeches in Hong Kong, the prime minister reiterated

Canadian support for maintaining Hong Kong's traditional freedoms and institutional stability.

Mr. Chrétien presided over the Remembrance Day ceremony at the Saiwan Military Cemetery, where the bodies of

Canadian soldiers killed in the defence of Hong Kong in 1941 were buried.

Mr. Raymond Chan, Secretary of State for Asia Pacific Affairs, visited Hong Kong again in January. ♦

1993 Hong Kong Immigrants Landed in Canada: Demographics

by Diana Lary, UBC, Vancouver

The number of immigrants from Hong Kong landed in Canada in 1993 continued at a level close to 1992's high of 38,841. The figure of 36,511* for 1993 is made up of all immigrants whose country of last permanent residence was Hong Kong (CLPR HK), and includes people whose visas were issued in Hong Kong and at other Canadian offices abroad. In 1993 22% of CLPR HK visas were issued elsewhere than Hong Kong. [See 1992 Demographics in *Update*, No. 10, Summer 1993, pp.8-9.]

Demographic characteristics have not changed greatly between 1992 and 1993. The male/female ratio and the marital status of Hong Kong immigrants have shown a high degree of stability. The levels of knowledge of one of Canada's official languages edged up in 1993, moving back towards levels of earlier years. There was also a slight reversal in a previous downward trend in terms of educational levels, particularly in post-secondary education, though the proportion of immigrants with secondary school education or less changed only very slightly. Education levels remain lower than for the early years for which we recorded statistics. The proportion of people who did not intend to work once they were in Canada, usually because they were too young or too old, rose slightly between 1992 and 1993.

In several demographic aspects there are marked contrasts between immigrant classes, for example in levels of education and in language knowledge. We have indicated some of these where there is a significant variation.

Male/Female ratio

In 1993 the male/female ratio came close to balancing. The ratio was 51.5:48.5 (women:men) – a slight change from the 1992 ratio of 52:48, which in itself was closer to balance than the 1991 ratio of 53:47. The 1993 ratio was almost back to the 1990 ratio of 51:49.

	Male	Female	Total
1988	11142	12139	23281
1989	9396	10465	19861
1990	14159	14790	28949
1991	10505	11824	22329
1992	18785	20056	38841
1993	17698	18813	36511

Marital status

The proportion of married people in the Hong Kong immigrant group landed in 1993, which declined slightly in 1992 to 47% of the group, rose again in 1993 to 49%, the same figure as for 1991. The proportion of once married but now single people (widowed, divorced, or separated) remains very low in 1993 at 4% of the total, slightly below the 5% for 1992 and 6% for 1991. Most of the single group can be assumed to be made up of children and young people who are not yet married.

	1988	1989	1990	1991	1992	1993
Single	10914	9603	14269	10227	18511	17130
Married	11645	9656	13837	10745	18387	17883
Widowed	503	437	613	1154	1629	1115
Divorced	168	118	177	140	231	255
Separated	51	47	53	63	83	128
Total	23281	19861	28949	22329	38841	36511

Age distribution

For several of the years covered by our reports there was an aging trend in immigrants from Hong Kong. In 1988, only 15% of new immigrants were over 45; by 1992 this proportion had more than doubled, to 32%. In 1993 the trend reversed slightly, to 28%. The decline in the proportion of people in the prime ages for economic activity, between 25 to 44, continued. The proportion fell to 40%, from 41% in 1992, 44% in 1991, 49% in 1990, 48% in 1989, and 50% in 1988.

The proportion of children (0-14) showed a small rise in 1993, to 15%, after a decline in 1992 to 13%. The new figure is higher than 1991 (14%), but still lower than 1988 (22%) and 1989 (20%). The proportion of young people (15-24) continues on a stable upward trend, an increase of about 1% a year. In 1993 it rose again slightly to 15%, from 14% in 1992, 13% in 1991, 12% in 1990, 14% in 1989, and 12% in 1988.

The proportion of middle-aged people (45-64) continues its own upward trend. In 1993 it hit 22%, up from 21% in 1992 and 19% in 1991. Before that the proportion was much lower, at 13% for 1988, 14% for 1989, and 12% for 1990. The proportion of people over 65 went down in 1993. After rising for several years, it has started to decline again. In 1993 it was 7%, down from 10% in 1992 and 1991. This figure is closer to the figures for 1988 and 1989 (3%) and 4% (1990). The retired class no longer exists, but people who made applications before it was abolished are still arriving in Canada.

	0-14	15-24	25-44	45-64	65+	Total
1988	5126	2825	11686	2911	733	23281
1989	4132	2769	9532	2723	705	19861
1990	6478	3432	14303	3565	1171	28949
1991	3225	2891	9789	4242	2182	22329
1992	5378	5525	15880	8171	3842	38841
1993	5560	5983	14585	7864	2509	36511

Age levels by immigration class

The age distribution of immigrants by class offers only minor variations from the pattern of the past few years. In the retired class there are far more people towards the upper end of the spectrum, as would be expected, but in every other class the largest age group represented is that between 25 and 44, the optimum age for economic activity.

	0-14	15-24	25-44	45-64	65+	Total
Family	183 2%	747 9%	4478 48%	2011 21%	1852 20%	9271
Refugee	3 27%		8 73%			11
Asstret	953 27%	470 13%	1694 47%	468 13%		7 3592
Entrepreneur	1950 25%	1729 22%	2627 34%	1372 18%		10 7688
Self-employed	242 27%	153 17%	348 39%	152 17%		895
Investor	1061 20%	1414 27%	1552 30%	1172 22%		22 5221
Retired		92 2%	1025 18%	1741 30%	594 10%	5768
Independent	1084 27%	447 11%	2137 53%	373 9%		24 4065
Total	5568 15%	5985 16%	14585 40%	7864 22%	2509 7%	36511

Language abilities

Just under half of Hong Kong immigrants to Canada in 1993 could speak one or both of the official languages. The proportion of English-speaking immigrants from Hong Kong rose in 1993, back to the levels of 1991, after a decline to 45% in 1992. The number of French speakers (unilingual or bilingual) increased for the second year running, to 0.4%, up from 0.38% in 1992, and 0.27% for 1991.

	English	French	Bilingual	Mother Tongue Only
1988	13076 56%	56.24%	91.39%	10058 43%
1989	10233 52%	26.13%	75.38%	9527 48%
1990	14297 49%	8.03%	98.34%	14543 50%
1991	10675 48%	16.07%	46.20%	11591 52%
1992	17561 45%	35.09%	115.29%	21115 54%
1993	17544 48%	10.03%	108.30%	18849 51%

The variations in levels of official languages from class to class noted in 1992 remained quite stable for 1993. The independent and assisted relatives classes continued to have the highest levels, followed by the retired class. The only noticeable change between 1992 and 1993 was that the proportion of official language speakers in the family class rose considerably. The lowest levels of official language knowledge were associated with the three business classes.

*The figures used here were run in the fall of 1994. The overall figure 36,511 is slightly higher than the provisional figure of 36,077 used in the last *Update*. The rise is accounted for by additional reporting of immigrants

	Official Language		Mother Tongue Only	
	1992	1993	1992	1993
Independent	2411 66%	2717 67%	1268 34%	1348 33%
Asst. Rel.	413 60%	2268 63%	1603 40%	1324 37%
Retired	2188 59%	3390 59%	1499 41%	2378 41%
Self-employed	371 53%	429 48%	322 47%	466 52%
Family	6331 45%	4792 52%	7891 55%	4479 48%
Investors	1524 34%	1749 33%	2899 66%	3472 67%
Entrepreneurs	2461 30%	2313 30%	5604 70%	5375 70%
Refugees	12 29%	4 36%	29 71%	7 64%

Educational levels

The educational qualifications of immigrants from Hong Kong held steady between 1992 and 1993. In 1993 72% of Hong Kong immigrants had secondary school or less, compared to 73% in 1992. These compare with lower levels over the previous years, 1988, 59%; 1989, 64%; 1990, 66%; and 1991, 69%. The slow increase in numbers of people with only limited education is not explained by the slight rise in the proportion of children in the 1993 figures, because the number of children coupled with young people still only accounts for 30% of the total intake.

The proportion of people with some post-secondary education was 18% in 1993, and the proportion of university graduates was 11%. The percentage of graduates is a slight recovery from the 1992 proportion (10%), and is the same as the 1991 percentage, though not yet as high as the proportions for 1988 (15%), 1989 (12%), or 1990 (12%).

	1988	1989	1990	1991	1992	1993
None	2660 (11%)	2031 (10%)	3423 (12%)	2430 (11%)	3778 (10%)	2777 (8%)
Secondary or less	11063 (48%)	10672 (54%)	15723 (54%)	12902 (58%)	24355 (63%)	23288 (64%)
Trade certificate	3282 (14%)	2527 (13%)	3311 (11%)	1809 (8%)	2612 (7%)	2725 (7%)
Non-university	1974 (9%)	1458 (7%)	1897 (6%)	1351 (6%)	2162 (6%)	2058 (6%)
Univ. non-degree	703 (4%)	822 (4%)	986 (3%)	1049 (5%)	1792 (5%)	1966 (5%)
B.A.	2665 (12%)	1740 (9%)	2540 (9%)	1943 (9%)	2901 (8%)	2805 (8%)
Some post-grad.	192 (.8%)	123 (.6%)	168 (.6%)	75 (.3%)	154 (.4%)	188 (.5%)
M.A.	702 (3%)	445 (2%)	610 (2%)	431 (2%)	567 (1.5%)	514 (1.4%)
Ph.D.	38 (.16%)	32 (.16%)	40 (.14%)	43 (.19%)	75 (.19%)	58 (.15%)
Not stated	2	1	224	296	445	132
Total	23281	19861	28922	22392	38841	36511

When figures are broken down by immigration class, it becomes apparent that there is a considerable range in educational levels. In 1992 retired people stood slightly ahead of the independent class, with fewer people with low levels of education and more university graduates (57%:16%). In 1993, though the proportions for retired people scarcely changed, the number of independents with low levels of education declined, while the number of university graduates went up (57%:19%). All other classes maintained the same levels as 1993.

	Secondary or Less		University Graduates		Total In Class	
	1992	1993	1992	1993	1992	1993
Retired	2094 (57%)	3245 (56%)	601 (16%)	905 (16%)	3687	5768
Independent	2202 (60%)	3211 (57%)	636 (17%)	760 (19%)	3683	4065
Assisted rel.	2748 (68%)	2449 (68%)	476 (12%)	379 (11%)	4018	3592
Family	10233 (72%)	6706 (72%)	1372 (10%)	908 (10%)	14223	9271
Self-employ.	520 (75%)	662 (74%)	46 (7%)	65 (7%)	695	895
Investors	3482 (79%)	4170 (80%)	321 (7%)	313 (6%)	4425	5221
Refugees	33 (80%)	10 (90%)	2 (5%)	1 (9%)	41	11
Entrepreneur	6841 (85%)	6512 (85%)	248 (3%)	235 (3%)	8069	7688

Occupation

In 1990, about half of all immigrants from Hong Kong were destined for the work force. In 1991 that figure went down to 46%, and in 1992 to 45%. It fell again slightly in 1993 to 44%. Fifty-five per cent of those entering Canada in 1992 were classified as non-workers, that is they were not expecting to look for work in Canada. Fifty-four per cent of those who were entering the workforce were already classified for a specific job, as opposed to only 41% in 1992. This was the highest proportion since 1990, when 61% of workers were already classified.

	1988	1989	1990	1991	1992	1993
Entrepren.	1087	1276	1030	907	2033	1968
Investors			533	582	1030	1271
Managerial	2876	1696	2189	705	1014	972
Sci. engineering	1170	493	613	358	479	741
Soc Science	283	131	213	65	87	133
Religion	19	22	19	24	35	25
Teaching	148	95	95	52	43	94
Medicine & health	335	215	294	178	247	237
Arts	275	242	269	132	130	139
Sports & recreation	4	2	4	2	3	7
Clerical	2604	1872	1280	520	667	701
Sales	912	632	895	352	361	334
Service	325	344	379	329	409	444
Farming	8	4	7	4	4	6
Fishing, hunting	7	0	0	0	0	0
Forestry	1	0	0	0	0	0
Mining	0	0	1	0	1	0
Processing	20	21	29	5	41	10
Machining	27	23	55	25	58	21
Fabricating	361	250	493	190	213	169
Construction	49	58	166	63	48	41
Transport	31	18	19	13	15	23
Material handling	23	11	3	4	3	3
Other crafts	53	55	170	69	56	23
New workers	1013	1994				
Not classified			5742	5636	10309	8759
Not stated			32	1	24	10
Total workers			14540	10230	17331	16140
Non-workers			14409	12099	21510	20371
Other	11650	10407				
Total	23281	19861	28949	22329	38841	36511

The rate of anticipated work force participation varied considerably according to immigrant class. With the exception of the retired and investor classes, non-workers are likely to be the direct dependents of the principal immigrant.

	Workers and non-workers					
	Worker		Non-worker		Total	
	1992	1993	1992	1993	1992	1993
Independent	2142 58%	2427 60%	1541 42%	1638 40%	3683	4065
Asst'd rel	2135 53%	1874 52%	1883 47%	1718 48%	4018	3592
Family	6907 49%	5125 55%	7316 51%	4146 45%	14223	9271
Refugees	20 49%	8 73%	21 51%	11 17%	41	11
Self-employed	308 44%	382 43%	387 56%	513 57%	695	895
Entrepreneur	3163 39%	2902 38%	4906 61%	4779 62%	8069	7688
Investor	1621 37%	1789 34%	2804 63%	3432 66%	4425	5221
Retired	1035 28%	1626 28%	2652 72%	4142 72%	3687	5768
Total	17331	16133	21510	20379	38841	36511

We should like to thank Employment and Immigration Canada for making these statistics available to us. ♦

Immigration Cases

There have been several recent cases in which criminal activities or connections of Hong Kong people have stood in the way of their being admitted to Canada.

In one case the immigration application of a 72 year old woman, Dolly Chan Shuk-ching, was turned down. She is the second wife of Cheung Yan-lung, New Territories rural leader and chairman of the Regional Council of Hong Kong. Ms. Chan wanted to move to Canada bringing as her dependent her son, Stanley Cheung Tak-kwai, a 32 year old businessman. According to a report in the *Vancouver Sun* [21 July 1994], Cheung Yan-lung has connections to the Sun Yee On Triad. Ms. Chan is appealing the decision to the Federal Court of Canada.

In another case Carl Men Ky-ching was refused a visitor's visa to attend the World Basketball Championship in Toronto last August, on the grounds that he failed Canada's tests for health and security. Mr. Men, who is president of the Asian Basketball Confederation, has several times been refused entry to Canada as an immigrant.

Calls for the tightening up of Canada immigration rules and for the expeditious removal of immigrants who commit crimes here may have had some impact on the handling of cases from Hong Kong, as from elsewhere in the world. However, officials are at pains to point out that cases are handled on an individual basis. This is demonstrated by a third case with a criminal connection. A young man, Raymond Chu, who has lived in Canada for most of his life, had his deportation order stayed, given that his connections with Hong Kong were now minimal. The deportation was supposed to follow from a criminal conviction for assault in 1988, for which he served a prison term. He has now reformed his ways and severed connections to the criminal world.

In an unrelated immigration matter, So Keng-chit, a newspaper columnist and member of the Hong Kong Alliance in Support of Democracy in China and of the United Democrats of Hong Kong, was granted refugee status in Toronto. He was admitted on the grounds of fear for his safety in Hong Kong, where he is reported to have received death threats. ♦

DAB Chairman's Family Immigrate to Canada

The wife and daughter of Mr. Tsang Yok-sing, chairman of the Democratic Alliance for Betterment of Hong Kong (DAB), the Hong Kong political party based on pro-Communist labour unions, immigrated to Canada in August and settled in Vancouver.

Mr. Tsang, a mathematics teacher and principal of a pro-Communist high school, admitted that his wife decided to emigrate in the wake of the Tiananmen massacre and applied to come to

Canada. His name was on the application as her dependent. He explained that when he later tried to withdraw his name, he was advised by Canadian Commission officials that the family must either go through the process together or withdraw together. So he remained in the process for his wife's sake, but he did not land in Canada.

During the Tiananmen movement, Mr. Tsang, along with the rest of Hong Kong, openly supported the Beijing students. After the massacre, he publicly expressed his disillusionment with the Communist authorities. He later mended his fences with the Party. When the DAB was established following the crushing defeat of all pro-PRC candidates by pro-democracy groups in the 1991 Legco election, he became its chairman. The DAB has been trying to win the trust of both PRC officials and Hong Kong labour.

The Tsang family's emigration became general knowledge after he was recognized by members of the public at a clinic for the immigration physical examination. His was not the only political family separated by migration. The wife and children of Mr. Albert Ho, vice-chairman of the United Democrats, also immigrated to Canada last summer. However, it was reported that Mrs. Ho was permitted to submit her application without including her husband's name. ♦

Hong Kong-Canadian Disk Jockey

Ms. Sook-yin Lee, a Chinese Canadian whose parents immigrated from Hong Kong, was recently appointed disk jockey by Much Music, the Toronto mainstream pop music television channel. Lee, who was born and brought up in Vancouver, is a singer, actress, writer, and filmmaker in her own right. She attributes part of her creative impulses to what she learned from her parents about street life in Hong Kong. Her appointment is another milestone in the integration of Hong Kong-Canadians into mainstream culture. ♦

Local Elections in the Greater Toronto Area

Some 30 Chinese-Canadians ran for office in the Greater Toronto Area local elections held last November. Many of these candidates had immigrated from Hong Kong. However, tens of thousands of Hong Kong immigrants are not yet eligible to vote or ready to run, because of the recency of their arrival in this country.

Prominent among the Canadians of Hong Kong origin who won at this election were Ms **Olivia Chow**, re-elected as Metro Councillor; Ms **Tam Goossen**, elected to a third term as Toronto School Board Trustee; and Ms **Carrie Cheng**, a young graduate of the University of Toronto, elected as Scarborough School Board Trustee. ♦

New Director of Hong Kong Government Office in Toronto



C. M. Leung

Chin-man Leung has been appointed the new director of the Hong Kong Economic and Trade Office (Toronto) from July 1994. One of Hong Kong's highest ranking civil servants, he is also the chief representative of the Hong Kong Government in Canada. His appointment extends beyond 1997.

Prior to his assignment to Canada, Mr. Leung was the Deputy Secretary for Constitutional Affairs, responsible for the development and implementation of Governor Patten's constitutional reform proposals for Hong Kong and guiding them through the Legislative Council. He has been a member of the Hong Kong Government for 28 years, working first in the Immigration Department and later in the Security Branch, the City and New Territories Administration, and the Finance Branch. In 1988 he was appointed Director of Community Relations in the Independent Commission Against Corruption.

Educated in Hong Kong at a time when very few high school graduates had the opportunity to go on to university, Mr. Leung studied on his own and received his external B.A. degree in philosophy from the University of London, with first class honours. He maintains a keen interest in philosophy, especially in Karl Popper and the open society.

Hong Kong Economic and Trade Offices are provided for under the Sino-British Joint Declaration, as well as under the Basic Law for the future Special Administrative Region of Hong Kong. Their function is to represent overseas the interests of Hong Kong as distinct from those of the United Kingdom and the People's Republic of China. Since Hong Kong is not a sovereign state, these offices enjoy "senior official" rather than diplomatic status. At present there are eight such missions around the world. The Toronto office, established in October 1991, covers all of Canada.

Mr. Leung's predecessor, Mr. Stephen Lam, who served in Toronto from 1991-94, is now posted in Hong Kong as Deputy Secretary for Constitutional Affairs, in charge of liaison with PRC officials. ♦

MBA Trade Competition Winners Bring Canadian Wild Rice to Hong Kong

by Martha Benson

Canadian Chamber of Commerce in Hong Kong

Would selling Canadian rice in Hong Kong be as tough as selling refrigerators to Eskimos? Three MBA graduate students from the University of Saskatchewan arrived in Hong Kong this past August to find out.

Scott Musgrave, Susanne Marcotte, and Harry Schuurmans faced tough competition this past year as 42 students from 12 business schools across Canada competed for the coveted first prize in the 7th annual MBA Trade Competition. Organized by The Canadian Chamber of Commerce in Hong Kong, the competition gives students an opportunity to learn more about the intricacies of working in the Hong Kong and Chinese markets, and for the winners, first-hand experience of doing business in Hong Kong. The three winners were flown to Hong Kong where they worked for a month to make their plan a reality.

"It is one thing to desire to introduce a Canadian product into an Asian market, but it is quite another to draw up a plan and then effectuate it," said the winners. To help them get started, the Chamber organized a luncheon at the Hilton on August 11 for the three students to present their plan and introduced them to several business leaders in the community. The wild rice was featured on the luncheon menu and won rave reviews. As a result of their research and work in Hong Kong, the three are confident that Rieser's Canadian Lake Wild Rice should be on supermarket shelves in Hong Kong by this summer.

Past winners of the competition have benefited greatly from similar experiences, and many of them are now working in Hong Kong, including



Chamber president Barry Macdonald accepts a gift on behalf of the Chamber from MBA Trade competition winners Harry Schuurmans and Scott Musgrave.

the Chairperson of the MBA Trade Competition Committee, Helen Wong. "As an MBA student, I was fully aware of the increasing globalization of business and the need for Canadian companies to become more competitive abroad," Helen said. "The contest enabled me to put our classroom theories into practice and make valuable business

contacts in Hong Kong. The first-hand knowledge I gained as a winner provided me with the foundation I needed to begin an international career."

The 1994 competition saw proposals to introduce a variety of unique products and services to the Hong Kong market, including Canadian beer, dried fish, environmental technology, automated stock trading and real estate listing services, electric wheelchairs, and tire recycling. The plans were judged by a panel comprised of past winners and leading local business people in Hong Kong. Each entry was evaluated not only on its depth of research and viability, but also on the degree of innovation shown and understanding of the business environment in Hong Kong. Susanne, Scott, and Harry's proposal to bring Canadian wild rice to Asia demonstrated superior understanding of the difficulties involved in the task and even included recipes that would appeal to Asian tastes in order to help speed the introduction.

Other 1994 winners include: Second Prize (Quebec), Michael Bently and Michelle Legault of McGill University for Greensback Technologies; and Third Prize (Ontario), Carmen Y.C. Chan, Jay McNaughton, and Peter Wong of Wilfred Laurier University for AutoTrade. Additional regional prizes were awarded: British Columbia, Simon Fraser University for the introduction of Habitron to Hong Kong; Alberta, University of Alberta for Alberta Jet Fresh Pork; Nova Scotia, St. Mary's University for Titan Radar International Inc.; and New Brunswick, University of N.B. for the Blue Cove Group. ♦

Summer Job Programme in Hong Kong

The Hong Kong Economic and Trade Office is advertising its summer Job Placement Programme for undergraduate students at six Canadian universities. This work experience programme, now in its second year, has been organized by the HKETO to expose Canadian students to the working and social environment in Hong Kong. The placements are for the two summer months of July and August.

Six universities in Canada have been chosen for this pilot programme. They include the University of Toronto, University of Western Ontario, York University, Simon Fraser University, University of British Columbia, and University of Victoria. **The summer job programme is open to continuing, full-time undergraduate students from all faculties at**

these six universities. Those graduating in 1995 are not eligible. Some knowledge of Cantonese or Mandarin is a desirable asset. Applicants selected will receive air passage, a stipend from the participating Hong Kong companies, and an accommodation allowance.

Last year eight Canadian students from many different backgrounds were chosen for the programme. These included Jacqueline Chan, who was assigned to eight different departments of the Hongkong Bank; Bibhas Damodar Vaze, a political science student who worked for Radio Television Hong Kong; and Suzanne Williams, an Asian Studies major who was placed as a research assistant at the Hong Kong Tourist Association and compiled a market report on international visitors to Hong Kong.

All applications for this year's competition are due by 31 March 1995. Students should submit their forms together with an essay, "Hong Kong Job Placement Programme: Opportunities and Challenges for Canadian Students." A selection committee will conduct interviews with finalists in the first week of May.

Application forms are available at the job placement offices of the six universities; from the Hong Kong Economic & Trade Office (174 St. George Street, Toronto, ON, M5R 2M7; tel. 416-924-5544; fax 416-924-3599); and from the Asia Pacific Foundation of Canada (666 - 999 Canada Place, Vancouver, BC, V6C 3E1; tel. 604-684-5986; fax 604-681-1370).♦

Hong Kong Contemporary Arts

by Yan-chi Choi
Toronto

Much has been stressed about the success of the Hong Kong economy, especially in the count-down to 1997, and little about the territory's cultural achievements. The profile of Hong Kong, its life and its people, is stereotyped as a crowd, blind-folded by money, with little depth of thought or culture.

Though lack of institutional support and markets has hindered development of the arts in Hong Kong, new ideas and forms have, nevertheless, continued to flourish. Since the late 1970s, a young generation of Hong Kong artists has strenuously worked against the stream, introducing a new phase of dynamic, contemporary art. Many of these artists who had studied in the U.S., France or England chose to return to Hong Kong in the 1980s and pursue their careers. These included Danny Yung and Gus Wong (performing artists), Yang Wong (painter), Antony Mak (sculptor), Willy Cho and Helen Lai (modern dancers), Choi Yan-chi (painter and installation artist), Michael Chan (photographer), and Lam Man-ye (composer). A number of Hong Kong trained artists, such as Kwok Man-ho (performance and installation artist), Leung Kar-tai, and Joseph Fung (photographer) also joined the new movement.

"Journey to China," an experimental theatre work performed in the Hong Kong Arts Centre in 1980, signifies the beginning of this emerging trend. This work was produced at the time the British government was turning to a new strategy for its last decades of colonial rule, and Hong Kong business people were making plans to travel to the PRC to explore the mystery of the "awakening dragon."

Though aesthetically abrasive, "Journey to China," written by Danny Yung, was successful in generating relevant questions, arguments, and disagreements. One of the major ideas shared by artists of that era was "to step out," to dismantle, or "to break through the frame" of more traditional art styles. Each artist experimented in different medias with new forms and directions, initiating an "age of pluralism" in the Hong Kong art scene. Art issues and the Western "isms" of the 1970s strongly influenced the work of this generation.

With the open door policy of the PRC, tens of thousands of Hongkongans, mostly men, have crossed the border to work in joint ventures or other businesses on the Mainland, where their technical skills and managerial know-how are in great demand. While very few have settled down on the other side of the border, thousands habitually spend many days or weeks there and return to their families in Hong Kong only on weekends or holidays.

This has given rise in many instances to marriage or extramarital affairs between Hong Kong

"To search for cultural identity" was the dominant focus for Hong Kong artists of the 1960s and 1970s, while the artists of the 1980s were more interested in searching for new horizons and breaking barriers – the boundaries between audience and art works, between photography and painting, between different disciplines, between new ideas and tradition. Artists from different media, such as dancers, poets, and painters, collaborated on new works. Since they were not producing for the commercial market, they had greater freedom to experiment with new forms and ideas.

Also in 1980 a new modern dance company was formed, the City Contemporary Dance Company. The CCDC has been responsible for introducing alternative dance forms, and it is presently promoting modern dance in the PRC. "Zuni," a dynamic theatre group, was also founded in the early 1980s and has been a strong motivating force for the younger generation. It has challenged local traditions and institutions, creating a dialogue with the Hong Kong community and art.

In 1985 the Hong Kong Arts Centre presented its first installation exhibition, "An Extension into Space," with works by artist Choi Yan-chi. Though it received considerable attention, reviews of the show were very critical. However, installation art became a popular medium for young Hong Kong artists in the 1990s. New artists joined the contemporary art movement. These include Oscar Ho (sculptor), Wong Woo-bik (photographer), Chan Yuk-keung (sculptor), and Josh Hon (painter and performance artist). Thus, the 1980s was an era of exploration for Hong Kong artists, and new forms of art – videos, installation arts, alternative photography, experimental theatre and dance – projected Hong Kong ahead of other Asian cities.

In 1984 a conference on "art and the city" was organized by the Hong Kong Arts Centre. It questioned the government's policy on support and sought revival of the arts in Hong Kong. At the conference, a government advisory officer declared that the government believed in "the free development of the arts," and that it had no official "cultural policy." Many in the art community interpreted this statement to mean "no commitment or support" from the government. As artists realized

they needed to organize to demand change, a workers' union, the Art Administrators Association, was formed as a pressure group to lobby for improvement in official support of the arts.

The Beijing Massacre of 4 June 1989 was another turning point for Hong Kong artists. The expression of political concerns, rarely seen in art works of the 1960s and 1970s, became more dominant in the 1990s. Many works are loaded with political messages, and some have become too didactic. In particular vogue among young Hong Kong artists are installations and mixed-media arts. The openness and diversity of forms are appropriate to express the unfulfilled aspirations of this new generation.

In the 1990s, the tide has turned for contemporary art, and many artists have joined together to voice their needs. At present, a major concern in the Hong Kong art world is the formation of the Art Council, begun in 1992. The Council is a government organization for policy setting and funding of the arts. An advisory committee of the Council is composed of artists and government officials. Last spring the Art Council accepted applications for art projects and programmes. It will support different disciplines, including visual arts, theatre, music, and literature. Film-making has also made an appeal for inclusion. The Art Council is an important innovation of the present Hong Kong government to support the arts in the three remaining years before 1997.

Hong Kong artists have a great deal of expectations of the new Council. Freedom of expression, improvement of art education, and research on Hong Kong art history are the prime concerns, besides funding and art development policy. Yet, the remaining time before the PRC assumes sovereignty over Hong Kong is short. If proper policy and programmes can be quickly established, there may still be time to generate a dynamic growth of the Hong Kong arts in the future. While the economic success of Hong Kong is important for the territory's future stability and prosperity, it is also vital that its art, reflecting the mind and soul, the voice and thoughts of Hong Kong people, flourish and be recognized. ♦

Extramarital Affairs in PRC

men and women of the Mainland, where costs are said to be very cheap. While the exact number of extramarital relations cannot be known, the extent is believed to be quite serious. The "Mainland mistresses" issue was raised in the Hong Kong Legislative Council in January, after social workers reported an increasing incidence of complaints from Hong Kong wives.

In addition to any moral, emotional, and familial problems that these affairs might engender both in Hong Kong and on the Mainland, there is also a

great deal of concern over the sudden influx of a large and unknown number of children born out of such unions, into Hong Kong after 1997. The Basic Law provides that children born of Hong Kong parents outside the territory would have right of abode in Hong Kong. It has been estimated that there are some 60,000 children in the PRC born of Mainland wives and Hong Kong husbands. The number of children born out of wedlock is believed to be rising rapidly, but cannot be ascertained. ♦

"Hong Kong: Portraits of Power"

by Janet A. Rubinoff
Toronto

Evelyn S.Y. Huang, who immigrated to Canada from Hong Kong in 1967, is writing her second book and her first on Hong Kong. Her new work, entitled *Hong Kong: Portraits of Power*, will focus on 25 interviews with successful entrepreneurs of Hong Kong, leaders in the world of commerce, politics and community service. These men and women are the "people who have made Hong Kong what it is today. They have seen it grow from a small colony of refugees and British merchants to one of the great financial centres of the world." The book, which will also have an introduction on the history and culture of Hong Kong, is co-authored with Lawrence Jeffery; the photographs were done by Lord Snowdon.

Among those featured in her new book are Sally Au Sian, media mogul and CEO of *Sing Tao Newspapers*; Anson Chan, Chief Secretary of the Hong Kong government; Baroness Lydia Dunn, member of the House of Lords, the Harlela Brothers, billionaire businessmen; Stanley Ho, billionaire and multinational businessman; Charles Kao, Vice Chancellor of the Chinese University of

Hong Kong; Martin Lee, barrister and leader of the Democratic Party of Hong Kong; Li Ka-shing, billionaire entrepreneur; Joyce Ma, fashion magnate; Sir Run Run Shaw, movie and television mogul; Elsie Elliott Tu, life-long crusader for social justice and senior member of Legco; and Wang Gungwu, Vice Chancellor of the University of Hong Kong. The book will be published in October 1995 by Orion in the U.K. The well known TV documentary producer, Michael McLearn, will be featuring a special TV program on the book in the fall.

Published in 1992, Ms. Huang's first book, *Chinese Canadians: Voices from a Community*, also co-authored with Lawrence Jeffery, presented a series of interviews with prominent members of the Chinese Canadian community. Among these community leaders interviewed are Dock Yip, the first Chinese called to the bar in Canada; Bob Lee, entrepreneur; David Lam, Lt.-Governor of British Columbia; Bob Wong, politician and first Chinese Canadian appointed minister in a provincial government; Susan Eng, lawyer and chair of the Metropolitan Toronto Police Services Board;

Joseph Wong, doctor and community leader in Toronto; Adrienne Clarkson, writer and television producer; Lee Kum Sing, pianist and professor of music; and Der Hoi-Yin, journalist and national business correspondent for *The Journal* on CBC-TV. It also gives a brief history of the Chinese community in Canada and its quest for equality.

A graduate in history from the University of Hong Kong and a Certified General Accountant, Ms Huang is presently working on her M.A. in Political Science at York University. Among her many accomplishments as a writer and community leader in Toronto, she was also a former financial advisor to the Ontario Ministry of Treasury and Economics and is a member of the board of directors for the Royal Ontario Museum, the Toronto Symphony, and the Royal Conservatory of Music. She also serves on the advisory committee of the Canada and Hong Kong Project's new Resource Centre for Hong Kong Studies. She lives with her husband and children in Toronto. ♦

• NEWS IN BRIEF • NEWS IN BRIEF • NEWS IN BRIEF •

Visit of Andre Ouellet to Hong Kong

Andre Ouellet, Minister of Foreign Affairs, visited Hong Kong in early August after a visit to the PRC. While in China he had a meeting with Premier Li Peng, in which he raised the question of the position of Canadian citizens in Hong Kong after 1997. Mr. Li was able to reassure M. Ouellet that there is "no reason to believe that Canadians will be treated unfairly" after 1997 [*South China Morning Post*, 6 August 1994, p.2]. In a speech to the Canadian Chamber of Commerce in Hong Kong M. Ouellet said, on the issue of 1997:

"Canada has a vital interest in seeing a smooth, orderly and equitable transition, one that will maintain the well-being of the large Canadian community here. I can assure you that I made this point very clearly to the Chinese leadership in Beijing last week.

Canadians will continue to follow very closely the changes that Hong Kong people and institutions will face in the next few years. While 1997 will be a major watershed in your history, we are confident that Hong Kong's unique and vital economic role will be preserved and strengthened in the coming years. We have confidence in Hong Kong and in China to make things work."

While in Hong Kong, M. Ouellet signed a memorandum of understanding with the Hong Kong government on strengthening cultural cooperation between the two places. The agreement covers a wide range of cultural activities, including exchanges of artists, sportsmen, sponsorship of

performances, and encouragement of research and teaching in the arts, culture, and sports.

M. Ouellet also took part in an exchange of letters on cooperation in the fight against drug trafficking. ♦

New Canadian Commissioner in Hong Kong

Mr. Garrett Lambert was appointed the new Canadian Commissioner in Hong Kong last summer. He replaced John Higginbotham, who has been reassigned as Minister in the Canadian Embassy in Washington D.C. A graduate of the University of Toronto, Mr. Lambert has been Canadian High Commissioner to Nigeria and to Malaysia. He is one of the top trade specialists in Ottawa and has represented Canada in a number of important trade negotiations. Prior to his appointment to Hong Kong, he was a top administrator in the Department of Foreign Affairs and International Trade in Ottawa. ♦

Hong Kong and the Commonwealth Games

The 1994 Commonwealth Games, held in Victoria last August, were the last at which Hong Kong will compete as a member of the Commonwealth. To mark this occasion the Hong Kong Government sent a team of athletes to the Games and also organised a number of events in Victoria and in Vancouver. The events were hosted

by C.M. Leung, the new director of the Hong Kong Economic and Trade Office. James So, the Secretary for Recreation and Culture in the Hong Kong Government, was in British Columbia for the events. The Hong Kong Economic and Trade Office also sponsored performances by a troupe from the Hong Kong Academy of Performing Arts and a photograph exhibition, "A Day in Hong Kong." Hong Kong won three medals during the Games.

Mr. So gave several talks during his time in British Columbia. Speaking to the Hong Kong Canada Business Association, Mr. So was enthusiastic about the future of Hong Kong and particularly about the opportunities in the communications industry. However, he stressed that Canadians would have to make serious efforts to be involved in the booming Asian communications industry, which has its hub in Hong Kong. ♦

Chief Secretary Anson Chan's Visit to Canada

Mrs. Anson Chan, Chief Secretary of the Hong Kong Government, visited Canada as part of a North American tour in October. She met with Prime Minister Jean Chrétien and other cabinet ministers during her stay in Ottawa. She gave a number of major speeches both in Ottawa and Toronto, in which she stressed the importance and growing strength of Hong Kong-Canada relations. She also emphasized the determination of Hong Kong to remain a free, honest, open, and successful society under rule of law, towards 1997 and beyond.

Mrs. Chan is the first Hongkongan and the first woman to hold the position of head of the civil service and chief adviser to the Governor of Hong Kong. ♦

Visa Student Killed in Toronto Highrise Fire

In January, six people were killed in a night fire that broke out in a highrise apartment building in North York, Ontario. One of the victims was Vivian Lam, a 16 year old visa student from Hong Kong, attending a public high school in the neighbourhood. Her family had planned to immigrate to Canada later this year, but had sent her to begin studies in Toronto last September so that her schooling would not be interrupted. She was living alone in her apartment.

There are several thousand visa students from Hong Kong attending high schools in Canada. These students bring millions of dollars in tuition fees and living expenses into the local communities. While many of these youngsters live with relatives and guardians or lodge in school dormitories, a sizeable number live alone or with peers in rented apartments, giving rise to concern in many quarters about their wellbeing. ♦

Project Publishes Study on Visa Students

The Canada and Hong Kong Project has recently published the second volume in its Research Papers series, "Hong Kong Visa Students in Secondary Schools in Metropolitan Toronto." Commissioned by the Project as part of its 1992 workshop on Hong Kong Visa Students in Canada, this study, conducted by Dr. Paul L.M. Lee, focuses on the experiences and expectations of visa students at the secondary level and the efforts being made by schools and school boards to meet the challenge. It examines the life styles, living arrangements, personal problems, language difficulties, and needs of these students and suggests ways to improve school and community services for visa students. An extensive student questionnaire (reprinted in the volume) and more intensive interviews with students and school personnel were utilized in the study.

Other presentations that were originally given at the Project's Visa Student Workshop, part of Festival Hong Kong '92 in Canada, are summarized in the introduction to this volume. It can be purchased directly from the Project for CDNS7. [See order form on back page.] ♦

Tokyo & Hong Kong Symposia

A symposium on Chinese communities in North American cities was organized by the Centre of Areas Studies of Keio University, Tokyo, on 2-3 December 1994. The co-directors of the Canada and Hong Kong Project, Professors Diana Lary

and Bernard Luk, were invited to present papers on Vancouver and Toronto, respectively. Other presentations included a paper by Paul Kwong of Griffith University, Brisbane, Australia, on the impact of emigration on Hong Kong society.

Hong Kong has been the leading source country for Chinese immigration to Canada since the 1960s. Nearly three-quarters of Chinese-Canadians have come from Hong Kong or were descended from Hong Kong immigrants.

Professor Lary also gave a paper on "Political Participation and the Canadian Chinese: the Road to the 1993 Election," at the Hong Kong Conference on Overseas Chinese, held at Hong Kong University in December. ♦

Project Sponsors Hong Kong Seminar Series

A new series of seminars on Hong Kong, organized by the Canada and Hong Kong Project, was introduced in January 1995. The seminars will be held alternately at York University and the University of Toronto. They will cover a wide range of topics related to Hong Kong, Canada-Hong Kong relations, and communities of Hong Kong origin in Canada.

The first seminar, entitled "Banking and Finance in Hong Kong after 1997," was given on January 16 by Dr. David Bond, Chief Economist and Vice President for Government and Public Affairs of the Hongkong Bank of Canada. Co-sponsored by the Project and York International, the talk was attended by many professors and graduate students from the two universities. A reception, hosted by Vice President Michael Stevenson of York University, followed the seminar.

A second seminar, entitled "Archaeology and Historical Conservation in Hong Kong," was held on February 3 at the Canada and Hong Kong Resource Centre of the University of Toronto. The speakers were Susanna Siu, Curator (Historical Buildings) of the Hong Kong Antiquities and Monuments Office, and Hing-wah Chau, Assistant Curator (Archaeology) of the Hong Kong Museum of History.

Mr. Chau traced the development of archaeology in Hong Kong since the early 20th century and presented the most recent discoveries made by salvage excavations in connection with the Port and Airport Development Scheme. Altogether more than 200 sites have been found in the territory of Hong Kong, dating from the New Stone Age about 6,000 B.P. through various Chinese dynasties beginning with the Eastern Han.

Ms. Siu described several of the most important historical buildings in Hong Kong, including both Chinese traditional rural houses and British colonial public buildings. She discussed the achievements as well as the difficulties of conserving and restoring historical buildings in the face of the very rapid urbanization and redevelopment in the territory.

A number of future seminars are planned that will focus on political, economic, or environmental issues. ♦

Immigrant Teenager Charged for Faking Abduction

An immigrant student from Hong Kong attending grade 13 in suburban Toronto was charged in December in connection with her own faked kidnapping for ransom. The young woman lived with her mother and siblings in Toronto. Her father operated a business in Hong Kong and was reportedly often absent from home.

There are numerous "astronauts" among immigrant families from Hong Kong, who find it imperative to return to the territory with some frequency. Although working in Hong Kong, many "astronauts" bring family remittances to Canada amounting to millions of dollars annually. While long absences from home may be an economic necessity, such a lifestyle often causes considerable stress to many of the family members remaining in Canada. ♦

Hong Kong Reference Manual for Teachers

John Bolton, a senior English-as-a-Second-Language (ESL) teacher with the Scarborough Board of Education, was granted a sabbatical leave by his Board during 1994-95 to spend several months in Hong Kong. Mr. Bolton, who grew up in Ontario and graduated from the University of Toronto, has taught in schools in Canada, the Caribbean, and Hong Kong. He speaks Cantonese and has worked with Chinese ESL students for many years. Most of his students in Scarborough are from Hong Kong. His sabbatical project is to develop a reference manual on Hong Kong education, society, and culture for the use of mainstream teachers in the Greater Toronto Area who work with immigrant or visa students from Hong Kong. ♦

Phone Numbers Change in Hong Kong

The growth of telecommunications services in Hong Kong has led to an increase in the demand for phone numbers. To meet Hong Kong's needs into the 21st century, the telecommunications regulatory authority, OFTA, announced a new plan that will make more numbers available.

From 1 January 1995, all 7-digit business and residential phone and fax numbers have undergone a simple change: they are now prefixed with the digit 2, added to the existing number, to make 8 digits. Apart from this, the original number will remain unchanged. For example, 888-2888 has become 2888-2888. Pager numbers have not yet been changed. ♦

PROJECT PUBLICATIONS

Canada and Hong Kong Papers:

- No. 1: **Politics and Society in Hong Kong towards 1997**, Charles Burton, ed., 1992. \$12
No. 2: **Canada-Hong Kong: Some Legal Considerations**, William Angus, ed., 1992. \$12
No. 3: **Hong Kong and China in Transition**, by J. Burns, V. Falkenheim, & D.M.Lampton, 1994. \$12
No. 4: **Canada-Hong Kong: Human Rights and Privacy Law Issues**,
by J. Chan and William Angus, eds., August 1994. \$12

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